



NOTICE OF MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

FOR THE

SPECIAL MEETING OF SECURITYHOLDERS

OF

NEW OROPERU RESOURCES INC.

to be held on
September 8, 2021

August 9, 2021

Fellow Securityholders:

On behalf of the board of directors (the "**New Oroperu Board**") and management of New Oroperu Resources Inc. (the "**Company**" or "**New Oroperu**"), I write in connection with the special meeting (the "**Meeting**") of the holders of the Company's common shares ("**New Oroperu Shares**"), options to purchase New Oroperu Shares and warrants to purchase New Oroperu Shares (collectively, "**New Oroperu Securityholders**"). The Meeting will be held at 595 Burrard Street, Suite 2600, Vancouver BC V7X 1L3 on September 8, 2021, at 11:00 a.m. (Pacific time).

The accompanying management information circular (the "**Circular**") and notice of special meeting of New Oroperu Securityholders (the "**Notice of Meeting**") contain important information regarding how to vote at the Meeting, the Arrangement (as defined below) and the Arrangement Resolution (as defined in the Circular). New Oroperu Securityholders are urged to read this information carefully and, if they require assistance, to consult their tax, financial, legal and other professional advisors.

The Arrangement

On June 16, 2021, New Oroperu entered into an arrangement agreement (the "**Arrangement Agreement**") with First Light Capital Corp. ("**First Light**") whereby, subject to the terms and conditions of the Arrangement Agreement, First Light will acquire all of the issued and outstanding New Oroperu Shares on the basis of 5.815 common shares of First Light ("**First Light Shares**") for each New Oroperu Share outstanding, pursuant to a statutory plan of arrangement (the "**Arrangement**") under the *Business Corporations Act* (British Columbia) ("**BCBCA**"). Immediately following completion of the Arrangement, New Oroperu will become a wholly-owned subsidiary of First Light and, following the issuance of First Light Shares in exchange for New Oroperu Shares at the effective time, it is anticipated that current New Oroperu Shareholders and current holders of First Light Shares will own approximately 84% and 16% of the combined entity (to be renamed Anacortes Mining Corp. ("**Anacortes**")), respectively, without giving effect to the Concurrent Private Placement (as defined below). After giving effect to the Concurrent Private Placement, it is expected that current New Oroperu Shareholders, current holders of First Light Shares and investors in the Concurrent Private Placement will own approximately 65%, 12% and 22% of the combined entity, respectively.

Reasons for the Arrangement

In unanimously determining that the Arrangement is in the best interests of New Oroperu, that the Consideration (as defined in this Circular) is fair, from a financial point of view, to the New Oroperu Shareholders and in supporting the Arrangement generally, the New Oroperu Board considered and relied on a number of principal factors, including, among others, factors relating to: (i) the expected capitalization of Anacortes; (ii) the extensive experience of the proposed management team of Anacortes; (iii) organic growth potential; (iv) strong combined leadership team; (v) anticipated strong balance sheet; (vi) increased market capitalization; (vii) increased trading liquidity; (viii) participation by both companies' shareholders in the combined operations and growth projects; and (ix) consideration of alternatives. In the course of its deliberations, the New Oroperu Board also considered the various procedural and qualitative safeguards provided by the terms of the Arrangement Agreement to protect the interests of New Oroperu and New Oroperu Securityholders.

Securityholder Vote

Arrangement Resolution

At the Meeting, New Oroperu Securityholders will be asked to consider, and if deemed advisable, to approve, with or without variation, a special resolution (the "**Arrangement Resolution**"), the full text of which is attached as Schedule "A" to the Circular, authorizing and approving the Arrangement, as more particularly described in the Circular. To be effective, the Arrangement Resolution must be approved at the Meeting by (i) two-thirds of the votes cast on the Arrangement Resolution by New Oroperu Shareholders present in person or represented by proxy at the Meeting, (ii) two-thirds of the votes cast on the Arrangement Resolution by New Oroperu Securityholders present in person or represented by proxy at the Meeting, voting together as a single class; and (iii) a simple majority of the votes cast on the Arrangement Resolution by New Oroperu Shareholders present in person or represented by proxy at the Meeting, excluding votes cast by directors, senior officers and certain other parties of New Oroperu whose votes must be excluded pursuant to MI 61-101.

Recommendations

The New Oroperu Board, after careful consideration, including a thorough review of the Arrangement Agreement and receiving the advice of its financial and legal advisors, including the fairness opinions of Haywood Securities Inc. and Echelon Wealth Partners Inc., in addition to considering other matters, each as described in the Circular, has unanimously determined that the Arrangement is in the best interests of New Oroperu and unanimously recommends that New Oroperu Securityholders **VOTE FOR** the Arrangement Resolution.

Vote your New Oroperu Securities today FOR the Arrangement Resolution

Your vote is important regardless of how many New Oroperu Securities you own. New Oroperu Securityholders are strongly encouraged to submit their votes in advance of the Meeting over the Internet or by telephone or by mailing in a completed form of proxy or voting instruction form, as applicable. To be effective, the enclosed form of proxy must be received by New Oroperu's transfer agent, Computershare Trust Company of Canada (according to the instructions on the proxy), not later than 11:00 a.m. (Pacific time) on Friday, September 3, 2021, or not later than 48 hours (excluding Saturdays, Sundays or holidays) before the time of the Meeting (as it may be adjourned or postponed from time to time). The deadline for the deposit of proxies may be waived or extended by the Chair of the Meeting at his discretion, without notice.

If you hold your New Oroperu Shares through a broker, custodian, nominee or other intermediary, you should follow the instructions provided by such intermediary to ensure your vote is counted at the Meeting.

New Oroperu intends to hold the Meeting in person. However, in view of the ongoing COVID-19 pandemic, to mitigate risk to the health and safety of our communities, shareholders and employees, New Oroperu Securityholders and proxyholders are encouraged to vote in advance of the Meeting. If any New Oroperu Securityholder or proxyholder does wish to attend the Meeting in person, please note that COVID-19 protocols will be applied to the Meeting. New Oroperu may take additional precautionary measures in relation to the Meeting in response to further developments with the COVID-19 pandemic. In the event that it is not possible or advisable to hold the Meeting in person, New Oroperu will announce alternative arrangements for the Meeting, which may include holding the Meeting entirely by electronic means, telephone or other communication facilities.

Conditions

Subject to obtaining the requisite approvals of the New Oroperu Securityholders, the First Light Shareholders and the Supreme Court of British Columbia, it is anticipated that the Arrangement will be completed as soon as practicable following: (i) receipt of the final order of the Supreme Court of British Columbia, which is expected to be obtained on September 10, 2021; and (ii) following the satisfaction or waiver of all other conditions precedent to the Arrangement.

Securityholder Questions

If you have any questions about the matters to come before the Meeting or the information contained in the Notice of Meeting or Circular, you may obtain further information by contacting New Oroperu at info@oroperu.com.

On behalf of New Oroperu, we would like to thank all New Oroperu Securityholders for their continuing support.

Sincerely,

"K. Wayne Livingstone"

K. Wayne Livingstone
President, Chief Executive Officer & Director

NOTICE OF SPECIAL MEETING OF SECURITYHOLDERS

NOTICE IS HEREBY GIVEN that the special meeting (the "**Meeting**") of the holders ("**New Oroperu Securityholders**") of New Oroperu Resource Inc.'s (the "**Company**" or "**New Oroperu**") common shares ("**New Oroperu Shares**"), options to purchase New Oroperu Shares ("**New Oroperu Options**") and warrants to purchase New Oroperu Shares ("**New Oroperu Warrants**" and together with the New Oroperu Shares and New Oroperu Options, "**New Oroperu Securities**") will be held at 595 Burrard Street, Suite 2600, Vancouver BC V7X 1L3, on September 8, 2021, at 11:00 a.m. (Pacific time), where New Oroperu Securityholders will be asked:

1. To consider, and if deemed advisable, to approve, with or without variation, a special resolution (the "**Arrangement Resolution**") authorizing and approving the proposed acquisition by First Light Capital Corp. ("**First Light**") of all of the outstanding common shares of New Oroperu by way of a proposed plan of arrangement under the *Business Corporations Act* (British Columbia) (the "**Arrangement**") involving First Light and New Oroperu, pursuant to the terms and subject to the conditions of the arrangement agreement dated June 16, 2021 between First Light and New Oroperu (for further information, please see the sections entitled "*Background to the Arrangement & Recommendations*", "*The Arrangement*" and "*The Arrangement Agreement*" in the Circular).

The accompanying management information circular of New Oroperu dated August 9, 2021 (the "**Circular**") provides specific details of the business to be considered at the Meeting. The full text of the Arrangement Resolution is set out in Schedule "A" to the Circular. The board of directors of New Oroperu unanimously recommends that New Oroperu Securityholders **VOTE FOR** the Arrangement Resolution. It is a condition to the completion of the Arrangement that the Arrangement Resolution be approved at the Meeting.

The record date (the "**Record Date**") for determination of New Oroperu Securityholders entitled to receive notice of and to vote at the Meeting was the close of business on August 4, 2021. Holders of New Oroperu Securities as at the Record Date who either attend the Meeting in person or who have completed and delivered a proxy or voting instruction form in the manner and subject to the provisions described above shall be entitled to vote, or to have their New Oroperu Securities voted, on all matters to come before the Meeting.

Voting of Proxies

Registered Securityholders

Registered New Oroperu Securityholders will receive a proxy form enabling them to vote at the Meeting. Such proxy will not be valid unless a completed, dated and signed form of proxy is received by Computershare Trust Company of Canada, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 not later than 11:00 a.m. (Pacific time) on Friday, September 3, 2021, or not later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting as it may be adjourned or postponed from time to time. The deadline for the deposit of proxies may be waived or extended by the Chair of the Meeting at his sole discretion, without notice.

Beneficial Securityholders

Beneficial New Oroperu Securityholders who hold their New Oroperu Securities registered in the name of intermediaries, such as brokers, investment firms, clearing houses and similar entities ("**Intermediaries**") may receive certain other materials from their Intermediary, such as a voting instruction form to vote their securities. If you are a beneficial New Oroperu Securityholder and receive these materials through your broker or other Intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or by the other Intermediary.

New Oroperu Securityholders are strongly encouraged to submit their votes in advance of the Meeting.

Questions

If you have any questions about the matters to come before the Meeting or the information contained in the Notice of Meeting or Circular, you may obtain further information by contacting New Oroperu at info@oroperu.com.

DATED the 9th day of August, 2021.

BY ORDER OF THE BOARD

K. Wayne Livingstone,
President, Chief Executive Officer & Director

Voting Methods	 Internet	 Telephone or Fax	 Mail
Registered New Oroperu Shareholders <i>New Oroperu Shares are held in own name and represented by a physical certificate or DRS Advice</i>	Vote online at www.investorvote.com	Telephone: 1-866-732-8683 Fax: 1-866-249-7775	Return the form of proxy in the enclosed postage paid envelope.
NOBO Beneficial New Oroperu Shareholders <i>New Oroperu Shares held with a broker, bank or other Intermediary</i>	Vote online at www.investorvote.com	Telephone: 1-866-732-8683 Fax: 1-866-249-7775	Return the voting instruction form in the enclosed postage paid envelope.
OBO Beneficial New Oroperu Shareholders <i>New Oroperu Shares held with a broker, bank or other Intermediary</i>	Vote online at www.proxyvote.com	Call or fax to the number(s) listed on your voting instruction form.	Return the voting instruction form in the enclosed postage paid envelope.
New Oroperu Optionholders <i>New Oroperu Options are held in own name and represented by a physical certificate</i>	Vote online at www.investorvote.com	Telephone: 1-866-732-8683 Fax: 1-866-249-7775	Return the form of proxy in the enclosed postage paid envelope.
New Oroperu Warrantholders <i>New Oroperu Warrants are held in own name and represented by a physical certificate</i>	Vote online at www.investorvote.com	Telephone: 1-866-732-8683 Fax: 1-866-249-7775	Return the form of proxy in the enclosed postage paid envelope.

MANAGEMENT INFORMATION CIRCULAR

TABLE OF CONTENTS

QUESTIONS & ANSWERS REGARDING THE ARRANGEMENT AND THE MEETING.....I	SECURITIES LAWS MATTERS 43
GENERAL MATTERS.....2	CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS 44
GLOSSARY OF TERMS..... 2	THE ARRANGEMENT AGREEMENT 49
INFORMATION CONTAINED IN THIS CIRCULAR..... 12	GENERAL 49
FORWARD-LOOKING STATEMENTS 12	REPRESENTATIONS AND WARRANTIES..... 50
NOTE TO U.S. SECURITYHOLDERS 15	COVENANTS 51
MEETING AND VOTING INFORMATION 16	CONDITIONS 52
THE MEETING 16	NON-SOLICITATION COVENANTS AND RIGHT TO MATCH 54
SOLICITATION OF PROXIES 16	EXPENSES AND TERMINATION FEES 56
REGISTERED HOLDERS 16	TERMINATION..... 57
BENEFICIAL SHAREHOLDERS 17	AMENDMENTS 57
ADDITIONAL DETAILS 18	VOTING SUPPORT AGREEMENTS.....58
SUMMARY 18	NEW OROPERU VOTING SUPPORT AGREEMENTS 58
BACKGROUND TO THE ARRANGEMENT & RECOMMENDATIONS 27	PAN AMERICAN VOTING SUPPORT AGREEMENT 58
BACKGROUND TO THE ARRANGEMENT 27	RISK FACTORS 59
REASONS FOR THE ARRANGEMENT 28	RISK FACTORS RELATING TO THE ARRANGEMENT 59
FINANCIAL ADVISORS..... 30	RISK FACTORS RELATING TO NEW OROPERU AND ANACORTES 60
RECOMMENDATION OF THE BOARD..... 31	DISSENT RIGHTS 66
THE ARRANGEMENT 32	INFORMATION CONCERNING NEW OROPERU ..69
PROCEDURAL STEPS 32	INFORMATION CONCERNING FIRST LIGHT 69
EFFECTS OF THE ARRANGEMENT 33	INFORMATION CONCERNING ANACORTES.....69
PLAN OF ARRANGEMENT 36	OTHER MATTERS TO BE ACTED UPON.....69
REQUIRED APPROVALS..... 40	INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS .. 69
DIRECTORS AND OFFICERS 42	LEGAL MATTERS 70
TIMING 42	INTERESTS OF EXPERTS 70
INTEREST OF DIRECTORS AND EXECUTIVE OFFICERS IN THE ARRANGEMENT 42	ADDITIONAL INFORMATION..... 70
INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS..... 43	
Schedule "A" – Form of Arrangement Resolution A-1	
Schedule "B" – Plan of Arrangement B-1	
Schedule "C" – Haywood Fairness Opinion C-1	
Schedule "D" – Consent of Haywood Securities Inc. D-1	
Schedule "E" – Echelon Fairness Opinion E-1	
Schedule "F" – Consent of Echelon Wealth Partners Inc. F-1	
Schedule "G" – Information Concerning New Oroperu G-1	
Schedule "H" – Information Concerning First Light H-1	
Schedule "I" – Information Concerning Anacortes I-1	
Schedule "J" – Audited Financial Statements, Unaudited Financial Statements and MD&A of First Light J-1	
Schedule "K" – Unaudited Pro Forma Financial Statements of Anacortes K-1	
Schedule "L" – Statement of Executive Compensation..... L-1	
Schedule "M" – Corporate Governance M-1	
Schedule "N" – Interim Order..... N-1	
Schedule "O" – Notice of Hearing of Petition O-1	
Schedule "P" – Sections 237 to 247 of the Business Corporations Act (British Columbia)..... P-1	

Questions & Answers Regarding the Arrangement and the Meeting

All capitalized terms used herein but not otherwise defined have the meanings set forth under "Management Information Circular – Glossary of Terms" in this Circular.

This Circular is provided to you in connection with the solicitation by or on behalf of management of New Oproeru of proxies to be used at the Meeting to be held at 595 Burrard Street, Suite 2600, Vancouver BC V7X 1L3 on Wednesday, September 8, 2021, at 11:00 a.m. (Pacific time) for the purposes indicated in the Notice of Meeting.

Your vote is very important. New Oproeru Securityholders are strongly encouraged to submit their votes in advance of the Meeting.

The questions and answers below give general information regarding the Arrangement and guidance for voting your New Oproeru Securities and related matters. Unless otherwise noted, all answers relate to Registered New Oproeru Shareholders, Beneficial New Oproeru Shareholders, New Oproeru Optionholders and New Oproeru Warranholders.

Questions Regarding the Arrangement

Q: Why is the Meeting being held?

The Meeting is being held because First Light and New Oproeru have entered into the Arrangement Agreement, pursuant to which First Light has agreed to acquire all of the issued and outstanding New Oproeru Shares by way of the Arrangement in exchange for the issuance of 5.815 First Light Shares for each issued and outstanding New Oproeru Share. Pursuant to the *Business Corporations Act* (British Columbia), the Arrangement must be approved by New Oproeru Securityholders.

The Arrangement cannot proceed unless a number of conditions are satisfied, including the approval of the Arrangement Resolution by New Oproeru Securityholders. See "*The Arrangement*" and "*The Arrangement Agreement*".

Q: What are New Oproeru Securityholders being asked to vote on?

At the Meeting, New Oproeru Securityholders will be asked to approve the Arrangement Resolution, as more particularly described in this Circular. The full text of the Arrangement Resolution is attached as Schedule "A" to the Circular. Also see "*The Arrangement – Required Approvals – Securityholder Approvals*".

Q: What approvals are being sought at the Meeting?

In order to be effective, the Arrangement Resolution must be approved at the Meeting by (i) two-thirds of the votes cast on the Arrangement Resolution by New Oproeru Shareholders present in person or represented by proxy at the New Oproeru Meeting, (ii) two-thirds of the votes cast on the Arrangement Resolution by New Oproeru Securityholders present in person or represented by proxy at the New Oproeru Meeting, voting together as a single class; and (iii) a simple majority of the votes cast on the Arrangement Resolution by New Oproeru Shareholders present in person or represented by proxy at the New Oproeru Meeting, excluding votes cast by directors, senior officers and certain other parties of New Oproeru whose votes must be excluded pursuant to MI 61-101. See "*The Arrangement – Required Approvals – Shareholder Approvals*".

Q: What other approvals are required for the Arrangement?

In addition to approval of the Arrangement Resolution by New Oproeru Securityholders, the Arrangement requires a number of additional approvals to become effective, including:

- (a) the Court must grant the Final Order approving the Arrangement; and

- (b) the TSXV must have conditionally approved the listing of the Anacortes Shares, subject to satisfaction of standard listing conditions.

See "*The Arrangement – Required Approvals*".

Q: Does the New Oroperu Board support the Arrangement?

Yes. The New Oroperu Board, based upon careful consideration, unanimously determined: (i) that the entry into the Arrangement Agreement and the performance of New Oroperu's obligations thereunder is in the best interests of New Oroperu; (ii) that the Consideration to be received by New Oroperu Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the New Oroperu Shareholders; (iii) that the Arrangement is in the best interest of New Oroperu; and (iv) to recommend that New Oroperu Securityholders **VOTE FOR** of the Arrangement.

The New Oroperu Board unanimously recommends that New Oroperu Securityholders VOTE FOR the Arrangement Resolution

In making its recommendation, the New Oroperu Board considered a number of factors as described in this Circular under the heading "*Background to the Arrangement & Recommendations – Reasons for the Arrangement*", including (i) the Haywood Fairness Opinion to the effect that as at the date of such opinion, and based upon and subject to the assumptions, limitations and qualifications set forth therein, the Consideration payable by First Light pursuant to the Arrangement is fair, from a financial point of view, to New Oroperu Shareholders and (ii) the Echelon Fairness Opinion to the effect that as at the date of such opinion, and based upon and subject to the assumptions, limitations and qualifications set forth therein, the Exchange Ratio is fair, from a financial point of view, to New Oroperu Shareholders. See "*Background to the Arrangement & Recommendations*", Schedule "C" – *Haywood Fairness Opinion* and Schedule "E" – *Echelon Fairness Opinion*.

Q: How many First Light Shares are expected to be issued at the Effective Time?

Pursuant to the Plan of Arrangement, New Oroperu Shareholders will receive 5.815 First Light Shares for each New Oroperu Share held. As at the date of this Circular, there were 27,937,962 New Oroperu Shares outstanding. Accordingly, it is expected that 162,459,249 First Light Shares will be issuable as Consideration for the New Oroperu Shares, subject to certain assumptions, including that no additional New Oroperu Shares are issued prior to the Effective Time and that there are no Dissenting Shareholders.

See "*The Arrangement – Effect of the Arrangement*".

Q: What is the anticipated ownership of Anacortes after completion of the Arrangement?

After giving effect to the Concurrent Private Placement and the Arrangement, it is expected that current New Oroperu Shareholders, First Light Shareholders and subscribers in the Concurrent Private Placement will own approximately 65%, 12% and 22% of Anacortes (the entity resulting from the Arrangement), respectively.

Q: Why is First Light proposing to acquire New Oroperu?

First Light is a Capital Pool Company and the Arrangement is expected to constitute First Light's Qualifying Transaction (as such term is defined in the policies of the TSXV).

See "*Background to the Arrangement & Recommendations – Reasons for the Arrangement*".

Q: Have any New Oroperu Securityholders agreed to vote in favour of the Arrangement?

Yes. Each of the directors and senior officers of New Oroperu, who collectively hold approximately 19.8% of the issued and outstanding New Oroperu Securities (14.1% of the issued and outstanding New Oroperu Shares) as of the Record Date, have entered into voting support agreements with First Light, whereby such New Oroperu

Securityholders have agreed to, among other things, support the Arrangement and vote their New Oroperu Securities in favour of the Arrangement Resolution, subject to certain exceptions.

In addition, Pan American Silver Corp., New Oroperu's largest shareholder, which holds approximately 17.4% of the issued and outstanding New Oroperu Shares as of the Record Date, has entered into a voting support agreement with First Light pursuant to which it agreed to, among other things, vote all of the New Oroperu Shares owned by them at the relevant time in favour of the Arrangement Resolution.

See "*Voting Support Agreements*" for more information.

Q: Has the New Oroperu Board received a fairness opinion in connection with the Arrangement?

Yes. The New Oroperu Board has received the Haywood Fairness Opinion to the effect that, as of June 16, 2021, and based upon and subject to the assumptions, limitations and qualifications set forth therein, the Consideration payable by First Light pursuant to the Arrangement is fair, from a financial point of view, to New Oroperu Shareholders. The New Oroperu Board has also received the Echelon Fairness Opinion to the effect that, as of June 16, 2021, and based upon and subject to the assumptions, limitations and qualifications set forth therein, the Exchange Ratio is fair, from a financial point of view, to New Oroperu Shareholders. The Haywood Fairness Opinion and the Echelon Fairness Opinion are attached as Schedule "C" and Schedule "E", respectively, to this Circular. Also see "*Background to the Arrangement & Recommendations – Financial Advisors*".

Q: When will the Arrangement become effective?

It is currently expected that the Effective Date will occur on or around September 14, 2021, and in no event will completion of the Arrangement occur later than November 30, 2021, unless extended by mutual agreement of the Parties in accordance with the terms of the Arrangement Agreement. See "*The Arrangement – Timing*".

Q: What will happen if the Arrangement Resolution is not approved by New Oroperu Securityholders or the Arrangement is not completed for any reason?

If the Arrangement Resolution is not approved or the Arrangement is not completed for any reason, the Arrangement Agreement may be terminated and, in certain circumstances, the Termination Fee or the Expense Fee may be paid by First Light or New Oroperu, as applicable. See "*The Arrangement Agreement – Expenses and Termination Fees*".

Questions Regarding the Meeting

Q: Who is entitled to attend and vote at the Meeting?

New Oroperu Shareholders, New Oroperu Optionholders and New Oroperu Warrantholders of record as of the close of business on August 4, 2021, the Record Date for the Meeting, are entitled to receive notice of and to attend and vote at, the Meeting or any adjournment(s) or postponement(s) thereof.

Q: When will the Meeting be held and how can I attend?

The Meeting will be held at 595 Burrard Street, Suite 2600, Vancouver BC V7X 1L3 on September 8, 2021, commencing at 11:00 a.m. (Pacific time), subject to any adjournment(s) or postponement(s) thereof.

A Registered New Oroperu Securityholder has the right to appoint a person in place of the persons named in the enclosed instrument of proxy to attend and act for and on behalf of the Registered New Oroperu Securityholder at the Meeting. To exercise this right, a Registered New Oroperu Securityholder shall strike out the names of the persons named in the instrument of proxy and insert the name of their nominee in the blank space provided, or complete another instrument of proxy. The completed instrument of proxy should be deposited with the Company's registrar and transfer agent, Computershare Trust Company of Canada at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 at least 48 hours before the time of the Meeting or any adjournment thereof, excluding Saturdays, Sundays and holidays.

Only Registered New Oproeru Securityholders or duly appointed proxyholders are permitted to vote at the Meeting. Should a non-registered holder who receives either a voting instruction form (“**VIF**”) or a form of proxy wish to attend the Meeting and vote in person (or have another person attend and vote on behalf of the non-registered holder), the non-registered holder should strike out the names of the persons named in the form of proxy and insert the non-registered holder’s (or such other person’s) name in the blank space provided or, in the case of a VIF, follow the directions indicated on the form. In either case, non-registered holders should carefully follow the instructions of their Intermediaries and their service companies, including those regarding when and where the VIF or the proxy is to be delivered.

New Oproeru intends to hold the Meeting in person. However, in view of the ongoing COVID-19 pandemic, to mitigate risk to the health and safety of our communities, shareholders and employees, New Oproeru Securityholders and proxyholders are encouraged to vote in advance of the Meeting. If any New Oproeru Securityholder or proxyholder does wish to attend the Meeting in person, please note that COVID-19 protocols will be applied to the Meeting. New Oproeru may take additional precautionary measures in relation to the Meeting in response to further developments with the COVID-19 pandemic. In the event that it is not possible or advisable to hold the Meeting in person, New Oproeru will announce alternative arrangements for the Meeting, which may include holding the Meeting entirely by electronic means, telephone or other communication facilities.

Q: Can I ask questions at the Meeting?

Registered New Oproeru Securityholders and duly appointed proxyholders may ask questions during the Meeting.

Guests, including Beneficial New Oproeru Shareholders who have not appointed themselves as proxyholder, will be permitted to attend and to listen to the Meeting however they will not be able to vote or submit questions.

Q: How can a Registered New Oproeru Shareholder vote?

You are a Registered New Oproeru Shareholder if you hold any New Oproeru Shares in your own name, as recorded in the shareholder register of New Oproeru maintained by Computershare Trust Company of Canada.

If you are a Registered New Oproeru Shareholder, you can vote your New Oproeru Shares by:

- **Online:** www.investorvote.com;
- **Mail:** Using the envelope accompanying your Proxy;
- **Fax:** 1-866-249-7775;
- **Phone:** 1-866-732-8683 (Toll Free); or
- **In Person:** By attending the Meeting in person.

Q: How can a Beneficial New Oproeru Shareholder vote?

Only Registered New Oproeru Shareholders or the persons they appoint as their proxyholders are permitted to vote at the Meeting. In many cases, however, New Oproeru Shares held by a New Oproeru Shareholder are registered either:

- (a) in the name of an Intermediary that the Beneficial New Oproeru Shareholder deals with in respect of the New Oproeru Shares. Intermediaries include banks, trust companies, securities dealers or brokers, and trustees or administrators of self administered RRSPs, RRIFs, RESPs and similar plans, or
- (b) in the name of a clearing agency, such as The Canadian Depository for Securities Limited, of which the Intermediary is a participant.

If you are a NOBO Beneficial New Oroperu Shareholder, you can vote your New Oroperu Shares by:

- **Online:** www.investorvote.com;
- **Mail:** Using the envelope accompanying your VIF; or
- **Phone/Fax:** Using the number(s) listed on your VIF.

If you are an OBO Beneficial New Oroperu Shareholder, you can vote your New Oroperu Shares by:

- **Online:** www.proxyvote.com;
- **Mail:** Using the envelope accompanying your VIF; or
- **Phone/Fax:** Using the number(s) listed on your VIF.

Beneficial New Oroperu Shareholders should carefully follow the instructions of their Intermediaries and their service companies, including instructions regarding when and where the VIF or Proxy form is to be delivered. See “*Meeting and Voting Information – Beneficial Holders*” for additional information.

Q: How can New Oroperu Optionholders vote?

You are a Registered New Oroperu Optionholder if you hold any New Oroperu Options in your own name, as recorded in the option register of New Oroperu.

If you are a Registered New Oroperu Optionholder, you can vote your New Oroperu Options by:

- **Online:** www.investorvote.com;
- **Mail:** Using the envelope accompanying your Proxy;
- **Fax:** 1-866-249-7775;
- **Phone:** 1-866-732-8683 (Toll Free); or
- **In Person:** By attending the Meeting in person.

Q: How can New Oroperu Warrantholders vote?

You are a Registered New Oroperu Warrantholder if you hold any New Oroperu Warrants in your own name, as recorded in the option register of New Oroperu.

If you are a Registered New Oroperu Warrantholder, you can vote your New Oroperu Warrants by:

- **Online:** www.investorvote.com;
- **Mail:** Using the envelope accompanying your Proxy;
- **Fax:** 1-866-249-7775;
- **Phone:** 1-866-732-8683 (Toll Free); or
- **In Person:** By attending the Meeting in person.

Q: Should I send in my Proxy now?

Yes. To ensure your vote is counted, New Oropu Securityholders should immediately complete and submit the enclosed Proxy or VIF, or vote by internet or telephone in accordance with the instructions provided therein. You are encouraged to vote well in advance of the Proxy deadline to ensure that your New Oropu Securities are voted at the Meeting.

Q: When is the proxy voting deadline?

Proxies will not be valid unless the completed, dated and signed Proxy is received by Computershare Trust Company of Canada, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 not later than 11:00 a.m. (Pacific time) on Friday, September 3, 2021 or not later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting as it may be adjourned or postponed from time to time. The deadline for the deposit of proxies may be waived or extended by the Chair of the Meeting at his sole discretion, without notice.

Q: Do I have Dissent Rights?

Registered holders of New Oropu Shares are entitled to exercise Dissent Rights in respect of the Arrangement Resolution. See "*Dissent Rights – Dissent Rights*".

Q: What if I have other questions?

Further questions and requests for assistance may be directed to Computershare Trust Company of Canada at:

Toll-Free in Canada and the United States:	1-800-564-6253
International Direct Dial	514-982-7555

MANAGEMENT INFORMATION CIRCULAR

General Matters

Date of Information

Unless otherwise indicated, all information contained in this Circular is given as of August 9, 2021.

Currency

All dollar amounts set forth in this Circular are in Canadian dollars, except where otherwise indicated.

GLOSSARY OF TERMS

The following is a glossary of certain terms used in this Circular.

"1933 Act" means the *Securities Act of 1933*, as amended, of the United States of America, and the rules and regulations promulgated from time to time thereunder;

"1934 Act" means the *Securities Exchange Act of 1934*, as amended, of the United States of America, and the rules and regulations promulgated from time to time thereunder;

"2019 Private Placement" means the Company's non-brokered private placement that was completed on August 8, 2019;

"2019 Warrants" means the New Oroperu Warrants that were issued pursuant to the 2019 Private Placement;

"2020 Private Placement" means the Company's non-brokered private placement that was completed on May 7, 2020;

"2020 Warrants" means the New Oroperu Warrants that were issued pursuant to the 2020 Private Placement;

"Acquisition Proposal" means, other than the transactions contemplated by the Arrangement Agreement and other than any transaction involving only New Oroperu and/or one or more of its wholly-owned subsidiaries, any offer, proposal or inquiry (written or oral) from any person or group of persons other than First Light (or any affiliate of First Light or any person acting in concert with First Light or any affiliate of First Light) after the date of the Arrangement Agreement relating to: (a) any sale (or any lease, long-term supply agreement or other arrangement having the same economic effect as a sale) or other disposition (including any assignment, option, joint venture, or earn in, royalty interest, streaming arrangement or similar transaction), direct or indirect, in a single transaction or a series of related transactions, of assets representing 20% or more of the consolidated assets, or contributing 20% or more of the consolidated revenue of New Oroperu and the subsidiaries of New Oroperu, in each case taken as a whole, or of 20% or more of any class of voting, equity or other securities or any securities exchangeable for or convertible into voting, equity or other securities of New Oroperu and the subsidiaries of New Oroperu (or rights or interests therein or thereto) whose assets constitute 20% or more of the fair market value of the consolidated assets of New Oroperu and its subsidiaries; (b) any direct or indirect take-over bid, tender offer, exchange offer, treasury issuance or other transaction that, if consummated, would result in a person or group of persons beneficially owning 20% or more of any class of voting, equity or other securities (including securities convertible into or exercisable or exchangeable for voting, equity or other securities) of New Oroperu or any of its subsidiaries whose assets, individually or in the aggregate, constitute 20% or more of the fair market value of the consolidated assets of New Oroperu, taken as a whole; (c) any plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution, winding up or exclusive license or other similar transaction involving New Oroperu or the subsidiaries of New Oroperu pursuant to which any person or group of persons would acquire, directly or indirectly, 20% or more of the voting or equity securities of New Oroperu or the surviving entity or the resulting direct or indirect parent of

New Oroperu or the surviving entity; or (d) any other similar transaction or series of related transactions involving New Oroperu or any of the subsidiaries of New Oroperu.

"affiliate" has the meaning given to such term in the Securities Act;

"Agents" means Haywood Securities Inc. and Clarus Securities Inc., in their capacity as agents in connection with the Concurrent Private Placement;

"Amalgamation" means the three-cornered amalgamation of Subco, Finco and First Light in which Subco and Finco will amalgamate immediately prior to the Effective Time and First Light will issue pre-Consolidation First Light Shares and First Light Warrants to the Finco Shareholders and Finco Warrantholders, respectively in exchange for their Finco Shares and Finco Warrants;

"Amalgamation Agreement" means the written amalgamation agreement dated June 16, 2021, between First Light, Subco and Finco pursuant to which First Light, Subco and Finco will complete the Amalgamation.

"Anacortes" or **"Resulting Issuer"** means Anacortes Mining Corp., the combined entity immediately following completion of the Arrangement;

"Anacortes Directors" means the five nominees to be elected at the First Light Meeting, four of whom are to be nominated by the First Light Board and one of whom is to be nominated by the New Oroperu Board, all of whom are to be elected on the basis that they will take office at the Effective Time;

"Anacortes Shares" or **"Resulting Issuer Shares"** means common shares in the capital of Anacortes, on a post-Arrangement and post-Consolidation basis;

"Annual Financial Statements" means the Company's audited consolidated financial statements as at and for the years ended December 31, 2020 and 2019;

"Annual New Oroperu MD&A" means the Company's management's discussion and analysis for the year ended December 31, 2020;

"Arrangement" means the arrangement under section 288 of the BCBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations thereto in accordance with the Arrangement Agreement or the Plan of Arrangement or at the direction of the Court in the Final Order with the prior written consent of First Light and New Oroperu, each acting reasonably;

"Arrangement Agreement" means the Arrangement Agreement among First Light and New Oroperu dated June 16, 2021, as the same may be amended, supplemented or otherwise modified from time to time in accordance with its terms;

"Arrangement Resolution" means the special resolution of the New Oroperu Securityholders approving the Arrangement to be considered at the Meeting, in the form set out in Schedule "A";

"BCBCA" means the *Business Corporations Act* (British Columbia);

"Beneficial New Oroperu Shareholder" means New Oroperu Shareholders who hold their New Oroperu Shares in the name of an Intermediary and not in their own name;

"Blakes" means Blake, Cassels & Graydon LLP, legal counsel to New Oroperu;

"Business Day" means any day, other than a Saturday, a Sunday or a statutory or civic holiday in Toronto, Ontario or Vancouver, British Columbia;

"Capital Pool Company" means a capital pool company under the policies of the TSXV;

"Canadian Securities Laws" means the Securities Act, together with all other applicable provincial securities laws, rules and regulations and published policies thereunder;

"Change in Recommendation" means the circumstances where, prior to New Oropalu having obtained the New Oropalu Securityholder Approval, the New Oropalu Board, as applicable: (i) fails to recommend or withdraws, amends, modifies or qualifies the New Oropalu Board Recommendation, as applicable, in a manner adverse to the other Party; or (ii) fails to publicly reaffirm the New Oropalu Board Recommendation, as applicable, within five Business Days (and in any case prior to the Meeting) after having been requested in writing by the other Party, acting reasonably, to do so; or (iii) takes a neutral position or no position with respect to a publicly announced Acquisition Proposal with respect to First Light, as applicable, beyond a period of five Business Days after the announcement (without withdrawal) of such Acquisition Proposal (or beyond the date which is one day prior to the Meeting, if sooner);

"Circular" means this management information circular;

"Concurrent Private Placement" means the private placement offering of an aggregate of 55,096,250 Subscription Receipts (consisting of 4,531,250 First Light Subscription Receipts and 50,565,000 Finco Subscription Receipts) at a price of \$0.40 per Subscription Receipt for aggregate gross proceeds of \$22,038,500 which was completed on July 21, 2021;

"Consideration" means the consideration to be received by the New Oropalu Shareholders pursuant to the Plan of Arrangement as consideration for the New Oropalu Shares, consisting of 5.815 First Light Shares for each New Oropalu Share;

"Consideration Shares" means the First Light Shares to be issued to the New Oropalu Shareholders as part of the Consideration pursuant to the Arrangement;

"Consolidation" means the consolidation of the First Light Shares, immediately following the completion of the Arrangement, on the basis of six (6) pre-consolidation First Light Shares for each one (1) post-consolidation First Light Share;

"Consulting Agreement" means the consulting agreement dated May 1, 2020 between the Company, Ontario Limited and Christina McCarthy;

"Court" means the Supreme Court of British Columbia;

"COVID-19" means the coronavirus disease 2019 (dubbed as COVID-19), caused by the severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) and/or any other virus or disease developing from or arising as a result of SARS-CoV-2 and/or COVID-19;

"COVID-19 Measures" means commercially reasonable actions for a Party or any of its subsidiaries to take or refrain from taking in the operation of their business as a result of COVID-19 in order to comply with the provisions of any health, quarantine, social distancing, shutdown, safety or similar Law or guideline promulgated by any Governmental Authority in connection with COVID-19;

"Clark Wilson" means Clark Wilson LLP, legal counsel to First Light;

"CPC Escrow Agreement" means the TSXV Form 2F CPC Escrow Agreement dated October 5, 2019, as amended July 21, 2021, among First Light, Computershare Trust Company of Canada and certain First Light Shareholders;

"Depository" means Computershare Investor Services Inc.;

"Dissent Rights" means the rights of dissent granted in favour of registered holders of New Oropalu Shares in respect of the Arrangement, as described in the Plan of Arrangement;

"Dissenting Shareholder" means a registered holder of New Oroperu Shares who has duly and validly exercised their Dissent Rights in strict compliance with the dissent procedures set out under Division 2 of Part 8 of the BCBCA, as modified by the Plan of Arrangement, the Interim Order and the Final Order and who has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights;

"Echelon" means Echelon Wealth Partners Inc.;

"Echelon Fairness Opinion" means the fairness opinion of Echelon dated June 16, 2021, attached to this Circular as Schedule "E";

"Effective Date" means the date upon which the Arrangement becomes effective;

"Effective Time" means 12:01 a.m. (Pacific time) on the Effective Date;

"Exchange Ratio" means 5.815 First Light Shares for each New Oroperu Share;

"Expense Fee" means \$200,000;

"Final Order" means the final order of the Court pursuant to section 291 of the BCBCA, approving the Arrangement, in form and substance acceptable to both First Light and New Oroperu, each acting reasonably, after a hearing upon the procedural and substantive fairness of the terms and conditions of the Arrangement as such order may be affirmed, amended, modified, supplemented or varied by the Court with the consent of both Parties, each acting reasonably, at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to both First Light and New Oroperu, each acting reasonably) on appeal;

"Finco" means 1310612 B.C. Ltd.;

"Finco Shares" means the common shares in the capital of Finco as presently constituted and to be issued upon conversion of the Finco Subscription Receipts;

"Finco Shareholders" means the holders of Finco Shares following conversion of the Subscription Receipts;

"Finco Subscription Receipt Agreement" means the subscription receipt agreement to be entered into by First Light, Subco, Finco and Computershare Trust Company of Canada, in its capacity as subscription receipt agent for the Finco Subscription Receipts;

"Finco Subscription Receipts" means the 50,565,000 subscription receipts of Finco issuable pursuant to the Concurrent Private Placement each of which will automatically convert into one Finco Share and one half of one Finco Warrant upon satisfaction of the escrow release conditions set forth in the Finco Subscription Receipt Agreement;

"Finco Warrants" means the Finco Warrants to be issued upon conversion of the Subscription Receipts;

"Finco Warrantholders" means the holders of Finco Warrants;

"First Light" means First Light Capital Corp., a Capital Pool Company existing under the laws of British Columbia;

"First Light Board" means the board of directors of First Light;

"First Light Meeting" means the special meeting of First Light Shareholders to be held at 10 a.m. (Pacific time) on September 8, 2021, or any adjournment(s) or postponement(s) thereof;

"First Light Options" means the outstanding options to purchase First Light Shares granted under the First Light Stock Option Plan;

"First Light Resolutions" means the resolutions of the First Light Shareholders setting of the number of directors at five, electing the Anacortes Directors, and approving the Consolidation and the Name Change;

"First Light Shareholders" means the holders of outstanding First Light Shares;

"First Light Shares" means common shares in the capital of First Light;

"First Light Stock Option Plan" means the stock option plan of First Light dated October 16, 2018 and last adopted by First Light Shareholders on November 24, 2020, as amended;

"First Light Subscription Receipt Agreement" means the subscription receipt agreement to be entered into by First Light, Subco, Finco and Computershare Trust Company of Canada, in its capacity as subscription receipt agent for the First Light Subscription Receipts;

"First Light Subscription Receipts" means the 4,531,250 subscription receipts of First Light issued pursuant to the Concurrent Private Placement each of which will automatically convert into one First Light Share and one half of one First Light Warrant upon satisfaction of the escrow release conditions set forth in the First Light Subscription Receipt Agreement;

"forward-looking statements" has the meaning given to such term in the section titled *"General Matters – Forward-Looking Statements"*;

"Governmental Authority" means: (i) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, ministry, agency or instrumentality, domestic or foreign; (ii) any subdivision or authority of any of the above; (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (iv) any stock exchange, including the Exchange;

"Haywood" means Haywood Securities Inc.;

"Haywood Fairness Opinion" means the fairness opinion of Haywood dated June 16, 2021, attached to this Circular as Schedule "C";

"IFRS" means International Financial Reporting Standards, at the relevant time, prepared on a consistent basis;

"Interim New Oroperu MD&A" means the Company's management's discussion and analysis for the three months ended March 31, 2021;

"Interim Order" means the interim order of the Court made pursuant to section 291 of the BCBCA in connection with the Arrangement;

"Intermediary" means an intermediary through which a Beneficial New Oroperu Shareholder holds its New Oroperu Shares, including banks, trust companies, securities dealers or brokers and trustees or administrators of self-directed trusts governed by RRSPs, RRIFs, RESPs (each as defined in the Tax Act) and similar plans, and such Intermediary's nominees;

"Key Regulatory Approvals" means those sanctions, rulings, consents, orders, exemptions, permits and other approvals (including the lapse, without objection, of a prescribed time under a statute or regulation that states that a transaction may be implemented if a prescribed time lapses following the giving of notice without an order prohibiting closing being made) of Governmental Authorities namely, approval of the listing and posting for trading on the TSXV, subject only to satisfaction of the standard listing conditions, of the Anacortes Shares at the Effective Time, and notice to the TSXV pursuant to the policies of the TSXV;

"Laws" means all laws (including common law), by-laws, statutes, rules, regulations, principles of law and equity, orders, rulings, ordinances, judgments, injunctions, awards, decrees or other requirements having the force of law, whether domestic or foreign, and the terms and conditions of any grant of approval, permission, authority or license of any Governmental Authority or self-regulatory authority (including the Exchange);

"Letter of Transmittal" means the letter of transmittal to be sent to New Oroperu Securityholders for use in connection with the Arrangement;

"Material Adverse Effect" means in respect of any Party, as applicable, any one or more changes, events, occurrences or states of fact, which, either individually or in the aggregate, are, or would reasonably be expected to have, a material and adverse effect on the business, operations, results of operations, properties, assets, liabilities, or condition (financial or otherwise) of that Party and its subsidiaries, on a consolidated basis, other than any change, effect, event, occurrence or state of facts: (i) relating to any change in global, national or regional political conditions (including the outbreak or escalation of war, acts of terrorism, strikes, lockouts, riots or outbreaks of illness) or the global economy or securities markets in general; (ii) affecting the mining industry in general; (iii) relating to any natural disaster; (iv) relating to any adoption, proposal, implementation or change in Law or any interpretation of Law by any Governmental Authority; (v) relating to any generally applicable change in applicable accounting principles, including IFRS; (vi) relating to a change in the market trading price of publicly traded securities of that Party, it being understood that the causes underlying such change may be taken into account in determining whether a "Material Adverse Effect" has occurred; (vii) relating to the failure in and of itself to meet any internal, third party or public projections, forecasts or guidance or estimates of revenues, earnings or cash flows, it being understood that the causes underlying such failure may be taken into account in determining whether a Material Adverse Effect has occurred; (viii) relating to any action taken (or omitted to be taken) by New Oroperu that is consented to, or requested, in writing by First Light; (ix) relating to any matter which has been disclosed by New Oroperu in the New Oroperu Disclosure Letter; or (x) resulting from the announcement of the Arrangement Agreement, the pendency of the transactions contemplated herein or compliance with the covenants herein or the satisfaction of the conditions herein; provided, however, that if a change, effect, event, occurrence or state of facts referred to in clauses (i) through to an including (v) has a materially disproportionate effect on that Party and its subsidiaries, on a consolidated basis, relative to other comparable companies and entities operating in the mineral resource extraction industries, such effect may be taken into account in determining whether a Material Adverse Effect has occurred; and provided that references in the Arrangement Agreement to dollar amounts are not intended to be, and shall not be deemed to be, interpretive of the amount used for the purpose of determining whether a Material Adverse Effect has occurred or whether a state of facts exists that has or could have a Material Adverse Effect.

"Meeting" means the special meeting of New Oroperu Securityholders to be held at 11:00 a.m. (Pacific time) on September 8, 2021, or any adjournment(s) or postponement(s) thereof for the purposes set forth in the accompanying Notice of Meeting;

"Meeting Materials" means, collectively, the Notice of Meeting and this Circular;

"MI 61-101" means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*;

"Name Change" means the change of name of First Light to "Anacortes Mining Corp." or such other name as determined by First Light and approved by the TSXV;

"New Oroperu" or the **"Company"** means **New Oroperu Resources Inc.**, a corporation existing under the laws of British Columbia;

"New Oroperu Board" means the board of directors of the Company;

"New Oroperu Board Recommendation" means the New Oroperu Board's unanimous determination: (i) that the entry into the Arrangement Agreement and the performance of New Oroperu's obligations thereunder is in the best interests of New Oroperu; (ii) that the Consideration to be received by New Oroperu Shareholders pursuant

to the Arrangement is fair, from a financial point of view, to the New Oroperu Shareholders; (iii) that the Arrangement is in the best interest of New Oroperu; and (iv) to recommend that New Oroperu Securityholders vote in favour of the Arrangement;

"New Oroperu Optionholders" means the holders of New Oroperu Options;

"New Oroperu Options" means the outstanding options to purchase New Oroperu Shares issued pursuant to the New Oroperu Stock Option Plan;

"New Oroperu Securities" means collectively, the New Oroperu Shares, the New Oroperu Options and the New Oroperu Warrants;

"New Oroperu Securityholders" means collectively, the New Oroperu Shareholders, the New Oroperu Optionholders and the New Oroperu Warrantholders;

"New Oroperu Securityholder Approval" means the approval of the Arrangement Resolution by New Oroperu Securityholders present in person or represented by proxy at the Meeting;

"New Oroperu Shareholders" means the holders of outstanding New Oroperu Shares;

"New Oroperu Shares" means common shares in the capital of New Oroperu;

"New Oroperu Stock Option Plan" means the incentive option plan adopted by the New Oroperu Shareholders on September 14, 2020 and most recently approved by New Oroperu Shareholders on October 22, 2020, as amended;

"New Oroperu Supporting Shareholders" means each of the officers and directors of New Oroperu;

"New Oroperu Voting Support Agreements" means the voting support agreements (including all amendments thereto) between First Light and the New Oroperu Supporting Shareholders setting forth the terms and conditions upon which the New Oroperu Supporting Shareholders agree to vote their New Oroperu Securities in favour of the Arrangement Resolution;

"New Oroperu Warrantholders" means the holders of New Oroperu Warrants;

"New Oroperu Warrants" means the outstanding warrants to purchase New Oroperu Shares;

"NI 43-101" means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*;

"NI 54-101" means National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*;

"Non-Objecting Beneficial Owner" or **"NOBO"** has the meaning given to such term in the section titled *"Meeting and Voting Information – Additional Details"*;

"Notice of Meeting" means the notice of the special meeting of New Oroperu Securityholders which accompanies this Circular;

"NS Star" means NS Star Enterprises Ltd.;

"NS Consulting Agreement" means the consulting agreement dated October 15, 2020 between the Company, S.A. Mining Ventures Limited and NS Star;

"Objecting Beneficial Owner" or **"OBO"** has the meaning given to such term in the section titled *"Meeting and Voting Information – Additional Details"*;

"Ontario Limited" means 2725487 Ontario Limited, a company wholly-owned by Christina McCarthy, New Oroperu's Vice President Corporate Development;

"Option Cash Payment" means an amount of cash equal to the positive difference between the exercise price of the New Oroperu Option and the 20-day volume weighted average share price of a New Oroperu Share for the 20-day period ending on June 16, 2021, such date being the day before the date of the first public announcement of the Arrangement Agreement;

"Oroperu" means **Oroperu Resources Inc.**, the Company's former name;

"Outside Date" means November 30, 2021, or such later date as may be agreed to in writing by the Parties;

"Pan American" means Pan American Silver Corp.;

"Pan American Voting Support Agreement" means the voting support agreement (including all amendments thereto) between Pan American and First Light setting forth the terms and conditions upon which Pan American agrees to vote its New Oroperu Shares in favour of the Arrangement Resolution;

"Party" means any of First Light or New Oroperu, as the case may be, and **"Parties"** means both of them, collectively;

"Permit" means any license, permit, certificate, consent, order, grant, approval, classification, registration or other authorization of and from any Governmental Authority;

"Plan of Arrangement" means the plan of arrangement, substantially in the form of Schedule "B", and any amendments or variations thereto made in accordance with the Arrangement Agreement, the Plan of Arrangement or at the direction of the Court;

"Proxy" means the form of proxy which accompanies this Circular;

"Record Date" means the date for the determination of New Oroperu Securityholders entitled to receive notice of and to vote at the Meeting or any adjournment(s) or postponement(s) thereof, being August 4, 2021;

"Registered New Oroperu Shareholder" means the registered holder of New Oroperu Shares as recorded in the shareholder register of the Company;

"Regulation S" means Regulation S under the 1933 Act;

"Replacement Option" means an option to acquire from First Light the number of First Light Shares equal to the product of: (i) the number of New Oroperu Shares subject to such New Oroperu Option immediately prior to the Effective Time; multiplied by (ii) the Exchange Ratio, provided that, if the foregoing would result in the issuance of a fraction of a First Light Share on any particular exercise of Replacement Options, then the number of First Light Shares otherwise issued shall be rounded down to the nearest whole number of First Light Shares. The exercise price per First Light Share subject to a Replacement Option shall be an amount equal to the quotient of: (i) the exercise price per New Oroperu Share subject to each such New Oroperu Option immediately before the Effective Time; divided by (ii) the Exchange Ratio, provided that the aggregate exercise price payable on any particular exercise of Replacement Options shall be rounded up to the nearest whole cent;

"Replacement Option In-The-Money Amount" in respect of a Replacement Option means the amount, if any, by which the total fair market value (determined immediately after the Effective Time) of the First Light Shares that a holder is entitled to acquire on exercise of the Replacement Option at and from the Effective Time exceeds the amount payable to acquire such shares;

"Representative" means any officer, director, employee, representative (including any financial or other advisor) or agent of a Party or any of its subsidiaries;

"Rule 144" means Rule 144 under the 1933 Act;

"SEC" means the United States Securities and Exchange Commission;

"Section 3(a)(10) Exemption" means the exemption from the registration requirements of the 1933 Act provided by section 3(a)(10) thereof;

"Securities Act" means the *Securities Act* (British Columbia) and the rules, regulations and published policies made thereunder;

"Securities Laws" means, collectively, Canadian Securities Laws, the 1933 Act and the 1934 Act with all other applicable securities laws, rules and regulations and published policies thereunder;

"SEDAR" means the System for Electronic Document Analysis and Retrieval described in National Instrument 13-101 – *System for Electronic Document Analysis and Retrieval* of the Canadian Securities Administrators and available for public view at www.sedar.com;

"Smythe LLP" means Smythe LLP, Chartered Professional Accountants;

"Subco" means 1310620 B.C. Ltd.;

"Subscription Receipts" means the First Light Subscription Receipts and the Finco Subscription Receipts;

"subsidiary" means, with respect to a specified body corporate, any body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class or classes shall or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such specified body corporate and shall include any body corporate, partnership, joint venture or other entity over which such specified body corporate exercises direction or control or which is in a like relation to a subsidiary;

"Superior Proposal" means any unsolicited *bona fide*, written Acquisition Proposal from a person to acquire not less than all of the outstanding New Oroperu Shares or all or substantially all of the assets of New Oroperu on a consolidated basis, that did not result from or involve a breach of Article 5 of the Arrangement Agreement: (i) is reasonably capable of being completed without undue delay, taking into account all financial, legal, regulatory and other aspects of such proposal; (ii) is not subject to a financing contingency and in respect of which adequate arrangements have been made to the satisfaction of the New Oroperu Board, after receiving advice from its outside legal and financial advisor; (iii) that is not subject to any due diligence or access condition; and (iv) that the New Oroperu Board determines, in its good faith judgment, after receiving the advice of its outside legal advisor and financial advisors, and after taking into account all the terms and conditions of the Acquisition Proposal, including all legal, financial, regulatory and other aspects of such Acquisition Proposal and the party making such Acquisition Proposal, would, if consummated in accordance with its terms, but without assuming away the risk of non-completion, result in a transaction which is more favourable, from a financial point of view, to the New Oroperu Shareholders than the Arrangement (including any amendments to the terms and conditions of the Arrangement proposed by First Light in accordance with the Arrangement Agreement);

"Tax Act" means the *Income Tax Act* (Canada) and the regulations thereunder, as amended from time to time;

"Termination Fee" means the sum of \$2,500,000;

"Tres Cruces" or **"Project"** or **"Property"** means the Tres Cruces gold project in North-Central Peru;

"Tres Cruces Technical Report" means the technical report entitled "Technical Report & Resource Update for the Tres Cruces Project" with an effective date of March 16, 2021;

"TSXV" or **"Exchange"** means the TSX Venture Exchange;

"U.S. Optionholder" means Rosa Caro, a New Oroperu Optionholder resident in the United States;

"United States" or **"U.S."** means the United States of America, its territories and possessions, any State of the United States and the District of Columbia;

"U.S. Securities Laws" means, collectively, the 1933 Act and the 1934 Act with all other applicable securities laws, rules and regulations and published policies thereunder;

"VIF" has the meaning given to such term in the section titled *"Meeting and Voting Information – Additional Details"*; and

"Voting Support Agreements" means, collectively, the New Oroperu Voting Support Agreements and the Pan American Voting Support Agreement.

Unless the context otherwise requires, words importing the singular include the plural and vice versa, words importing any gender include all genders and words importing persons include firms and corporations and vice versa.

INFORMATION CONTAINED IN THIS CIRCULAR

This Circular describes the business of the Meeting, items to be voted upon and the voting process. In particular, it contains a detailed description of the Arrangement and the matters to be considered at the Meeting, as well as detailed information regarding New Oroperu, First Light and Anacortes and certain unaudited *pro forma* financial information regarding Anacortes. It also includes certain risk factors relating to the completion of the Arrangement and the other transactions contemplated by the Arrangement Agreement. Please give this material your careful consideration and, if you require assistance, consult your financial, tax or other professional advisors.

This Circular does not constitute an offer to sell or a solicitation of an offer to purchase any securities or the solicitation of a proxy by any person in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or solicitation of an offer or a proxy solicitation.

The information concerning First Light and Anacortes contained in this Circular has been provided by First Light. Although New Oroperu has no knowledge that would indicate that any of such information is untrue or incomplete, New Oroperu does not assume any responsibility for the accuracy or completeness of such information or the failure by First Light to disclose events which may have occurred or may affect the completeness or accuracy of such information but which are unknown to First Light.

Descriptions of the terms of the Arrangement Agreement, the Plan of Arrangement and the Voting Support Agreements in this Circular are summaries of the key terms of those documents and are qualified in their entirety by the full text of such agreements. New Oroperu Securityholders should refer to the full text of each of the Arrangement Agreement, the Plan of Arrangement and the Voting Support Agreements for complete details of those documents. The full text of the Arrangement Agreement and the Voting Support Agreements is available under New Oroperu's and First Light's respective SEDAR profiles at www.sedar.com. The Plan of Arrangement is attached as Schedule "B" to this Circular.

FORWARD-LOOKING STATEMENTS

This Circular contains certain statements which constitute forward-looking statements within the meaning of the *U.S. Private Securities Litigation Reform Act of 1995* and section 21E of the 1934 Act, as amended, and forward-looking information within the meaning of applicable Canadian Securities Laws (collectively, "**forward-looking statements**"), including, without limitation, financial and business prospects and financial outlooks, which may be forward-looking plans and intentions, growth, results of operations, performance and business prospects and opportunities. All statements other than statements of historical fact may be forward-looking statements. The use of words such as "may", "will", "should", "could", "anticipate", "believe", "expect", "project", "intend", "estimate", "plan", "potential", "pro forma", "post-arrangement" and similar expressions are intended to identify forward-looking statements.

In particular, and without limitation, this Circular contains forward-looking statements concerning:

- the expected benefits of the Arrangement and attributes of Anacortes, including potential growth opportunities and operational, competitive and portfolio synergies;
- the structure and effect of the Arrangement;
- the timing of the Meeting, the First Light Meeting and the Final Order;
- the anticipated Effective Date;
- the anticipated receipt of all required Key Regulatory Approvals for the Arrangement;
- the ability of First Light and New Oroperu to satisfy other conditions to, and to complete, the Arrangement; and

- the potential costs of the Arrangement to New Oroperu, including in the event the Arrangement is not completed.

These forward-looking statements reflect management's current beliefs and are based on information currently available to management, as well as certain expectations and assumptions with respect to the Arrangement, including:

- the structure and expected benefits of the Arrangement are based upon a number of factors, including the terms and conditions of the Arrangement Agreement and current industry, economic and market conditions;
- certain steps in, and timing of, the Arrangement and the Effective Date, as well as the number of New Oroperu Shares to be issued pursuant to the Arrangement, are based upon the terms of the Arrangement and advice received from counsel to New Oroperu relating to timing and expectations;
- the listing of the Anacortes Shares on the TSXV is based on anticipated receipt of all required approvals from the TSXV;
- the approval of the Arrangement Resolution by the New Oroperu Securityholders;
- the ability of First Light and New Oroperu to satisfy the other closing conditions in all material respects in accordance with the terms of the Arrangement Agreement, and in a timely manner, is based upon management's current expectations regarding timing and the ability of First Light and New Oroperu to satisfy their respective obligations under the Arrangement Agreement; and
- management's current expectations regarding the completion of the Arrangement, the ability to realize operational synergies and future growth in gold and other metal and mineral production.

Various assumptions underlying such forward-looking statements are based on management's expectations concerning industry, economic and market conditions, including: (i) prevailing commodity prices and exchange rates; (ii) projected capital and operating costs; (iii) other assumptions set forth in the Tres Cruces Technical Report; (iv) prevailing regulatory, tax and environmental laws and regulations; (v) that there will be no significant events occurring outside of the normal course of business of First Light or New Oroperu; (vi) future costs of labour, materials and other supplies; and (vii) general economic, political and market conditions.

The forward-looking statements contained herein speak only as of the date of this Circular. New Oroperu believes that the expectations and assumptions reflected in such forward-looking statements are reasonable and relevant based on information available as at the date of this Circular, but no assurance can be given that these expectations will prove to be correct.

Forward-looking statements and other information contained herein concerning mineral exploration, development and operations, and management's general expectations concerning such industries, are based on estimates prepared by First Light or New Oroperu using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which First Light or New Oroperu believe to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While First Light or New Oroperu are not aware of any misstatements regarding any industry data presented herein, mineral exploration and development involves risk and uncertainties and industry data is subject to change based on various factors.

Forward-looking statements involve significant risks and uncertainties. A number of factors could cause actual results to differ materially from those anticipated in such forward-looking statements including: (i) changes in general economic and market conditions; (ii) fluctuations in gold and other metal and mineral prices, interest rates and currency exchange rates; (iii) uncertainties related to mining operations as well as exploration and development projects, including the possibility that actual capital and operating costs and economic returns will differ significantly from estimates; (iv) an inability to successfully complete mining and mineral projects, planned expansions or other projects on budget and schedule; (v) adverse changes in economic, political or social

conditions or in applicable laws, rules and regulations; (vi) the potential resurgence in cases of COVID-19, which creates uncertainty and could result in restrictions on the ability of New Oropuru or Anacortes to operate or continue to operate at their mine sites; (vii) the extent to which COVID-19 impacts economic growth, First Light, New Oropuru or Anacortes, their businesses operations, financial condition and share prices, which will depend on future developments that are highly uncertain, including the duration and spread of the pandemic, its severity, actions taken to contain or treat COVID-19 and how quickly economic activity normalizes; (viii) labour disputes, surface rights disputes, access to property, flooding, ground instability, fire and other risks of the mining industry; (ix) property, title and permitting matters; and (x) environmental costs, events or liability claims.

There are also risks inherent in the nature of the Arrangement, including:

- New Oropuru and First Light may fail to realize the anticipated benefits of the Arrangement;
- the conditions to completion of the Arrangement, including receipt of all required Key Regulatory Approvals, Court approval, approval of the Arrangement Resolution by the New Oropuru Securityholders and approval of the First Light Resolutions by the First Light Shareholders may not be satisfied or waived by the Outside Date, or at all, which may result in the Arrangement not being completed;
- the timing of the Meeting, the First Light Meeting and Final Order and the anticipated Effective Date may be changed or delayed;
- First Light and New Oropuru will incur significant costs relating to the Arrangement, regardless of whether the Arrangement is completed or not completed;
- the Arrangement Agreement could be terminated by either Party under certain circumstances;
- if the Arrangement is not completed, New Oropuru Securityholders will not realize the benefits of the Arrangement;
- the Termination Fee payable under the Arrangement Agreement in certain circumstances may discourage third parties from proposing a significant business transaction with New Oropuru;
- if there are a significant number of Dissenting Shareholders, a substantial cash payment may be required to be made to such Dissenting Shareholders that could have an adverse effect on Anacortes' financial condition and cash resources if the Arrangement is completed;
- completion of the Arrangement and the Concurrent Private Placement will result in a significant number of additional First Light Shares being issued and available for trading in the public market which will have a dilutive effect on the interests of New Oropuru Shareholders in the business currently operated by New Oropuru;
- the continued and prolonged effects of the COVID-19 pandemic may delay or prevent the completion of the Arrangement;
- risks and unforeseen difficulties related to the integration of New Oropuru's and First Light's existing businesses, including that New Oropuru Securityholders may be exposed to additional business risks not previously applicable to their investments in New Oropuru Securities;
- risks related to the exploration and development of new mineral projects by Anacortes; and
- other risks and uncertainties discussed under the heading "*Risk Factors*".

Readers are cautioned that the foregoing lists of factors are not exhaustive and there may be other factors that could affect First Light, New Oproeru or Anacortes. Accordingly, undue reliance should not be placed on forward-looking statements.

Except as required by Law, First Light and New Oproeru do not undertake any obligation to publicly update or revise any forward-looking statements. All forward-looking statements contained in this Circular are expressly qualified by this cautionary statement.

NOTE TO U.S. SECURITYHOLDERS

Each of First Light and New Oproeru is a "foreign private issuer" as defined in Rule 3b-4 under the 1934 Act, and this Circular has been prepared in accordance with the disclosure requirements of applicable Canadian Securities Laws. Accordingly, the solicitation of proxies for the Meeting is not subject to the requirements of section 14(a) of the 1934 Act. As such, the solicitations and transactions contemplated in this Circular are made in the United States for securities of a Canadian issuer in accordance with Canadian corporate Laws and Securities Laws, and this Circular has been prepared solely in accordance with disclosure requirements applicable in Canada. New Oproeru Securityholders should be aware that such requirements are different from those of the United States applicable to registration statements under the 1933 Act and proxy statements under the 1934 Act.

In addition, the technical information included in this Circular has been prepared in accordance with NI 43-101 and the Canadian Institute of Mining, Metallurgy, and Petroleum Definition Standards on Mineral Resources and Mineral Reserves. NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for public disclosure by a Canadian company of scientific and technical information concerning mineral projects. Unless otherwise indicated, all mineral reserve and mineral resource estimates contained in the technical disclosure have been prepared in accordance with NI 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum Definition Standards on Mineral Resources and Reserves. Canadian standards, including NI 43-101, differ significantly from the requirements of the Securities and Exchange Commission, and mineral reserve and resource information included in this Circular may not be comparable to similar information made public by U.S. companies.

The enforcement by investors of civil liabilities under the U.S. Securities Laws may be affected adversely by the fact that New Oproeru is organized under the laws of a jurisdiction other than the U.S., that some or all of its officers and directors are residents of countries other than the U.S., that some or all of the experts named in this Circular may be residents of countries other than the U.S., and that all or a substantial portion of the assets of First Light, New Oproeru, and such persons are located outside the U.S. As a result, it may be difficult or impossible for New Oproeru Securityholders resident in the U.S. to effect service of process within the U.S. upon First Light or New Oproeru, their respective officers and directors or the experts named in this Circular, or to realize, against them, upon judgments of courts in the U.S. predicated upon civil liabilities under U.S. Securities Laws. In addition, New Oproeru Securityholders resident in the U.S. should not assume that Canadian courts: (i) would enforce judgments of U.S. courts obtained in actions against such persons predicated upon civil liabilities under U.S. Securities Laws or the state-specific "blue sky" securities laws of any state within the U.S.; or (ii) would enforce, in original actions, liabilities against such persons predicated upon civil liabilities under U.S. Securities Laws or "blue sky" laws of any state within the U.S.

THE CONSIDERATION SHARES ISSUABLE PURSUANT TO THE ARRANGEMENT HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR THE SECURITIES REGULATORY AUTHORITY OF ANY STATE OF THE UNITED STATES, NOR HAS THE SEC OR ANY SUCH STATE SECURITIES REGULATORY AUTHORITY PASSED UPON THE ACCURACY OR ADEQUACY OF THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.

Meeting and Voting Information

THE MEETING

This Circular is furnished in connection with the solicitation of proxies by and on behalf of the management of the Company for use at the Meeting to be held at 595 Burrard Street, Suite 2600, Vancouver BC V7X 1L3 on Wednesday, September 8, 2021, at 11:00 a.m. (Pacific time) and any adjournment or postponement thereof, for the purposes set forth in the Notice of Meeting.

SOLICITATION OF PROXIES

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

REGISTERED HOLDERS

Voting by Proxy

The individuals named in the Proxy are directors and/or officers of the Company. **New Oproeru Securityholders who wish to appoint some other person (who need not be a New Oproeru Securityholder) to represent them at the Meeting have the right to do so, either by inserting such person's name in the blank space provided in the Proxy and striking out the two printed names or by completing another form of proxy.** The Proxy will not be valid unless a completed, dated and signed form of proxy is received by Computershare Trust Company of Canada, 100 University Avenue, 8th Floor, Ontario, M5J 2Y1, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or any adjournment or postponement thereof, or, at the discretion of the Chair, is delivered to the Chair of the Meeting prior to commencement of the Meeting or any adjournment or postponement thereof.

New Oproeru Securityholders who wish to appoint a third party proxyholder to represent them at the Meeting **must submit their Proxy or VIF (as applicable).**

How your New Oproeru Securities will be Voted

New Oproeru Securities represented by a properly executed Proxy will be voted or withheld from voting on any ballot that may be called for in accordance with the instructions of the New Oproeru Securityholder on any ballot that may be called for, and where a choice with respect to any matter to be acted upon, such New Oproeru Securities will be voted accordingly. **In the absence of such direction, New Oproeru Securities represented by a Proxy in favour of the management designees named therein will be voted:**

✓ **FOR the Arrangement Resolution**

The Proxy, when properly completed and delivered and not revoked, confers discretionary authority upon the person appointed proxyholder thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting, and with respect to other matters which may properly come before the Meeting. As at the date hereof, management of the Company knows of no such amendment, variation or other matter that may come before the Meeting.

Changing your Vote

A Registered New Oroperu Securityholder who has returned a Proxy may revoke it by:

- completing and signing another Proxy with a later date and delivering it to Computershare Trust Company of Canada as instructed on the Proxy so that it is received prior to the proxy voting deadline;
- voting again on the Internet or by phone at any time prior to the proxy voting deadline;
- delivering an instrument in writing, signed by such New Oroperu Securityholder or by his or her authorized representative, to: (i) the registered office of the Company, 320-800 West Pender Street, Vancouver, British Columbia, V6C 2V6, at any time up to and including the last Business Day before the day of the Meeting; or (ii) the Chair of the Meeting at the Meeting;
- attending and voting at the Meeting (see "*How can I attend the Meeting?*" in the "*Questions & Answers – Questions Regarding the Meeting*" section); or
- in any other manner provided by law.

A revocation of a Proxy does not affect any matter on which a vote has been taken prior to such revocation.

Only Registered New Oroperu Securityholders have the right to directly revoke a Proxy. **Beneficial New Oroperu Securityholders that wish to change their vote must arrange for their respective Intermediaries to revoke the proxy on their behalf in accordance with any requirements of the Intermediaries.**

BENEFICIAL SHAREHOLDERS

Generally, Beneficial New Oroperu Shareholders who have not waived the right to receive Meeting Materials will be sent a VIF which must be completed, signed and returned by the Beneficial New Oroperu Shareholder in accordance with the Intermediary's directions on the VIF. In some cases, such Beneficial New Oroperu Shareholder will instead be given a Proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of New Oroperu Shares beneficially owned by the Beneficial New Oroperu Shareholder but which is otherwise not completed. This form of proxy does not need to be signed by the Beneficial New Oroperu Shareholder but, to be used at the Meeting, needs to be properly completed and deposited with Computershare Trust Company of Canada as described under "*Meeting and Voting Information – Registered Holders – Voting by Proxy*" above.

The purpose of these procedures is to permit Beneficial New Oroperu Shareholders to direct the voting of the New Oroperu Shares that they beneficially own. Should a Beneficial New Oroperu Shareholder wish to attend and vote at the Meeting (or have another person attend and vote on behalf of the Beneficial New Oroperu Shareholder), the Beneficial New Oroperu Shareholder should strike out the names of the persons named in the Proxy and insert the Beneficial New Oroperu Shareholder's (or such other person's) name in the blank space provided or, in the case of a VIF, follow the corresponding instructions on the form.

Beneficial New Oroperu Shareholders should carefully follow the instructions of their Intermediaries and their service companies, including instructions regarding when and where the VIF or Proxy form is to be delivered.

Notice to U.S. Beneficial Holders

To attend and vote at the Meeting, you must first obtain a valid legal Proxy from your Intermediary. Follow the instructions from your Intermediary included with these proxy materials or contact your Intermediary to request a legal Proxy form.

ADDITIONAL DETAILS

Delivery of Meeting Materials

We have arranged for Intermediaries to forward the Meeting Materials to Beneficial New Oroperu Shareholders of record and we may reimburse such Intermediaries for their reasonable fees and disbursements in that regard.

There are two kinds of Beneficial New Oroperu Shareholder – those who have not objected to their Intermediary disclosing certain ownership information about themselves to the Company, referred to as "**NOBOs**", and those who have objected to their Intermediary disclosing ownership information about themselves to the Company, referred to "**OBOs**".

In accordance with the requirements of NI 54-101, the Company has elected to send the Meeting Materials directly to the NOBOs, unless the NOBO has waived the right to receive them, and indirectly through Intermediaries to the OBOs. The Intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to each OBO, unless the OBO has waived the right to receive them. The Company does not intend to pay for an Intermediary to deliver Meeting Materials to OBOs. Accordingly, OBOs will not receive the Meeting Materials unless their Intermediary assumes the costs of delivery.

Voting Securities

As at the Record Date, the Company had issued and outstanding (i) 27,937,962 fully paid and non-assessable New Oroperu Shares (ii) 2,900,000 New Oroperu Options to purchase New Oroperu Shares and (iii) 2,691,072 New Oroperu Warrants to purchase New Oroperu Shares, with each New Oroperu Security carrying the right to one vote. No other securities of New Oroperu are eligible to vote at the Meeting.

Holders of New Oroperu Shares, New Oroperu Options and/or New Oroperu Warrants as at the Record Date who either attend the Meeting in person or who have completed and delivered a Proxy or VIF in the manner and subject to the provisions described under "*Questions & Answers – Questions Regarding the Meeting*" shall be entitled to vote or to have their New Oroperu Securities voted at the Meeting.

To the knowledge of the directors and officers of the Company, as of the Record Date, no person or company beneficially owned or exercised control or direction over, directly or indirectly, New Oroperu Shares carrying more than 10% of the voting rights attached to all outstanding New Oroperu Shares, other than as follows:

Shareholder	Number of New Oroperu Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly	% of Issued and Outstanding New Oroperu Shares ⁽¹⁾
Pan American Silver Corp. (" Pan American ")	4,852,505	17.4%
K. Wayne Livingstone ⁽²⁾	3,117,748	11.2%

Note:

(1) Holdings based on the number of issued and outstanding New Oroperu Shares as of the Record Date.

(2) Mr. Livingstone also holds 940,000 New Oroperu Options and 125,072 New Oroperu Warrants as of the Record Date.

Summary

This summary should be read together with and is qualified in its entirety by the more detailed information and financial data and statements contained elsewhere in this Circular, including the Schedules hereto.

The Meeting

The Meeting will be held at 595 Burrard Street, Suite 2600, Vancouver BC V7X 1L3 on September 8, 2021, at 11:00 a.m. (Pacific time). New Oroperu Securityholders and duly appointed proxyholders (including Beneficial New Oroperu Shareholders who have appointed themselves as proxyholder) can attend the Meeting and participate, vote, and submit questions during the Meeting.

The Record Date for determining the New Oroperu Securityholders entitled to receive notice of and to vote at the Meeting was August 4, 2021. Only New Oroperu Securityholders of record as of the close of business (Pacific time) on the Record Date are entitled to receive notice of and to vote at the Meeting.

Parties to the Arrangement

Parties to the Arrangement

New Oroperu

New Oroperu is a Canadian junior exploration company which owns the Tres Cruces gold project in Peru.

The New Oroperu Shares are listed on the TSXV under the symbol "ORO".

See Schedule "G" for additional information regarding New Oroperu.

First Light

First Light is a Capital Pool Company. The First Light Shares are listed on the TSXV under the symbol "XYZ.P".

See Schedule "H" for additional information regarding First Light.

Anacortes

As a result of the Arrangement, New Oroperu will become a wholly-owned subsidiary of First Light, who will change its name to Anacortes Mining Corp. For further information concerning the business and operations of Anacortes see Schedule "I".

Background to the Arrangement & Recommendations

Background to the Arrangement

The Arrangement and the provisions of the Arrangement Agreement are the result of arm's length negotiations among representatives of First Light and New Oroperu and their respective financial and legal advisors. See "*Background to the Arrangement & Recommendations – Background to the Arrangement*" for a detailed summary of the background to the Arrangement and the events leading up to the execution of the Arrangement Agreement and the public announcement of the proposed Arrangement.

Recommendation of the Board

After careful consideration, the New Oroperu Board determined, in consultation with its legal and financial advisors and based in part on the Haywood Fairness Opinion and the Echelon Fairness Opinion, that the Arrangement is in the best interests of New Oroperu, and unanimously recommends that New Oroperu Securityholders **VOTE FOR** the Arrangement Resolution. The determination of the New Oroperu Board is based on various factors described more fully in the Circular. See "*Background to the Arrangement & Recommendations – Recommendation of the Board*".

Reasons for the Arrangement

In unanimously determining that the Arrangement is in the best interests of New Oroperu, that the Consideration is fair, from a financial point of view, to the New Oroperu Shareholders and in supporting the Arrangement generally, the New Oroperu Board considered and relied on a number of principal factors, including, among others, factors relating to: (i) the expected capitalization of Anacortes; (ii) the extensive experience of the proposed management team of Anacortes; (iii) organic growth potential; (iv) strong combined leadership team; (v) anticipated strong balance sheet; (vi) increased market capitalization; (vii) participation by both companies' shareholders in the combined operations and growth projects; and (viii) consideration of alternatives. In the course of its deliberations, the New Oroperu Board also considered the various procedural and qualitative safeguards provided by the terms of the Arrangement Agreement to protect the interests of New Oroperu and New Oroperu Securityholders.

See "*Background to the Arrangement & Recommendations – Reasons for the Arrangement*" for a more detailed description of these and other factors and procedural safeguards.

Financial Advisors

Haywood and Echelon Fairness Opinions

New Oroperu retained Haywood Securities Inc. to deliver an opinion to the New Oroperu Board as to whether the consideration payable by First Light pursuant to the Arrangement is fair, from a financial point of view, to the New Oroperu Shareholders. Haywood has delivered the Haywood Fairness Opinion to the New Oroperu Board concluding that, as at the date of such opinion, and based upon and subject to the assumptions, limitations and qualifications set forth therein, the Consideration to be paid by First Light pursuant to the Arrangement is fair, from a financial point of view, to the New Oroperu Shareholders.

The full text of the Haywood Fairness Opinion, setting out among other things, the assumptions made, matters considered, information reviewed and limitations and qualifications on the review undertaken by Haywood in connection with the Haywood Fairness Opinion, is attached as Schedule "C" to this Circular. The summary of the Haywood Fairness Opinion described in this Circular is qualified in its entirety by the full text of the Haywood Fairness Opinion.

New Oroperu also retained Echelon Wealth Partners Inc. to deliver an opinion to the New Oroperu Board as to whether the Exchange Ratio is fair, from a financial point of view, to the New Oroperu Shareholders. Echelon has delivered the Echelon Fairness Opinion to the New Oroperu Board concluding that, as at the date of such opinion, and based upon and subject to the assumptions, limitations and qualifications set forth therein, the Exchange Ratio is fair, from a financial point of view, to the New Oroperu Shareholders.

The full text of the Echelon Fairness Opinion, setting out among other things, the assumptions made, matters considered, information reviewed and limitations and qualifications on the review undertaken by Echelon in connection with the Echelon Fairness Opinion, is attached as Schedule "E" to this Circular. The summary of the Echelon Fairness Opinion described in this Circular is qualified in its entirety by the full text of the Echelon Fairness Opinion.

See "*Background to the Arrangement & Recommendations – Financial Advisors*".

Haywood Financial Engagement

New Oroperu retained Haywood as financial advisor in connection with the evaluation of a potential transaction with First Light. Haywood acted as financial advisor to New Oroperu to perform such financial advisory and investment banking services as are customary in transactions similar to the Arrangement, including assisting New Oroperu in analyzing, structuring and negotiating the Arrangement with First Light. See "*Background to the Arrangement & Recommendations – Financial Advisors*".

The Arrangement

Effects of the Arrangement

The purpose of the Arrangement is to effect the business combination of New Oropu and First Light. The Arrangement is to be carried out pursuant to the Arrangement Agreement and the Plan of Arrangement. Upon completion of the Arrangement, among other things, First Light will acquire all of the issued and outstanding New Oropu Shares and New Oropu will become a wholly-owned subsidiary of First Light. See "*The Arrangement – Effects of the Arrangement*".

New Oropu Shares

Under the terms of the Arrangement, each New Oropu Share outstanding at the Effective Time (other than New Oropu Shares held by Dissenting Shareholders) will be deemed to be transferred to First Light in exchange for the Consideration. The Exchange Ratio implies a consideration of approximately \$2.73 per New Oropu Share based on the closing price of the First Light Shares of \$0.47 on the TSXV on June 16, 2021 (being the last trading day prior to the announcement of the Arrangement).

Each New Oropu Share held by Dissenting Shareholders will be deemed to have been transferred to First Light (free and clear of any encumbrances), without any further act or formality, and such Dissenting Shareholders will cease to have any rights as a New Oropu Shareholder other than the right to be paid the fair value for their New Oropu Shares.

See "*The Arrangement – Effects of the Arrangement – New Oropu Shares*".

New Oropu Options

Pursuant to the Plan of Arrangement, each holder of New Oropu Options outstanding immediately prior to the Effective Time, whether vested or unvested, (other than Ontario Limited and the U.S. Optionholder) will be deemed to have exchanged fifty percent of their New Oropu Options for Replacement Options to acquire the number of First Light Shares equal to the product of: (A) the number of New Oropu Shares subject to such New Oropu Options immediately prior to the Effective Time; multiplied by (B) the Exchange Ratio, provided that, if the foregoing would result in the issuance of a fraction of a First Light Share on any particular exercise of Replacement Options, then the number of First Light Shares otherwise issued shall be rounded down to the nearest whole number of First Light Shares. The exercise price per First Light Share subject to a Replacement Option shall be an amount equal to the quotient of: (Y) the exercise price per New Oropu Share subject to each such New Oropu Option immediately before the Effective Time; divided by (Z) the Exchange Ratio, provided that the aggregate exercise price payable on any particular exercise of Replacement Options shall be rounded up to the nearest whole cent. Each holder of New Oropu Options outstanding immediately prior to the Effective Time, whether vested or unvested, (other than Ontario Limited and the U.S. Optionholder) will be deemed to have transferred the remaining fifty percent of their New Oropu Options to New Oropu for cancellation for the Option Cash Payment.

See "*The Arrangement – Effects of the Arrangement – New Oropu Options*".

New Oropu Warrants

Each New Oropu Warrant outstanding at the Effective Time will be amended to provide that upon exercise, the New Oropu Warrantholder will be entitled to acquire from First Light the number of First Light Shares equal to the product of: (A) the number of New Oropu Shares subject to such New Oropu Warrants immediately prior to the Effective Time; multiplied by (B) the Exchange Ratio, provided that, if the foregoing would result in the issuance of a fraction of a First Light Share on any particular exercise of New Oropu Warrants, then the number of First Light Shares otherwise issued shall be rounded down to the nearest whole number of First Light Shares. The exercise price per First Light Share shall be an amount equal to the quotient of: (Y) the exercise price per

New Oroperu Share subject to each such New Oroperu Warrant immediately before the Effective Time; divided by (Z) the Exchange Ratio.

See "*The Arrangement – Effects of the Arrangement – New Oroperu Warrants*".

First Light Shares

If the Arrangement is completed, the actual number of First Light Shares that will be issued on the Effective Date will depend on the number of New Oroperu Shares issued and outstanding on the Effective Date, which will be affected by the number of New Oroperu Options that vest and are exercised prior to the Effective Date as well as the number of New Oroperu Warrants that are exercised prior to the Effective Date.

New Oroperu anticipates that immediately following the completion of the Arrangement, current New Oroperu Shareholders and current First Light Shareholders will own approximately 84% and 16% of the outstanding First Light Shares, respectively, assuming that: (i) there are no Dissenting Shareholders; (ii) prior to the Effective Date (a) no New Oroperu Shares are issued pursuant to any outstanding New Oroperu Options or other entitlements or rights to acquire New Oroperu Shares; and (b) no First Light Shares are issued pursuant to any outstanding First Light Options or other entitlements or rights to acquire First Light Shares; and (iii) without giving effect to the Concurrent Private Placement. After giving effect to the Concurrent Private Placement it is anticipated that current New Oroperu Shareholders, current First Light Shareholders and investors in the Concurrent Private Placement will own 65%, 12% and 22% of the outstanding First Light Shares, subject to the same assumptions as above.

See "*The Arrangement – Effects of the Arrangement – First Light Shares*".

Procedural Steps

The Arrangement is proposed to be carried out pursuant to section 288 of the BCBCA. The following procedural steps must be taken in order for the Arrangement to become effective:

- (a) the Arrangement Resolution must be approved by New Oroperu Securityholders at the Meeting in the manner set forth the Interim Order;
- (b) the First Light Resolutions must be approved by First Light Shareholders at the First Light Meeting;
- (c) the Court must grant the Final Order approving the Arrangement;
- (d) sufficient Consideration Shares to satisfy the Consideration must be deposited in escrow with the Depositary; and
- (e) all other conditions precedent to the Arrangement must be satisfied or waived by the appropriate Party.

There is no assurance that the conditions set out in the Arrangement Agreement will be satisfied or waived on a timely basis or at all.

Required Approvals

Securityholder Approvals

New Oroperu Securityholder Approval

Pursuant to the terms of the Interim Order, the Arrangement Resolution must, subject to further order of the Court, be approved by: (i) two-thirds of the votes cast on the Arrangement Resolution by New Oroperu Shareholders present in person or represented by proxy at the New Oroperu Meeting, (ii) two-thirds of the votes cast on the Arrangement Resolution by New Oroperu Securityholders present in person or represented by proxy at the New Oroperu Meeting, voting together as a single class; and (iii) a simple majority of the votes cast on the Arrangement Resolution by New Oroperu Shareholders present in person or represented by proxy at the New Oroperu Meeting, excluding votes cast by directors, senior officers and certain other parties of New Oroperu whose votes must be excluded pursuant to MI 61-101.

The New Oroperu Board unanimously recommends that New Oroperu Securityholders VOTE FOR the Arrangement Resolution

The full text of the Arrangement Resolution is set out in Schedule "A". Also see "*The Arrangement – Effects of the Arrangement*".

First Light Shareholder Approval

In connection with the Arrangement First Light Shareholders will be asked to, among other things, approve the Consolidation and the Name Change and to set its number of directors at five and to elect the Anacortes Directors.

In order to be effective each of the First Light Resolutions must be approved by a majority of the votes cast in respect of the resolution by the First Light Shareholders present in person or represented by proxy at the First Light Meeting.

See "*The Arrangement – Required Approvals– Shareholder Approvals – First Light Shareholder Approval*".

Court Approvals

On August 5, 2021, New Oroperu obtained the Interim Order providing for the calling and holding of the New Oroperu Meeting and other procedural matters.

The BCBCA provides that a plan of arrangement requires Court approval. Subject to the terms of the Arrangement Agreement, if the Arrangement Resolution and the First Light Resolutions are approved at the Meeting and the First Light Meeting, respectively, New Oroperu intends to make an application to the Court for the Final Order. The Court hearing in respect of the Final Order is expected to take place on September 10, 2021, via teleconference at 9:45 a.m. (Pacific time), or as soon thereafter as counsel may be heard.

"*The Arrangement – Required Approvals– Court Approvals*".

TSXV Approval

As soon as practicable following completion of the Arrangement, the Company intends to apply to applicable Canadian securities regulators to cease to be a reporting issuer and to have the New Oroperu Shares delisted from the TSXV.

First Light has applied to list and post for trading the Anacortes Shares on the TSXV. It is a condition to completion of the Arrangement that the TSXV will have conditionally approved the listing of the Anacortes Shares, subject to satisfaction of standard listing conditions.

See "*The Arrangement – Required Approvals – TSXV Approval*".

Securities Laws Matters

Canada

The First Light Shares distributed pursuant to the Arrangement will be issued in reliance on exemptions from the prospectus requirements of applicable Canadian Securities Laws, will generally be "freely tradable" and the resale of such First Light Shares will be exempt from the prospectus requirements (and not subject to any "restricted period" or "hold period") under applicable Canadian Securities Laws if the following conditions are met: (i) the trade is not a control distribution (as defined under applicable Canadian Securities Laws); (ii) no unusual effort is made to prepare the market or to create a demand for First Light Shares; (iii) no extraordinary commission or consideration is paid to a person or company in respect of the trade; and (iv) if the selling shareholder is an insider or an officer of First Light, the selling securityholder has no reasonable grounds to believe that First Light is in default of securities legislation.

See "*The Arrangement – Securities Laws Matters – Canada*".

United States

A general overview of certain requirements of U.S. Securities Laws that may be applicable to New Oroperu Securityholders is set out in this Circular under the heading "*The Arrangement – Securities Laws Matters – United States*". All holders of such securities are urged to consult with counsel to ensure that the resale of their securities complies with applicable U.S. Securities Laws.

Subject to obtaining the Final Order, the issuance of the Consideration Shares to New Oroperu Shareholders in exchange for the New Oroperu Shares, in each case pursuant to the Arrangement, will be exempt from registration under the 1933 Act pursuant to the Section 3(a)(10) Exemption. However, the exemption from the registration requirements of the 1933 Act provided by the Section 3(a)(10) Exemption does not exempt the issuance of securities upon the exercise of securities that were previously issued pursuant to the Section 3(a)(10) Exemption. As a result, the First Light Shares issuable upon exercise or settlement of any Replacement Options may not be issued in reliance upon the Section 3(a)(10) Exemption and such Replacement Options may only be exercised or settled pursuant to an available exemption from the registration requirements of the 1933 Act and applicable state securities Laws or pursuant to a registration statement under the 1933 Act.

See "*The Arrangement – Securities Laws Matters – United States*".

The Arrangement Agreement

The Arrangement will be effected in accordance with the Arrangement Agreement, a copy of which can be found under New Oroperu's SEDAR profile at www.sedar.com and the Plan of Arrangement, the full text of which is attached as Schedule "B" to this Circular. A summary of certain key terms of the Arrangement Agreement is provided under "*The Arrangement Agreement*" and is qualified in its entirety by the full text of the Arrangement Agreement.

In addition to certain covenants, representations and warranties made by each of First Light and New Oroperu in the Arrangement Agreement, New Oroperu has provided certain non-solicitation covenants, agreeing not to solicit, promote, facilitate or knowingly encourage an Acquisition Proposal from any third party. However, New Oroperu may, prior to obtaining the New Oroperu Securityholder Approval respond to an Acquisition Proposal that constitutes or could reasonably be expected to lead to a Superior Proposal, subject to First Light's right to match any such Superior Proposal within five Business Days.

The Arrangement Agreement may be terminated by mutual written consent of First Light and New Oproeru and by each Party in certain circumstances as more particularly set forth in the Arrangement Agreement, including the failure to obtain the requisite New Oproeru Securityholder Approval or the First Light Shareholder Approval. Subject to certain limitations, each Party may also terminate the Arrangement Agreement if the Arrangement Agreement is not consummated by the Outside Date, which date can be extended by written agreement of the Parties.

In addition to the other rights and remedies of the Parties under the Arrangement Agreement, in certain circumstances, New Oproeru will be required to pay First Light a termination fee of \$2,500,000. In addition to the other rights and remedies of the Parties under the Arrangement Agreement, in certain circumstances, New Oproeru or First Light, as applicable, will be required to pay the other party the Expense Fee.

See "*The Arrangement Agreement*" for a more detailed summary of the material terms of the Arrangement Agreement.

Voting Support Agreements

New Oproeru Voting Support Agreements

Each of the directors and senior officers of New Oproeru, who collectively hold approximately 14.1% of the issued and outstanding New Oproeru Shares and 19.8% of the New Oproeru Securities as at the Record Date, have entered into a New Oproeru Voting Support Agreement with First Light pursuant to which each such individual has agreed to, among other things, vote all New Oproeru Securities beneficially owned by them in favour of the Arrangement Resolution, subject to the terms and conditions of such agreements.

Pan American Voting Support Agreement

Pan American, New Oproeru's largest shareholder, has entered into the Pan American Voting Support Agreement with First Light pursuant to which it agreed to, among other things, vote all of the New Oproeru Shares owned by them at the relevant time in favour of the Arrangement Resolution. As of June 16, 2021, the date of the Pan American Voting Support Agreement, Pan American owned and exercised control and direction over 4,852,505 New Oproeru Shares, representing approximately 17.4% of the issued and outstanding New Oproeru Shares and approximately 16.9% of the outstanding New Oproeru Securities.

See "*Voting Support Agreements*".

Risk Factors

New Oproeru Securityholders voting in favour of the Arrangement Resolution will be choosing to endorse the proposed acquisition of New Oproeru by First Light. The Arrangement involves risks. The following is a list of certain risk factors associated specifically with the Arrangement and which New Oproeru Securityholders should carefully consider in evaluating whether to approve the Arrangement Resolution:

- New Oproeru and First Light may fail to realize the anticipated benefits of the Arrangement;
- the conditions to completion of the Arrangement, including receipt of all required Key Regulatory Approvals, Court approval, approval of the Arrangement Resolution by the New Oproeru Securityholders and approval of the First Light Resolutions by the First Light Shareholders may not be satisfied or waived by the Outside Date, or at all, which may result in the Arrangement not being completed;
- the timing of the Meeting, the First Light Meeting and Final Order and the anticipated Effective Date may be changed or delayed;
- First Light and New Oproeru will incur significant costs relating to the Arrangement, regardless of whether the Arrangement is completed or not completed;

- the Arrangement Agreement could be terminated by either Party under certain circumstances;
- if the Arrangement is not completed, New Oropu Securityholders will not realize the benefits of the Arrangement;
- the Termination Fee payable under the Arrangement Agreement in certain circumstances may discourage third parties from proposing a significant business transaction with New Oropu;
- if there are a significant number of Dissenting Shareholders, a substantial cash payment may be required to be made to such Dissenting Shareholders that could have an adverse effect on Anacortes' financial condition and cash resources if the Arrangement is completed;
- completion of the Arrangement and the Concurrent Private Placement will result in a significant number of additional First Light Shares being issued and available for trading in the public market which will have a dilutive effect on the interests of New Oropu Shareholders in the business currently operated by New Oropu;
- the continued and prolonged effects of the COVID-19 pandemic may delay or prevent the completion of the Arrangement;
- risks and unforeseen difficulties related to the integration of New Oropu's and First Light's existing businesses, including that New Oropu Securityholders may be exposed to additional business risks not previously applicable to their investments in New Oropu Securities;
- risks related to the exploration and development of new mineral projects by Anacortes; and
- other risks and uncertainties discussed under the heading "*Risk Factors*".

The risk factors listed above are an abbreviated list of risk factors summarized elsewhere in this Circular, including under the heading "*Risk Factors*".

If the Arrangement is completed, New Oropu Securityholders will become subject to certain risks involved with First Light's business. In addition, whether or not the Arrangement is completed, New Oropu will continue to face many of the risks that it currently faces with respect to its business and affairs. For a description of these risk factors see "*Risk Factors*".

Background to the Arrangement & Recommendations

On June 16, 2021, New Oropu entered into the Arrangement Agreement with First Light, which sets out the terms and conditions for the implementation of the Arrangement, which will be effected by way of the Plan of Arrangement. Pursuant to the Arrangement, First Light will, among other things, acquire all of the issued and outstanding New Oropu Shares in exchange for the Consideration of 5.815 First Light Shares for each New Oropu Share.

BACKGROUND TO THE ARRANGEMENT

The Arrangement Agreement is the result of arm's length negotiations among representatives of New Oropu and First Light and their respective financial and legal advisors. The following is a summary of the material events that preceded the execution and public announcement of the Arrangement Agreement. The New Oropu Board regularly reviews its overall corporate strategy and from time to time considers various strategic opportunities that may facilitate the achievement of the Company's business plan or otherwise be in the best interests of the Company with a view to enhancing shareholder value. This includes reviewing the potential financing activities and identifying prospective transactions that could enhance New Oropu's existing operations and support its strategic growth plans. While New Oropu's primary focus is to develop the Tres Cruces property, it has been seeking opportunities to raise additional financing which will better enable the Company to develop the Tres Cruces property and seek further growth opportunities in the Americas.

On October 18, 2019, New Oropu signed a Financial Advisor Agreement with Haywood for assistance in financing and evaluation of potential business opportunities. In mid-2020 and early 2021, management of New Oropu, with assistance from Haywood, began a process to evaluate potential transaction and financing opportunities for the Company, including potential strategic alternatives such as the acquisition and/or combination with regional assets which could provide synergies for the development of Tres Cruces and the sale of New Oropu. On October 26, 2020, an initial telephone conference was set up between Wayne Livingstone for New Oropu, James (Jim) Currie and Marshall Koval for First Light, Haywood, and First Light's financial advisors to explore a potential transaction between the Parties and certain regional assets. Over the next several weeks, the Parties met to discuss the potential transaction and strategy for working together. During the last week of November, the Parties determined not to proceed with such a transaction. On February 19, 2021, a follow-up telephone conference was set up between Wayne Livingstone for New Oropu and James (Jim) Currie and Marshall Koval for First Light to explore discussions regarding a potential transaction between the Parties.

On the following day, management of New Oropu advised the New Oropu Board of the preliminary discussions with First Light and the New Oropu Board deliberated on the possibility of undertaking a transaction with First Light. The New Oropu Board authorized management to continue discussions and present indicative terms for a potential transaction to First Light.

Between February 25, 2021, and April 5, 2021, New Oropu and First Light exchanged correspondence by letter and email regarding the timing and pricing of a potential transaction and the need to conduct reciprocal due diligence. Over the course of this period, management of both companies discussed the potential merits and negotiated the proposed terms of a transaction, including a share exchange ratio.

Management of New Oropu, the New Oropu Board, Blake, Cassels & Graydon LLP ("**Blakes**") and Haywood met on various occasions between February and April 2021, to discuss and consider a potential transaction involving New Oropu and First Light.

Haywood, as primary financial advisor to the Company for the provision of financial advisory services, assisted New Oropu in connection with a potential transaction with First Light.

On February 25, 2021, New Oropu presented First Light with a non-binding letter of intent outlining terms for a possible transaction which was followed by several discussions and email exchanges regarding various deal terms including but not limited to the exchange ratio and deal protections as well as being subject to ongoing due diligence and finalizing definitive transaction documents. On April 5, 2021, a revised letter of intent was sent by First Light to New Oropu addressing the concerns that New Oropu had expressed, including an increased exchange ratio. Following a robust process to assess alternatives for advancing the development of Tres Cruces,

and other strategic alternatives available to New Oroperu, the proposed transaction was deemed to be the best alternative for New Oroperu's shareholders. The New Oroperu Board unanimously supported the proposed transaction and New Oroperu and First Light entered into a letter of intent in respect of the transaction.

First Light and its legal counsel provided New Oroperu and Blakes a draft form of arrangement agreement on April 26, 2021. Between April 26th and June 16, 2021, senior executives of both companies and their respective legal counsel and financial advisors convened multiple meetings and phone calls to discuss certain due diligence matters and negotiate the terms of the Arrangement documents.

While the Arrangement documents were being negotiated, New Oroperu and Echelon agreed to the terms upon which Echelon would evaluate the terms of the Arrangement and provide an opinion to the New Oroperu Board as to the fairness of the Exchange Ratio. On April 28, 2021, New Oroperu executed an engagement letter with Echelon as a financial advisor to the New Oroperu Board and for the provision of the Echelon Fairness Opinion.

In June 2021, the directors and executive officers of New Oroperu were presented with the First Light Voting Support Agreement for consideration and execution.

In June 2021, First Light and its financial advisor approached Pan American Silver Corp. in connection with the proposed Arrangement and presented the Pan American Silver Corp. Voting Support Agreement for consideration. First Light, Pan American Silver Corp. and New Oroperu discussed the terms of such agreement until such agreement was executed on June 16, 2021.

On June 16, 2021, the New Oroperu Board met to consider the merits of the Arrangement and final terms and conditions of the Arrangement Agreement, including the amount of the termination payment, the share exchange ratio and the other proposed terms of the Arrangement Agreement and Plan of Arrangement. In conjunction with this meeting, Haywood, Echelon and Blakes reported on the results of their respective financial and legal due diligence. At this meeting, the New Oroperu Board received a verbal fairness opinion from Echelon that the Exchange Ratio was fair, from a financial point of view, to New Oroperu Shareholders. The New Oroperu Board also received a verbal fairness opinion from Haywood that the consideration to be paid by First Light pursuant to the Arrangement was fair, from a financial point of view, to New Oroperu Shareholders. The New Oroperu Board received advice from Blakes, its legal counsel, regarding the process of negotiating the Arrangement Agreement and the related transaction documents, and a summary of the final terms and conditions of the Arrangement.

Following receipt of the verbal Haywood Fairness Opinion, the verbal Echelon Fairness Opinion, advice from Haywood, and advice from legal counsel, the New Oroperu Board deliberated and considered the proposed terms and conditions of the Arrangement, including the financial terms, the amount of the termination payment and the amount of the expense reimbursement. After deliberations, the New Oroperu Board unanimously determined the Arrangement was in the best interests of New Oroperu and determined to unanimously approve the entering into of the Arrangement Agreement, the First Light Voting Support Agreements and the Pan American Voting Support Agreement, and related matters.

The Arrangement Agreement and the various voting support agreements were entered into on June 16, 2021, after market close and the terms of the Arrangement were publicly announced by a joint press release issued by New Oroperu and First Light before trading commenced the following day on June 17, 2021.

REASONS FOR THE ARRANGEMENT

In the course of its evaluation of the Arrangement and in reaching the New Oroperu Board Recommendation, the New Oroperu Board consulted with the Company's senior management, its financial advisors and its legal counsel, and considered a number of strategic, financial and operational factors and potential benefits and risks of the Arrangement, including, without limitation, those listed below, and in light of the New Oroperu's Board's knowledge of the business, financial condition and prospects of New Oroperu.

The following is a summary of certain primary factors considered and relied upon by the New Oroperu Board in reaching its unanimous recommendation that New Oroperu Securityholders **VOTE FOR** the Arrangement Resolution:

- (i) the expected capitalization of Anacortes;
- (ii) the extensive experience of the proposed management team of Anacortes;
- (iii) organic growth potential;
- (iv) strong combined leadership team;
- (v) anticipated strong balance sheet;
- (vi) increased market capitalization;
- (vii) increased liquidity trading;
- (viii) participation by both companies' shareholders in the combined operations and growth projects; and
- (ix) consideration of alternatives.

In the course of its deliberations, the New Oroperu Board also considered the various procedural and qualitative safeguards provided by the terms of the Arrangement Agreement to protect the interests of New Oroperu and New Oroperu Securityholders, including:

- *Securityholder Approval*. The Arrangement Resolution must be approved by (i) two-thirds of the votes cast on the Arrangement Resolution by New Oroperu Shareholders present in person or represented by proxy at the New Oroperu Meeting, (ii) two-thirds of the votes cast on the Arrangement Resolution by New Oroperu Securityholders present in person or represented by proxy at the New Oroperu Meeting, voting together as a single class; and (iii) a simple majority of the votes cast on the Arrangement Resolution by New Oroperu Shareholders present in person or represented by proxy at the New Oroperu Meeting, excluding votes cast by directors, senior officers and certain other parties of New Oroperu whose votes must be excluded pursuant to MI 61-101. See "*The Arrangement – Required Approvals – Securityholder Approvals*".
- *Extensive Due Diligence*. New Oroperu, including its management, with assistance from outside financial and legal advisors, completed a detailed diligence review of First Light, including its proposed management team of Anacortes, and was satisfied by such review. New Oroperu and its advisors also evaluated First Light's shareholder register and a proposed list of lead investors for the Concurrent Private Placement to assess the viability of the Concurrent Private Placement, and were satisfied by such a review.
- *Deal Protections*. In the event of a termination of the Arrangement Agreement by New Oroperu due to certain failures of First Light, the amount of the Expense Fee payable to New Oroperu is reasonable in the circumstances. See "*The Arrangement Agreement – Non-Solicitation Covenants and Right to Match*" and "*The Arrangement Agreement – Expenses and Termination Fees*".

The New Oroperu Board also considered a number of potential risks in respect of the Arrangement, including:

- *Risk of Non-Completion*. The risks to New Oroperu if the Arrangement is not completed, including the costs to New Oroperu in resources and management attention in pursuing the Arrangement and the restrictions on the conduct of business prior to the completion of the Arrangement.
- *Termination Rights*. The right of First Light to terminate the Arrangement Agreement under certain limited circumstances.
- *Required Approvals*. The potential risk of not obtaining certain consents from third parties required to complete the Arrangement, including from the Court, the TSXV, First Light Shareholders, New Oroperu Securityholders or any other third party whose consent is required.
- *Termination Expenses*. The Termination Fee and the Expense Fee payable to First Light in certain circumstances. See "*The Arrangement Agreement – Non-Solicitation Covenants and Right to Match*" and "*The Arrangement Agreement – Expenses and Termination Fees*".

The New Oroperu Board's reasons for recommending the Arrangement include certain assumptions relating to forward-looking statements, and such information and assumptions are subject to various risks. See "*General Matters – Forward-Looking Statements*" and "*Risk Factors*" in this Circular.

The information and factors described above and considered by the New Oroperu Board in reaching the New Oroperu Board Recommendation are not intended to be exhaustive, but include material factors considered by

the New Oroperu Board. In its evaluation of the Arrangement and in reaching the New Oroperu Board Recommendation, the New Oroperu Board did not quantify or otherwise attempt to assign any relative or specific weights to the foregoing factors, and individual directors may have assigned different weightings to different factors.

FINANCIAL ADVISORS

Haywood Fairness Opinion

The Company retained Haywood Securities Inc. to deliver an opinion to the New Oroperu Board as to whether the consideration to be paid by First Light pursuant to the Arrangement is fair, from a financial point of view, to the New Oroperu Shareholders. In connection with its engagement, Haywood reviewed and analyzed information relating to the business, operations, financial performance and prospects of New Oroperu, First Light and Anacortes, as well as the industry in which they operate. In addition, Haywood reviewed financial, market and industry information and conducted such other analyses as it determined relevant and appropriate in the circumstances.

On June 16, 2021, Haywood delivered its oral opinion to the New Oroperu Board, and subsequently confirmed in writing, to the effect that as at the date of such opinion, and based upon and subject to the assumptions, limitations and qualifications set forth therein, the consideration to be paid by First Light pursuant to the Arrangement is fair, from a financial point of view, to the New Oroperu Shareholders.

The full text of the Haywood Fairness Opinion, setting out among other things, the assumptions made, matters considered, information reviewed and limitations and qualifications on the review undertaken by Haywood in connection with the Haywood Fairness Opinion, is attached as Schedule "C" to this Circular. The summary of the Haywood Fairness Opinion described in this Circular is qualified in its entirety by reference to the full text of the Haywood Fairness Opinion. New Oroperu Securityholders are encouraged to review the Haywood Fairness Opinion carefully and in its entirety.

Pursuant to its engagement letter with Haywood, New Oroperu has agreed to pay Haywood fees for its services as financial advisor, including a fixed fee for the Haywood Fairness Opinion (which is not contingent on the substance of or conclusions reached in the Haywood Fairness Opinion or the completion of the Arrangement). The Company has also agreed to reimburse Haywood for its reasonable expenses incurred in connection with its services and to indemnify Haywood against certain liabilities that might arise out of its engagement.

The Haywood Fairness Opinion is not a recommendation to any New Oroperu Securityholder as to how to vote or act on any matter relating to the Arrangement. The Haywood Fairness Opinion does not address any other aspect of the Arrangement and no opinion or view was expressed as to the relative merits of the Arrangement in comparison to other strategies or transactions that might be available to the Company or in which the Company might engage or as to the underlying business decision of the Company to proceed with or effect the Arrangement.

In the past two years, Haywood and affiliates of Haywood have been and currently are engaged in the following capacities for New Oroperu and First Light: (i) financial advisor to New Oroperu as described herein; (ii) co-lead agent on behalf of First Light in respect of the Concurrent Private Placement pursuant to an engagement letter dated June 17, 2021; and (iii) provider of the Haywood Fairness Opinion to the New Oroperu Board pursuant to a supplementary engagement letter dated June 7, 2021.

The Haywood Fairness Opinion is only one factor that was taken into consideration by the New Oroperu Board in making its determination to recommend that the New Oroperu Securityholders **VOTE FOR** the Arrangement Resolution. See "*Background to the Arrangement & Recommendations – Reasons for the Arrangement*".

Echelon Fairness Opinion

The Company retained Echelon Wealth Partners Inc. to deliver an opinion to the New Oroperu Board as to whether the Exchange Ratio is fair, from a financial point of view, to the New Oroperu Shareholders.

On June 16, 2021, Echelon delivered its oral opinion to the New Oroperu Board, and subsequently confirmed in writing, to the effect that as at the date of such opinion, and based upon and subject to the assumptions, limitations and qualifications set forth therein, the Exchange Ratio is fair, from a financial point of view, to the New Oroperu Shareholders.

The full text of the Echelon Fairness Opinion, setting out among other things, the assumptions made, matters considered, information reviewed and limitations and qualifications on the review undertaken by Echelon in connection with the Echelon Fairness Opinion, is attached as Schedule "E" to this Circular. The summary of the Echelon Fairness Opinion described in this Circular is qualified in its entirety by reference to the full text of the Echelon Fairness Opinion. New Oroperu Securityholders are encouraged to review the Echelon Fairness Opinion carefully and in its entirety.

Pursuant to its engagement letter with Echelon, New Oroperu has agreed to pay Echelon fees for its services as financial advisor, including a fixed fee for the Echelon Fairness Opinion (which is not contingent on the substance of or conclusions reached in the Echelon Fairness Opinion or the completion of the Arrangement). The Company has also agreed to reimburse Echelon for its reasonable expenses incurred in connection with its services and to indemnify Echelon against certain liabilities that might arise out of its engagement. The payment of expenses is not dependent on the completion of the Arrangement or the conclusions reached in the Echelon Fairness Opinion.

The Echelon Fairness Opinion is not a recommendation to any New Oroperu Securityholder as to how to vote or act on any matter relating to the Arrangement. The Echelon Fairness Opinion does not address any other aspect of the Arrangement and no opinion or view was expressed as to the relative merits of the Arrangement in comparison to other strategies or transactions that might be available to the Company or in which the Company might engage or as to the underlying business decision of the Company to proceed with or effect the Arrangement.

In the past two years, neither Echelon nor affiliates of Echelon have been engaged by New Oroperu or First Light.

The Echelon Fairness Opinion is only one factor that was taken into consideration by the New Oroperu Board in making its determination to recommend that the New Oroperu Securityholders **VOTE FOR** the Arrangement Resolution. See "*Background to the Arrangement & Recommendations – Reasons for the Arrangement*".

Haywood Financial Engagement

On October 18, 2019, the Company retained Haywood as financial advisor. Haywood advised New Oroperu in connection with the evaluation of a potential transaction with First Light, including identifying and assessing the suitability of the Arrangement, potential economic outcomes and generally advising on all aspects with respect to the Arrangement. Haywood acted as financial advisor to New Oroperu to perform such financial advisory and investment banking services as are customary in transactions similar to the Arrangement, including assisting New Oroperu in analyzing, structuring and negotiating the Arrangement with First Light. Pursuant to the terms of the engagement letter with Haywood, the Company is obligated to pay Haywood certain fees for its services that are contingent on closing of the Arrangement. The fees payable to Haywood were negotiated and agreed to by Haywood and the Company. Haywood is entitled to be reimbursed for all reasonable out-of-pocket expenses incurred by it in connection with its engagement. The Company has also agreed to indemnify Haywood against certain liabilities which may arise out of its engagement.

RECOMMENDATION OF THE BOARD

The New Oroperu Board, after careful consideration, including a thorough review of the Arrangement Agreement and receiving the oral fairness opinions of Haywood and Echelon delivered to the New Oroperu Board (which was subsequently confirmed in writing), as well as a thorough review of other matters, including those discussed in this Circular, has unanimously: (i) determined that the Arrangement and the entry into the Arrangement Agreement are in the best interests of New Oroperu; (ii) determined that the Consideration to be received by the New Oroperu Shareholders is fair, from a financial point of view, to the New Oroperu Shareholders; (iii) approved the Arrangement Agreement and the transactions contemplated thereby; and (iv) resolved to recommend that New Oroperu Securityholders vote in favour of the Arrangement Resolution (collectively, the "**New Oroperu Board Recommendation**").

The New Oroperu Board unanimously recommends that New Oroperu Securityholders VOTE FOR the Arrangement Resolution

In coming to its conclusion and recommendations the New Oroperu Board considered, among others, the following factors:

- (a) the purpose and anticipated benefits of the Arrangement as outlined under "*Background to the Arrangement & Recommendations – Reasons for the Arrangement*" and elsewhere in this Circular;
- (b) information concerning the financial condition, results of operations, business plans and prospects of New Oroperu, and the resulting potential for the enhancement of the business efficiency, management effectiveness and financial results of Anacortes;
- (c) the alternatives available to New Oroperu;
- (d) the potential risks and negative factors relating to the Arrangement, as outlined under "*Risk Factors*" and elsewhere in this Circular; and
- (e) the advice and assistance of Haywood and Echelon, including receipt of the Haywood Fairness Opinion and the Echelon Fairness Opinion, in evaluating the Arrangement. See Schedule "C" and Schedule "E" to this Circular for the Haywood Fairness Opinion and the Echelon Fairness Opinion, respectively.

The foregoing discussion of the information and factors considered by the New Oroperu Board is not intended to be exhaustive. The New Oroperu Board realized that there are risks associated with the Arrangement, including that some of the potential benefits set forth above may not be realized or that there may be significant costs associated with realizing such benefits. The New Oroperu Board believes that the factors in favour of the Arrangement outweigh the risks and potential disadvantages, although there can be no assurance in this regard. See "*Risk Factors*".

The Arrangement

PROCEDURAL STEPS

The Arrangement is proposed to be carried out pursuant to section 288 of the BCBCA. The following procedural steps must be taken in order for the Arrangement to become effective:

- (a) the Arrangement Resolution must be approved by New Oroperu Securityholders at the Meeting in the manner set forth in the Interim Order;
- (b) the First Light Resolutions must be approved by First Light Shareholders at the First Light Meeting;
- (c) the Court must grant the Final Order approving the Arrangement;
- (d) sufficient Consideration Shares to satisfy the Consideration must be deposited in escrow with the Depositary; and
- (e) all other conditions precedent to the Arrangement must be satisfied or waived by the appropriate Party.

There is no assurance that the conditions set out in the Arrangement Agreement will be satisfied or waived on a timely basis or at all.

EFFECTS OF THE ARRANGEMENT

General

The purpose of the Arrangement is to effect the business combination of New Oropu and First Light through the acquisition of all of the issued and outstanding New Oropu Shares by First Light. The Arrangement will be implemented by way of a Court-approved Plan of Arrangement under the BCBCA in accordance with the terms of the Arrangement Agreement. For a detailed description of the steps which will occur under the Plan of Arrangement on the Effective Date, assuming all conditions to the implementation of the Arrangement have been satisfied or waived, please see the full text of the Plan of Arrangement attached as Schedule "B" to this Circular.

The Arrangement will result in, among other things:

- > the issuance of 5.815 First Light Shares (excluding Dissenting Shareholders) for each New Oropu Share held immediately prior to the Effective Time;
- > holders of New Oropu Options (other than Ontario Limited and the U.S. Optionholder) exchanging 50% of their New Oropu Options outstanding immediately prior to the Effective Time for Replacement Options;
- > Ontario Limited exchanging 100% of its New Oropu Options outstanding immediately prior to the Effective Time for Replacement Options;
- > holders of New Oropu Options (other than Ontario Limited and the U.S. Optionholder) transferring 50% of their New Oropu Options outstanding immediately prior to the Effective Time to New Oropu for cancellation in exchange for the Option Cash Payment; and
- > the U.S. Optionholder transferring 100% of her New Oropu Options outstanding immediately prior to the Effective Time to New Oropu for cancellation in exchange for the Option Cash Payment.

No fractional First Light Shares will be issued in connection with the Arrangement. Instead, in the event that a former New Oropu Shareholder would otherwise be entitled to a fractional First Light Share, the number of First Light Shares to be issued will be rounded to the nearest whole First Light Share, without additional compensation.

In addition, the New Oropu Warrants outstanding immediately prior to the Effective Time will be amended to be exercisable for First Light Shares as opposed to New Oropu Shares. See "*Effects of the Arrangement – New Oropu Warrants*".

New Oropu Shares

Under the terms of the Arrangement, each New Oropu Share outstanding at the Effective Time (other than New Oropu Shares held by Dissenting Shareholders) will be deemed to be transferred to First Light in exchange for the Consideration. The Exchange Ratio implies a consideration of approximately \$2.73 per New Oropu Share based on the closing price of the First Light Shares of \$0.47 on the TSXV on June 16, 2021 (being the last trading day prior to the announcement of the Arrangement).

Each New Oropu Share held by Dissenting Shareholders will be deemed to have been transferred to First Light (free and clear of any encumbrances), without any further act or formality, and such Dissenting Shareholders will cease to have any rights as a New Oropu Shareholder other than the right to be paid the fair value for their New Oropu Shares.

As at the date of this Circular there are 27,937,962 New Oropu Shares outstanding. Accordingly, 162,459,249 First Light Shares will be issuable as a portion of the Consideration for the New Oropu Shares, assuming: (i) there are no Dissenting Shareholders; and (ii) no additional New Oropu Shares are issued prior to the Effective Date.

The Plan of Arrangement provides that New Oroperu Shares not deposited together with a duly completed Letter of Transmittal and all other required documents on or before the sixth anniversary of the Effective Date will be automatically cancelled without any repayment of capital in respect thereof.

New Oroperu Options

Pursuant to the Plan of Arrangement, each holder of New Oroperu Options outstanding immediately prior to the Effective Time, whether vested or unvested, (other than Ontario Limited and the U.S. Optionholder) will be deemed to have exchanged fifty percent of their New Oroperu Options for Replacement Options to acquire the number of First Light Shares equal to the product of: (A) the number of New Oroperu Shares subject to such New Oroperu Options immediately prior to the Effective Time; multiplied by (B) the Exchange Ratio, provided that, if the foregoing would result in the issuance of a fraction of a First Light Share on any particular exercise of Replacement Options, then the number of First Light Shares otherwise issued shall be rounded down to the nearest whole number of First Light Shares. The exercise price per First Light Share subject to a Replacement Option shall be an amount equal to the quotient of: (Y) the exercise price per New Oroperu Share subject to each such New Oroperu Option immediately before the Effective Time; divided by (Z) the Exchange Ratio, provided that the aggregate exercise price payable on any particular exercise of Replacement Options shall be rounded up to the nearest whole cent. Each holder of New Oroperu Options outstanding immediately prior to the Effective Time, whether vested or unvested, (other than Ontario Limited and the U.S. Optionholder) will be deemed to have transferred the remaining fifty percent of their New Oroperu Options to New Oroperu for cancellation in exchange for the Option Cash Payment.

It is intended that the provisions of subsection 7(1.4) of the Tax Act apply to the exchange of a New Oroperu Option for a Replacement Option. Therefore, in the event that the Replacement Option In-The-Money Amount in respect of the Replacement Option exceeds the New Oroperu Option In-The Money Amount in respect of the New Oroperu Option for which it is exchanged, the number of First Light Shares which may be acquired on exercise of the Replacement Option at and after the Effective Time will be adjusted accordingly with effect at and from the Effective Time to ensure that the Replacement Option In-The Money Amount in respect of the Replacement Option does not exceed the New Oroperu Option In-The Money Amount in respect of the New Oroperu Option and the ratio of the amount payable to acquire such shares to the value of such shares to be acquired shall be unchanged. Such Replacement Options issued in the exchange shall be for a term expiring on the date that is one year following the Effective Date. All other terms and conditions of the Replacement Options will be the same as the New Oroperu Option for which it was exchanged and each Replacement Option shall be governed by and be subject to the terms of the Anacortes' Stock Option Plan and the agreement evidencing the grant of such New Oroperu Option. Any document previously evidencing New Oroperu Options will thereafter evidence the Replacement Options exchanged therefor and no certificates evidencing the Replacement Options will be issued.

As at the date of this Circular there are 2,900,000 New Oroperu Options issued and outstanding, of which 1,280,000 of such New Oroperu Options are subject to buy-out at the Effective Time. As such, based upon the Exchange Ratio, up to 9,420,300 First Light Shares may be issued upon exercise of a Replacement Option following the Effective Time. In the event New Oroperu Options are exercised for New Oroperu Shares prior to the Effective Time, such New Oroperu Shares will be exchanged for the Consideration.

Notwithstanding the foregoing, any New Oroperu Options held by Ontario Limited on the date of the Arrangement Agreement that have not expired or been terminated prior to the Effective Date shall be deemed to be exchanged for Replacement Options to acquire from First Light the number of First Light Shares equal to the product of: (A) the number of New Oroperu Shares subject to such New Oroperu Options immediately prior to the Effective Time; multiplied by (B) the Exchange Ratio, provided that, if the foregoing would result in the issuance of a fraction of a First Light Share on any particular exercise of Replacement Options, then the number of First Light Shares otherwise issued shall be rounded down to the nearest whole number of First Light Shares. The exercise price per First Light Share subject to a Replacement Option shall be an amount equal to the quotient of: (A) the exercise price per New Oroperu Share subject to each such New Oroperu Option immediately before the Effective Time; divided by (B) the Exchange Ratio, provided that the aggregate exercise price payable on any particular exercise of Replacement Options shall be rounded up to the nearest whole cent. Any Replacement Options issued to Ontario Limited pursuant to the Arrangement shall be for a term expiring on the date that is 90 days following the Effective Date.

Furthermore, any New Oroperu Options held by US Persons will be deemed to have vested immediately prior to the Effective Time and shall be transferred and disposed of to New Oroperu for cancellation at the Effective Time for an amount of cash equal to the positive difference between the exercise price and the 20-day volume weighted average share price of a New Oroperu share for the 20-day period ending on the day before the date of the first public announcement of this Agreement.

New Oroperu Warrants

Pursuant to the Plan of Arrangement, each New Oroperu Warrant shall be amended to provide that, upon exercise, the New Oroperu Warrantholder will be entitled to acquire from First Light the number of First Light Shares equal to the product of: (A) the number of New Oroperu Shares subject to such New Oroperu Warrants immediately prior to the Effective Time; multiplied by (B) the Exchange Ratio, provided that, if the foregoing would result in the issuance of a fraction of a First Light Share on any particular exercise of New Oroperu Warrants, then the number of First Light Shares otherwise issued shall be rounded down to the nearest whole number of First Light Shares. The exercise price per First Light Share shall be an amount equal to the quotient of: (A) the exercise price per New Oroperu Share subject to each such New Oroperu Warrant immediately before the Effective Time; divided by (B) the Exchange Ratio.

As at the date of this Circular there are 2,691,072 New Oroperu Warrants issued and outstanding. As such, based upon the Exchange Ratio, up to 15,648,583 First Light Shares may be issued either: (i) in exchange for New Oroperu Warrants exercised for New Oroperu Shares prior to the Effective Time pursuant to which such holder will then receive the Consideration; or (ii) upon exercise of the amended New Oroperu Warrants following the Effective Time.

First Light Shares

As at the Record Date, there are 30,687,500 First Light Shares outstanding. The actual number of First Light Shares that will be issued on the Effective Date will depend on, among other things, the number of New Oroperu Shares issued and outstanding on the Effective Date. First Light anticipates that immediately following the completion of the Arrangement, current First Light Shareholders, former New Oroperu Shareholders and investors in the Concurrent Private Placement will own approximately 12%, 65% and 22% of the combined entity, respectively, assuming that: (i) there are no Dissenting Shareholders; (ii) no additional First Light Shares are issued prior to the Effective Date; and (iii) no additional New Oroperu Shares are issued prior to the Effective Date, and excluding any First Light Shares issued to agents and financial advisors as compensation in connection with the Concurrent Private Placement and the Arrangement.

Holders of First Light Shares are entitled to one vote for each First Light Share held at all meetings of First Light Shareholders, to receive dividends if, as and when declared by the First Light Board, and to participate ratably in any distribution of property or assets upon the liquidation, winding-up or other dissolution of First Light. The First Light Shares carry no pre-emptive rights, conversion or exchange rights, or redemption, retraction, repurchase, sinking fund or purchase fund provisions. There are no provisions requiring a holder of First Light Shares to contribute additional capital, and no restrictions on the issuance of additional securities by First Light. There are no restrictions on the repurchase or redemption of First Light Shares by First Light except to the extent that any such repurchase or redemption would render First Light insolvent.

On July 21, 2021, First Light and Finco completed a private placement financing of an aggregate of 55,096,250 Subscription Receipts at a price of \$0.40 per Subscription Receipt for aggregate gross proceeds of \$22,038,500. Of the 55,096,250 Subscription Receipts sold (i) 4,406,250 First Light Subscription Receipts were sold by First Light on a brokered basis, (ii) 49,077,500 Finco Subscription Receipts were sold by Finco on a brokered basis, (iii) 125,000 First Light Subscription Receipts were sold by First Light on a non-brokered basis, and (iv) 1,487,500 Finco Subscription Receipts were sold by Finco on a non-brokered basis. On the closing of the Concurrent Private Placement, the gross proceeds from the Concurrent Private Placement (less the Agents' reasonable expenses payable in connection with the Concurrent Private Placement) (the "**Escrowed Proceeds**") were delivered to be held in escrow by the Subscription Receipt Agent appointed under the First Light Subscription Receipt Agreement and the Finco Subscription Receipt Agreement, and invested in an interest-bearing account, short-term obligation of, or guaranteed by, the government of Canada or any other investments that may be approved by the Agents (the Escrowed Proceeds, together with all interest and other income earned thereon, the "**Escrowed Funds**").

Upon the satisfaction of the Escrow Release Conditions, the Subscription Receipt Agent will release the Escrowed Funds (less the Agents' Cash Fee and any further reasonable costs and expenses of the Agents incurred in connection with the Concurrent Private Placement) to First Light, and each (i) First Light Subscription Receipt will automatically convert into one First Light Unit, and (ii) each Finco Subscription Receipt will automatically convert into one Finco Unit. Each:

- Finco Unit will consist of one Finco Share and one-half of one Finco Warrant. Each whole Finco Warrant will entitle the holder to purchase an additional Finco Share at an exercise price of \$0.55 per Finco Share for a period of 24 months following the closing date of the Concurrent Private Placement; and
- First Light Unit will consist of one First Light Share and one-half of one First Light Warrant. Each whole First Light Warrant will entitle the holder to purchase an additional First Light Share at an exercise price of \$0.55 per First Light Share for a period of 24 months following the closing date of the Concurrent Private Placement.

Following the conversion of the Subscription Receipts and prior to the Effective Time, Finco will amalgamate with Subco pursuant to the Amalgamation Agreement which will result in each Finco Share and Finco Warrant being exchanged for First Light Shares and Warrants on a one-for-one basis. For further information, please see Schedule "H".

If the Escrow Release Condition is not satisfied on or before 5:00 p.m. (Toronto time) on the Outside Date, the Subscription Receipts will expire and be of no further force and effect, and the subscribers will be entitled to receive from the Subscription Receipt Agent a refund of the aggregate purchase price for their respective Subscription Receipts, together with their pro rata portion of any interest that has accrued on the Escrow Proceeds and First Light will be liable to the subscribers of the Concurrent Private Placement for any shortfall between the amount of Escrowed Funds and such amount.

In consideration of the services rendered by the Agents in connection with the Concurrent Private Placement, First Light and Finco paid to the Agents:

- a cash fee of \$1,320,360 (the "**Agent's Cash Fee**"), consisting of (i) \$1,283,610 representing 6% of the gross proceeds of the brokered portions of the First Light Private Placement and the Finco Private Placement, and (ii) \$35,000 plus \$1,750 GST as an additional fixed cash fee in exchange for financial and advisory services provided to First Light; and
- 3,209,025 compensation subscription receipts (the "**Agents' Compensation Subscription Receipts**"), representing 6.0% of the aggregate number of Subscription Receipts issued under the brokered portions of the First Light Private Placement and the Finco Private Placement, where, upon satisfaction of the Escrow Release Conditions, each Agents' Compensation Subscription Receipt will automatically convert into one (1) compensation option (the "**Agents' Compensation Options**"), with each Agents' Compensation Option exercisable to acquire one (1) First Light Share at a price of \$0.40 for a period of 24 months from the closing date, and
- 95,000 Agents' Compensation Subscription Receipts as an additional payment in exchange for financial and advisory services provided to First Light.

The Resulting Issuer intends to use the proceeds from the Concurrent Private Placement as described in Schedule "I" – Information Concerning Anacortes.

Immediately following completion of the Arrangement, the Resulting Issuer will give effect to the Consolidation.

PLAN OF ARRANGEMENT

General

The Plan of Arrangement sets out the steps and actions by which the Arrangement will be effected. The following is a summary only of the steps that will occur under the Plan of Arrangement on the Effective Date if all conditions

to the completion of the Arrangement have been satisfied or waived. The following description of steps is qualified in its entirety by reference to the full text of the Plan of Arrangement, which is attached as Schedule "B" to this Circular.

Pursuant to the Plan of Arrangement, commencing at the Effective Time, the following will occur and will be deemed to occur in the following order without any further authorization, act or formality:

- (i) each issued New Oroperu Share outstanding immediately prior to the Effective Time held by a New Oroperu Shareholder in respect of which Dissent Rights have been validly exercised will be deemed to have been transferred without any further act or formality, to First Light, free and clear of any liens, claims and encumbrances in consideration for the right to receive the consideration in the amount and payable in accordance with Article 5 of the Plan of Arrangement, and:
 - (A) such New Oroperu Shareholder will cease to be the registered holder of such Dissenting Shares and will cease to have any rights as registered holders of such New Oroperu Shares other than the right to be paid fair value for such Dissenting Shares as set out in Section 5.2(a) of the Plan of Arrangement;
 - (B) such New Oroperu Shareholder's name will be removed as the registered holder of such Dissenting Shares from the registers of New Oroperu Shares maintained by or on behalf of New Oroperu; and
 - (C) First Light will be deemed to be the transferee of such Dissenting Shares, free and clear of any liens, claims and encumbrances;
- (ii) immediately thereafter, each issued and outstanding New Oroperu Share (other than (i) any New Oroperu Share in respect of which a registered New Oroperu Shareholder has validly exercised his, her or its Dissent Right and (ii) New Oroperu Shares held by First Light) will be deemed to have been transferred to, and acquired by First Light, without any act or formality on the part of the holder of such New Oroperu Share or First Light, free and clear of all liens, claims and encumbrances, in exchange for such number of First Light Shares equal to the Exchange Ratio, provided that the aggregate number of First Light Shares payable to any New Oroperu Shareholder, if calculated to include a fraction of a First Light Share, will be rounded to the nearest whole First Light Share, with no consideration being paid for the fractional share, and the name of each such New Oroperu Shareholder will be removed from the register of holders of New Oroperu Shares and added to the register of holders of First Light Shares, and First Light will be recorded as the registered holder of such New Oroperu Shares so exchanged and will be deemed to be the legal and beneficial owner thereof;
- (iii) except for Ontario Limited, whose New Oroperu Options shall be excluded and treated in accordance with Section 3.1(e) of the Plan of Arrangement and the U.S. Optionholder, whose New Oroperu Options shall be excluded and treated in accordance with Section 3.1(f) of the Plan of Arrangement, each holder of New Oroperu Options shall be deemed to have exchanged fifty percent (50%) of his New Oroperu Options for Replacements Options to acquire from First Light, other than as provided herein, the number of First Light Shares equal to the product of: (A) the number of New Oroperu Shares subject to such New Oroperu Options immediately prior to the Effective Time; multiplied by (B) the Exchange Ratio, provided that, if the foregoing would result in the issuance of a fraction of a First Light Share on any particular exercise of Replacement Options, then the number of First Light Shares otherwise issued shall be rounded down to the nearest whole number of First Light Shares. The exercise price per First Light Share subject to a Replacement Option shall be an amount equal to the quotient of: (A) the exercise price per New Oroperu Share subject to each such New Oroperu Option immediately before the Effective Time; divided by (B) the Exchange Ratio, provided that the aggregate exercise price payable on any particular exercise of Replacement Options shall be rounded up to the nearest whole cent. It is intended that the provisions of subsection 7(1.4) of the Tax Act apply to the exchange of New Oroperu Options for Replacement Options provided for in Section 3.1(c) of the Plan of Arrangement. Therefore, in the event that the Replacement Option In-The Money Amount in respect of a Replacement Option exceeds the New Oroperu Option In-The Money Amount in

respect of the New Oroperu Option for which it is exchanged, the number of First Light Shares which may be acquired on exercise of the Replacement Option at and after the Effective Time will be adjusted accordingly with effect at and from the Effective Time to ensure that the Replacement Option In-The Money Amount in respect of the Replacement Option does not exceed the New Oroperu Option In-The Money Amount in respect of the New Oroperu Option and the ratio of the amount payable to acquire such shares to the value of such shares to be acquired shall be unchanged. The Replacement Options issued pursuant to Section 3.1(c) of the Plan of Arrangement shall be for a term expiring on the date that is one year following the Effective Date. First Light shall take all corporate action necessary to reserve for issuance a sufficient number of First Light Shares for delivery upon exercise of the Replacement Options exchanged for New Oroperu Options in accordance with Section 3.1(c) of the Plan of Arrangement;

- (iv) those New Oroperu Options that are not exchanged at the Effective Time pursuant to Section 3.1(c) of the Plan of Arrangement shall be deemed to have vested immediately prior to the Effective Time and shall be transferred and disposed of to New Oroperu for cancellation at the Effective Time for an amount of cash equal to the difference between the exercise price and the 20-day volume weighted average share price of a New Oroperu share for the 20-day period ending on the day before the date of the first public announcement of this Agreement;
- (v) all of the New Oroperu Options held by Ontario Limited on the date of the Arrangement Agreement that have not expired or been terminated prior to the Effective Date shall be deemed to be exchanged for Replacement Options to acquire from First Light the number of First Light Shares equal to the product of: (A) the number of New Oroperu Shares subject to such New Oroperu Options immediately prior to the Effective Time; multiplied by (B) the Exchange Ratio, provided that, if the foregoing would result in the issuance of a fraction of a First Light Share on any particular exercise of Replacement Options, then the number of First Light Shares otherwise issued shall be rounded down to the nearest whole number of First Light Shares. The exercise price per First Light Share subject to a Replacement Option shall be an amount equal to the quotient of: (A) the exercise price per New Oroperu Share subject to each such New Oroperu Option immediately before the Effective Time; divided by (B) the Exchange Ratio, provided that the aggregate exercise price payable on any particular exercise of Replacement Options shall be rounded up to the nearest whole cent. It is intended that the provisions of subsection 7(1.4) of the Tax Act apply to the exchange of New Oroperu Options for Replacement Options provided for in Section 3.1(e) of the Plan of Arrangement. Therefore, in the event that the Replacement Option In-The Money Amount in respect of a Replacement Option exceeds the New Oroperu Option In-The Money Amount in respect of the New Oroperu Option for which it is exchanged, the number of First Light Shares which may be acquired on exercise of the Replacement Option at and after the Effective Time will be adjusted accordingly with effect at and from the Effective Time to ensure that the Replacement Option In-The Money Amount in respect of the Replacement Option does not exceed the New Oroperu Option In-The Money Amount in respect of the New Oroperu Option and the ratio of the amount payable to acquire such shares to the value of such shares to be acquired shall be unchanged. The Replacement Options issued pursuant to Section 3.1(e) of the Plan of Arrangement shall be for a term expiring on the date that is 90 days following the Effective Date. First Light shall take all corporate action necessary to reserve for issuance a sufficient number of First Light Shares for delivery upon exercise of the Replacement Options exchanged for New Oroperu Options in accordance with Section 3.1(e) of the Plan of Arrangement.
- (vi) all of the New Oroperu Options held by the U.S. Optionholder shall be deemed to have vested immediately prior to the Effective Time and shall be transferred and disposed of to New Oroperu for cancellation at the Effective Time for an amount of cash equal to the positive difference between the exercise price and the 20-day volume weighted average share price of a New Oroperu share for the 20-day period ending on the day before the date of the first public announcement of this Agreement; and
- (vii) each New Oroperu Warrant shall be amended to provide that, upon exercise, the New Oroperu Warrantholder will be entitled to acquire from First Light the number of First Light Shares equal to the product of: (A) the number of New Oroperu Shares subject to such New Oroperu Warrants

immediately prior to the Effective Time; multiplied by (B) the Exchange Ratio, provided that, if the foregoing would result in the issuance of a fraction of a First Light Share on any particular exercise of New Oroperu Warrants, then the number of First Light Shares otherwise issued shall be rounded down to the nearest whole number of First Light Shares. The exercise price per First Light Share shall be an amount equal to the quotient of: (A) the exercise price per New Oroperu Share subject to each such New Oroperu Warrant immediately before the Effective Time; divided by (B) the Exchange Ratio.

No fractional First Light Shares will be issued in connection with the Plan of Arrangement. The number of First Light Shares to be issued will be rounded to the nearest whole number of First Light Shares in the event that any person would otherwise be entitled to a fractional First Light Share.

Procedure for Exchange of New Oroperu Shares

Before the consummation of the Arrangement, New Oroperu and First Light will designate the Depositary for the purpose of, among other things, exchanging the New Oroperu Shares for the Consideration. First Light will, following receipt by New Oroperu of the Final Order and in any event prior to or at the Effective Time, deposit, or cause to be deposited, in escrow with the Depositary sufficient Consideration Shares to satisfy the Consideration payable to the New Oroperu Shareholders pursuant to the Plan of Arrangement (other than New Oroperu Shareholders exercising Dissent Rights and who have not withdrawn their notice of objection).

Upon the consummation of the Arrangement and the settlement of transfers that occurred prior to the Effective Time, New Oroperu will close our stock ledger. After that time, there will be no further transfer of New Oroperu Securities.

If you are a registered New Oroperu Shareholder, you have received or will receive a Letter of Transmittal and instructions advising you how to surrender your certificates or book-entry securities in exchange for the consideration to which you are entitled under the Arrangement Agreement. The Depositary will pay you your consideration after you have (1) surrendered your certificates to the Depositary (or, if the applicable New Oroperu Shares are held in book-entry or other uncertificated form, upon the entry through a book-entry transfer agent of the surrender of such New Oroperu Shares on a book-entry account statement), and (2) provided to the Depositary your signed Letter of Transmittal and any other items reasonably requested by the Depositary.

Interest will not be paid or accrue in respect of any consideration payable under the Arrangement Agreement. In addition, First Light, New Oroperu and the Depositary will be entitled to deduct and withhold from any consideration payable to any person under the Arrangement Agreement, and from all dividends, interest or other amounts payable to any person, such amounts as any of them is required to deduct and withhold therefrom under any provision of applicable tax laws. Any amounts so deducted and withheld such amounts will be treated for all purposes as having been paid to the person to whom such amounts would otherwise have been paid, provided that such withheld amounts are actually remitted to the appropriate governmental authority.

YOU SHOULD NOT FORWARD THE CERTIFICATES REPRESENTING YOUR NEW OROPERU SHARES TO THE DEPOSITARY WITHOUT A LETTER OF TRANSMITTAL, AND YOU SHOULD NOT RETURN THE CERTIFICATES REPRESENTING YOUR NEW OROPERU SHARES WITH THE ENCLOSED FORM OF PROXY.

The transmittal instructions will tell you what to do if you have lost your share certificate, or if it has been stolen or destroyed. You will have to give a bond satisfactory to First Light and the Depositary in such amount as First Light and the Depositary may direct, or otherwise indemnify First Light and the Depositary, in a manner satisfactory to First Light and the Depositary, against any claim that may be made against First Light or the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed, and you will otherwise have to take such actions as may be required by the articles and notice of articles of First Light.

If any securities or cash deposited with the Depositary for consideration is not properly claimed by a former New Oroperu Shareholder within six years following the effective date of the Arrangement, then the consideration that such former New Oroperu Shareholder was entitled to receive under the Arrangement Agreement shall be

automatically cancelled without any repayment of capital in respect thereof and the consideration to which such former New Oproeru Shareholder was entitled shall be delivered to First Light by the Depositary.

A Registered New Oproeru Shareholder that does not deposit a properly completed and executed Letter of Transmittal with the Depositary or who does not surrender the certificates representing their New Oproeru Shares in accordance with the Letter of Transmittal or does not otherwise comply with the requirements of the Letter of Transmittal and the instructions therein will not be entitled to receive the consideration payable to them under the Arrangement until the New Oproeru Shareholder deposits with the Depositary a properly completed and executed Letter of Transmittal and the certificates representing their New Oproeru Shares.

First Light will give effect to the Consolidation immediately upon completion of the Arrangement. Accordingly, any certificates or other evidence of the securities you receive in exchange for your New Oproeru Shares will be issued on a post-Consolidation basis.

REQUIRED APPROVALS

Securityholder Approvals

New Oproeru Securityholder Approval

At the Meeting, New Oproeru Securityholders will be asked to approve the Arrangement Resolution.

The full text of the Arrangement Resolution is set out in Schedule "A". Also see "*The Arrangement – Effects of the Arrangement*".

Pursuant to the terms of the Interim Order, the Arrangement Resolution must, subject to further order of the Court, be approved by: (i) two-thirds of the votes cast on the Arrangement Resolution by New Oproeru Shareholders present in person or represented by proxy at the Meeting, (ii) two-thirds of the votes cast on the Arrangement Resolution by New Oproeru Securityholders present in person or represented by proxy at the Meeting, voting together as a single class; and (iii) a simple majority of the votes cast on the Arrangement Resolution by New Oproeru Shareholders present in person or represented by proxy at the Meeting, excluding votes cast by directors, senior officers and certain other parties of New Oproeru whose votes must be excluded pursuant to MI 61-101.

MI 61-101 provides that, in certain circumstances, where a "related party" of an issuer (such as a director or executive officer) is entitled to receive a "collateral benefit" in connection with an arrangement transaction (such as the Arrangement) and such transaction is a "business combination" for the purposes of MI 61-101, the transaction will be subject to minority approval requirements. New Oproeru has determined that, in compliance with MI 61-101, a total of 3,935,849 New Oproeru Shares held by five related parties, namely Wayne Livingstone, Aris Morfopoulos, Maynard Brown, Jim Carr-Hilton and Christina McCarthy, will be excluded for the purposes of determining "minority approval" for the Arrangement Resolution at the Meeting under MI 61-101 as such related parties, as applicable, are entitled to receive payments for their New Oproeru Options and New Oproeru Warrants and certain change of control payments. New Oproeru is not required to obtain a formal valuation under MI 61-101 as no interested party is, as a consequence of the Arrangement, directly or indirectly acquiring New Oproeru or its business, or combining with New Oproeru, whether alone or with joint actors, and neither the Arrangement nor the transactions contemplated thereby is a "related party transaction" (as defined in MI 61-101) for which New Oproeru would be required to obtain a formal valuation. There have been no "prior valuations" (as defined in MI 61-101) in respect of New Oproeru in the 24 months before the date of this Circular the existence of which is known, after reasonable inquiry to New Oproeru or to any director or senior officer of New Oproeru. New Oproeru has not received any *bona fide* prior offers (as contemplated in MI 61-101) during the 24 months preceding the entry into the Arrangement Agreement.

Recommendation: The New Oproeru Board unanimously recommends that New Oproeru Securityholders **VOTE FOR** the Arrangement Resolution

Proxies: Unless otherwise instructed, Proxies in favour of the management designees will be **VOTED FOR** the Arrangement Resolution

Notwithstanding the approval of the Arrangement Resolution by New Oroperu Securityholders at the Meeting, the Arrangement Resolution authorizes the New Oroperu Board, without further notice to or approval of the New Oroperu Securityholders, to elect not to proceed with the Arrangement or to revoke and not give effect to the Arrangement Resolution.

First Light Shareholder Approval

As the Arrangement is not considered a Non Arm's Length Qualifying Transaction pursuant to the policies of the TSXV, the approval of the Qualifying Transaction by the First Light Shareholders is not required by the policies of the TSXV. However, First Light has agreed to hold a Special Meeting of its shareholders, at which it will, among other things, ask its shareholders to approve the First Light Resolutions, namely; the Name Change, the Consolidation, the increase in the number of Directors and the election of five nominees, one to be nominated by New Oroperu and four to be nominated by First Light. Each such approval will be by an ordinary resolution of the First Light Shareholders. The approval of the First Light Resolutions by the First Light Shareholders is a condition to the completion of the Arrangement.

In addition, at the First Light Meeting, First Light intends to seek approval of the First Light Shareholders to amend and restate the First Light Stock Option Plan as an omnibus equity incentive plan to provide for, among other things, grants of restricted share units and performance share units in addition to stock options; such approval is not a condition to the completion of the Arrangement.

Court Approvals

Interim Order

On August 5, 2021, the Court granted the Interim Order which provides for the calling and holding of the Meeting and other procedural matters.

Final Order

The BCBCA provides that a plan of arrangement requires Court approval. Subject to the terms of the Arrangement Agreement, if the Arrangement Resolution is approved at the Meeting New Oroperu intends to make an application to the Court for the Final Order.

The Court hearing in respect of the Final Order is expected to take place via teleconference on September 10, 2021 at 9:45 a.m. (Pacific time), or as soon thereafter as counsel may be heard. At the Final Order hearing, the Court will consider, among other things, the fairness of the terms and conditions of the Arrangement and the rights and interests of every person affected. The Court may approve the Arrangement in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit. There can be no assurance that the Court will approve the Arrangement.

Any New Oroperu Securityholder or any other interested party who wishes to appear or be represented and to present evidence or arguments at that hearing of the application for the Final Order must deliver a response to petition no later than 4:00 p.m. (Pacific time) on September 8, 2021 along with any other documents required, all as set out in the Interim Order and the Notice of Hearing of Petition, located at Schedule "N" and Schedule "O" to this Circular, and satisfy any other requirements of the Court. Such persons should consult with their legal advisors as to the necessary requirements. The Notice of Hearing of Petition constitutes notice of the Court hearing of the application for the Final Order and is your only notice of the Court hearing. In the event that the hearing is adjourned or postponed, then, subject to further order of the Court, only those persons having previously delivered a Response to Petition will be given notice of the adjournment or postponement.

Stock Exchange Listings

New Oroperu is a reporting issuer under the Securities Laws of the provinces of British Columbia, Alberta and Ontario. The New Oroperu Shares are listed and posted for trading on the TSXV under the symbol "ORO".

On June 16, 2021, the last trading day prior to announcement of the Arrangement, the closing price of the New Oproeru Shares on the TSXV was \$1.99. On August 6, 2021, the last trading day prior to the date of this Circular, the closing price of the New Oproeru Shares on the TSXV was \$1.95.

As soon as practicable following completion of the Arrangement, Anacortes will apply to applicable Canadian securities regulators to have New Oproeru cease to be a reporting issuer and to have the New Oproeru Shares delisted from the TSXV.

First Light is a reporting issuer under the Securities Laws of each province of British Columbia, Alberta and Ontario. The First Light Shares are listed on the TSXV under the trading symbol "XYZ.P". First Light is a Capital Pool Company and the Arrangement is expected to constitute First Light's Qualifying Transaction. In connection with the Arrangement First Light intends to change its name to Anacortes Mining Corp.

First Light has applied to list and post for trading the Anacortes Shares on the TSXV and to have the Anacortes Shares trade under the symbol "XYZ.V". Listing will be conditional on First Light satisfying the standard listing conditions imposed by the TSXV and the TSXV's approval of the Arrangement as First Light's Qualifying Transaction.

For information with respect to the trading history of the New Oproeru Shares and First Light Shares, see *"Price Range and Trading Volumes of New Oproeru Shares"* and *"Market for Securities – Price Range and Trading Volumes of First Light Shares"*, in Schedule "G" and Schedule "H" to this Circular, respectively.

DIRECTORS AND OFFICERS

Following the completion of the Arrangement, it is expected that the board of directors of Anacortes will be comprised of four nominees from First Light, including Andy Carstensen, a professional geologist and current Vice President, Exploration, of Luminex Resources Corp., Brian Storseth, principal at Wellington-Dupont Public Affairs and a former member of Parliament, Barry Hildred, Executive Chairman at Aquila Resources Inc. and Jim Currie, the former Chief Operating Officer at Equinox Gold Corp. and one nominee from New Oproeru, Wayne Livingstone, current President, Chief Executive Officer and a director of New Oproeru. It is expected that the leadership team of Anacortes will be comprised of Jim Currie (President, Chief Executive Officer and Director), Steven Botts (President, ATC) and Horng Dih Lee (Chief Financial Officer and Corporate Secretary). See *"Information Concerning Anacortes"* in Schedule "I" to this Circular.

TIMING

If the Arrangement Resolution and the First Light Resolutions are passed at the Meeting and the First Light Meeting, respectively, New Oproeru will, as soon as reasonably practicable and in any event not later than the fifth Business Day thereafter, apply for the Final Order. If the Final Order is obtained on September 10, 2021 in form and substance satisfactory to New Oproeru and First Light, and all other conditions set forth in the Arrangement Agreement are satisfied or waived, the Arrangement will become effective at 12:01 a.m. (Pacific time) on the Effective Date. It is currently expected that the Effective Date will occur in early September, 2021, and in no event will completion of the Arrangement occur later than November 30, 2021, unless extended by mutual agreement of the Parties in accordance with the terms of the Arrangement Agreement.

INTEREST OF DIRECTORS AND EXECUTIVE OFFICERS IN THE ARRANGEMENT

To the knowledge of New Oproeru, other than as set out below, none of the directors and executive officers of the Company, or any of their respective affiliates, have any material interest in the Arrangement or the Arrangement Resolution that differs from the interests of New Oproeru Securityholders generally. As at August 6, 2021, the last trading day prior to the date of this Circular: (i) New Oproeru did not beneficially own or exercise control or direction over, directly or indirectly, any First Light Shares; and (ii) the directors and executive officers of New Oproeru, together with their respective affiliates and associates, beneficially own or exercise control or direction over, directly or indirectly, less than 1% of the issued and outstanding First Light Shares. Also see *"Interest of Informed Persons in Material Transactions"* below.

New Oproeru entered into change of control agreements dated April 24, 2019, with each of Wayne Livingstone, Jim Carr-Hilton, Maynard Brown and Aris Morfopoulos pursuant to which the Company will pay to each director or officer \$500,000, \$275,000, \$275,000 and \$100,000, respectively, in certain circumstances, including completion of the Arrangement. New Oproeru has also entered into a consulting agreement with Ontario Limited and Christina McCarthy dated May 1, 2020, which provides that in certain circumstances, including the completion of the Arrangement, Ontario Limited may give notice in writing to the Company that the Consulting Agreement has been terminated in which event the Company shall pay to Ontario Limited a lump sum payment of \$500,000 plus any applicable taxes. New Oproeru has also entered into a consulting agreement with S.A. Mining Ventures Limited and NS Star Enterprises Ltd. ("**NS Star**"), an entity wholly-owned by Mr. Livingstone, dated October 15, 2020, which provides that in certain circumstances, including the completion of the Arrangement, NS Star may give notice in writing to the Company that the NS Consulting Agreement has been terminated in which event the Company shall pay to NS Star a lump sum payment of US\$276,000 plus any applicable taxes, plus US\$11,500 for each consecutive twelve month period commencing on October 1, 1994 and ending on the date of termination, together with all accrued and unpaid amounts owing to NS Star to the effective date of termination.

The above change of control agreements between New Oproeru and each of Mr. Livingstone, Mr. Carr-Hilton, Mr. Brown and Mr. Morfopoulos were approved by the New Oproeru Shareholders on December 11, 2019.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed under "Interests of Directors and Executive Officers in the Arrangement", no informed person (as defined in National Instrument 51-102 – *Continuous Disclosure Obligations*) of the Company, or any associate or affiliate of any informed person, has had any material interest, direct or indirect, in any transaction, or proposed transaction, which has materially affected or would materially affect the Company or any of its Subsidiaries since the commencement of the most recently completed financial year of the Company.

SECURITIES LAWS MATTERS

Canada

The First Light Shares distributed pursuant to the Arrangement will be issued in reliance on exemptions from the prospectus requirements of applicable Canadian Securities Laws, will generally be "freely tradable" and the resale of such First Light Shares will be exempt from the prospectus requirements (and not subject to any "restricted period" or "hold period") under applicable Canadian Securities Laws if the following conditions are met: (i) the trade is not a control distribution (as defined under applicable Canadian Securities Laws); (ii) no unusual effort is made to prepare the market or to create a demand for First Light Shares; (iii) no extraordinary commission or consideration is paid to a person or company in respect of the trade; and (iv) if the selling shareholder is an insider or an officer of First Light, the selling securityholder has no reasonable grounds to believe that First Light is in default of securities legislation.

United States

The issuance of the First Light Shares to New Oproeru Shareholders in exchange for New Oproeru Shares pursuant to the Arrangement has not been and will not be registered under the 1933 Act or the securities laws of any state of the United States. Such securities will be issued in reliance upon the Section 3(a)(10) Exemption and exemptions from applicable U.S. state securities Laws. The Section 3(a)(10) Exemption exempts the issuance of securities issued in exchange for one or more *bona fide* outstanding securities from the general requirement of registration under the 1933 Act where the terms and conditions of the issuance and exchange of such securities have been determined to be substantively and procedurally fair to the persons to whom the securities will be issued by a court of competent jurisdiction, expressly authorized by Law to grant such approval, after a hearing upon the fairness of the terms and conditions of the issuance and exchange at which all persons to whom the securities will be issued have the right to appear and receive timely and adequate notice thereof. The Court is authorized to conduct a hearing at which the fairness of the terms and conditions of the Arrangement will be considered. The Court granted the Interim Order on August 5, 2021 and, subject to the approval of the Arrangement Resolution by New Oproeru Shareholders and of the First Light Resolutions by First Light Shareholders, a hearing on the Arrangement will be held on or about September 10, 2021 by the Court. Accordingly, the Final Order, if granted, will constitute a basis for the Section 3(a)(10) Exemption from the

registration requirement of the 1933 Act. See "*The Arrangement – Court Approval*". The issuance of the Consideration Shares to New Oroperu Shareholders in exchange for the New Oroperu Shares, in each case pursuant to the Arrangement, will, therefore, be exempt from registration under the 1933 Act pursuant to the Section 3(a)(10) Exemption.

The Consideration Shares to be received by New Oroperu Shareholders upon completion of the Arrangement may be resold without restriction under the 1933 Act, except by persons who are "affiliates" (as defined in Rule 144) of the First Light after the Effective Date or who have been affiliates of First Light within 90 days before the Effective Date. Persons who may be deemed to be affiliates of an issuer generally include individuals or entities that control, are controlled by, or are under common control with, the issuer, whether through the ownership of voting securities, by contract or otherwise, and generally include executive officers and directors of the issuer as well as principal shareholders of the issuer. Any resale of Consideration Shares by such an affiliate (or, if applicable, former affiliate) may be subject to the registration requirements of the 1933 Act, absent an exemption therefrom. Subject to certain limitations, such affiliates (and former affiliates) may immediately resell such Consideration Shares outside the United States without registration under the 1933 Act pursuant to and in accordance with Regulation S. Such Consideration Shares may also be resold in transactions completed in accordance with Rule 144 under the 1933 Act, if available.

The exemption from the registration requirements of the 1933 Act provided by the Section 3(a)(10) Exemption does not exempt the issuance of securities upon the exercise of securities that were previously issued pursuant to the Section 3(a)(10) Exemption. As a result, the First Light Shares issuable upon exercise or settlement of any Replacement Options may not be issued in reliance upon the Section 3(a)(10) Exemption and such Replacement Options may only be exercised or settled pursuant to an available exemption from the registration requirements of the 1933 Act and applicable state securities Laws or pursuant to a registration statement under the 1933 Act.

The foregoing discussion is only a general overview of certain requirements of certain requirements of United States federal Securities Laws that may be applicable to the resale of First Light Shares to be received upon completion of the Arrangement. All holders of such securities are urged to consult with counsel to ensure that the resale of their securities complies with applicable Securities Laws. The foregoing discussion does not address the Canadian Securities Laws that will apply to the issue to, or the resale within Canada of, the First Light Shares by U.S. shareholders. U.S. shareholders reselling their First Light Shares in Canada must comply with Canadian Securities Laws, as outlined above under "*Securities Law Matters – Canada*".

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary, as of the date hereof, of the principal Canadian federal income tax considerations generally applicable to a New Oroperu Shareholder in respect of the transactions described herein, and who, for all purposes of the Tax Act and at all relevant times: (a) deals at arm's length with New Oroperu and First Light; (b) is not affiliated with New Oroperu or First Light; and (c) holds the New Oroperu Shares and will hold First Light Shares received pursuant to the Arrangement (collectively, "**Securities**") as capital property (a "**Holder**").

Securities will generally be considered to be capital property to a Holder unless the Holder uses or holds such securities in the course of carrying on a business of buying or selling securities or acquired such Securities in one or more transactions considered to be an adventure or concern in the nature of trade with respect to such Securities.

This summary is not applicable to a Holder: (a) that is a "financial institution", as defined in subsection 142.2(1) of the Tax Act for the purposes of the mark-to-market rules therein; (b) that is a "specified financial institution", as defined in subsection 248(1) of the Tax Act; (c) an interest in which is a "tax shelter", as defined in subsection 237.1(1) of the Tax Act, or a "tax shelter investment", as defined in subsection 143.2 of the Tax Act; (d) that reports its "Canadian tax results", as defined in subsection 261(1) of the Tax Act, in a currency other than Canadian currency; (e) who has entered into or will enter into, in respect of any of the Securities, a "derivative forward agreement" or a "synthetic disposition arrangement", each as defined in subsection 248(1) of the Tax Act; (f) that is a partnership or trust; (g) that, immediately following the Arrangement, will, either along or together with persons that such Holder does not deal at arm's length, either controls First Light or beneficially own shares of First Light which have after market value in excess of 50% of the fair market value of all outstanding shares in the capital stock of First Light; (h) who has acquired or will acquire New Oroperu Shares pursuant to a stock option agreement

or any employee incentive plan, including New Oroperu Optionholders; (i) who holds warrants or other rights to acquire shares of New Oroperu, including New Oroperu Warrants; or (j) that is a “foreign affiliate” of a taxpayer resident in Canada, as defined in subsection 95(1) of the Tax Act; (k) that is exempt from tax under Part I of the Tax Act, except for the limited discussion under the heading “*Certain Canadian Federal Income Tax Considerations – Eligibility for Investment*”; or (l) that is a corporation resident in Canada for purposes of the Tax Act that is or becomes, or does not deal at arm’s length for purposes of the Tax Act with a corporation resident in Canada that is or becomes, controlled by a non-resident person or a group of non-resident persons not dealing with each other at arm’s length for the purposes of the “foreign affiliate dumping” rules in section 212.3 of the Tax Act. Such Holders should consult their own tax advisors. In addition, this summary does not address the deductibility of interest by a Holder who has borrowed money, or will borrow money, to acquire New Oroperu Shares.

This summary is based on the facts set out in this Circular, the current provisions of the Tax Act in force as of the date hereof, all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “**Tax Proposals**”) and New Oroperu’s understanding of the current administrative policies and assessing practices of the Canada Revenue Agency (the “**CRA**”) made publicly available prior to the date hereof. Except for the Tax Proposals, this summary does not take into account or anticipate any changes in law, whether by legislative, governmental or judicial action, or changes in the CRA’s administrative policies or assessing practices, nor does it take into account or consider any other Canadian federal tax considerations or any provincial, territorial or foreign considerations, which may differ materially from those discussed herein. This summary assumes that the Tax Proposals will be enacted as currently proposed, but no assurance can be given that this will be the case. There can be no assurance that the CRA will not change its administrative policies or assessing practices. New Oroperu has not obtained, nor sought, an advance tax ruling from the CRA in respect of any of the matters discussed herein.

This summary is of a general nature only and is not exhaustive of all possible Canadian federal income tax considerations. This summary is not intended to be, nor should it be construed to be, legal or tax advice or representations to any particular Holder. Accordingly, each Holder should obtain independent advice regarding the income tax consequences of acquiring, holding and disposing of Securities pursuant to the Arrangement.

Holders Resident in Canada

The following part of this summary is applicable to a Holder who, at all relevant times, is or is deemed to be resident in Canada for the purposes of the Tax Act and any applicable income tax treaty (each, a “**Resident Holder**”).

Certain Resident Holders (other than certain traders or dealers in securities) whose Securities might not otherwise constitute capital property may be entitled to make an irrevocable election pursuant to subsection 39(4) of the Tax Act to have their Securities and every other “Canadian security” (as defined in subsection 39(6) of the Tax Act) owned by such Resident Holder in the taxation year of the election or subsequently acquired by them deemed to be capital property for the purposes of the Tax Act. Resident Holders contemplating a subsection 39(4) election should first consult with their own tax advisors.

Share Exchange

Resident Holders (other than Dissenting Shareholders) will dispose of their New Oroperu Shares solely in exchange for First Light Shares pursuant to the Arrangement (the “**Share Exchange**”). Where a Resident Holder does not choose to recognize a capital gain (or capital loss) in respect of the Share Exchange in such Resident Holder’s return of income for the taxation year in which the Share Exchange occurred, such Resident Holder will be deemed pursuant to section 85.1 of the Tax Act, and provided the requirements thereof have been satisfied, to have disposed of the New Oroperu Shares for proceeds of disposition equal to the Resident Holder’s adjusted cost base (as defined in the Tax Act) of the New Oroperu Shares, determined immediately before the exchange, and the Resident Holder will be deemed to have acquired the First Light Shares at an aggregate cost equal to the proceeds of disposition of the New Oroperu Shares. This cost will be averaged with the adjusted cost base of all other First Light Shares held by the Resident Holder as capital property at the Effective Time for the purposes of determining the adjusted cost base of each First Light Share held by the Resident Holder.

Where a Resident Holder chooses to recognize a capital gain (or capital loss) on the Share Exchange, the Resident Holder will realize a capital gain (or capital loss) equal to the amount, if any, by which the aggregate fair market value of the First Light Shares received exceeds (or is less than) the total of: (a) the adjusted cost base, as defined in the Tax Act, to the Resident Holder of their New Oropu Shares immediately before the Share Exchange; and (b) the Resident Holder's reasonable costs of disposition. For a description of the tax treatment of capital gains and capital losses, see "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*" below. The cost of the First Light Shares acquired on the Share Exchange will be equal to the fair market value thereof. This cost is generally averaged with the adjusted cost of all other First Light Shares held by the Resident Holder for the purpose of determining the adjusted cost base of each First Light Share held by the Resident Holder as capital property at the Effective Time.

Disposition of First Light Shares

A Resident Holder who disposes or is deemed for the purposes of the Tax Act to have disposed of a First Light Share (other than upon a disposition to First Light thereof, subject to certain detailed exceptions in the Tax Act) will generally realize a capital gain (or capital loss) in the taxation year of disposition equal to the amount, if any, by which the proceeds of disposition of the First Light Share are greater (or less) than the total of: (a) the adjusted cost base, as defined in the Tax Act, to the Resident Holder of the First Light Share, immediately before the disposition or deemed disposition; and (b) the Resident Holder's reasonable costs of the disposition. The taxation of capital gains and capital losses is described below under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada- Taxation of Capital Gains and Capital Losses*".

Taxation of Dividends

A Resident Holder will be required to include in computing its income for a taxation year any dividend received or deemed to be received on a First Light Share.

In the case of a Resident Holder that is an individual (other than certain trusts), such dividend or deemed dividend will be subject to the gross-up and dividend tax credit rules normally applicable under the Tax Act to dividends received from taxable Canadian corporations. Dividends that are designated by First Light as "eligible dividends" will be subject to an enhanced gross-up and tax credit regime, pursuant to the rules in the Tax Act. There may be limitations on the ability of First Light to designate dividends as eligible dividends.

In the case of a Resident Holder that is a corporation, the amount of any dividend that is included in its income for a taxation year will generally be deductible in computing its taxable income for that taxation year. In certain circumstances, subsection 55(2) of the Tax Act will treat a dividend received or deemed to be received by a Resident Holder that is a corporation as proceeds of disposition or a capital gain. Resident Holders that are corporations should consult their own tax advisors having regard to the potential application of this provision to their own particular circumstances.

A Resident Holder that is a "private corporation" or a "subject corporation", each as defined in the Tax Act, may be liable to pay a refundable tax under Part IV of the Tax Act on dividends received or deemed to be received on a First Light Share, to the extent such dividends are deductible in computing the Resident Holder's taxable income for the year.

Taxation of Capital Gains and Capital Losses

A Resident Holder must include in income for a taxation year one-half of any capital gain (a "**taxable capital gain**") realized by the Resident Holder on the disposition or deemed disposition of a New Oropu Share or a First Light Share, as the case may be, in the year. The Resident Holder must deduct one-half of the amount of any capital loss ("**allowable capital loss**") realized by the Resident Holder in a taxation year on the disposition or deemed disposition of a New Oropu Share or a First Light Share from taxable capital gains realized in such year. Allowable capital losses in excess of taxable capital gains realized by the Resident Holder in a taxation year may generally be carried back and deducted in any of the three preceding taxation years or carried forward and deducted against net taxable capital gains in any subsequent year, subject to the detailed provisions of the Tax Act.

The amount of any capital loss otherwise realized by a Resident Holder that is a corporation or a trust (other than a mutual fund trust) on the disposition or deemed disposition of a New Oropu Share or First Light Share may be reduced by the amount of any dividends received or deemed to have been received by it on such share to the extent and in the circumstances prescribed by the Tax Act. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

Refundable Tax

A Resident Holder that is a “Canadian-controlled private corporation”, as defined in the Tax Act, may be subject to a refundable tax in respect of its aggregate investment income for the year, which may include any capital gains realized on a disposition of Securities, and any dividends or deemed dividends that are not deductible by the Canadian-controlled private corporation in computing its taxable income.

Minimum Tax

A Resident Holder who is an individual (other than certain specified trusts) may have an increased liability for minimum tax as a result of taxable dividends received on the Securities or capital gains realized on a disposition of Securities.

Dissenting New Oropu Shareholders

A Dissenting Shareholder that is a Resident Holder (a “**Resident Dissenting Holder**”) who receives a cash payment from First Light in consideration for the Resident Dissenting Holder’s New Oropu Shares will be deemed to have received proceeds of disposition for the New Oropu Shares equal to the amount (excluding interest awarded by a court) received by the Resident Dissenting Holder. Consequently, the Resident Dissenting Holder will realize a capital gain (or capital loss) to the extent that such proceeds of disposition exceed (or are exceeded by) the adjusted cost base of such Resident Dissenting Holder’s New Oropu Shares. See “*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*” above for a general description of the treatment of capital gains and losses under the Tax Act.

Any interest awarded by the Court to a Resident Dissenting Shareholder will be included in such Resident Dissenting Shareholder’s income for the purposes of the Tax Act. Resident Dissenting Shareholder who are contemplating exercising their New Oropu Dissent Rights should consult their own tax advisors.

Eligibility for Investment

The First Light Shares, if issued on the date hereof, would be qualified investments under the Tax Act for trusts governed by a registered retirement savings plan (“**RRSP**”), a registered retirement income fund (“**RRIF**”), a registered education savings plan (“**RESP**”), a deferred profit sharing plan, a registered disability savings plan (“**RDSP**”) or a tax free savings account (“**TFSA**”), each as defined in the Tax Act, (collectively “**Exempt Plans**”) at any particular time, provided that, at that time, the First Light Shares are listed on a “designated stock exchange” for the purposes of the Tax Act (which currently includes the TSXV).

Notwithstanding that the First Light Shares may be a qualified investment for an Exempt Plan of a particular Resident Holder, as described above, the annuitant under such RRSP or RRIF, the subscriber of such RESP, or the holder of such RDSP or TFSA, as the case may be, will be subject to a penalty tax on such shares if such shares are a “prohibited investment”, as described immediately below, for the RRSP, RRIF, RESP, RDSP or TFSA.

First Light Shares will generally be a “prohibited investment”, as defined in subsection 207.01 of the Tax Act, for a RRSP, RRIF, RESP, RDSP or TFSA if the annuitant of the RRSP or RRIF, the subscriber of the RESP or the holder of the TFSA or RDSP, as the case may be: (a) does not deal at arm’s length with First Light for the purposes of the Tax Act; or (b) has a “significant interest”, as defined in subsection 207.01(4) of the Tax Act, in First Light. A “significant interest” generally includes, but is not limited to, the ownership of 10% or more of any class of issued shares of the particular corporation. In addition, First Light Shares will generally not be a “prohibited investment” if they are “excluded property”, as defined in subsection 207.01(1) of the Tax Act.

Holders who currently hold New Oroperu Shares in an Exempt Plan or who wish to hold First Light Shares in an Exempt Plan should consult their own tax advisors as to the application of these rules in their particular circumstances.

Holders Not Resident in Canada

The following part of this summary is generally applicable to a Holder who, for the purposes of the Tax Act and any applicable income tax treaty, at all relevant times: (a) is not resident or deemed to be resident in Canada; and (b) does not use or hold, and is not deemed to use or hold, Securities in connection with carrying on a business in Canada (a **“Non-Resident Holder”**). Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer that carries on an insurance business in Canada or elsewhere, or an “authorized foreign bank”, as defined in the Tax Act.

Non-Resident Holders should consult with their own tax advisors with respect to the tax consequences to them of acquiring, holding and disposing of Securities.

Share Exchange

The discussion of the income tax consequences of the Share Exchange for Resident Holders under the heading *“Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada-Share Exchange”* generally will also apply to Non-Resident Holders in respect of the Share Exchange, subject to the discussion regarding Non-Resident Holders herein and the detailed rules in the Tax Act.

A Non-Resident Holder will generally be subject to Canadian tax on any gain (or loss) recognized on a New Oroperu Share only if such share is “taxable Canadian property” for the purposes of the Tax Act, as discussed below under the heading *“Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Taxable Canadian Property”*.

Dissenting Non-Resident Holders

The discussion of the income tax consequences relating to Resident Dissenting Shareholders under the heading *“Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Dissenting New Oroperu Shareholders”* will also generally apply to Non-Resident Holders that are Dissenting Shareholders (**“Non-Resident Dissenting Holder”**) to whom First Light consequently pays the fair value of his, her or its New Oroperu Shares, subject to the discussion regarding Non-Resident Holders herein and the detailed rules in the Tax Act.

A Non-Resident Dissenting Holder who receives a cash payment from First Light will be considered to have disposed of their New Oroperu Shares for proceeds of disposition equal to the amount paid to such Non-Resident Dissenting Holder less an amount in respect of interest, if any, awarded by a court. A Non-Resident Dissenting Holder will generally not be subject to income tax under the Tax Act in respect of any capital gain realized on a disposition of New Oroperu Shares pursuant to the exercise of their New Oroperu Dissent Rights unless such New Oroperu Shares constitute, or are deemed to constitute, “taxable Canadian property” of the Non-Resident Dissenting Holder and the Non-Resident Dissenting Holder is not entitled to relief under an applicable income tax treaty or convention, as discussed below under the heading *“Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Taxable Canadian Property”*.

A Non-Resident Dissenting Holder will not be subject to any Canadian withholding tax on any interest awarded to the Non-Resident Holder in respect of the exercise of New Oroperu Dissent Rights under the Arrangement, provided that such interest is not “participating debt interest” for the purposes of the Tax Act.

Taxation of Dividends

Dividends paid or credited or deemed to be paid or credited to a Non-Resident Holder on a New Oroperu Share or a First Light Share will be subject to Canadian withholding tax at the rate of 25% of the gross amount of the dividend, subject to any reduction in the rate of withholding to which the Non-Resident Holder is entitled under any applicable income tax convention. For example, under the *Canada-U.S. Income Tax Convention* (1980) (the **“Convention”**), where such dividends are considered to be paid to or derived by a Non-Resident Holder that is

the beneficial owner of the dividends and is a U.S. resident for the purposes of, and is entitled to benefits in accordance with, the provisions of the Convention, the applicable rate of Canadian withholding tax is generally reduced to 15%.

Disposition of First Light Shares

A Non-Resident Holder who disposes or is deemed for the purposes of the Tax Act to have disposed of a First Light Share will generally, subject to the detailed rules in the Tax Act, realize a capital gain (or capital loss) in the taxation year of the disposition equal to the amount, if any, by which the proceeds of disposition are greater (or less) than the total of: (a) the adjusted cost base, as defined in the Tax Act, to the Resident Holder of the First Light Share, as the case may be, immediately before the disposition or deemed disposition; and (b) the Resident Holder's reasonable costs of the disposition.

A Non-Resident Holder will generally be subject to Canadian tax on such gain (or loss) recognized on a First Light Share only if such share is "taxable Canadian property" for the purposes of the Tax Act, as discussed below under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Taxable Canadian Property*".

Taxable Canadian Property

Provided that the New Oroperu Shares or First Light Shares, as the case may be, are, at the time of the applicable disposition, listed on a "designated stock exchange", as defined in the Tax Act (which currently includes the TSXV), then such shares generally will not constitute taxable Canadian property of a Non-Resident Holder at that time unless, at any time in the 60-month period preceding the disposition the following two conditions are met concurrently: (a) 25% or more of the issued shares of any class of the capital stock of New Oroperu or First Light, as the case may be, were owned by any combination of: (i) the Non-Resident Holder; (ii) persons with whom the Non-Resident Holder did not deal at arm's length; and (iii) partnerships in which persons referred to in (i) or (ii) hold a membership interest (directly or indirectly through one or more partnerships); and (b) more than 50% of the fair market value of the New Oroperu Shares or First Light Shares, as the case may be, was derived, directly or indirectly, from one or any combination of: (i) real or immovable property situated in Canada; (ii) "Canadian resource properties", as defined in the Tax Act; (iii) "timber resource properties", as defined in the Tax Act; and (iv) options in respect of, or interests in, or civil law rights in, property described in (i) to (iii), whether or not such property exists.

Notwithstanding the foregoing, a New Oroperu Share or First Light Share may otherwise be deemed to be taxable Canadian property to a Non-Resident Holder for the purposes of the Tax Act. A Non-Resident Holder who disposes of taxable Canadian property will generally be required to file a Canadian tax return for the taxation year in which the disposition of property occurs. If New Oroperu Share or First Light Shares constitute taxable Canadian property, a Non-Resident Holder may be entitled to claim an exemption from tax in Canada under the terms of a tax treaty or convention between Canada and the country of residence of the Non-Resident Holder in respect of capital gains realized on the disposition of such New Oroperu Shares or First Light Shares. **Non-Resident Holders should consult their own tax advisors with respect to these matters, having regard to their own particular circumstances.**

The Arrangement Agreement

GENERAL

On June 16, 2021, New Oroperu and First Light entered into the Arrangement Agreement. The Arrangement Agreement provides for, among other things, the acquisition of all the outstanding New Oroperu Shares by First Light in exchange for First Light Shares based on an Exchange Ratio of 5.815 First Light Shares for each New Oroperu Share.

The Arrangement will be effected in accordance with the Arrangement Agreement which provides for the implementation of the Plan of Arrangement. The Arrangement Agreement contains covenants, representations and warranties of and from each of New Oroperu and First Light and various conditions precedent, both mutual and with respect to New Oroperu and First Light individually.

Unless all of such conditions are satisfied or waived by the Party for whose benefit such conditions exist, to the extent they may be capable of waiver, the Arrangement will not proceed as proposed. There is no assurance that the conditions will be satisfied or waived on a timely basis, or at all.

The following is a summary of certain terms of the Arrangement Agreement and is qualified in its entirety by the full text of the Arrangement Agreement, a copy of which can be found under New Oroperu's SEDAR profile at www.sedar.com and the Plan of Arrangement, the full text of which is attached as Schedule "B" to this Circular. New Oroperu Shareholders are encouraged to read the Arrangement Agreement and Plan of Arrangement in their entirety.

In reviewing the Arrangement Agreement and this summary, readers are advised that this summary has been included to provide New Oroperu Securityholders with information regarding the key terms of the Arrangement Agreement and is not intended to provide any other factual information about New Oroperu, First Light or any of their respective subsidiaries or affiliates. The Arrangement Agreement contains representations and warranties and covenants by each of New Oroperu and First Light, which are summarized below. These representations and warranties have been made solely for the benefit of the other Party and:

- are not intended as statements of fact to investors, but rather, as a means of allocating risks between the Parties if those statements prove to be inaccurate, in certain circumstances subject to materiality;
- have been qualified by certain confidential disclosures that were made to the other Party in connection with the negotiation of the Arrangement Agreement, which disclosures are not reflected in the Arrangement Agreement; and
- may apply standards of materiality that are different from what may be viewed as material by New Oroperu Securityholders, First Light Shareholders or other investors.

Moreover, information concerning the subject matter of the representations and warranties in the Arrangement Agreement and as described below may have changed since the date of the Arrangement Agreement and subsequent developments may have been included in this Circular. Accordingly, the representations and warranties and other provisions of the Arrangement Agreement should not be read on their own, but instead with the information contained elsewhere in this Circular.

REPRESENTATIONS AND WARRANTIES

Representations and Warranties

The Arrangement Agreement contains certain customary representations and warranties of each of New Oroperu and First Light relating to, among other things: (i) organization and qualification; (ii) capitalization; (iii) authority relative to the Arrangement agreement; (iv) no conflict with any organizational document, applicable law or contract as a result of entering into the Arrangement Agreement and the performance by the Parties of their obligations thereunder; (v) public filings; (vi) financial statements; (vii) no undisclosed liabilities; (viii) books and records; (ix) shareholder agreements; (x) material contracts; (xi) related party transactions; (xii) severance and employment matters; (xiii) litigation; (xiv) compliance with laws; (xv) reporting issuer status and securities law matters; (xvi) United States securities law matters; (xvii) compliance with money laundering laws; (xviii) winding-up orders; (xix) stock exchange compliance; and (xx) brokers. First Light provided additional representations and warranties about: (i) filing statement matters; (ii) organization and qualification of subsidiaries; (iii) insolvency; (iv) issuance of shares; and (v) Investment Canada Act matters. New Oroperu provided additional representations and warranties regarding: (i) receipt of fairness opinion; (ii) receipt of appropriate board approvals; (iii) confidentiality and standstill agreements; (iv) subsidiaries; (v) licenses; (vi) regulatory compliance; (vii) privacy and security; (viii) company authorizations; (ix) no options on assets; (x) title to assets; (xi) real property; (xii) Barrick matters; (xiii) mineral reserves and resources; (xiv) absence of certain changes and events; (xv) taxes; (xvi) insurance; (xvii) environmental matters; (xviii) restrictions on business activities; (xix) intellectual property; (xx) anti-corruption matters; (xxi) sanctions; and (xxii) assets and sales. The representations and warranties made by the Parties are, in certain cases, subject to specified exceptions or qualifications. For the complete text of the applicable provisions, see Schedule C and Schedule D of the Arrangement Agreement.

COVENANTS

In the Arrangement Agreement, each of New Oroperu and First Light has agreed to certain covenants, including customary positive and negative covenants relating to conducting their respective businesses, and using commercially reasonable efforts to satisfy conditions precedent to their respective obligations under the Arrangement Agreement. In addition, each of New Oroperu and First Light agreed to certain covenants in relation to the Concurrent Private Placement, preparation of this Circular and the circular of First Light with respect to the First Light Meeting as well as the convening and conducting of the Meeting and the First Light Meeting, respectively.

Covenants Regarding the Conduct of Business

Pursuant to the Arrangement Agreement, each of New Oroperu and First Light has covenanted, among other things, until the earlier of the completion of the Arrangement or the termination of the Arrangement Agreement, to maintain and preserve their respective businesses and refrain from taking certain actions outside the ordinary course except (i) as required or permitted by the Arrangement Agreement; (ii) as required by applicable Law or any Governmental Authority, (iii) with the express written consent of the other Party; or (iv) in connection with any COVID-19 Measures.

In particular, each Party has agreed to refrain from, among other things and subject to certain qualifications: (i) amending its constating documents or share structure or issuing, granting, redeeming, repurchasing or otherwise acquiring any outstanding securities of such Party; (ii) acquiring any assets, securities, properties, interests or businesses; (iii) prepaying, increasing, incurring or assuming any indebtedness; (iv) making any loan, advance or capital contribution to any person; (v) entering into any interest rate, currency, equity or commodity swaps or similar financial instruments; (vi) making any bonus or profit sharing distribution; (vii) changing any methods of accounting; (viii) increasing compensation or taking action with respect to the grant of any severance, bonus, or termination pay for, or entering into any employment agreement, deferred compensation or similar agreement with any of its directors or executive officers; (ix) cancelling, waiving, assigning or settling any material claims or rights; (x) compromising or settling any litigation, proceeding or governmental investigation; (xi) amending, terminating or waiving any right under any material contract or entering into any material contract; (xii) abandoning or failing to diligently pursue any application for any material licenses, permits, authorizations or registrations; (xiii) selling, transferring or assigning any assets, properties or facilities; or (xiv) authorizing, agreeing, resolving or otherwise committing to do any of the foregoing.

For the complete text of the applicable conduct of business provisions, see sections 4.1 and 4.3 of the Arrangement Agreement.

Covenants Regarding the Arrangement Agreement

Each of New Oroperu and First Light has made certain customary covenants in respect of the Arrangement, including that each Party will: (i) use commercially reasonable efforts to obtain all third party consents or approvals required in connection with the Arrangement; (ii) perform all such acts and things as may be reasonably necessary or desirable in order to consummate, as soon as reasonably practicable, the transactions contemplated by the Arrangement Agreement; (iii) not take any action, refrain from taking any commercially reasonable action, or permit any action to be taken or not taken, which is inconsistent with the Arrangement Agreement or which could prevent or delay or impede the ability to consummate the Arrangement or the transactions contemplated by the Arrangement Agreement; and (vi) promptly notify the other Party of (A) any notice or other communication in writing from any person received by the Party alleging that (x) the consent of such person is required in connection with the Arrangement Agreement or the Arrangement or (y) in the case of New Oroperu, that such person is terminating or otherwise materially adversely modifying the relationship between that person and New Oroperu; (B) any notice or other communication in writing from any Governmental Authority received in connection with the Arrangement Agreement; or (C) any filing, action, suit, claim, investigation or proceeding commenced or threatened in writing against the Party in connection with the Arrangement Agreement or the Arrangement. Additionally, First Light has covenanted to use commercially reasonable efforts to obtain approval of the Arrangement as the Qualifying Transaction of First Light and approval of the listing and posting on the TSXV of the Anacortes Shares and the Anacortes Shares issuable upon the exercise of the Replacement Options, the New Oroperu Warrants and the First Light Warrants.

For the complete text of the applicable provisions, see sections 4.2, 4.4 and 4.5 of the Arrangement Agreement.

CONDITIONS

Mutual Conditions

The respective obligations of New Oroperu and First Light to complete the Arrangement are subject to the satisfaction, on or before the Effective Time, of each of the following conditions precedent, each of which may only be waived with the mutual consent of the Parties, in whole or in part, at any time and from time to time, without prejudice on any other rights that the Parties may have:

- (a) New Oroperu Securityholder Approval. The New Oroperu Securityholders shall have approved the Arrangement Resolution at the Meeting.
- (b) Interim and Final Order. The Interim Order and the Final Order shall each have been obtained on terms consistent with the Arrangement Agreement, and shall not have been set aside or modified in a manner unacceptable to either New Oroperu or First Light, acting reasonably, on appeal or otherwise.
- (c) First Light Shareholder Approval. The First Light Shareholders shall have approved the Consolidation and the Name Change at the First Light Meeting, and shall have set the number of directors at five and elected the Anacortes Directors, effective at the Effective Time.
- (d) Concurrent Private Placement. First Light and Finco shall have closed the Concurrent Private Placement.
- (e) Illegality. No Law, including a cease trade order or injunction, is in effect that makes the consummation of the Arrangement illegal or otherwise prohibits or enjoins New Oroperu or First Light from consummating the Arrangement.
- (f) Section 3(a)(10) Exemption. The issuance of First Light Shares and the Replacement Options issuable pursuant to the Arrangement shall be exempt from registration requirements under the U.S. Securities Act pursuant to section 3(a)(10) thereof and the registration and qualification requirements of all applicable state securities laws.
- (g) Exemption from Prospectus Requirements. The distribution of First Light Shares and Replacement Options in Canada pursuant to the Arrangement (including those First Light Shares distributable upon exercise of the Replacement Options and New Oroperu Warrants) shall be exempt from, or otherwise not subject to, the prospectus requirements of applicable Securities Law.
- (h) Stock Exchange Approvals. The conditional approval of the TSXV shall have been obtained by First Light and New Oroperu, respectively, and the Arrangement shall have been conditionally approved by the TSXV as First Light's Qualifying Transaction.
- (i) No Termination. The Arrangement Agreement shall not have been terminated in accordance with its terms.

Conditions to the Obligations of New Oroperu

The obligations of New Oroperu to complete the Arrangement are subject to the satisfaction of the following conditions precedent:

- (a) Representations and Warranties. The representations and warranties of First Light contained in the Arrangement Agreement which are qualified by references to materiality being true and correct as of the date of the Arrangement Agreement and true and correct as of the Effective Time, in all respects, and all other representations and warranties of First Light being true and correct as of the date of the Arrangement Agreement and being true and correct as of the Effective Time, in all material respects, in each case

except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date, except where the failure to be so true and correct in all material respects, individually and in the aggregate, has not and would not have a Material Adverse Effect, and First Light shall have delivered a certificate confirming same to New Oroperu, executed by two (2) senior officers of First Light (in each case without personal liability) addressed to New Oroperu and dated the Effective Date.

- (b) Compliance with Covenants. First Light shall have fulfilled or complied in all material respects with each of the covenants of First Light contained in the Arrangement Agreement to be fulfilled or complied with by it on or prior to the Effective Time, and it shall have delivered a certificate confirming same to New Oroperu, executed by two (2) senior officers of First Light (in each case without personal liability) addressed to New Oroperu and dated the Effective Date.
- (c) Stock Exchange Approval. The Anacortes Shares (including the Consideration Shares, the First Light Shares which are issuable upon the conversion of the Subscription Receipts and the First Light Shares which are issuable upon the exercise of the Replacement Options and the New Oroperu Warrants) shall have been conditionally approved for listing on the TSXV and the Arrangement shall have been conditionally approved as a Qualifying Transaction by the TSXV, subject to the customary requirements of the TSXV in respect of transactions of the nature of the Arrangement and First Light shall have delivered evidence of such conditional approval to New Oroperu;
- (d) No Material Adverse Change. Since the date of the Arrangement Agreement, there shall not have occurred any Material Adverse Effect with respect to First Light;
- (e) Director Nominee. A nominee of New Oroperu shall have been elected or appointed as a director of First Light;
- (f) Amalgamation. First Light, Finco and Subco shall have completed the Amalgamation; and
- (g) Certain Payments. First Light having paid or having made arrangements satisfactory to New Oroperu for the payment of, the Change of Control Payments (as such term is defined in the Arrangement Agreement).

The foregoing conditions are for the exclusive benefit of New Oroperu and may be waived by New Oroperu, in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which New Oroperu may have.

Conditions to the Obligations of First Light

The obligations of First Light to complete the Arrangement are subject to the satisfaction of the following conditions precedent:

- (a) Representations and Warranties. The representations and warranties of New Oroperu contained in the Arrangement Agreement which are qualified by references to materiality or by the expression "Material Adverse Effect" being true and correct as of the Effective Time, in all respects, and all other representations and warranties of New Oroperu being true and correct as of the Effective Time, in all material respects, in each case except for representations and warranties made as of a specified date the accuracy of which shall be determined as of such specified date, except where the failure to be so true and correct in all material respects, individually and in the aggregate, has not and would not have a Material Adverse Effect, and New Oroperu shall have delivered a certificate confirming same to First Light, executed by two (2) senior officers of New Oroperu (in each case without personal liability) addressed to First Light and dated the Effective Date.
- (b) Compliance with Covenants. New Oroperu shall have fulfilled or complied in all material respects with each of the covenants of New Oroperu contained in the Arrangement Agreement to be fulfilled or complied with by it on or prior to the Effective Time, and shall have delivered a certificate confirming same to First Light, executed by two (2) senior officers of New Oroperu (in each case without personal liability) addressed to First Light and dated the Effective Date.

- (c) Barrick Information. New Oproeru shall have delivered to First Light the Barrick Information (as such term is defined in the Arrangement Agreement).
- (d) Dissent Rights. Dissent Rights have not been exercised with respect to more than 5% of the issued and outstanding New Oproeru Shares, and New Oproeru shall have delivered a certificate confirming same to First Light, executed by two (2) senior officers of New Oproeru (in each case without personal liability) addressed to First Light and dated the Effective Date.
- (e) No Material Adverse Change. Since the date of the Arrangement Agreement, there shall not have occurred any Material Adverse Effect with respect to New Oproeru, other than a Material Adverse Effect resulting, directly or indirectly, from the escalation of the COVID-19 pandemic after the date hereof.
- (f) Director Resignations. Each of the directors and officers of New Oproeru other than the directors and officers agreed to in writing by First Light shall have resigned as of the Effective Time and shall have executed and delivered, in favour of New Oproeru and First Light, a release in a form and substance satisfactory to First Light acting reasonably.
- (g) Voluntary Escrow Agreements. Each of Wayne Livingstone, as to 75% of the Consideration Shares received by him, Maynard Brown, as to 50% of the Consideration Shares received by him, and James Carr-Hilton, as to 50% of the Consideration Shares received by him, and all three as to any Replacement Options received by them pursuant to the Plan of Arrangement, shall have executed and delivered an escrow agreement in form and substance substantially similar to TSXV Form 2F - CPC Escrow Agreement in effect on the date of the Arrangement Agreement, and shall have deposited the Consideration Shares and Replacement Options to be escrowed with the escrow agent.
- (h) Certain Actions. The New Oproeru Board: (i) shall have adopted all necessary resolutions, and all other necessary corporate action has been taken by New Oproeru, to permit the consummation of the Arrangement; and (ii) shall not have made a Change in Recommendation.
- (i) Statement of Account. New Oproeru shall have delivered to First Light, at least two Business Days before the Effective Date, a final statement showing, on a consolidated basis, its obligations or liabilities (except that such statement may exclude any liability for less than \$10,000 provided that the aggregate amount of the excluded liabilities shall not exceed \$50,000) including obligations and liabilities due or to become due for transaction expenses of not more than \$100,000, not including any amounts payable to Haywood or any Change of Control Payments, all estimated as of the Effective Date.

The foregoing conditions are for the exclusive benefit of First Light and may be waived by First Light, in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which First Light may have.

NON-SOLICITATION COVENANTS AND RIGHT TO MATCH

Non-Solicitation Covenants

Under the Arrangement Agreement, New Oproeru has agreed to certain non-solicitation covenants, including that it shall not, except as expressly provided in the Arrangement Agreement, directly or indirectly, including through any Representative:

- (a) solicit, initiate, knowingly encourage or otherwise knowingly facilitate (including by way of furnishing or providing copies of, access to, or disclosure of, any information, properties, facilities, books or records of New Oproeru or any subsidiary or affiliate, or entering into any form of agreement, arrangement or understanding) any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal;
- (b) enter into or otherwise engage or participate in any discussions or negotiations with any person (other than First Light) regarding any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal provided, however, New Oproeru may communicate with

any person making an Acquisition Proposal for the purpose of advising such person that the Acquisition Proposal does not constitute and/or is not reasonably expected to constitute or result in a Superior Proposal;

- (c) make a Change in Recommendation;
- (d) accept, approve, endorse or recommend, or publicly propose to accept, approve, endorse or recommend any Acquisition Proposal, or take no position or remain neutral with respect to, any Acquisition Proposal; or
- (e) enter into or publicly propose to enter into any agreement in respect of any publicly announced Acquisition Proposal (it being understood that publicly taking no position or a neutral position with respect to an Acquisition Proposal).

New Oropu has covenanted to First Light that it will cause its subsidiaries and representatives to immediately cease and terminate, and cause to be terminated, any solicitation, encouragement, discussion, negotiations, or other activities commenced prior to the date of the Arrangement Agreement with any person (other than First Light) with respect to any inquiry, proposal or offer that constitutes, or may reasonably be expected to constitute or lead to, an Acquisition Proposal.

The foregoing restrictions are subject to "fiduciary out" provisions, which provide that if at any time following the date of the Arrangement Agreement and prior to obtaining the New Oropu Securityholder Approval the New Oropu Board receives a *bona fide*, written Acquisition Proposal that did not result from a breach of the Arrangement Agreement then New Oropu may: (i) contact the person making such Acquisition Proposal and its Representatives to clarify the terms and conditions of such Acquisition Proposal so as to determine whether such proposal is, or could reasonably be expected to lead to, a Superior Proposal; (ii) if, in the opinion of the New Oropu Board, acting in good faith and after receiving advice from its outside legal counsel and financial advisors, the Acquisition Proposal is, or could reasonably be expected to lead to, a Superior Proposal: (A) furnish information with respect to New Oropu and its Subsidiaries to the person making such Acquisition Proposal and its Representatives; and/or (B) consider such Acquisition Proposal and/or, participate and/or engage in discussions with the person making such Acquisition Proposal and its Representatives; provided that (i) New Oropu will not, and will not allow its Representatives to, disclose any non-public information with respect to New Oropu or its Subsidiaries to such person without entering into a confidentiality and standstill agreement with such person; and (ii) First Light is promptly provided with a copy of the confidentiality and standstill agreement and a list and copies of all information provided to the person making such Acquisition Proposal not previously provided to First Light.

Pursuant to the Arrangement Agreement, New Oropu agreed to promptly notify First Light, at first orally and then in writing within 24 hours of receipt of any Acquisition Proposal, including a description of the material terms and conditions thereof, and the identity of the person or persons making the Acquisition Proposal, and shall provide the other Party with a copy of any such proposal, inquiry, offer or request, and a copy of any agreement entered into in accordance with the Arrangement Agreement. New Oropu shall thereafter the status of developments and negotiations with respect to such Acquisition Proposal, inquiry, proposal, offer or request, including any changes, modifications or other amendments to any such Acquisition Proposal, inquiry, proposal, offer or request.

For the complete text of the applicable provisions, see Article 5 of the Arrangement Agreement.

Right to Match

The Arrangement Agreement provides that, if prior to New Oropu obtaining the New Oropu Securityholder Approval at the Meeting, New Oropu receives an Acquisition Proposal that constitutes or may constitute a Superior Proposal, New Oropu may enter into a definitive agreement in respect of such Superior Proposal, provided that:

- (a) the person making the Superior Proposal was not restricted from making such Superior Proposal pursuant to an existing standstill or similar restriction;

- (b) New Oroperu has been, and continues to be, in compliance with its obligations under Article 5 of the Arrangement Agreement;
- (c) New Oroperu has delivered to First Light a written notice of the determination of the New Oroperu Board that such Acquisition Proposal constitutes a Superior Proposal and of the intention of the New Oroperu Board to enter into such definitive agreement, together with a written notice from the New Oroperu Board regarding the value and financial terms that the New Oroperu Board has determined should be ascribed to any non-cash consideration offered under such Acquisition Proposal (the “Superior Proposal Notice”);
- (d) New Oroperu has provided First Light a copy of the Acquisition Proposal that constitutes the Superior Proposal;
- (e) at least five (5) Business Days (the “**Matching Period**”) have elapsed from the date that is the later of the date on which First Light received the Superior Proposal Notice and a copy of the Acquisition Proposal that constitutes the Superior Proposal;
- (f) First Light has offered to amend the Arrangement Agreement and the Arrangement during the Matching Period, the New Oroperu Board has determined in good faith, after consultation with New Oroperu’s outside legal counsel and financial advisers, that such Acquisition Proposal continues to constitute a Superior Proposal compared to the terms of the Arrangement as proposed to be amended by First Light; and
- (g) New Oroperu terminates the Arrangement Agreement and pays the Termination Fee.

During the Response Period, New Oroperu shall review any offer made by First Light to amend the terms of the Arrangement Agreement and the Arrangement in good faith in order to determine whether such proposal would, upon acceptance, result in the Acquisition Proposal previously constituting a Superior Proposal ceasing to be a Superior Proposal. If the New Oroperu Board determines that such Acquisition Proposal would cease to be a Superior Proposal, New Oroperu shall promptly so advise First Light, and New Oroperu and First Light shall amend the Arrangement Agreement to reflect such offer made by First Light:

For the complete text of the applicable provisions, see section 5.4 of the Arrangement Agreement.

EXPENSES AND TERMINATION FEES

The Parties have agreed that all fees, costs and expenses incurred in connection with the Arrangement Agreement and the Plan of Arrangement shall be paid by the Party incurring such fees, costs or expenses, except in the circumstances described below.

Termination Fee

If the Arrangement Agreement is terminated as a result of New Oroperu entering into an agreement, understanding or arrangement to effect an Acquisition Proposal that is a Superior Proposal, subject to certain limitations, or makes a Change in Recommendation, then such New Oroperu will pay the Termination Fee to First Light.

In addition to the foregoing, if: (i) the Arrangement Agreement is terminated due to the failure of New Oroperu to obtain New Oroperu Securityholder Approval at the Meeting or the Effective Time not occurring prior to the Outside Date; (ii) prior to such termination, an Acquisition Proposal or the intention to make an Acquisition Proposal has been publicly announced and not withdrawn; and (iii) within 12 months of the date of such termination: (y) the announced Acquisition Proposal is consummated; or (z) the New Oroperu or one or more of its subsidiaries enters into a definitive agreement in respect of, or New Oroperu Board approves or recommends, any Acquisition Proposal which is subsequently consummated at any time thereafter.

For the complete text of the applicable provisions, see section 8.2 of the Arrangement Agreement.

Expense Reimbursement

In the event the Arrangement Agreement is terminated by First Light, where the Effective Time has not occurred on or before the Outside Date, subject to certain exceptions, due to the failure of New Oproeru to obtain necessary approval from its securityholders in respect of the Arrangement, First Light is entitled to an expense reimbursement payment of \$200,000. In the event the Arrangement Agreement is terminated by New Oproeru, where the Effective Time has not occurred on or before the Outside Date, subject to certain exceptions, due to the failure of First Light to obtain necessary approval from its securityholders in respect of the Arrangement, New Oproeru is entitled to an expense reimbursement payment of \$200,000.

For the complete text of the applicable provisions, see section 8.2 of the Arrangement Agreement.

TERMINATION

The Arrangement Agreement may be terminated and the Arrangement abandoned at any time prior to the Effective Time:

- (a) by the mutual written agreement of New Oproeru and First Light; or
- (b) either New Oproeru or First Light upon written notice by either one to the other if:
 - (i) the approval of the Arrangement Resolution is not obtained from New Oproeru Securityholders at the New Oproeru Meeting in accordance with the Interim Order;
 - (ii) after the date of the Arrangement Agreement, any Law is enacted, made, enforced or amended, as applicable, that makes the consummation of the Arrangement illegal or otherwise permanently prohibits or enjoins New Oproeru or First Light from consummating the Arrangement, and such Law has, if applicable, become final and non-appealable; or
 - (iii) the Effective Time does not occur on or prior to the Outside Date; or
- (c) by either New Oproeru or First Light if certain events occur.

For the complete text of the applicable provisions, see section 7.2 of the Arrangement Agreement.

AMENDMENTS

The Arrangement Agreement and the Plan of Arrangement may, at any time and from time to time before or after the holding of the Meeting but not later than the Effective Time, be amended by mutual written agreement of the Parties, without further notice to or authorization on the part of New Oproeru Securityholders and any such amendment may, without limitation:

- (a) change the time for performance of any of the obligations or acts of the Parties;
- (b) modify any representation or warranty contained in the Arrangement Agreement or in any document delivered pursuant to the Arrangement Agreement;
- (c) modify any of the covenants contained in this Agreement and waive or modify performance of any of the obligations of the Parties; and/or
- (d) modify any mutual conditions precedent contained in the Arrangement Agreement.

For the complete text of the applicable provisions, see section 8.1 of the Arrangement Agreement.

Voting Support Agreements

NEW OROPERU VOTING SUPPORT AGREEMENTS

Effective June 16, 2021, each of the directors and senior officers of New Oroperu (the “**New Oroperu Supporting Shareholders**”), who, in the aggregate, beneficially own or exercise control or direction over, directly or indirectly, approximately 14.1% of the outstanding New Oroperu Shares and 19.8% of the New Oroperu Securities as of the Record Date, have entered into a New Oroperu Voting Support Agreement with First Light pursuant to which they agreed, among other things, to vote, or cause to be voted, all of such New Oroperu Supporting Shareholders' New Oroperu Securities: (i) in favour of the approval of the Arrangement Resolution, any other transactions contemplated in the Arrangement Agreement and any other matter necessary for the consummation of the Arrangement; (ii) against any Acquisition Proposal for New Oroperu; (iii) against any Acquisition Proposal for New Oroperu; (iii) against any proposed action or agreement which could impede, interfere with or delay, or in any way adversely affect the completion of the Arrangement and any other transactions contemplated by the Arrangement Agreement. Additionally, each New Oroperu Supporting Shareholder has agreed to a number of customary negative covenants in furtherance of the consummation of the Arrangement, as more particularly described in the New Oroperu Voting Support Agreements.

PAN AMERICAN VOTING SUPPORT AGREEMENT

Effective June 16, 2021, Pan American, who, in the aggregate, beneficially own or exercise control or direction over, directly or indirectly, approximately 17.4% of the outstanding New Oroperu Shares (16.9% of the New Oroperu Securities) as of the Record Date, has entered into a Pan American Voting Support Agreement with First Light pursuant to which it agreed, among other things, to vote, or cause to be voted, all of its New Oroperu Shares: (i) in favour of the approval of the Arrangement Resolution, any other transactions contemplated in the Arrangement Agreement and any other matter necessary for the consummation of the Arrangement; (ii) against any Acquisition Proposal for New Oroperu; (iii) against any proposed action or agreement which could impede, interfere with or delay, or in any way adversely affect the completion of the Arrangement and any other transactions contemplated by the Arrangement Agreement. Additionally, Pan American has agreed to a number of customary negative covenants in furtherance of the consummation of the Arrangement, as more particularly described in the Pan American Voting Support Agreement.

Risk Factors

RISK FACTORS RELATING TO THE ARRANGEMENT

New Oroperu Securityholders voting in favour of the Arrangement Resolution will be choosing to endorse the proposed acquisition of New Oroperu by First Light. In addition to the risk factors present in each of New Oroperu's and First Light's businesses, New Oroperu Securityholders should carefully consider the following risk factors specifically associated with the Arrangement in evaluating whether to approve the Arrangement Resolution. Readers are cautioned that such risk factors are not exhaustive. These risk factors should be considered in conjunction with the other information included in this Circular and documents filed by New Oroperu and First Light pursuant to applicable laws from time to time.

Arrangement may not be completed

Each of First Light and New Oroperu has the right to terminate the Arrangement Agreement in certain circumstances. Accordingly, there is no certainty that the Arrangement will be completed in accordance with the terms of the Arrangement Agreement or the Plan of Arrangement, or at all.

In addition, the completion of the Arrangement is subject to a number of conditions precedent, certain of which are outside of the control of First Light and New Oroperu. Among other things, the Arrangement is conditional upon the approval of the Arrangement Resolution by New Oroperu Shareholders, TSXV approval and Court approval. There can be no assurance that any or all such approvals will be obtained, or that New Oroperu will be able to satisfy the requirements under the policies of the TSXV. A substantial delay in obtaining satisfactory approvals or the imposition of unfavourable terms or conditions in any approvals could have an adverse effect on the business, financial condition or results of operations of First Light, New Oroperu or Anacortes.

Arrangement Agreement may be terminated

Each of First Light and New Oroperu has the right to terminate the Arrangement Agreement in certain circumstances. Accordingly, there is no certainty, nor can New Oroperu provide any assurance, that the Arrangement Agreement will not be terminated before the completion of the Arrangement. For instance, either First Light or New Oroperu has the right, in certain circumstances, to terminate the Arrangement Agreement if changes occur that have a Material Adverse Effect on the other Party. There is no assurance that a Material Adverse Effect will not occur before the Effective Date, in which case First Light or New Oroperu could elect to terminate the Arrangement Agreement and the Arrangement would not proceed.

New Oroperu may be subject to a number of material risks relating to the Arrangement not being completed, including the following:

- (a) certain costs related to the Arrangement, such as legal, financial advisor and accounting fees must be paid by New Oroperu even if the Arrangement is not completed;
- (b) if the Arrangement is not completed, the market price of New Oroperu Shares may be adversely affected; and
- (c) New Oroperu may be required to pay the Termination Fee in certain circumstances or expense reimbursement in certain other circumstances.

Restrictions on New Oroperu prior to closing

The Arrangement Agreement restricts New Oroperu from taking specified actions until the Arrangement is completed, without the consent of First Light. These restrictions may prevent New Oroperu from pursuing attractive business opportunities that may arise prior to completion of the Arrangement.

Fixed share consideration

The Exchange Ratio for the Consideration is fixed and will not increase or decrease due to fluctuations in the market price of First Light Shares or New Oroperu Shares. The market price of First Light Shares or New Oroperu Shares could each fluctuate significantly prior to the Effective Date in response to various factors and events, including, without limitation, the differences between First Light's and New Oroperu's actual financial or operating results and those expected by investors and analysts, changes in analysts' projections or recommendations, changes in general economic or market conditions, and broad market fluctuations.

As a result of such fluctuations, historical market prices are not indicative of future market prices or the market value of the First Light Shares that New Oroperu Shareholders may receive on the Effective Date. There can also be no assurance that the trading price of the First Light Shares will not decline following the completion of the Arrangement.

Risks related to First Light's business

While New Oroperu has completed due diligence investigations, including reviewing technical, environmental, legal, tax accounting, financial and other matters, on First Light, certain risks may materialize, may not have been uncovered or are not known at this time. Such risks may have an adverse impact on New Oroperu and the combined assets of First Light and New Oroperu following the Arrangement.

Arrangement may be delayed or not completed due to health epidemics and other outbreaks

The continued and prolonged effects of the recent global outbreak of COVID-19 may delay or prevent the completion of the Arrangement. Among other things, Governmental Authorities in certain jurisdictions have ordered or may order, the mandatory closure of all non-essential workplaces, which may disrupt the ability of First Light and New Oroperu to close the Arrangement in the timing contemplated. As a result, the effects of COVID-19 may cause delays in First Light and New Oroperu's ability to convene and conduct the Meeting and the First Light Meeting, respectively, as scheduled. The effects of COVID-19 may also impact the ability of First Light and New Oroperu to obtain necessary third party approvals in connection with the Arrangement, including the approval of the Court and the approval of the TSXV.

The full extent of the impact of COVID-19 on the contemplated timing and completion of the Arrangement and on the respective operations of First Light and New Oroperu will depend on future developments, which are highly uncertain and cannot be predicted at this time, and include the duration, severity and scope of the outbreak and the actions taken to contain or treat the outbreak.

New Oroperu may become liable to pay the Termination Fee or expense reimbursement

If the Arrangement Agreement is terminated under certain circumstances, New Oroperu may be required to pay the Termination Fee to First Light. The Termination Fee may discourage third parties from attempting to propose a significant business transaction with New Oroperu, even if a different transaction could provide better value than the Arrangement to New Oroperu Shareholders. Moreover, if New Oroperu is required to pay the Termination Fee under the Arrangement Agreement and New Oroperu does not enter into or complete an alternative transaction, the financial condition of New Oroperu may be materially adversely affected. In addition, if the Arrangement Agreement is terminated in certain circumstances where the New Oroperu Securityholders have not approved the Arrangement Resolution, New Oroperu will be obligated to reimburse First Light in respect of the reasonable and documented expenses First Light has actually incurred in respect of the Arrangement and the Arrangement Agreement.

RISK FACTORS RELATING TO NEW OROPERU AND ANACORTES

Companies operating in the mining industry face many and varied kinds of risks. While risk management cannot eliminate the impact of all potential risks, Anacortes will strive to manage such risks to the extent possible and practical. The following are the risk factors most applicable to Anacortes.

Development requires substantial exploration, expenditure and the development of infrastructure

Development of New Oroperu's properties will only follow upon obtaining satisfactory exploration and engineering results that confirm economically recoverable and saleable volumes of minerals and metal as well as the legality of such development. The business of mineral exploration and development is speculative in nature and involves a high degree of risk, as few properties which are explored are ultimately developed into producing mines. There is no assurance that New Oroperu or Anacortes' mineral exploration and development activities will result in mineral reserves for mining and processing. The long-term profitability of the Anacortes' operations will be in part directly related to the cost and success of its exploration and development programs, which may be affected by a number of factors.

Development of Anacortes' projects will require the construction and operation of mines, processing plants and related infrastructure. As a result, Anacortes' is and will continue to be subject to all of the risks associated with establishing new mining operations, including:

- > the timing and cost, which can be considerable, of the construction of mining and processing facilities;
- > the availability and cost of skilled labour, mining equipment and principal supplies needed for operations;
- > the availability and cost of appropriate smelting and refining arrangements;
- > the need to maintain necessary environmental and other governmental approvals and permits;
- > the availability of funds to finance construction and development activities;
- > potential opposition from non-governmental organizations, environmental groups, local groups or other stakeholders which may delay or prevent development activities;
- > potential increases in construction and operating costs due to changes in the cost of labour, fuel, power, materials and supplies; and
- > reduced revenues from low gold prices.

Substantial expenditures are required to establish mineral resources and mineral reserves through drilling and development and for mining and processing facilities and infrastructure. No assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis. Economic feasibility of a project is based on several other factors including anticipated metallurgical recoveries, environmental considerations and permitting, future metal prices, and timely completion of the development plan.

Development of Anacortes' projects is and will continue to be subject to various requirements, including the availability and timing of acceptable arrangements for power, water, transportation, access and facilities. The lack of, or delay in, availability of any one or more of these items could prevent or delay development of the projects. There can be no assurance that adequate infrastructure, including road access, will be built, that it will be built in a timely manner or that the cost of such infrastructure will be reasonable or that it will sufficiently satisfy the requirements of the advanced projects. As well, accidents or sabotage could affect the provision or maintenance of adequate infrastructure.

Success depends on developing and maintaining relationships with local communities and stakeholders.

New Oroperu and Anacortes' ongoing and future success depends on developing and maintaining productive relationships with the communities surrounding its operations, including local peoples who may have rights or may assert rights to certain of the properties, and other stakeholders in its operating locations. New Oroperu and First Light believe Anacortes operations can provide valuable benefits to surrounding communities, in terms of direct employment, training and skills development and other benefits associated with ongoing payment of taxes. In addition, Anacortes will seek to develop and maintain partnerships and relationships with local communities, including local peoples, and stakeholders in a variety of ways, including in-kind contributions, volunteer time, sponsorships and donations. Notwithstanding New Oroperu or Anacortes' efforts, as applicable, local communities and stakeholders can become dissatisfied with its activities or the level of benefits provided, which may result in civil unrest, protests, direct action or campaigns against it. Any such occurrence could materially and adversely affect the New Oroperu and Anacortes' business, financial condition or results of operations.

Dependence on key personnel

New Oroperu and Anacortes are and will be dependent on a number of key management and employee personnel. The company's ability to manage its exploration, development, construction and operating activities, and hence its success, will depend in large part on the ability to retain current personnel and attract and retain new personnel, including management, technical and skilled employees. The loss of the services of one or more key management personnel, as well as a prolonged labor disruption, could have a material adverse effect on the New Oroperu and Anacortes' ability to successfully manage and expand its affairs.

The international mining industry is very active and Anacortes may face increased competition for personnel in all disciplines and areas of operation, including geology and project management, and there can be no assurance that it will be able to retain current personnel and attract and retain new personnel. Incentive provisions for key executives may include the granting of stock options and various share units that vest over time, which are designed to encourage such individuals to stay with the company. However, a low share price, whether as a result of disappointing progress in the company's exploration, development, construction or operating activities or as a result of market conditions generally, could render such agreements of little value to key executives. In such event, the key executives could be susceptible to being hired away by competitors who could offer a better compensation package. If New Oroperu and Anacortes are unable to attract and retain key personnel, its business, financial conditions and results of operations may be adversely affected.

Opposition to New Oroperu or Anacortes' exploration, development and operational activities may adversely affect the ability to receive and maintain its mining rights or permits for current or future activities

Maintaining a positive relationship with the communities in which the New Oroperu and Anacortes, as applicable, operate is critical to continuing successful exploration and development. Community support for operations is a key component of a successful exploration or development project. Various international and national laws, codes, resolutions, conventions, guidelines and other materials relating to corporate social responsibility (including rights with respect to health and safety and the environment) may also require government consultation with communities on a variety of issues affecting local stakeholders, including the approval of mining rights or permits.

New Oroperu and Anacortes' may come under pressure in the jurisdictions in which it explores or develops to demonstrate that other stakeholders benefit and will continue to benefit from its commercial activities. Local stakeholders and other groups may oppose the New Oroperu or Anacortes, as applicable, current and future exploration, development and operational activities through legal or administrative proceedings, protests, roadblocks or other forms of public expression against the company's activities. Opposition by such groups may have a negative impact on New Oroperu and Anacortes' reputation and their ability to receive necessary mining rights or permits. Opposition may also require the New Oroperu and Anacortes to modify its exploration, development or operational plans or enter into agreements with local stakeholders or governments with respect to its projects, in some cases causing considerable project delays. Any of these outcomes could have a material adverse effect on the company's business, financial condition, results of operations and share price.

Health epidemics and other outbreaks

A pandemic virus outbreak, such as COVID-19, could lead to disruptions in many aspects of Anacortes' business operations resulting from government policies restricting mobility, assembly, or contact to, employees and suppliers across the global supply chain. Such policies may include the closures of mines and processing facilities, warehouses and logistics supply chains. A pandemic virus outbreak could also lead to disruptions in business operations resulting from travel restrictions and the financial and social extent of the virus and policy responses to the virus.

Anacortes' business could be adversely impacted by the effects of COVID-19 or other epidemics. The extent to which COVID-19 impacts Anacortes' business, including its operations and the market for its securities, will depend on future developments, which are highly uncertain and cannot be predicted at this time, and include the duration, severity and scope of the outbreak and the actions taken to contain or treat the coronavirus outbreak. In particular, the continued spread of COVID-19 globally could materially and adversely impact Anacortes' business including without limitation, employee health, workforce productivity, increased insurance premiums, limitations

on travel, the availability of industry experts and personnel, restrictions to drill programs and/or the timing to process drill, and other factors that will depend on future developments beyond Anacortes' control, which may have a material and adverse effect on its business, financial condition and results of operations.

There can be no assurance that Anacortes' personnel will not be impacted by these pandemic diseases and ultimately see its workforce productivity reduced or incur increased medical costs / insurance premiums as a result of these health risks.

In addition, the inability of Governmental Authorities to control the spread and impact of the COVID-19 pandemic could result in a significant worsening of the current global health crisis, which could further adversely affect global economies and financial markets resulting in an economic downturn that could have an adverse effect on the demand for precious metals and Anacortes' future prospects. See "*Risk Factors – Risk Factors Relating to the Arrangement – Arrangement may be delayed or not completed due to health epidemics and other outbreaks*".

Possible failure to realize anticipated benefits of the Arrangement

New Oroperu and First Light are proposing to complete the Arrangement for a variety of reasons, including to strengthen the position of New Oroperu in the mining industry and to combine the assets of both companies to realize certain benefits, including those set forth in this Circular under the heading "*Background to the Arrangement and Recommendations – Reasons for the Arrangement*". Achieving the anticipated benefits of the Arrangement depends in part on the ability of New Oroperu and First Light to effectively fund and develop Anacortes' key projects, to realize the anticipated capital and operating synergies and to maximize the potential of its improved growth opportunities and anticipated capital funding opportunities. A variety of factors, including those risk factors set forth in this Circular, may adversely affect the ability of Anacortes to achieve the anticipated benefits of the Arrangement.

Risks related to the integration of New Oroperu and First Light

Anacortes' ability to realize the benefits of the Arrangement will depend in part on successfully consolidating functions and integrating operations, procedures and personnel in a timely and efficient manner, as well as on Anacortes' ability to realize the anticipated growth opportunities and synergies from integrating First Light's business following completion of the Arrangement. This integration will require the dedication of management effort, time and resources which may divert management's focus and resources from other strategic opportunities available to Anacortes, and from operational matters during this process.

In addition, the integration process could result in disruption of existing relationships with suppliers, employees, customers and other constituencies of First Light and New Oroperu. There can be no assurance that management will be able to integrate the operations of each of the businesses successfully or achieve any of the synergies or other benefits that are anticipated to result from the Arrangement. The integration process is in the planning phase, and although most operational and strategic decisions have yet to be made, key decisions with respect to selected senior staffing positions and organization structure are progressing. These decisions and the integration of First Light and New Oroperu will present challenges to management, including the integration of systems and personnel of the two geographically-separated companies, unanticipated liabilities and unanticipated costs. It is possible that the integration process could result in the loss of key employees, the disruption of the respective ongoing businesses or inconsistencies in standards, controls, procedures and policies that adversely affect the ability of management to maintain relationships with customers, suppliers, employees or to achieve the anticipated benefits of the Arrangement. The performance of Anacortes' operations could be adversely affected if it cannot retain key employees to assist in the integration and operation of First Light and New Oroperu.

Any inability of management to successfully integrate the operations could have a Material Adverse Effect on the business, financial condition and results of operations of Anacortes.

Additionally, Anacortes will face similar risks that each of First Light and New Oroperu currently face, in addition to other risks.

Mineral resources may not be realizable

The mineral resources in respect of the properties in which New Oroperu hold interests are estimates only and no assurance can be given that the anticipated tonnages and grades will be achieved, that the indicated level of recovery will be realized or that mineral resources could be mined or processed profitably. Actual mineral resources may not conform to geological or other expectations, and the volume and grade of production may be below the estimated levels.

There are numerous uncertainties inherent in estimating mineral resources, including many factors beyond the control of New Oroperu. Mineral resource estimates are materially dependent on the prevailing price of minerals, including gold, and the cost of recovering and processing minerals at the individual mine sites. Market fluctuations in the price of minerals, including gold, or increases in recovery costs, as well as various short-term operating factors, may cause a mining operation to be unprofitable in any particular accounting period.

Market price of mineral commodities

The profitability of Anacortes' operations will be dependent upon the market price of mineral commodities. Mineral prices, including the price of gold and silver, fluctuate widely and are affected by numerous factors beyond the control of Anacortes. One such factor is COVID-19, which has caused significant fluctuations of the market price and volatility of commodities. The level of interest rates, the rate of inflation, the world supply and liquidity of mineral commodities and the stability of exchange and future rates can also all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and on-going political developments. The price of mineral commodities, including the price of gold, has fluctuated widely in recent years, and future price declines could cause commercial production to be impracticable, thereby having a Material Adverse Effect on Anacortes' business, financial condition and results of operations.

Anacortes may not realize the benefits of its growth projects

As part of its strategy, Anacortes will continue its efforts to develop new mineral projects. A number of risks and uncertainties are associated with the exploration and development of these types of projects, including political, regulatory, design, construction, labour, operating, technical and technological risks, uncertainties relating to capital and other costs and financing risks.

The level of production and capital and operating cost estimates relating to the expanded portfolio of growth projects are based on certain assumptions and are inherently subject to significant uncertainties. It is likely that actual results of Anacortes' projects will differ from its current estimates and assumptions, and these differences may be material. In addition, experience from actual mining or processing operations may identify new or unexpected conditions which could reduce production below, and/or increase capital and/or operating costs above, current estimates. If actual results are less favourable than current estimates, Anacortes' business, results of operations, financial condition and liquidity could be adversely impacted.

Future transactions and issuances

In the ordinary course of business, Anacortes will regularly consider and evaluate strategic opportunities including additional acquisitions or investments and may enter into additional strategic transactions, which may require the issuance of additional equity securities. Any such strategic transaction could be material to Anacortes' business, including by, among other things, exposing Anacortes to new geographic, political, operating, financial, geological and other risks, and could result in a material increase in the number of the outstanding shares or the aggregate amount of outstanding debt, which may adversely affect Anacortes' share price.

The market price of the Anacortes Shares could decline as a result of future issuances or sales of the Anacortes' securities, which could result in insufficient liquidity

The market price of the Anacortes Shares could decline as a result of issuances of securities by Anacortes or sales by holders of Anacortes Shares in the market, or the perception that these sales could occur. The issuance of Anacortes Shares upon the exercise of stock options and purchase warrants or the vesting of share units may

also reduce the market price of the Anacortes Shares. Additional Anacortes Shares, debentures, stock options, Anacortes Share purchase warrants and share units may be issued in the future. A decrease in the market price of the Anacortes Shares could adversely affect the liquidity of the Anacortes Shares on the TSXV. Holders of Anacortes Shares may be unable, as a result, to sell significant quantities of the Anacortes Shares into the public trading markets. Sales of the Anacortes Shares by shareholders might also make it more difficult for Anacortes to sell equity or debt securities at a time and price that it deems appropriate, which may have a material adverse effect on Anacortes' business, financial conditions and results of operations.

Climate Change Legislation

Governments are introducing climate change legislation and treaties at the international, national, and local levels. Regulation relating to emission levels and energy efficiency is becoming more stringent. Some of the costs associated with reducing emissions can be offset by increased energy efficiency and technological innovation. If the current regulatory trend continues, this may result in increased operating costs for Anacortes. The physical risks of climate change may also adversely impact Anacortes' operations. These risks may include extreme weather events, resource shortages, changes in rainfall and storm patterns and intensities, water shortages, changing sea levels and changing temperatures.

The insurance coverage on the Anacortes' operations may be inadequate

The mining industry is subject to significant risks that could result in damage to, or destruction of, mineral properties or producing facilities, personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liability. New Oropuru or Anacortes', as applicable, policies of insurance may not provide sufficient coverage for losses related to these or other risks. The occurrence of losses or damage not covered by insurance could have a material and adverse effect on the New Oropuru and Anacortes' business, operations and financial condition.

Insurance against certain environmental risks, including potential liability for pollution and other hazards as a result of the disposal of waste products occurring from production, is not generally available to companies within the mining industry. There is no assurance that any insurance obtained will be adequate to cover all liabilities or that it will continue to be available and at terms that are economically acceptable. Losses from un-insured or under-insured events may cause the New Oropuru and Anacortes to incur significant costs that could have a material adverse effect on its business and financial condition.

Pro forma financial statements

The unaudited *pro forma* consolidated financial statements contained in this Circular are presented for illustrative purposes only as of their respective dates and may not be an indication of the financial condition or results of operations of Anacortes for several reasons. For example, the unaudited *pro forma* consolidated financial statements have been derived from the respective historical financial statements of First Light and New Oropuru, and certain adjustments and assumptions made as of the dates indicated therein may not be relevant in regards to Anacortes and other adjustments and assumptions have been made to give effect to the Arrangement and the other respective relevant transactions which may not, with the passage of time, turn out to be relevant or correct. The information upon which these adjustments and assumptions have been made is preliminary, and adjustments and assumptions of this nature require the exercise of judgement and are difficult to make with complete accuracy. See "*General Matters – Forward-Looking Statements*".

Risks related to the mining industry

Exploring and developing mineral resource projects bears a high potential for a variety of risks. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen. Moreover, even one such factor may result in the economic viability of a project being detrimentally impacted such that it is not feasible or practical to proceed.

Although Anacortes will take steps to verify the title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee

Anacortes' title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

Competition

The mining industry is intensely competitive in all of its phases, and Anacortes will compete with many companies possessing greater financial resources and technical facilities than itself. Competition in the mining business could adversely affect Anacortes' ability to acquire suitable producing properties or prospects for mineral exploration in the future.

Political risk

The Tres Cruces Property is located in Peru, South America. While the political climate is considered by Anacortes to be stable, there can be no assurances that this will continue indefinitely. To alleviate such risk, Anacortes will fund its Peru operations on an as-needed basis. Anacortes does not expect to maintain political risk insurance for its foreign exploration projects.

Environmental factors

Exploration and development projects are subject to the environmental laws and regulations of the country within which Anacortes will conduct its operations. As such laws are subject to change, Anacortes will need to carefully monitor proposed and potential changes in order to remain in compliance with current environmental regulations in the relevant jurisdictions. There is no assurance that future changes in environmental regulations, if any, will not adversely affect Anacortes' operations.

Dissent Rights

DISSENT RIGHTS

The following is a summary of the provisions of the BCBCA relating to a registered Shareholder's dissent and appraisal rights in respect of the Arrangement Resolution. It is not a comprehensive statement of such rights and procedures and is qualified in its entirety by the reference to the full text of sections 237 to 247 of the BCBCA (which is attached as Schedule "P" to this Circular), as modified by the Plan of Arrangement and the Interim Order (which are attached as Schedule "B" and Schedule "N" to this Circular, respectively). The Court hearing the application for the Final Order has the discretion to alter the Dissent Rights described herein based on the evidence presented at such hearing.

The statutory provisions dealing with the right of dissent are technical and complex. Any New Oroperu Shareholder who intends to exercise Dissent Rights should carefully consider and comply with the provisions of Sections 237 to 247 of the BCBCA, as modified by the Plan of Arrangement, the Interim Order and the Final Order and seek legal advice. Failure to comply strictly with the provisions of the BCBCA, as modified by the Plan of Arrangement, Interim Order and Final Order, and to adhere to the procedures established therein, may result in the loss of all rights thereunder.

Pursuant to the Interim Order, each registered New Oroperu Shareholders may exercise Dissent Rights in respect of the Arrangement under Sections 237 to 247 of the BCBCA, as modified by the Plan of Arrangement, the Interim Order or the Final Order. Registered New Oroperu Shareholder who duly and validly exercise such Dissent Rights ("**Dissenting Shareholders**") and who:

- are ultimately entitled to be paid fair value for their Dissenting Shares will be deemed to have transferred their Dissenting Shares to First Light as of the Effective Time, without any further act or formality and free and clear of all liens, and shall be paid an amount equal to such fair value; or
- for any reason are ultimately not entitled to be paid fair value for their Dissenting Shares, will be deemed to have participated in the Arrangement on the same basis as a non-dissenting New Oroperu Shareholder and will receive First Light Shares on the same basis as every other non-dissenting New Oroperu Shareholder;

but in no case will New Oroperu, First Light, Anacortes or any other person be required to recognize such persons as holding New Oroperu Shares on or after the Effective Date, and the names of such Dissenting Shareholders will be deleted from the register of New Oroperu as of the Effective Time. Further, in no circumstance will New Oroperu, First Light, Anacortes or any other person be required to recognize a person exercising Dissent Rights unless such person is a registered holder of those Oroperu Shares in respect of which such rights are sought to be exercised. For greater certainty, none of the following shall be entitled to exercise Dissent Rights (i) holders of New Oroperu Options, (ii) holders of New Oroperu Warrants; or (iii) New Oroperu Shareholders who vote, or who have instructed a proxyholder to vote, in favour of the Arrangement Resolution.

Persons who are beneficial New Oroperu Shareholders who wish to dissent with respect to their New Oroperu Shares should be aware that only registered New Oroperu Shareholders are entitled to dissent with respect to them. A registered New Oroperu Shareholder such as an intermediary who holds New Oroperu Shares as nominee for beneficial New Oroperu Shareholders, some of whom wish to dissent, must exercise Dissent Rights on behalf of such beneficial New Oroperu Shareholders with respect to the New Oroperu Shares held for such beneficial New Oroperu Shareholders. In such case, the Notice of Dissent (as defined below) should set forth the number of New Oroperu Shares it covers.

Pursuant to Section 238 of the BCBCA, every registered New Oroperu Shareholder who duly and validly dissents from the Arrangement Resolution in strict compliance with Sections 237 to 247 of the BCBCA will be entitled to be paid by First Light the fair value of the New Oroperu shares held by such Dissenting Shareholder determined as at the point in time immediately before the passing of the Arrangement Resolution.

To exercise Dissent Rights, a registered New Oroperu Shareholder must dissent with respect to all New Oroperu shares in which the holder owns either a registered or beneficial interest. A registered New Oroperu Shareholder who wishes to dissent must deliver written notice of dissent (a “**Notice of Dissent**”) to New Oroperu, c/o Blake, Cassels & Graydon LLP, Suite 2600 – 595 Burrard Street, Vancouver, BC, V7X 1L3 Attention: Alexandra Luchenko by 5:00 p.m. (Vancouver time) on or before September 6, 2021 (or the business day that is two business days immediately preceding the New Oroperu Meeting if it is not held on September 8, 2021), and such Notice of Dissent must strictly comply with the requirements of Section 242 of the BCBCA. Any failure by a New Oroperu Shareholder to fully comply may result in the loss of that holder’s Dissent Rights. Beneficial New Oroperu Shareholders who wish to exercise Dissent Rights must arrange for the registered New Oroperu Shareholder holding their New Oroperu Shares to deliver the Notice of Dissent.

The delivery of a Notice of Dissent does not deprive a Dissenting Shareholder of the right to vote at the New Oroperu meeting on the Arrangement Resolution; however, a Dissenting Shareholder is not entitled to exercise the Dissent Rights with respect to any of his or her New Oroperu shares if the Dissenting Shareholder votes in favour of the Arrangement Resolution. A vote against the Arrangement Resolution, whether in person or by proxy, does not constitute a Notice of Dissent.

A registered New Oroperu Shareholder that wishes to exercise Dissent Rights must prepare a separate Notice of Dissent for himself, herself, or itself if dissenting on his, her or its own behalf, and for each other person who beneficially owns New Oroperu Shares registered in the Dissenting Shareholder’s name and on whose behalf the Dissenting Shareholder is dissenting, and must dissent with respect to all of the New Oroperu Shares registered in his, her or its name beneficially owned by the beneficial New Oroperu Shareholder on whose behalf he or she is dissenting. The Notice of Dissent must set out the number of New Oroperu Shares in respect of which the Notice of Dissent is to be sent (the “**Notice Shares**”) and:

- if such New Oroperu Shares constitute all of the New Oroperu Shares of which the Dissenting Shareholder is the registered and beneficial owner, a statement to that effect;
- if such New Oroperu Shares constitute all of the New Oroperu Shares of which the Dissenting Shareholder is both the registered and beneficial owner, but the Dissenting Shareholder owns additional New Oroperu Shares beneficially, a statement to that effect and the names of the registered New Oroperu Shareholders, the number of New Oroperu Shares held by such registered owners and a statement that written Notices of Dissent has or will be sent with respect to such New Oroperu Shares; or

- if the Dissent Rights are being exercised by a registered owner who is not the beneficial owner of such New Oproeru Shares, a statement to that effect and the name of the beneficial owner and a statement that the registered owner is dissenting with respect to all New Oproeru Shares of the beneficial owner registered in such registered owner's name.

If the Arrangement Resolution is approved by the New Oproeru Securityholders and if New Oproeru notifies the Dissenting Shareholder of the Company's intention to act upon the Arrangement Resolution, the Dissenting Shareholder is then required, within one month after New Oproeru gives such notice, to send to New Oproeru the certificates (if any) representing the Notice Shares and a written statement that requires New Oproeru to purchase all of the Notice Shares (including a written statement prepared in accordance with Section 244(1)(c) of the BCBCA if the dissent is being exercised by a registered New Oproeru Shareholder on behalf of a beneficial New Oproeru Shareholder), whereupon, subject to the provisions of the BCBCA relating to the termination of Dissent Rights, the New Oproeru Shareholder becomes a Dissenting Holder, and is bound to sell, and First Light is bound to purchase, those New Oproeru Shares. Such Dissenting Holder may not vote or exercise or assert any rights of a New Oproeru Shareholder in respect of such Notice Shares, other than the rights set forth in Sections 237 to 247 of the BCBCA, as modified by the Plan of Arrangement, Interim Order and Final Order.

The Dissenting Shareholder and First Light may agree on the payout value of the Notice Shares; otherwise, either party may apply to the Court to determine the fair value of the Notice Shares. There is no obligation on First Light or New Oproeru to make an application to the Court. After a determination of the payout value of the Notice Shares, First Light must then promptly pay that amount to the Dissenting Shareholder. There can be no assurance that the amount a Dissenting Shareholder may receive as fair value for its New Oproeru Shares will be more than or equal to the consideration under the Arrangement.

A Dissenting Shareholder loses his or her dissent right if, before full payment is made for the Notice Shares, New Oproeru abandons the corporate action that has given rise to the dissent right (namely, the Arrangement), a court permanently enjoins the action, or the Dissenting Shareholder withdraws the Notice of Dissent with New Oproeru's consent. When these events occur, New Oproeru must return the share certificates (if any) to the Dissenting Shareholder and the Dissenting Shareholder regains the ability to vote and exercise shareholder rights.

In no circumstances will New Oproeru, First Light, Anacortes or any other person be required to recognize a person as a Dissenting Holder unless such person is the holder of the New Oproeru Shares in respect of which Dissent Rights are purported to be exercised immediately prior to the effective time of the Arrangement; (i) if such person has voted or instructed a proxyholder to vote the Notice Shares in favour of the Arrangement Resolution; and (ii) unless such person has strictly complied with the procedures for exercising Dissent Rights set out in Sections 237 to 247 of the BCBCA, as modified by the Plan of Arrangement, Interim Order and Final Order, and does not withdraw such person's Notice of Dissent prior to the effective time of the Arrangement.

If a Dissenting Shareholder fails to strictly comply with the requirements of the Dissent Rights set out in the Interim Order, it will lose its Dissent Rights, New Oproeru will return to the Dissenting Shareholder the certificates representing the Notice Shares that were delivered to New Oproeru, if any, and if the Arrangement is completed, that Dissenting Shareholder will be deemed to have participated in the Arrangement on the same terms as a New Oproeru Shareholder.

If a Dissenting Shareholder strictly complies with the foregoing requirements of the Dissent Rights, but the Arrangement is not completed, New Oproeru will return to the Dissenting Shareholder the certificates delivered to New Oproeru by the Dissenting Shareholder, if any.

The discussion above is only a summary of the Dissent Rights, which are technical and complex. A New Oproeru Shareholder who intends to exercise Dissent Rights should carefully consider and comply with the provisions of Sections 237 to 247 of the BCBCA, as modified by the Plan of Arrangement, Interim Order and Final Order. Persons who are beneficial holders of New Oproeru Shares registered in the name of an intermediary such as a broker, custodian, nominee, other intermediary, or in some other name, who wish to dissent should be aware that only the registered owner of such New Oproeru Shares is entitled to dissent.

New Oproeru suggests that any New Oproeru Shareholder wishing to avail themselves of the Dissent Rights seek their own legal advice as failure to comply strictly with the applicable provisions of the BCBCA, as modified by the

Plan of Arrangement, Interim Order and the Final Order may result in the loss of all Dissent Rights. Dissenting Shareholders should note that the exercise of Dissent Rights can be a complex, time-consuming and expensive process.

For a general summary of certain income tax implications to a Dissenting Shareholder, see "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Dissenting New Oroperu Shareholders*".

Information Concerning New Oroperu

New Oroperu is a junior exploration company based in Vancouver, British Columbia, which owns the Tres Cruces gold project in Peru. The Tres Cruces gold project currently hosts a mineral resource estimate of 2,474,000 ounces of gold at 1.65 g/t in the Indicated category, which includes 630,000 ounces of leachable gold resources. This mineral resource is described in Tres Cruces Technical Report, a copy of which can be found under New Oroperu's SEDAR profile at www.sedar.com. For further information concerning the business and operations of New Oroperu, see Schedule "G".

Information Concerning First Light

First Light is a capital pool company pursuant to Policy 2.4 of the TSXV. Except as specifically contemplated in such policy, until the completion of its Qualifying Transaction, First Light will not carry on business, other than the identification and evaluation of companies, businesses or assets with a view to completing a proposed Qualifying Transaction. Investors are cautioned that trading in the securities of a capital pool company is considered highly speculative. For further information concerning the business and operations of First Light, see Schedule "H".

Information Concerning Anacortes

As a result of the Arrangement, First Light will continue the current operations of New Oroperu under the name "Anacortes Mining Corp." For further information concerning the business and operations of Anacortes, see Schedule "I".

Other Matters To Be Acted Upon

To the knowledge of the New Oroperu Board, the only other matters to be brought before the Meeting, in addition to the Arrangement Resolution, are those matters set forth in the Notice of Meeting, as set forth below in more detail.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Aggregate Indebtedness

As of the date of this Circular, there is no material indebtedness owing to the Company from any of our current, or former, officers, directors, or employees, including in respect of indebtedness to others where the indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement provided by the Company.

Indebtedness of Directors and Executive Officers under Securities Purchase and Other Programs

No person who is, or at any time during the most recently completed financial year was, a director or executive officer of the Company, and no associate of any such director or officer is, or at any time since the beginning of the most recently completed financial year of the Company has been, indebted to the Company, and no such persons owe a debt to another entity, which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement provided by the Company.

LEGAL MATTERS

Certain legal matters in connection with the Arrangement will be passed upon for the Company by Blakes. In addition, certain legal matters in connection with the Arrangement will be passed upon for First Light by Clark Wilson.

As of August 9, 2021, the partners and associates of each of Blakes and Clark Wilson, as a group, beneficially own or exercise control or direction over, directly or indirectly, less than 1% of the issued and outstanding New Oropu Securities, New Oropu Shares or shares of any of New Oropu's associates or affiliates.

INTERESTS OF EXPERTS

Experts of New Oropu

Certain of the scientific and technical information relating to the Project in this Circular has been derived from the Technical Report & Resource Update for the Tres Cruces Project, North-Central Peru prepared by Jeffrey D. Rowe, James N. Gray and Ruperto Castro Ocampo.

Each of the persons listed above is a "qualified person" under NI 43-101 and has prepared or supervised the preparation of the indicated Tres Cruces Technical Report.

Jeffrey D. Rowe, P.Geo., a "qualified person" as defined by NI 43-101, has reviewed and approved the scientific and technical information contained in this Circular.

As at the date hereof, the aforementioned qualified persons beneficially own, directly or indirectly, in the aggregate, less than 1% of the securities of the Company.

Experts of First Light

The audited consolidated financial statements of First Light as at December 31, 2020 and 2019, have been audited by Manning Elliott LLP, Chartered Professional Accountants, as set forth in their report thereon, included therein. Manning Elliott has advised that it is independent with respect to First Light within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations.

ADDITIONAL INFORMATION

Additional information relating to New Oropu is available for viewing on SEDAR under the Company's profile at www.sedar.com. Financial information relating to New Oropu is provided in the Annual Financial Statements and accompanying Annual New Oropu MD&A. Copies of these documents may be obtained by contacting New Oropu, attention Aris Morfopoulos, at 320-800 West Pender Street, Vancouver, British Columbia, V6C 2V6 (Tel: 604-638-1408; Fax: 604-608-3878).

BY ORDER OF THE BOARD

"K. Wayne Livingstone"

K. Wayne Livingstone
President, Chief Executive Officer & Director

Schedule "A"

Form of Arrangement Resolution

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. The entering into and delivery of the Arrangement Agreement between New Oropu Resources Inc. (the "**Company**"), First Light Capital Corp. ("**First Light**"), 1310612 B.C. Ltd. and 1310620 B.C. Ltd. dated June 16, 2021 (the "**Arrangement Agreement**") and the performance of the Company's obligations thereunder is hereby approved, adopted ratified and confirmed together with any additions, deletions or amendments thereto that have been or may be made in accordance with the terms of the Arrangement Agreement and consented to by any one director or officer of the Company.
2. The plan of arrangement (the "**Plan of Arrangement**") under section 288 of the *Business Corporations Act* (British Columbia) (the "**BCBCA**") involving First Light Capital Corp. ("**First Light**") and New Oropu Resources Inc. (the "**Company**") and securityholders of the Company, a copy of which was attached as Schedule B to the management information circular of the Company dated August 9, 2021, together with any additions, deletions or amendments thereto that have been or may be made in accordance with the terms of the Plan of Arrangement is hereby authorized and approved.
3. The directors of the Company may, without further notice to or approval from the securityholders of the Company, amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or the Plan of Arrangement, as applicable.
4. The directors of the Company may, subject to the terms of the Arrangement Agreement and the Plan of Arrangement, without further notice to or approval from the securityholders of the Company, elect not to proceed with the Plan of Arrangement or otherwise give effect to these special resolutions.
5. Any one director or officer of the Company is hereby authorized, for and on behalf of the Company, to execute and deliver, under corporate seal or otherwise, all such agreements, forms, waivers, notices, certificates and other documents and instruments, and to do or cause to be done all such other acts and things, as such director or officer considers necessary, desirable or useful for the purpose of giving effect to these resolutions.

Schedule "B"

Plan of Arrangement

(See attached)

PLAN OF ARRANGEMENT

IN THE MATTER OF AN ARRANGEMENT among New Oroperu Resources Inc. ("**New Oroperu**") and the holders from time to time of the issued and outstanding common shares without par value in the capital of New Oroperu, pursuant to Part 9, Division 5 of the *Business Corporations Act* (British Columbia), as amended.

ARTICLE 1 INTERPRETATION

- 1.1 In this Plan of Arrangement, any capitalized term used herein and not defined in this Section 1.1 will have the meaning ascribed thereto in the Arrangement Agreement. Unless the context otherwise requires, the following words and phrases used in this Plan of Arrangement will have the meanings hereinafter set out:

"Arrangement" means the arrangement under Part 9, Division 5 of the BCBCA as described herein, subject to any amendments or supplements thereto made in accordance with the Arrangement Agreement and the provisions hereof or made at the direction of the Court in the Final Order.

"Arrangement Agreement" means the agreement made as of June 16, 2021 between First Light and New Oroperu, including all schedules annexed thereto, together with the New Oroperu Disclosure Letter, as each may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof.

"Arrangement Resolution" means the special resolution of the New Oroperu Shareholders approving the Arrangement which is to be considered at the New Oroperu Meeting and will be substantially in the form of Schedule B to the Arrangement Agreement.

"BCBCA" means the *Business Corporations Act* (British Columbia) and the regulations made thereunder, as now in effect and as they may be promulgated or amended from time to time.

"Business Day" means any day, other than a Saturday, a Sunday or a statutory or civic holiday in Vancouver, British Columbia.

"Closing Certificate" means a certificate in the form attached hereto as Appendix A which, when signed by an authorized representative of each of the Parties, will constitute acknowledgement by the Parties that this Plan of Arrangement has been implemented to their respective satisfaction.

"Court" means the Supreme Court of British Columbia.

"Depository" means Computershare Investor Services Inc., or any other depository or trust company, bank or financial institution agreed to between First Light and New Oroperu for the purpose of, among other things, exchanging certificates or DRS Statements representing New Oroperu Shares for First Light Shares in connection with the Arrangement.

"Dissent Procedures" has the meaning ascribed thereto in Section 5.1.

“Dissent Rights” means the rights of dissent exercisable by the New Oroperu Shareholders in respect of the Arrangement described in Article 5 hereto.

“Dissenter” means a registered New Oroperu Shareholder who has duly exercised a Dissent Right and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights and who is ultimately entitled to be paid the fair value of the New Oroperu Shares held by such registered New Oroperu Shareholder.

“Dissenting Shares” has the meaning ascribed thereto in Section 5.2.

“Effective Date” means the effective date of the Arrangement, being the third Business Day after the date upon which all conditions precedent (excluding conditions that, by their terms, cannot be satisfied until the Effective Date) to the completion of the Arrangement as set out in Article 6 of the Arrangement Agreement have been satisfied or waived in accordance with the Arrangement Agreement, or such other date as may be agreed to by First Light and New Oroperu, and First Light and New Oroperu will execute the Closing Certificate confirming the Effective Date.

“Effective Time” means the time on the Effective Date specified as the **“Effective Time”** on the Closing Certificate.

“Exchange Ratio” means five and eight hundred fifteen thousandths (5.815) First Light Shares for each one (1) New Oroperu Share.

“Final Order” means the final order of the Court, after a hearing on the fairness of the terms and conditions of the Arrangement, in a form acceptable to both New Oroperu and First Light, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of both New Oroperu and First Light, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that such amendment is acceptable to both New Oroperu and First Light, each acting reasonably) on appeal.

“First Light” means First Light Capital Corp., a corporation existing under the laws of the Province of British Columbia, Canada.

“First Light Options” means the options to purchase First Light Shares.

“First Light Shares” means the common shares without par value in the authorized share capital of First Light.

“Interim Order” means the interim order of the Court pursuant to Section 291 of the BCBCA to be issued following application therefor contemplated by Section 2.2 of the Arrangement Agreement, after being informed of the intention to rely upon the exemption from registration under Section 3(a)(10) of the U.S. Securities Act with respect to First Light Shares to be issued pursuant to the Arrangement, in a form acceptable to both New Oroperu and First Light, each acting reasonably, providing for, among other things, the calling and holding of the New Oroperu Meeting, as such order may be amended, supplemented or varied by the Court with the consent of both New Oroperu and First Light, each acting reasonably.

“New Oroperu” means New Oroperu Resources Inc., a corporation existing under the laws of the Province of British Columbia, Canada.

“New Oroperu Meeting” means the special meeting of New Oroperu Shareholders, including any adjournment or postponement thereof, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution and for any other purpose as may be set out in the New Oroperu Circular.

“New Oroperu Options” means the outstanding options to purchase New Oroperu Shares issued pursuant to the New Oroperu Option Plan, as listed in Schedule 10(b) of the New Oroperu Disclosure Letter.

“New Oroperu Shareholders” means the holders of the New Oroperu Shares, as the context requires, and New Oroperu Shareholder means any one of them.

“New Oroperu Shares” means the common shares without par value in the authorized share capital of New Oroperu.

“New Oroperu Warrants” means the share purchase warrants issued by New Oroperu listed in Schedule 10(b) of the New Oroperu Disclosure Letter.

“Plan of Arrangement” means this Plan of Arrangement and any amendments or variations thereto made in accordance with this Plan of Arrangement or upon the direction of the Court in the Final Order with the consent of New Oroperu and First Light, each acting reasonably.

“Registrar” means the Registrar of Companies appointed pursuant to Section 400 of the BCBCA.

“Subsidiary” has the meaning given such term in the Arrangement Agreement.

“Tax Act” means the *Income Tax Act* (Canada).

“Transmittal Letter” means the letter of transmittal to be sent by New Oroperu to New Oroperu Shareholders for use in connection with the Arrangement.

1.2 In this Plan of Arrangement, unless otherwise expressly stated or the context otherwise requires:

- (a) the division of this Plan of Arrangement into Articles and Sections and the further division thereof into subsections and the insertion of headings are for convenience of reference only and will not affect the construction or interpretation of this Plan of Arrangement. Unless otherwise indicated, any reference in this Plan of Arrangement to an Article, Section or subsection refers to the specified Article, Section or subsection to this Plan of Arrangement;
- (b) the terms **“hereof”**, **“herein”**, **“hereunder”** and similar expressions refer to this Plan of Arrangement and not to any particular section or other portion hereof and include any agreement or instrument supplementary or ancillary hereto and, unless otherwise indicated, a reference herein to a Section is to the appropriate Section of this Plan of Arrangement;
- (c) words importing the singular number only will include the plural and vice versa, words importing the use of any gender will include all genders and words importing persons will include firms and corporations and vice versa;

- (d) if any date on which any action is required to be taken hereunder by any of the parties is not a Business Day, such action will be required to be taken on the next succeeding day which is a Business Day;
- (e) the word “**including**” means “including, without limiting the generality of the foregoing”;
- (f) a reference to a statute is to that statute as now enacted or as the statute may from time to time be amended, re-enacted or replaced and includes any regulation, rule or policy made thereunder; and
- (g) all references to cash or currency in this Plan of Arrangement are to Canadian dollars unless otherwise indicated.

ARTICLE 2 ARRANGEMENT AGREEMENT

- 2.1 This Plan of Arrangement is made pursuant to and subject to the provisions of the Arrangement Agreement.
- 2.2 This Plan of Arrangement will become effective as at the Effective Time and will be binding without any further authorization, act or formality on the part of the Court, the Registrar, or New Oropu Shareholders, from and after the Effective Time.

ARTICLE 3 ARRANGEMENT

- 3.1 On the Effective Date, subject to the provisions of Article 5 hereof, the following will occur and will be deemed to occur in the following sequence without any further authorization, act or formality:
 - (a) each issued New Oropu Share outstanding immediately prior to the Effective Time held by a New Oropu Shareholder in respect of which Dissent Rights have been validly exercised will be deemed to have been transferred without any further act or formality, to First Light, free and clear of any liens, claims and encumbrances in consideration for the right to receive the consideration in the amount and payable in accordance with Article 5, and:
 - (i) such New Oropu Shareholder will cease to be the registered holder of such Dissenting Shares and will cease to have any rights as registered holders of such New Oropu Shares other than the right to be paid fair value for such Dissenting Shares as set out in Section 5.2(a);
 - (ii) such New Oropu Shareholder's name will be removed as the registered holder of such Dissenting Shares from the registers of New Oropu Shares maintained by or on behalf of New Oropu; and
 - (iii) First Light will be deemed to be the transferee of such Dissenting Shares, free and clear of any liens, claims and encumbrances;

- (b) immediately thereafter, each issued and outstanding New Oroperu Share (other than (i) any New Oroperu Share in respect of which a registered New Oroperu Shareholder has validly exercised his, her or its Dissent Right and (ii) New Oroperu Shares held by First Light) will be deemed to have been transferred to, and acquired by First Light, without any act or formality on the part of the holder of such New Oroperu Share or First Light, free and clear of all liens, claims and encumbrances, in exchange for such number of First Light Shares equal to the Exchange Ratio, provided that the aggregate number of First Light Shares payable to any New Oroperu Shareholder, if calculated to include a fraction of a First Light Share, will be rounded to the nearest whole First Light Share, with no consideration being paid for the fractional share, and the name of each such New Oroperu Shareholder will be removed from the register of holders of New Oroperu Shares and added to the register of holders of First Light Shares, and First Light will be recorded as the registered holder of such New Oroperu Shares so exchanged and will be deemed to be the legal and beneficial owner thereof;
- (c) except for 2725487 Ontario Limited, whose New Oroperu Options shall be excluded and treated in accordance with Section 3.1(e) below and Rosa Caro, whose New Oroperu Options shall be excluded and treated in accordance with Section 3.1(f) below, each holder of New Oroperu Options shall be deemed to have exchanged fifty percent (50%) of his New Oroperu Options for Replacements Options to acquire from First Light, other than as provided herein, the number of First Light Shares equal to the product of: (A) the number of New Oroperu Shares subject to such New Oroperu Options immediately prior to the Effective Time; multiplied by (B) the Exchange Ratio, provided that, if the foregoing would result in the issuance of a fraction of an First Light Share on any particular exercise of Replacement Options, then the number of First Light Shares otherwise issued shall be rounded down to the nearest whole number of First Light Shares. The exercise price per First Light Share subject to a Replacement Option shall be an amount equal to the quotient of: (A) the exercise price per New Oroperu Share subject to each such New Oroperu Option immediately before the Effective Time; divided by (B) the Exchange Ratio, provided that the aggregate exercise price payable on any particular exercise of Replacement Options shall be rounded up to the nearest whole cent. It is intended that the provisions of subsection 7(1.4) of the Tax Act apply to the exchange of New Oroperu Options for Replacement Options provided for in this Section 3.1(c). Therefore, in the event that the Replacement Option In-The Money Amount in respect of a Replacement Option exceeds the New Oroperu Option In-The Money Amount in respect of the New Oroperu Option for which it is exchanged, the number of First Light Shares which may be acquired on exercise of the Replacement Option at and after the Effective Time will be adjusted accordingly with effect at and from the Effective Time to ensure that the Replacement Option In-The Money Amount in respect of the Replacement Option does not exceed the New Oroperu Option In-The Money Amount in respect of the New Oroperu Option and the ratio of the amount payable to acquire such shares to the value of such shares to be acquired shall be unchanged. The Replacement Options issued pursuant to this Section 3.1(c) shall be for a term expiring on the date that is one year following the Effective Date. First Light shall take all corporate action necessary to reserve for issuance a sufficient number of First Light Shares for delivery upon exercise of the Replacement Options exchanged for New Oroperu Options in accordance with this Section 3.1(c);
- (d) those New Oroperu Options that are not exchanged at the Effective Time pursuant to Section 3.1(c) hereof shall be deemed to have vested immediately prior to the Effective

Time and shall be transferred and disposed of to New Oroperu for cancellation at the Effective Time for an amount of cash equal to the difference between the exercise price and the 20-day volume weighted average share price of a New Oroperu share for the 20-day period ending on the day before the date of the first public announcement of this Agreement.

- (e) all of the New Oroperu Options held by 2725487 Ontario Limited on the date of this Agreement that have not expired or been terminated prior to the Effective Date shall be deemed to be exchanged for Replacement Options to acquire from First Light the number of First Light Shares equal to the product of: (A) the number of New Oroperu Shares subject to such New Oroperu Options immediately prior to the Effective Time; multiplied by (B) the Exchange Ratio, provided that, if the foregoing would result in the issuance of a fraction of an First Light Share on any particular exercise of Replacement Options, then the number of First Light Shares otherwise issued shall be rounded down to the nearest whole number of First Light Shares. The exercise price per First Light Share subject to a Replacement Option shall be an amount equal to the quotient of: (A) the exercise price per New Oroperu Share subject to each such New Oroperu Option immediately before the Effective Time; divided by (B) the Exchange Ratio, provided that the aggregate exercise price payable on any particular exercise of Replacement Options shall be rounded up to the nearest whole cent. It is intended that the provisions of subsection 7(1.4) of the Tax Act apply to the exchange of New Oroperu Options for Replacement Options provided for in this Section 3.1(e). Therefore, in the event that the Replacement Option In-The Money Amount in respect of a Replacement Option exceeds the New Oroperu Option In-The Money Amount in respect of the New Oroperu Option for which it is exchanged, the number of First Light Shares which may be acquired on exercise of the Replacement Option at and after the Effective Time will be adjusted accordingly with effect at and from the Effective Time to ensure that the Replacement Option In-The Money Amount in respect of the Replacement Option does not exceed the New Oroperu Option In-The Money Amount in respect of the New Oroperu Option and the ratio of the amount payable to acquire such shares to the value of such shares to be acquired shall be unchanged. The Replacement Options issued pursuant to this Section 3.1(e) shall be for a term expiring on the date that is 90 days following the Effective Date. First Light shall take all corporate action necessary to reserve for issuance a sufficient number of First Light Shares for delivery upon exercise of the Replacement Options exchanged for New Oroperu Options in accordance with this Section 3.1(e).
- (f) all of the New Oroperu Options held by Rosa Caro shall be deemed to have vested immediately prior to the Effective Time and shall be transferred and disposed of to New Oroperu for cancellation at the Effective Time for an amount of cash equal to the positive difference between the exercise price and the 20-day volume weighted average share price of a New Oroperu share for the 20-day period ending on the day before the date of the first public announcement of this Agreement.
- (g) each New Oroperu Warrant shall be amended to provide that, upon exercise, the New Oroperu Warrantholder will be entitled to acquire from First Light the number of First Light Shares equal to the product of: (A) the number of New Oroperu Shares subject to such New Oroperu Warrants immediately prior to the Effective Time; multiplied by (B) the Exchange Ratio, provided that, if the foregoing would result in the issuance of a fraction of an First Light Share on any particular exercise of New Oroperu Warrants, then the number of First Light Shares otherwise issued shall be rounded down to the nearest

whole number of First Light Shares. The exercise price per First Light Share shall be an amount equal to the quotient of: (A) the exercise price per New Oroperu Share subject to each such New Oroperu Warrant immediately before the Effective Time; divided by (B) the Exchange Ratio.

ARTICLE 4

CERTIFICATES AND PAYMENTS

- 4.1 First Light will deposit the First Light Shares with the Depositary to satisfy the consideration issuable and/or payable to the New Oroperu Shareholders pursuant to this Plan of Arrangement (other than registered New Oroperu Shareholders validly exercising Dissent Rights and who have not withdrawn their notice of objection).
- 4.2 After the Effective Date, certificates formerly representing New Oroperu Shares which are held by a New Oroperu Shareholder will, except for New Oroperu Shares held by Dissenters, represent only the right to receive the consideration issuable and/or payable therefor pursuant to Section 3.1 in accordance with the terms of this Plan of Arrangement.
- 4.3 No dividends or other distributions declared or made after the Effective Date with respect to the First Light Shares with a record date after the Effective Date will be payable or paid to the holder of any unsurrendered certificate or certificates for New Oroperu Shares which, immediately prior to the Effective Date, represented outstanding New Oroperu Shares and will not be payable or paid until the surrender of certificates for New Oroperu Shares for exchange for the consideration issuable and/or payable therefor pursuant to Section 3.1 in accordance with the terms of this Plan of Arrangement.
- 4.4 As soon as reasonably practicable after the Effective Date (subject to Section 6.2), the Depositary will forward to each New Oroperu Shareholder that submitted a duly completed Transmittal Letter to the Depositary, together with the certificate (if any) representing the New Oroperu Shares held by such New Oroperu Shareholder, the certificates or DRS Statements representing the First Light Shares issued to such New Oroperu Shareholder pursuant to Section 3.1(b), which shares will be registered in such name or names and either (i) delivered to the address or addresses as such New Oroperu Shareholder directed in their Transmittal Letter or (ii) made available for pick up at the offices of the Depositary in accordance with the instructions of the New Oroperu Shareholder in the Transmittal Letter.
- 4.5 New Oroperu Shareholders that did not submit an effective Transmittal Letter prior to the Effective Date may take delivery of the consideration issuable or payable to them by delivering the certificates representing New Oroperu Shares formerly held by them to the Depositary at the offices indicated in the Transmittal Letter. Such certificates must be accompanied by a duly completed Transmittal Letter, together with such other documents as the Depositary may require. Certificates or DRS Statements representing the First Light Shares issued to such New Oroperu Shareholder pursuant to Section 3.1 will be registered in such name or names and delivered to the address or addresses as such New Oroperu Shareholder directed in their Transmittal Letter or made available for pick up at the offices of the Depositary in accordance with the instructions of the New Oroperu Shareholder in the Transmittal Letter, as soon as reasonably practicable after receipt by the Depositary of the required certificates and documents.

- 4.6 Any certificate which immediately prior to the Effective Date represented outstanding New Oroperu Shares and which has not been surrendered, with all other instruments required by this Article 4, on or prior to the sixth anniversary of the Effective Date, will cease to represent any claim against or interest of any kind or nature in New Oroperu, First Light or the Depositary.
- 4.7 In the event any certificate, which immediately before the Effective Time represented one or more outstanding New Oroperu Shares that was exchanged pursuant to Section 3.1, is lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the Depositary will issue in exchange for such lost, stolen or destroyed certificate, the consideration to which such Person is entitled in respect of the New Oroperu Shares represented by such lost, stolen, or destroyed certificate pursuant to Section 3.1 deliverable in accordance with such Person's Transmittal Letter. When authorizing such issuances or payment in exchange for any lost, stolen or destroyed certificate, the Person to whom consideration is to be issued and/or paid will, as a condition precedent to the issuance and/or payment thereof, give a bond satisfactory to First Light and its transfer agent in such sum as First Light may direct or otherwise indemnify First Light in a manner satisfactory to it, against any claim that may be made against one or both of them with respect to the certificate alleged to have been lost, stolen or destroyed.

ARTICLE 5

RIGHTS OF DISSENT

- 5.1 Notwithstanding Section 3.1, holders of New Oroperu Shares may exercise rights of dissent (the "**Dissent Rights**") in connection with the Arrangement pursuant to the Interim Order and in the manner set forth in sections 242 to 247 of the BCBCA, as modified by this Article 5, the Interim Order and the Final Order (collectively, the "**Dissent Procedures**").
- 5.2 New Oroperu Shareholders who duly and validly exercise Dissent Rights ("**Dissenting Shareholders**") with respect to their New Oroperu Shares ("**Dissenting Shares**") and who:
- (a) are ultimately entitled to be paid fair value for their Dissenting Shares will be deemed to have transferred their Dissenting Shares to First Light as of the Effective Time, without any further act or formality and free and clear of all liens, and shall be paid an amount equal to such fair value; or
 - (b) for any reason are ultimately not entitled to be paid fair value for their Dissenting Shares, will be deemed to have participated in the Arrangement on the same basis as a non-dissenting New Oroperu Shareholder and will receive First Light Shares on the same basis as every other non-dissenting New Oroperu Shareholder;

but in no case will New Oroperu or First Light be required to recognize such persons as holding New Oroperu Shares on or after the Effective Date, and the names of such Dissenting Shareholders will be deleted from the register of New Oroperu as of the Effective Time. Further, in no circumstance will New Oroperu, First Light or any other person be required to recognize a person exercising Dissent Rights unless such person is a registered holder of those Oroperu Shares in respect of which such rights are sought to be exercised. For greater certainty, none of the following shall be entitled to exercise Dissent Rights (i) holders of New Oroperu Options, or (ii) New Oroperu Shareholders who vote, or who have instructed a proxyholder to vote, in favour of the Arrangement Resolution.

ARTICLE 6 EFFECT OF THE ARRANGEMENT

- 6.1 As at and from the Effective Time:
- (a) New Oroperu will be a wholly-owned Subsidiary of First Light;
 - (b) the rights of creditors against the property and interests of New Oroperu will be unimpaired by the Arrangement; and
 - (c) New Oroperu Shareholders, other than Dissenters, will hold First Light Shares in replacement for their New Oroperu Shares, as provided by the Plan of Arrangement.
- 6.2 First Light, New Oroperu and the Depositary will be entitled to deduct and withhold from any consideration payable, or amount, property or certificate deliverable, to any Person in accordance with this Plan of Arrangement or the Arrangement, such amounts as First Light, New Oroperu or the Depositary is required or permitted to deduct and withhold with respect to such payment under the *Tax Act*, the United States Internal Revenue Code of 1986 or any provision of provincial, state, local or foreign tax laws, in each case, as amended. To the extent that amounts are so withheld, such withheld amounts will be treated for all purposes hereof as having been paid to the holder of the shares in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority. Each of New Oroperu, First Light and the Depositary is hereby authorized to sell or otherwise dispose of such portion of First Light Shares payable as consideration as is necessary to provide sufficient funds to First Light, New Oroperu or the Depositary, as the case may be, to enable it to implement such deduction or withholding or related remittance of taxes, and First Light, New Oroperu or the Depositary will notify the holder thereof and remit to the holder any unapplied balance of the net proceeds of such sale.

ARTICLE 7 AMENDMENTS

- 7.1 First Light and New Oroperu reserve the right to amend, modify and/or supplement this Plan of Arrangement from time to time at any time prior to the Effective Date, provided that any such amendment, modification or supplement must be contained in a written document that is approved by each of First Light and New Oroperu and is filed with the Court. Subject to Section 7.3, if such amendment, modification or supplement is made following the New Oroperu Meeting, it will be approved by the Court and, if required by the Court, communicated to the New Oroperu Shareholders, and will become part of the Arrangement upon completion of all the conditions required in the Court approval.
- 7.2 Save and except as may be otherwise provided in the Interim Order, any amendment, modification or supplement to this Plan of Arrangement may be proposed by First Light or New Oroperu (provided that the other will have consented thereto) at any time prior to the New Oroperu Meeting with or without any other prior notice or communication to New Oroperu Shareholders, and if so proposed and accepted by New Oroperu Shareholders voting at the New Oroperu Meeting, will become part of this Plan of Arrangement for all purposes.
- 7.3 Any amendment, modification or supplement to this Plan of Arrangement may be made by First Light and New Oroperu without approval of the New Oroperu Shareholders provided that it

concerns a matter which, in the reasonable opinion of First Light and New Oproeru is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not materially adverse to the financial or economic interests of any of the New Oproeru Shareholders.

ARTICLE 8 FURTHER ASSURANCES

- 8.1 Notwithstanding that the transactions and events set out herein will occur and be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the parties to the Arrangement Agreement will make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order further to document or evidence any of the transactions or events set out therein.

Appendix A
To the Plan of Arrangement – Closing Certificate

Re: Arrangement Agreement dated June 16, 2021 between First Light Capital Corp. and New Oropu Resources Inc. (the “**Arrangement Agreement**”)

Defined terms used but not defined in this certificate shall have the meaning ascribed thereto in the Arrangement Agreement.

Each of the undersigned hereby confirms that the undersigned is satisfied that the conditions precedent to its respective obligations to complete the Arrangement Agreement have been satisfied and that the Arrangement is completed as of _____ (am/pm Vancouver local time) (the “**Effective Time**”) on _____, 2021 (the “**Effective Date**”).

FIRST LIGHT CAPITAL CORP.

Per: _____
Name: James Currie,
Title: Chief Executive Officer

NEW OROPERU RESOURCES INC.

Per: _____
Name: K. Wayne Livingstone
Title: President and Chief Executive Officer

Schedule "C"

Haywood Fairness Opinion

(See attached)



June 16, 2021

The Board of Directors
New Oropu Resources Inc.
Suite 320 – 800 West Pender St.
Vancouver, BC V6C 2V6

To the Board of Directors:

Haywood Securities Inc. (the “**Advisor**” or “**Haywood**”) understands that New Oropu Resources Inc. (the “**Corporation**” and which term shall, to the extent required or appropriate in the context, include the affiliates of the Corporation) proposes to enter into a definitive arrangement agreement (the “**Arrangement Agreement**” and which term shall include the schedules attached thereto) with First Light Capital Corp. (“**First Light**”) dated June 16, 2021, pursuant to which First Light has agreed to acquire all of the issued and outstanding common shares of the Corporation (the “**Transaction**”). Under the terms of the Arrangement Agreement, the shareholders of the Corporation shall receive 5.815 common shares of First Light, on a pre-consolidation basis, in exchange for each common share of the Corporation held (the “**Consideration**”). The Transaction will be described in greater detail in a management information circular (the “**Circular**”) to be prepared by the Corporation in compliance with applicable laws, regulations, policies and rules, which Circular will be mailed to the shareholders of the Corporation.

The Board of Directors of the Corporation (the “**Board of Directors**”) has retained Haywood to provide financial advice to the Corporation and the Board of Directors, including our opinion (this “**Fairness Opinion**”) to the Board of Directors as to the fairness of the consideration to be received by the shareholders of the Corporation under the Arrangement Agreement. Haywood has not prepared a valuation of either the Corporation, First Light, or any of their respective securities or assets and this Fairness Opinion should not be construed as such.

Engagement

Haywood initially began discussions with the Corporation during the first half of 2019 regarding a potential advisory assignment, and Haywood was formally engaged by the Corporation pursuant to an agreement dated October 18, 2019 (the “**Advisory Agreement**”). Under the Advisory Agreement, Haywood agreed to provide the Corporation and the Board of Directors with various financial advisory services in connection with the Transaction including, among other things, the provision of the Fairness Opinion. Subsequently, Haywood and the Corporation entered into a supplementary agreement dated June 7, 2021 (the “**Fairness Opinion Agreement**”) with specific reference to the provision of the Fairness Opinion by Haywood. Following a review of the terms of the Transaction, Haywood rendered its oral opinion to the Board of Directors on June 16, 2021. This Fairness Opinion confirms such oral opinion rendered by Haywood to the Board of Directors.

The terms of the Advisory Agreement provide that Haywood is to be paid a fee for its services, including a fixed fee for the delivery of the Fairness Opinion and a fee that is contingent on the successful completion of the Transaction. The Fairness Opinion Agreement further confirm the terms of the fixed fee payable for the delivery of the Fairness Opinion. The Corporation has also agreed to reimburse Haywood for its reasonable out-of-pocket

Head Office – Vancouver

Waterfront Centre
200 Burrard Street, Suite 700
Vancouver, BC V6C 3L6

Phone: (604) 697-7100
Toll-Free: (800) 663-9499

Calgary

808 First Street SW
Suite 301
Calgary, AB T2P 1M9

Phone: (403) 509-1900
Toll-Free: (877) 604-0044

Toronto

Brookfield Place, 181 Bay Street
Suite 2910, Box 808
Toronto, ON M5J 2T3

Phone: (416) 507-2300
Toll-Free: (866) 615-2225

expenses and to indemnify Haywood, its subsidiaries and affiliates, and their respective officers, directors, and employees, against certain expenses, losses, actions, claims, damages and liabilities which may arise directly or indirectly from services performed by Haywood in connection with the Advisory Agreement. The payment of expenses is not dependent on the completion of the Transaction.

Independence of Haywood

Neither Haywood, nor any of our affiliates, is an insider, associate, or affiliate (as those terms are defined in the *Securities Act* (British Columbia) or the rules made thereunder) of the Corporation, First Light, or any of their respective associates or affiliates. Other than as described below with respect to the Concurrent Offering (as defined herein) or as otherwise described herein, as of the date hereof, Haywood has not entered into any other agreements or arrangements with the Corporation or First Light or any of their affiliates with respect to any future dealings.

Concurrent with the Transaction, it is anticipated that Haywood, as co-lead agent and sole bookrunner, on behalf of a syndicate of agents, including Clarus Securities Inc. as co-lead agent (collectively, the “**Agents**”), will enter into an agreement with First Light, as acknowledged by the Corporation, to complete a best efforts private placement offering of subscription receipts of First Light and/or 1310612 B.C. Ltd. (“**FL Finco**”) for gross proceeds of up to approximately C\$20,000,000 (the “**Concurrent Offering**”). In connection with the Concurrent Offering, the Agents will receive a cash commission equal to 6.0% of the gross proceeds of the Concurrent Offering and that number of compensation subscription receipts equal to 6.0% of the aggregate number of subscription receipts sold under the Concurrent Offering. In addition, the Agents will be reimbursed for their expenses in relation to the Concurrent Offering; all of the Agents’ expenses will be paid upon closing of the Concurrent Offering, and 100% of the Agents’ cash commission and any additional or outstanding expenses of the Agents will be payable upon satisfaction of the escrow release conditions and completion of the Transaction. The aggregate net proceeds raised from the Concurrent Offering will be used to advance the asset portfolio of the combined issuer resulting from the Transaction, and for general corporate purposes.

Haywood acts as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have had and may in the future have positions in the securities of the Corporation and/or First Light or any of their respective associates or affiliates and, from time to time, may have executed or may execute transactions on behalf of such companies or clients for which it received or may receive compensation. In the ordinary course of trading and brokerage activities, Haywood, the associates and affiliates thereof and the officers, directors and employees of any of them at any time may hold long or short positions, may trade or otherwise effect transactions, for their own account, for managed accounts or for the accounts of customers, in debt or equity securities of the Corporation, First Light, or related assets or derivative securities. As of the date of this Fairness Opinion, the “designated professionals” (as such term is defined in Form 51-102F2 – *Annual Information Form*) of Haywood, as a group, beneficially own, directly or indirectly, 964,700 common shares and 825,500 warrants of the Corporation. Pursuant to Haywood’s internal compliance procedures regarding conflicts of interest, this Fairness Opinion was prepared and delivered by a team of individuals which do not hold any securities of the Corporation and who are located in a separate office to the team of designated professionals which provided the advisory services to the Corporation in connection with the Arrangement Agreement. As an investment dealer, Haywood conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters, including with respect to the Corporation or First Light or the Transaction.

During the 24-month period preceding the date that Haywood was first contacted by the Corporation in respect of the Transaction, Haywood provided financial advisory services to the Corporation in August 2020, for which Haywood was paid a fixed work fee of C\$100,000, plus GST. Haywood has not acted as agent or underwriter in any financings involving the Corporation or First Light, or any of its associates or affiliates, during the 24-month period preceding the date that Haywood was first contacted in respect of the Transaction.

Credentials of Haywood

Haywood is one of Canada's leading independent investment dealers with operations in corporate finance, equity sales and trading and investment research. Haywood has been a financial advisor in a significant number of transactions throughout North America involving public and private companies in various industry sectors and has extensive experience in preparing fairness opinions. The opinion expressed herein is the opinion of Haywood, and the individuals primarily responsible for preparing this opinion are professionals of Haywood experienced in merger, acquisition, divestiture, and fairness opinion matters.

The Fairness Opinion represents the opinion of Haywood, the form and content of which have been approved for release by a committee of senior Haywood personnel who are collectively experienced in merger and acquisition, divestiture, restructuring, valuation, fairness opinion and capital markets matters.

Scope of Review and Approach to Analysis

In connection with rendering the Fairness Opinion, Haywood has reviewed and relied upon, or carried out, among other things, the following:

- (a) reviewed the Arrangement Agreement between the Corporation, First Light, FL Finco and 1310620 B.C. Ltd., dated June 16, 2021;
- (b) reviewed the disclosure letter of the Corporation, dated June 16, 2021;
- (c) reviewed the non-binding letter of intent between the Corporation and First Light, dated April 5, 2021;
- (d) reviewed the audited consolidated financial statements of the Corporation for the financial years ended December 31, 2020 and December 31, 2019;
- (e) reviewed the management's discussion and analysis of the Corporation for the financial years ended December 31, 2020 and 2019;
- (f) reviewed the unaudited consolidated financial statements of the Corporation for the financial quarters ended March 31, 2021, September 30, 2020 and June 30, 2020;
- (g) reviewed the management's discussion and analysis of the Corporation for the financial quarters ended March 31, 2021, September 30, 2020 and June 30, 2020;
- (h) reviewed the management information circular of the Corporation dated September 14, 2020;
- (i) reviewed the audited consolidated financial statements of First Light for the financial years ended December 31, 2020 and 2019;
- (j) reviewed the management's discussion and analysis of First Light for the financial years ended December 31, 2020 and 2019;
- (k) reviewed the unaudited consolidated financial statements of First Light for the financial quarters ended March 31, 2021, September 30, 2020 and June 30, 2020;
- (l) reviewed the management's discussion and analysis of First Light for the financial quarters ended March 31, 2021, September 30, 2020 and June 30, 2020;

- (m) reviewed the management information circular of First Light dated October 23, 2020;
- (n) reviewed certain press releases and other publicly available information relating to the business, financial condition and trading history of each of the Corporation and First Light and other select public companies considered relevant;
- (o) reviewed applicable National Instrument 43-101 compliant technical reports of the Corporation;
- (p) reviewed corporate presentations of the Corporation;
- (q) reviewed certain historical financial information and operating data concerning the Corporation and First Light, as applicable;
- (r) reviewed certain internal documents which were prepared and provided by the Corporation and First Light;
- (s) reviewed historical market prices and valuation multiples for the common shares of the Corporation and the common shares of First Light and compared such prices and multiples with those of certain publicly traded companies that were deemed relevant for the purposes of our analysis;
- (t) reviewed publicly available financial data for merger and acquisition transactions that were deemed comparable for the purposes of our analysis;
- (u) reviewed certain industry and analyst reports and statistics that were deemed relevant for the purposes of our analysis; and
- (v) reviewed and considered such other financial, market, technical and industry information, and conducted such other investigations, analyses and discussions (including discussions with management of the Corporation and First Light) as was considered relevant and appropriate in the circumstances.

In addition, Haywood has participated in discussions with members of the Corporation's management team regarding the Corporation, past and current business operations, and the Corporation's financial condition and prospects.

Haywood did not complete a detailed technical due diligence review, and has relied upon management of the Corporation for all technical due diligence matters, without independent verification. No physical due diligence of any of the assets of the Corporation was undertaken by Haywood. Haywood has not, to the best of its knowledge, been denied access by the Corporation to any other information under its control requested by Haywood.

Haywood did not meet with the auditors of the Corporation or First Light and has assumed the accuracy and fair presentation of and relied upon the audited consolidated financial statements of each of the Corporation and First Light, respectively, and the reports of the auditor thereon.

In our assessment, we considered several techniques and used a blended approach to determine our opinion on the Transaction. We based this Fairness Opinion upon a number of quantitative and qualitative factors.

Assumptions and Limitations

With the approval and agreement of the Board of Directors, we have relied upon and assumed, without assuming responsibility or liability for independent verification, the completeness, accuracy and fair presentation of all financial information, business plans, financial analyses, forecasts and other information, data, advice, opinions and representations obtained by us from public sources, or provided to us by the Corporation or First Light, their respective subsidiaries, directors, officers, associates, affiliates, consultants, advisors and representatives relating to the Corporation, First Light, their respective subsidiaries, associates and affiliates, and to the Transaction. The Fairness Opinion is conditional upon such completeness, accuracy and fair presentation. We have not been requested to or, subject to the exercise of professional judgment, attempted to verify independently the completeness, accuracy or fair presentation of any such information, data, advice, opinions and representations and assume no responsibility or liability in connection therewith. We have not conducted or been provided with any valuation or appraisal of any assets or liabilities, nor have we evaluated the solvency of the Corporation or First Light under any provincial or federal laws relating to bankruptcy, insolvency or similar matters. In addition, we have not assumed any obligation to conduct any physical inspection of the properties or the facilities of the Corporation or First Light. Haywood expresses no opinion as to the results of any future resource estimates, economic studies or other third-party analyses that may be released prior to or following completion of the Transaction, or the market reaction to such results. The technical due diligence investigations conducted by Haywood were limited in scope and relied heavily on the experience of management of the Corporation.

With respect to any financial analyses, forecasts, projections, estimates and/or budgets provided to Haywood and used in its analyses, we note that projecting future results of any company is inherently subject to uncertainty. Haywood has assumed, however, that such financial analyses, forecasts, projections, estimates and/or budgets were prepared using the assumptions identified therein and that such assumptions reflect the best currently available estimates and judgments by management as to the expected future results of operations and financial condition of the Corporation and First Light. We express no view as to such financial analyses, forecasts, projections, estimates and/or budgets or the assumptions on which they were based.

Haywood was not engaged to review any legal, tax or regulatory aspects of the Arrangement Agreement and the Fairness Opinion does not address such matters. In preparing the Fairness Opinion, we have made several assumptions, including that all of the conditions required to complete the Transaction will be met and that the disclosure provided in the Circular with respect to the Corporation, First Light and their respective subsidiaries and affiliates and the Transaction will be accurate in all material respects.

We have relied as to all legal matters relevant to rendering our Fairness Opinion upon the advice of counsel. We have further assumed that all material governmental, regulatory or other consents and approvals necessary for the consummation of the Transaction will be obtained without any adverse effect on the Corporation or First Light or on the contemplated benefits of the Transaction.

The Fairness Opinion is rendered as at the date hereof and on the basis of securities markets, economic and general business and financial conditions prevailing as at the date hereof and the conditions and prospects, financial and otherwise, of the Corporation and First Light as they are reflected in the information provided by the Corporation and First Light and as they were represented to us in our discussions with management of the Corporation. It should be understood that subsequent developments may affect this Fairness Opinion and that we do not have any obligation to update, revise, or reaffirm this opinion. We are expressing no opinion herein as to the price at which the common shares of the Corporation or First Light will trade at any future time. In our analyses and in connection with the preparation of the Fairness Opinion, we made numerous assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond the control of Haywood and any party involved in the Transaction.

We have not been asked to prepare and have not prepared a valuation of the Corporation, First Light or any of the securities or assets thereof and our opinion should not be construed as a “formal valuation” (within the meaning of *Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions*). Certain senior officers of the Corporation have represented to Haywood that, to the best of their knowledge, there have been no prior valuations (as that term is defined in *Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions*) or appraisals of the Corporation or any material property of the Corporation or any of its subsidiaries or affiliates, made in the preceding 24 months and in the possession or control or knowledge of the Corporation, which have not been provided to Haywood.

This Fairness Opinion is provided for the use of the Board of Directors of the Corporation only and may not be disclosed, referred or communicated to, or relied upon by, any third-party without our prior written consent. Haywood consents to the inclusion of this Fairness Opinion in the Circular. This Fairness Opinion is given as of the date hereof and Haywood disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Fairness Opinion which may come or be brought to the attention of Haywood after the date hereof. Without limiting the foregoing, in the event that there is any material change in any fact or matter affecting the Fairness Opinion after the date hereof, Haywood reserves the right to change, modify or withdraw the Fairness Opinion.

Haywood believes that its analyses must be considered as a whole and that selecting portions of the analyses or the factors considered by it, without considering all factors and analyses together, could create a misleading view of the process underlying this Fairness Opinion. The preparation of an opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

Fairness Conclusion

Based on and subject to the foregoing and such other factors as Haywood considered relevant, Haywood is of the opinion that, as of the date hereof, the Consideration to be received by the shareholders of the Corporation pursuant to the Arrangement Agreement is fair, from a financial point of view, to such shareholders.

Yours truly,

Haywood Securities Inc.

HAYWOOD SECURITIES INC.

Schedule "D"

Consent of Haywood Securities Inc.

To: The Board of Directors (the "**New Oroperu Board**") of New Oroperu Resources Inc. ("**New Oroperu**")

We refer to the written fairness opinion dated June 16, 2021 (the "**Haywood Fairness Opinion**"), which we prepared for the New Oroperu Board, in connection with the arrangement (the "**Arrangement**") under the *Business Corporations Act* (British Columbia) involving First Light Capital Corp. and New Oroperu.

We consent to all references to the Haywood Fairness Opinion in the management information circular of New Oroperu dated August 9, 2021 (the "**Circular**") and to the inclusion of the Haywood Fairness Opinion as Schedule "C" to the Circular. The Haywood Fairness Opinion was given as of June 16, 2021 and remains subject to the assumptions, qualifications and limitations contained therein. The Haywood Fairness Opinion was provided for the sole use and benefit of the New Oroperu Board for the purpose of its consideration of the Arrangement and may not be used or relied upon by any other person or for any other purpose.

HAYWOOD SECURITIES INC.

"HAYWOOD SECURITIES INC."

Date: August 9, 2021

Schedule "E"

Echelon Fairness Opinion

(See attached)

Echelon Wealth Partners Inc.
1 Adelaide Street East, Suite 2100
Toronto, Ontario, M5C 2V9

June 16, 2021

The Board of Directors
New Oropu Resources Inc.
320-800 West Pender Street
Vancouver, British Columbia
V6C 2V6

To the Board of Directors:

Echelon Wealth Partners Inc. (“**Echelon**” or “**we**” or “**us**”) understands that New Oropu Resources Inc. (“**New Oropu**” or the “**Company**”), and First Light Capital Corp. (the “**Acquiror**”) propose to enter into an arrangement agreement to be dated June 16, 2021 (the “**Arrangement Agreement**”) that contemplates, among other things, the acquisition by the Acquiror of all of the issued and outstanding common shares of the Company (the “**Shares**”) based on an exchange ratio of 5.815 common shares of the Acquiror for each Share (the “**Exchange Ratio**”) pursuant to an arrangement under the *Business Corporations Act* (British Columbia) (the “**Arrangement**”). In connection with the Arrangement, we also understand that the Acquiror will undergo a concurrent private placement of subscription receipts to raise minimum gross proceeds of \$17.5 million (the “**Concurrent Financing**”). The terms and conditions of the Arrangement, including the Concurrent Financing, will be summarized in the Company’s management information circular (the “**Circular**”) to be mailed to holders of Shares (the “**Shareholders**”) in connection with a special meeting of the securityholders of the Company to be held to consider and, if deemed advisable, approve the Arrangement.

We have been retained to provide financial advice to the Board of Directors of the Company (the “**Board**”), including our opinion (the “**Opinion**”) to the Board as to the fairness from a financial point of view of the Exchange Ratio pursuant to the Arrangement.

ENGAGEMENT OF ECHELON

Echelon was initially contacted on behalf of the Board regarding a potential advisory assignment in April 2021. Echelon was formally engaged by the Company pursuant to an agreement dated April 28, 2021 (the “**Engagement Agreement**”). The Engagement Agreement provides the terms upon which Echelon has agreed to act as financial advisor to the Board in connection with the Arrangement including, among other things, the Opinion.

Echelon will receive a fixed fee for rendering the Opinion. The Company has also agreed to reimburse us for reasonable out-of-pocket expenses and to indemnify, among others, Echelon in certain



circumstances, against certain expenses, losses, claims, actions, suits, proceedings, damages and liabilities which may arise directly or indirectly out of our engagement.

CREDENTIALS OF ECHELON

Echelon is an independent Canadian financial services firm that offers an integrated platform of corporate finance, mergers and acquisitions, equity research, institutional sales and trading, and private client services. Echelon has been a financial advisor in a significant number of transactions, and is regularly engaged in providing financial advice to public and private companies across a variety of sectors and has extensive experience preparing fairness opinions.

This Opinion represents the opinion of Echelon and its form and content have been approved for release by a committee of our senior officers, each of whom is experienced in merger and acquisition, divestiture, valuation, fairness opinion and capital markets matters.

RELATIONSHIP WITH INTERESTED PARTIES

Neither Echelon nor any of its affiliates is an insider, associate or affiliate (as those terms are defined in the Securities Act (Ontario) (the “**Securities Act**”) or the rules made thereunder) of the Company or Acquiror or any of their respective associates or affiliates (collectively, the “**Interested Parties**”).

Echelon acts as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have and may in the future have positions in the securities of any Interested Party, and, from time to time, may have executed or may execute transactions on behalf of any Interested Party or other clients for which it may have received or may receive compensation. As an investment dealer, Echelon conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters, including matters with respect to one or more Interested Parties or the Arrangement.

Other than as set forth above, there are no understandings, agreements or commitments between Echelon and the Interested Parties with respect to future business dealings. Echelon may, in the future, in the ordinary course of its business, perform financial advisory, investment banking or other financial services to one or more of the Interested Parties from time to time.

SCOPE OF REVIEW

In connection with the Opinion, Echelon reviewed and relied upon or carried out, among other things, the following:

1. a draft of the Arrangement Agreement dated June 16, 2021;



2. a draft of the Disclosure Letter from New Oroperu to the Acquiror dated June 16, 2021;
3. draft Lock-Up and Voting Support Agreements dated June 16, 2021;
4. certain other publicly available information related to the business, operations, financial conditions and trading history of the Company and the Acquiror and other selected publicly available information Echelon considered relevant;
5. internal forecasts, projections, estimates and budgets prepared or provided by or on behalf of the management of the Company;
6. other internal financial, operating, corporate, and other information concerning the Company, the Acquiror, and their subsidiaries, that was prepared and provided by management of the Company;
7. discussions with management of the Company regarding the Company's past and current business plan, operations and financial conditions and prospects;
8. select publicly available financial information and statistics regarding precedent transactions we considered relevant;
9. various reports published by equity research analysis and industry sources we considered relevant;
10. a letter of representation as to certain factual matter and the completeness and accuracy of certain information upon which the Opinion is based, addressed to us and dated as of the date hereof, provided by the Chief Executive Officer and Chief financial Officer of the Company; and
11. such other information, investigations, analysis and discussion as we considered necessary or appropriate in the circumstances.

Echelon has not, to the best of its knowledge, been denied access by the Company to any information under the Company's control requested by Echelon.

ASSUMPTIONS AND LIMITATIONS

Echelon has relied upon the accuracy, completeness and fair presentation of all information, data, representations, opinions, financial statements, management discussion and analysis, internal financial information, and other material obtained by us or on behalf of the Company or otherwise obtained by us in connection with our engagement (the "**Information**"). The Opinion is conditional upon such accuracy, completeness, and fair presentation. We have assumed that forecasts, projections, estimates and budgets provided to us and used in our analysis were reasonably prepared on bases reflecting the best currently available assumptions, estimates and judgments of management



of the Company and the Acquiror, having regard to the Company's business, plans, financial condition and prospects.

Senior officers of the Company have represented to Echelon in a certificate dated the date hereof, among other things, that: (i) the Information provided to Echelon by or on behalf of the Company relevant to the subject matter of the Transaction or the Opinion were true, accurate, complete and correct in all material respects at the date the Information was provided and, with respect to the financial statements, were prepared in accordance with generally accepted accounting principles consistently applied (except as to the absence of full note disclosure in non-audited financial statements); (ii) the Information did not and as of the date hereof does not contain any untrue statement of a material fact (as such term is defined in the Securities Act) in respect of or involving the Company, the Company's assets or the Transaction; (iii) the Information did not and as of the date hereof does not omit to state a material fact in respect of the Company, its assets or the Transaction necessary to make the Information (or any statement therein) not misleading in light of the circumstances under which the Information was made or provided; and (iv) since the date that the Information was provided to Echelon and as of the date thereof, there has been no material change (as such term is defined in the Securities Act), financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company that has not been disclosed in writing to Echelon and there has been no change in any material fact or new material fact which is of a nature so as to render the Information untrue or misleading in any material respect, or which would reasonably be expected to have a material effect on the Opinion, that has not been disclosed in writing to Echelon.

In preparing the Opinion, Echelon has made several assumptions, including that all final or executed versions of documents will conform in all material respects to the drafts provided to Echelon, all conditions precedent to be satisfied to complete the Arrangement can and will be satisfied or waived, that all approvals, authorizations, consents, permissions, exemptions or orders of relevant regulatory authorities required in respect of or in connection with the Arrangement will be obtained, without adverse condition or qualification, that all steps or procedures being followed to implement the Arrangement are valid and effective.

The Opinion has been provided for the exclusive use of the Board in considering the Arrangement and is not intended to be, and does not constitute, a recommendation as to how any Shareholder should vote their Shares or act on any matter relating to the Arrangement. The Opinion must not be used by any other person or relied upon by any other person other than the Board without the express prior written consent of Echelon. The Opinion does not address the relative merits of the Arrangement as compared to other strategic alternatives that might be available to the Company. Except for the inclusion of the Opinion in the Circular, the Opinion is not to be reproduced, disseminated, quoted from or referred to (in whole or in part) without our prior written consent.



The Opinion is rendered on the basis of securities markets, economic and general business and financial conditions prevailing on that date hereof and the condition and prospects, financial and otherwise, of the Company and its subsidiaries as they were reflected in the Information provided to Echelon. In our analysis and in preparing the Opinion, Echelon made numerous judgments and assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond our control or that of any party involved in the Arrangement.

We have not been asked to prepare and have not prepared a formal valuation or appraisal of the securities or assets of the company or of any of its affiliates, and the Opinion should not be construed as such. Echelon has not undertaken an independent evaluation, appraisal or, other than as disclosed above, physical inspection of any assets or liabilities of the Company or its subsidiaries, is not an expert on, and did not render advice to the Company regarding, and assumes no and disclaims all liability and obligation in respect of, legal, accounting, regulatory or tax matters.

The Opinion is given as of the date hereof and, although Echelon reserves the right to change or withdraw the Opinion if we learn that any of the information that we relied upon in preparing the Opinion was inaccurate, incomplete or misleading in any material respect, we disclaim any obligation to change or withdraw the Opinion, to advise any person of any change that may come to our attention or to update the Opinion after the date hereof.

Echelon believes that its analyses must be considered as a whole and that selecting portions of the analyses or the factors considered by it, without considering all factors and analyses together, could create an incomplete view of the process underlying the Opinion. Accordingly, the Opinion should be read in its entirety.

APPROACH TO FAIRNESS

In considering the fairness of the Exchange Ratio pursuant to the Arrangement from a financial point of view to the Shareholders, Echelon principally considered and relied upon, among other things, the following: (i) a comparison of the multiples implied by the trading price of the Shares on the TSX Venture Exchange to the multiples of publicly-traded companies deemed comparable to the Company; (ii) a comparison of the multiples implied by the Exchange Ratio to the multiples of selected precedent transactions deemed comparable to the Company and the Arrangement; (iii) a review of the Company's financial position and the potential availability, feasibility and impact of future financing alternatives; and (iv) an analysis of the pro forma impact of the Arrangement on the Company.



CONCLUSION

Based upon and subject to the foregoing and such other matters that Echelon considered relevant, Echelon is of the opinion that, as of the date hereof, the Exchange Ratio pursuant to the Arrangement is fair from a financial point of view to the Shareholders.

Yours truly,

Echelon Wealth Partners Inc.

ECHELON WEALTH PARTNERS INC.

Schedule "F"

Consent of Echelon Wealth Partners Inc.

To: The Board of Directors (the "**New Oroperu Board**") of New Oroperu Resources Inc. ("**New Oroperu**")

We refer to the written fairness opinion dated June 16, 2021 (the "**Echelon Fairness Opinion**"), which we prepared for the New Oroperu Board, in connection with the arrangement (the "**Arrangement**") under the *Business Corporations Act* (British Columbia) involving First Light Capital Corp. and New Oroperu.

We consent to all references to the Echelon Fairness Opinion in the management information circular of New Oroperu dated August 9, 2021 (the "**Circular**") and to the inclusion of the Echelon Fairness Opinion as Schedule "C" to the Circular. The Echelon Fairness Opinion was given as of June 16, 2021 and remains subject to the assumptions, qualifications and limitations contained therein. The Echelon Fairness Opinion was provided for the sole use and benefit of the New Oroperu Board for the purpose of its consideration of the Arrangement and may not be used or relied upon by any other person or for any other purpose.

ECHELON WEALTH PARTNERS INC.

"ECHELON WEALTH PARTNERS INC."

Date: August 9, 2021

Schedule "G"

Information Concerning New Oroperu

Capitalized terms used in this Schedule "G" but not otherwise defined herein have the meanings set forth in the "General Matters – Glossary of Terms" in this Circular.

Overview

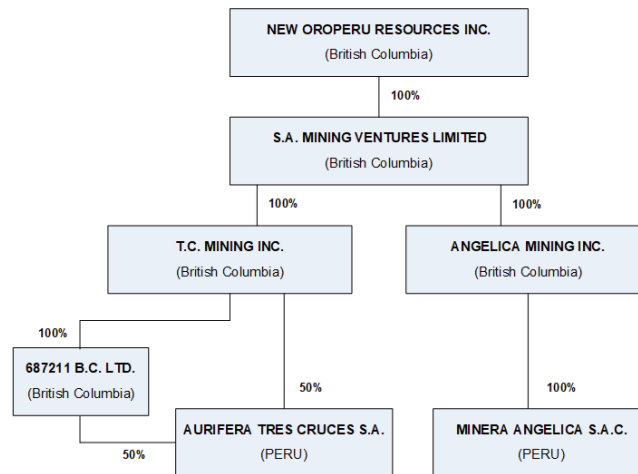
Corporate Structure

Oroperu Resources Inc. ("**Oroperu**") was originally formed in 1995 through an amalgamation of a private issuer, Oroperu Resources Inc., a company incorporated under the *Company Act* (British Columbia), and an Ontario reporting issuer, Canlorm Resources Inc. In 1997, Oroperu's articles of incorporation were continued to the jurisdiction of the *Business Corporations Act* (Yukon). On June 6, 2001, Oroperu changed its name to New Oroperu Resources Inc. and consolidated its outstanding share capital on a 1 for 10 basis. On June 11, 2002, the Company discontinued in the Yukon and continued back to the jurisdiction of the *Business Corporations Act* (British Columbia).

The head and registered office of New Oroperu is located at Suite 320 - 800 West Pender Street, Vancouver, British Columbia, V6C 2V6.

Intercorporate Relationships

The following diagram sets forth the corporate structure of New Oroperu, as at the date of this Circular.



Description of the Business

The principal business of New Oroperu is the operation, exploration and development of mineral properties. New Oroperu's material property consists of the Tres Cruces project (the "**Project**" or the "**Property**"). It is located in north central Peru about 100 kilometers east of the city of Trujillo. New Oroperu holds a 100% interest in the Tres Cruces mineral concessions through its wholly owned subsidiary, Aurifera Tres Cruces S.A. (ATC).

The Tres Cruces project has received advanced stage exploration and delineation work, with 371 holes totalling approximately 73,700 meters of drilling to date. Tres Cruces is a grass-roots discovery made by New Oroperu and initially drilled in 1996. New Oroperu completed 61 drill holes by the end of 1997. Battle Mountain Canada Ltd. optioned the Property and completed an additional 108 drill holes in 1998 and 1999. Barrick Gold Corporation, through its Peruvian operating subsidiary, Minera Barrick Misquichilca S.A. ("**Barrick**"), has most recently advanced the Project under an option agreement with New Oroperu, with the drilling of an additional 202 drill holes from 2000 to 2008.

The Project has access via a paved road 127 km from the city of Trujillo, located to the west on the Pacific coast, and then along a 3 km gravel road that extends into the Property area. Barrick's Lagunas Norte mining operation is a further 12 km to the north on the main paved highway. Currently, there are no major assets or facilities associated with the Project other than the drill roads and pads, and the estimated mineralization of the deposit itself.

Tres Cruces

The following is a Summary from the technical report (the "**Tres Cruces Technical Report**") entitled "Technical Report & Resource Update for the Tres Cruces Project" with an effective date of March 16 2021, prepared by Jeffrey D. Rowe, B.Sc., P.Geo, James N. Gray, B.Sc., P.Geo and Ruperto Castro Ocampo, B.Sc., P.Geo. The below summary is subject to certain assumptions, qualifications and procedures described in the Tres Cruces Technical Report and is qualified in its entirety by the full text of the Tres Cruces Technical Report which is available for viewing on SEDAR at www.sedar.com. Defined terms and abbreviations used in the below summary and not otherwise defined herein shall have the meanings ascribed to such terms in the Tres Cruces Technical Report.

Introduction

Jeffrey D. Rowe, B.Sc., P.Geo, James N. Gray, B.Sc., P.Geo and Ruperto Castro Ocampo, B.Sc., P.Geo were retained by New Oroperu to prepare an independent Technical Report on the Tres Cruces Project. None of the authors of the Technical Report had any prior involvement with the Project. The purpose of the Technical Report is to provide an update on the mineral resource estimate and metallurgical test results documented in the previous technical report authored by Mr. P. Lacroix for New Oroperu in 2012. The Technical Report conforms to National Instrument 43-101 – Standards of Disclosure for Mineral Projects. Mr. Ocampo visited the Property in October 2020 to perform a site evaluation, however, there has been no exploration or drilling activity on the Property since 2008.

Property Description, Location and Access

The Tres Cruces Property is located in north central Peru about 100 kilometers east of the city of Trujillo, a major city located 574 kilometers northwest of Lima. The Project ranges in elevation from 3,900 to 4,200 m asl in the central part of the Western Cordilleran of north central Peru. The Tres Cruces Property consists of four mineral concessions totalling 3,000 ha, situated within the Department of La Libertad and within Peruvian National Topographic System map area Santiago de Chuco, number 17G. The Tres Cruces concessions are centred at approximately 78° 16' west latitude and 08° 02' south longitude.

New Oroperu holds a 100% interest in the Tres Cruces Mineral concessions through its wholly owned subsidiary ATC. To maintain the concessions in good standing, there is a basic fee payment of US\$3 per ha, equalling about US\$9,000 in total, which must be submitted to the Peruvian government annually. After certain periods, an additional annual "non-production fee" penalty is assessed if a minimum production level is not achieved. The mineral concessions are subject to a 1.5% NSR royalty to Pan American (subsequently transferred to Maverix Metals Inc.), except for the Tres Cruces 1, which has a 2.5% NSR royalty, capped at \$1,250,000 which would be paid out prior to the 1.5% NSR royalty.

There is currently no infrastructure located on the Tres Cruces property other than drill roads and pads. All exploration activity on the Property has been facilitated by existing infrastructure and services located in nearby towns and from Barrick's Lagunas Norte operation, as well as by employees and contractors from elsewhere in Peru and other countries. Manpower, equipment and supplies have been transported to the Property by way of highway, about 130 km from the city of Trujillo and local roads from Quiruvilca and other nearby towns.

History

Mining activity has been ongoing in the region since the 1920's, focussed initially on mining high-grade Pb-Zn-Ag veins at Quiruvilca. In 1996 New Oroperu acquired the key concessions of the Tres Cruces property from a private party and entered into a 50-50 joint venture with Pan American on a combined land package, including adjoining ground held by Pan American that covered portions of the Tres Cruces gold mineralization. Assets for this joint

venture were held by ATC. Drill campaigns utilizing reverse circulation (“RC”) and diamond drilling equipment were conducted by New Oropu in 1996 and 1997, completing 61 drill holes, and later by BMC in 1998 and 1999. BMC relinquished their option of the Project in 1999 after drilling 69 diamond core holes and 28 RC holes.

In May 2002, New Oropu secured an option to acquire Pan American’s 50% interest in ATC, which owns the Tres Cruces Project, to increase its interest to 100%, subject to work expenditures, royalty and back in provisions. Concurrently, New Oropu entered into an agreement with Barrick that would further the exploration of the Project. In September 2003, the agreement with Barrick was finalized and a definitive option agreement was signed. In October 2003, New Oropu finalized their agreement with Pan American regarding their interest in the Project, acquiring 100% of ATC through issuance of New Oropu shares and granting a 1.5% NSR royalty to Pan American.

The Barrick exploration program began with geological mapping, re-logging of existing drill core, and Induced Polarization and gravity geophysical studies. Barrick drilled 29 diamond core holes in the period 2002-04. No further drilling was undertaken until 2006, when 29 additional diamond core holes were completed. In 2007, Barrick drilled 42 diamond core holes and 87 RC holes. In 2008, Barrick drilled 7 diamond core holes and 6 RC holes. No further drilling was carried out by Barrick, however, some metallurgical testwork was undertaken in 2011.

Geological Setting, Mineralization and Deposit Types

The Tres Cruces property is located within a NW-SE trending belt of Paleogene volcanic rocks of predominantly andesitic composition called the Calipuy Volcanics. This volcanic belt trends from central to northern Peru and hosts world-class deposits such as Newmont & Buenaventura’s Yanacocha Mine and Barrick’s Pierina Mine. The Tres Cruces property lies near the heart of the Quiruvilca mining district, which includes the Quiruvilca copper-lead-zinc-silver vein systems. Precious metal deposits in the area include the Lagunas Norte mine, an epithermal gold deposit which has produced over 10 million ounces of gold and has current resources of 4.2 million ounces (Barrick Annual Report 2019).

The Calipuy volcanic package overlies a Cretaceous sedimentary sequence (Chimu Formation) of quartz arenite and mudstone that shows a strong degree of deformation resulting from early Cenozoic SW-NE compression. This was later followed by E-W extension accompanied by extensive volcanic activity. The Quiruvilca District is host to several mineral deposits all classified as epithermal type. Barrick’s Lagunas Norte located 10 kilometers north-northeast of Tres Cruces is classified as a high sulfidation system. Tres Cruces is considered to be of the low to intermediate sulfidation epithermal type and is located four kilometers southeast of the Quiruvilca deposit, but it is unlikely to be related to that system since the Tres Cruces mineralizing event is estimated to be 9 million years older.

Gold mineralization at Tres Cruces is hosted by a bimodal suite of andesitic to rhyolitic flows, domes, breccias, and volcaniclastics. Gold occurs with a fine grained, dark, arsenical pyrite, generally disseminated within its volcanic host, along structural zones and lithologic contacts. Accompanying the pyrite, trace amounts of associated minerals include marcasite, arsenopyrite, galena, stibnite, realgar, orpiment and enargite. Silver shows a moderate correlation with gold at a ratio of about 3:1 based on over 43,200 drill sample intervals assayed for both metals. The gold is extremely fine, with over 95% having a diameter of less than 5µ. Rare coarse visible gold occurs in quartz veinlets. Hydrothermal alteration in the core of the deposits is dominated by illite with subordinate quartz, kaolinite, and smectite. Oxidation of the pyritic mineralization has occurred to depths ranging from a few meters up to 100 meters below surface, developed primarily in rhyolitic host rocks.

Drilling has indicated five zones of gold-bearing mineralization on the Tres Cruces property, which includes sulfide mineralization, as well as considerable oxide mineralization locally (see Figure 1). The South Zone is the largest and consists of a 60- to 100-meter-wide area of gold-bearing sulfide mineralization enveloping a vertically oriented andesite porphyry body. Mineralization also extends laterally along the basal part of a rhyolite unit for hundreds of meters, primarily occurring as oxides (Figure 2). In one area the zone follows a porphyry contact that strikes nearly due north and dips approximately 80° east, with gold grades of more than 2.0 g/t extending for 250 meters along strike and bracketed vertically between 60 and 300 meters below the surface.

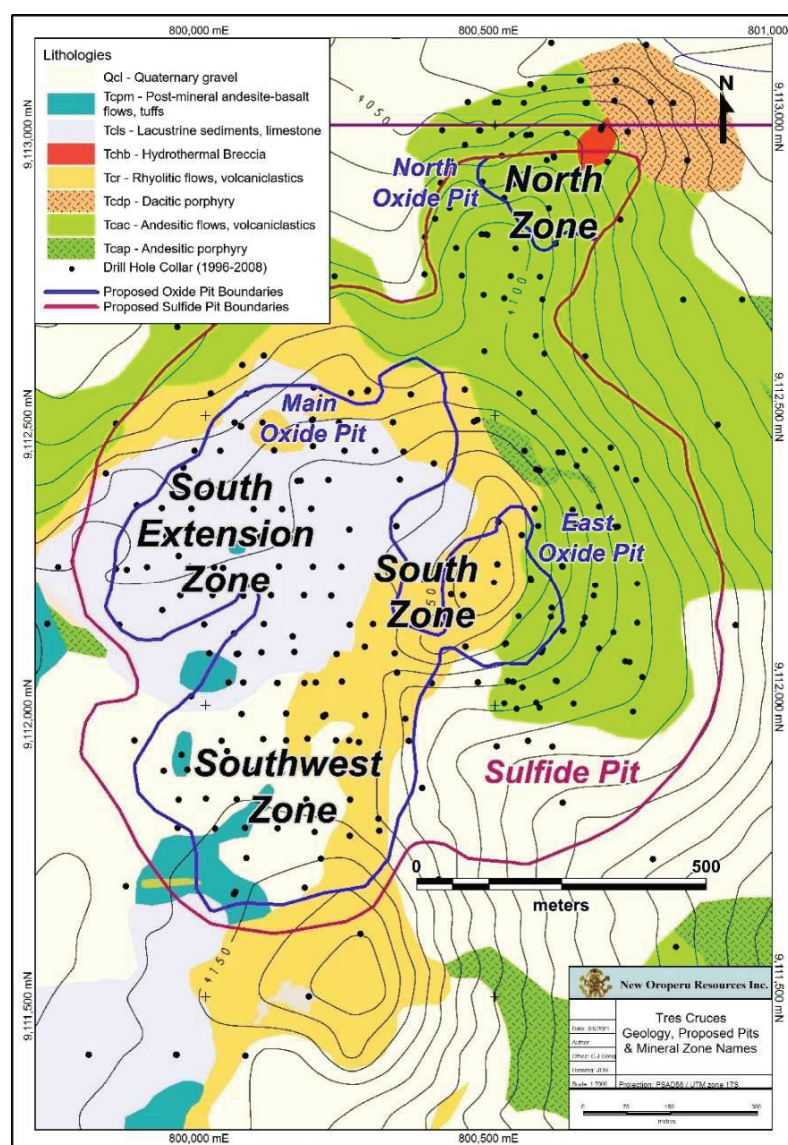
The Southwest Zone is a flat-lying tabular zone of oxide and sulfide mineralization at the rhyolite-andesite contact that shows good lateral continuity, with an oxide layer measuring more than 250 meters in diameter with thicknesses of up to 30 meters, or more.

The South Extension Zone lies to the west of, and is nearly a mirror image of, the South Zone, lying along the western contact of the porphyry intrusive body. Gold mineralization occurs along both the steep intrusive contact and at the flat lying rhyolite-andesite contact, where it is primarily oxidized.

The North Zone is more strongly silicified than the other deposits and is cut by numerous quartz-filled fractures. Many of the quartz veins were excavated in shallow pits for gold during Spanish times and later. Gold mineralization is centered on a hydrothermal breccia that measures approximately 100 meters in diameter but gold grades greater than 1.0 g/t are restricted to within 100 to 120 meters of surface.

The Cardoso Zone (not shown on Figure 1), located 500 m northwest of the South Extension Zone comprises a small area of oxide and sulfide mineralization which is poorly defined due to a lack of drill testing. Individual veins locally contain greater than 10 g/t gold at surface and were exploited historically by open cuts and shallow underground workings.

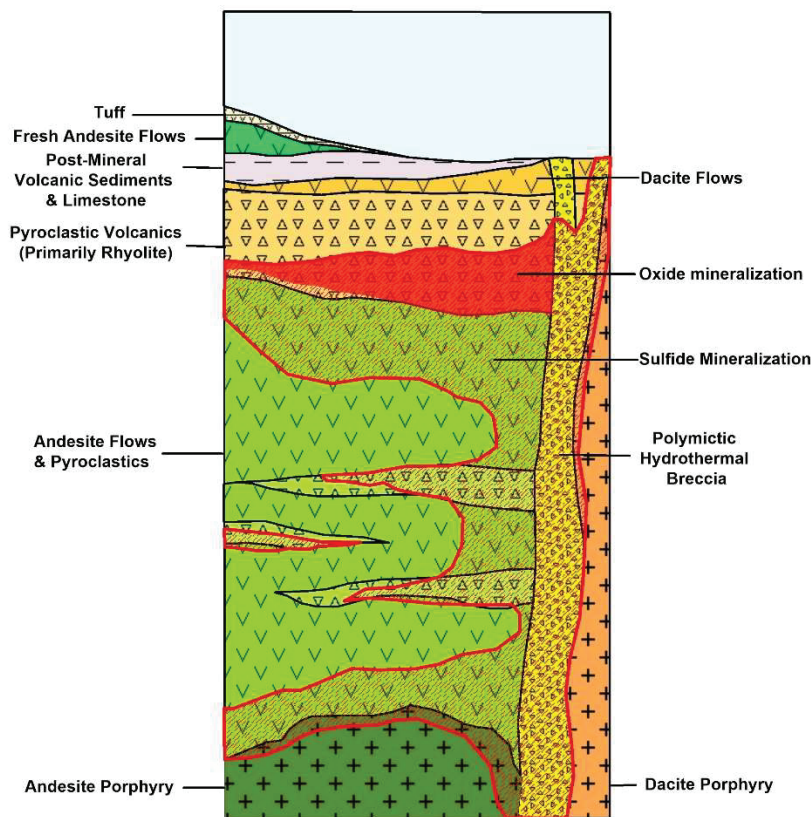
Figure 1 Geology, Drill Hole Locations & Proposed Pits with Mineral Zone Names



The following paragenetic sequence of geologic units and mineralization at Tres Cruces is shown schematically on the stratigraphic section model in Figure 2.

1. Deposition of the Calipuy Group andesitic volcanoclastic piles intruded by the andesite porphyry (APV).
2. Erosion of the dome and volcanoclastics to a sub-horizontal surface.
3. Emplacement of rhyolite-dacite domes, typically along the APV contacts, and associated felsic pyroclastics.
4. Hydrothermal brecciation and upwelling of solutions carrying gold mineralization preferentially along the APV contact and ponding laterally along the base of the rhyolite. The magmatic source of the rhyolite-dacite is inferred to be the heat engine driving the hydrothermal systems.
5. Deposition of post-mineral lacustrine volcanic-debris sediments and limestone.
6. Post mineral andesite flows.
7. Oxidation of sulfides in siliceous units with associated supergene alteration and enrichment.

Figure 2 Tres Cruces Stratigraphic Column Model



Exploration

After acquisition of the Property by the Company in 1996, initial exploration consisted of geological mapping and rock geochemical sampling. Exploration drilling to the end of 1997 had outlined a large mineralized system in three zones, the North, South, and Southwest Zones. An induced polarization (IP) survey was conducted over much of the Tres Cruces property in June of 1998. During the same program, 12 km of magnetometer and 8 km of electromagnetic (TDEM) surveying were also completed. In addition to drilling programs, similar geological and

geophysical exploration was subsequently conducted by BMC from November 1998 to September 1999 and by Barrick from 2002 to 2008.

Since much of the mineralization is associated with disseminated and stockwork pyrite, IP chargeability is an important indicator of potential mineralization. Unfortunately, large areas are covered by post-mineral sedimentary rocks that contain graphite, thereby returning high chargeability readings that override and mask any potential mineralization at depth. Soil and rock geochemical programs returned anomalous values in areas of mineralized bedrock; however, the post-mineral rocks again masked any response from potential deeper mineralization. Geological modelling has shown promise for targeting areas of potential mineralization by projecting contacts of intrusive bodies or fault structures that may have controlled hydrothermal fluids to their intersections with favourable host units.

Drilling

A summary of drilling statistics for the Tres Cruces project is provided in the table below, broken down by year and type of drilling (diamond and reverse circulation). Forty-four of the 371 holes were collared on Barrick claims, but some of these may have extended onto the Tres Cruces claims. The majority of the drill holes were collared 50 to 75 m apart on east-west drill fences that are spaced at approximately 50 meters in the main mineralized areas (see Figure 1).

Drilling Statistics- Tres Cruces Project							
Diamond Core							
Year	By	# DH's	ID	Length (m)	# samples	Purpose	Type
1997	Oroperu	11	DTC-53,54+RTC-051 to 061	2,106.75	1,320	Expl/Infill	RC/DC
1998	BMC	11	DTC-062 to 072	3,057.40	2,023	Twins	DC
1999	BMC	69	DTC-073 to 141	14,636.60	9,445	Expl/Infill	DC
2002	Barrick	11	DTC-200 to 210	3,458.10	2,256	Exploration	DC
2003	Barrick	9	DTC-211 to 219	1,668.70	977	Exploration	DC
2004	Barrick	9	DTC-220 to 228	1,836.00	557	Exploration	DC
2006	Barrick	29	DTC-229 to 257	5,508.10	3,657	Exploration	DC
2007	Barrick	37	DTC-258 to 294	5,772.95	3,835	Infill	DC
2007	Barrick	7	TCG-01 to 07	1,385.20	915	Geotechnical	DC
2008	Barrick	4	TWDTC-203,206,208,213	740.00	#N/A	Twins	DC
2008	Barrick	3	TCE-01 to 03	700.00	#N/A	Geotechnical	DC
Total DC		200		40,869.80	24,985		DC
Reverse Circulation							
Year	By	# DH's	ID	Length (m)	# samples	Purpose	Type
1996	Oroperu	4	RTC-001 to 004	811.15	537	Exploration	RC
1997	Oroperu	46	RTC-005 to 050	10,135.00	6,753	Expl/Infill	RC
1999	BMC	28	RTC-142 to 166	3,322.50	2,037	Expl/Infill	RC
2007	Barrick	70	RTC-200 to 269	14,217.00	14,210	Infill	RC
2007	Barrick	14	TCP-01 to 13	2,740.00	2,740	Piezometers	RC
2007	Barrick	3	TWINTC-266,278,288	547.00	542	Twins	RC
2008	Barrick	3	TCP-14 to 16	600.00	600	Piezometers	RC
2008	Barrick	3	RTC-270 to 272	465.00	465	Exploration	RC
Total RC		171		32,837.65	27,884		RC

Total DC+ RC		371		73,707.45	52,869		DC+RC
-----------------------------	--	------------	--	------------------	---------------	--	--------------

New Oropu undertook the first drilling at Tres Cruces with four RC holes in December of 1996. All four holes intersected significant gold mineralization. In 1997, New Oropu drilled 46 additional RC holes and 11 diamond core holes for a total of 61 by the end of 1997, showing excellent continuity of mineralization.

BMC started their first drill program in November 1998, drilling 3057 m in 11 diamond core holes, 10 of which twinned and confirmed New Oropu's results. The second phase of drilling, in 1999, added 69 diamond drill holes, totalling 14,637 m. The objective of this second phase was to expand and better define the known mineralization, as well as to explore for new mineralized areas. Drilling included 26 RC holes totalling 3,323 meters that were designed to test geological, geochemical and geophysical targets. The drilling statistics in the above table summarize the BMC drill programs.

Barrick subsequently took over the exploration of the Property and from 2002 to 2008 drilled 109 diamond core holes and 93 RC holes, for a total of 39,638 m. Twenty-seven of the holes were drilled for geotechnical or piezometer testing.

Relatively close-spaced drilling on the Property has basically delineated five known zones at Tres Cruces, although further drilling is required to fully delineate resources in some of the zones.

Sampling, Analysis, and Data Verification

Samples collected during the pre-2002 drilling programs were shipped to certified analytical laboratories without any preliminary preparation. Barrick, however, maintained its own sample preparation laboratory at Lagunas Norte where, normally, drill samples from Tres Cruces were processed prior to shipment to independent offsite laboratories. During backlogs, samples were sometimes shipped without processing, although the proportion of samples is not known.

The normal sample preparation procedure, whether at Barrick's facility or at an independent lab, is as follows. Samples are dried in an oven at 105°, then crushed to 90% passing 0.25 inches. The crushed sample is split and reduced from an average of 8 kg down to about 500 g. The reject is returned to the original sample bag and stored for future reference. The reduced sample is pulverized to 90% passing 200 mesh and split into two envelopes. One envelope is sent to an outside accredited lab for analysis and the other is retained for further reference and testing as required.

Quality Control (QC) samples (standards and blanks) are inserted with the core samples using the same sample numbering system. Boxes of pulps are sealed with a laboratory order inside and shipped to the outside assay laboratory using a contracted trucking company.

During the New Oropu phase of exploration, samples were shipped to SGS Labs in Lima, Peru for a 1-assay tonne gold fire assay with an Atomic Absorption (AA) finish reported in ppb. A second pulp was shipped to Acme Analytical Labs in Vancouver for any sample with an initial assay of 300 ppb Au or greater, and duplicate pulps were checked at random. Additionally, those samples less than 300 ppb Au were included if the sample was part of a continuous mineralized interval. Acme Analytical results were used in the final database for resource modeling.

BMC sent their samples to ALS Laboratories in Lima for gold analysis, which included gravimetric analysis for high values, and an ICP 33-element package. A cyanide shaker solubility determination was also carried out on selected samples with assays of greater than 500 ppb Au in earlier holes and 1500 ppb in later holes.

Barrick sent their samples from Tres Cruces to ALS Chemex in Lima for similar gold analysis by fire assay/AA using 50-gram pulp samples. All samples reporting assays greater than 5 g/t Au were re-analyzed by fire assay with a gravimetric finish. Samples were also analyzed for 34 element ICP (inductive coupled plasma) – AES (atomic emission spectroscopy) after decomposition by nitric aqua regia digestion.

The authors of the Tres Cruces Technical Report were unable to view or sample drill core from the Project but are confident in the work done by Lacroix (2012) who independently sampled core from 3 mineralized holes and confirmed the presence of significant gold mineralization from intervals with grades ranging from low to high.

Several reclaimed drill pads prepared for diamond core holes in earlier drill programs were confirmed in October 2020 by one of the authors of the Tres Cruces Technical Report. Unfortunately, drill collars are often destroyed or covered by site reclamation shortly after drilling and the exact location of the collars could not be determined, however, the pads are approximately at the stated drillhole coordinates in the database. In an earlier field check using differential GPS, Smee (2008) located 16 holes and compared coordinates with the database; the deviations were less than one meter in all cases.

In October 2020, one of the authors of the Tres Cruces Technical Report visited several sites of bedrock exposures that have been mapped by previous operators as altered rocks with local hydrothermal breccias and pyritic mineralization. The author collected nine samples from various outcrops that he visited in the North, South and South Extension Zones.

Three of the samples (60109-60111) collected by the author in the North Zone area returned anomalous Au values ranging from 0.080 to 0.662 g/t, with associated anomalous values for As, Sb, Fe, S and K. The samples are described as intensely silicified and argillically altered andesite breccia, with vuggy quartz, fine disseminated pyrite and minor arsenopyrite. This style of mineralization and alteration is similar to that described in drill core in some of the gold-bearing intercepts. Other samples comprised brecciated volcanic rocks with variable argillic and siliceous alteration, however, they were lacking in sulfide minerals and the gold values were relatively low.

Mineral Processing and Metallurgical Testing

Metallurgical testing programs have been undertaken during various exploration stages of the Tres Cruces project by each of the three operators since 1998. These tests included both oxidized and primary sulfide mineralization. Much of the testwork has focussed on improving recoveries for sulfide mineralization, which comprises a considerable portion of the resources at Tres Cruces.

The early metallurgical work, conducted by New Oroperu, indicated that while high Au recoveries from oxide minerals were attainable, results from sulfides were not consistent, with some composites responding poorly to cyanidation. Subsequent flotation tests showed promise, demonstrating high flotation recoveries and amenability to cleaning.

BMC focussed primarily on improving the low recoveries for sulfides by investigating bio-oxidation and fine-grind leaching. Mineralogy studies of four core samples showed native Au grains were extremely fine grained and found preferentially in finer-grained arsenic-rich pyrite that is intimately inter-grown with gangue minerals making the Au difficult to liberate by direct cyanidation. The study recommended the pre-concentration of pyrite into low-grade sulfide concentrates and oxidative pre-treatment. Bio-oxidation testing indicated significant improvements in Au recovery, but still not as high as recoveries for oxide ores where conventional column leach tests had established Au recoveries in the range of 78% to 95%.

Barrick continued testwork with a large number of quick leach tests at their Lagunas Norte laboratory utilizing both oxide and sulfide samples, establishing a baseline Au recovery of around 85% for oxides. Additional work saw one suite of samples sent to an outside laboratory for CIL cyanidation testing and three additional suites sent to other laboratories for combination flotation/cyanidation testing. The studies using flotation, followed by cyanidation of the flotation tailings, indicated that greater than 80% recoveries could be realized for sulfide ores. However, the flotation testing is by no means definitive at this point and further work has been recommended, including lock-cycle testing, with potential to enhance Au recovery in sulfides (G & T Metallurgical Services Ltd., 2008).

Mineral Resource and Mineral Reserve Estimates

A grade shell model was derived from drillhole assays by compositing 3 m sample lengths and using a 0.2 g/t Au threshold value. Computer software produced grade modelled sections such as the one shown below in Figure 3 which is a cross section of the deposit cut northeasterly through the proposed Main and North Pits. The section also distinguishes the near-surface oxide and leachable sulfide part of the deposit from the more voluminous

sulfide portion. Heap leachable oxide mineralization, and the immediately underlying leachable sulfides could provide the foundation to develop the deposit as an initial heap leach operation, which could then transition to the exploitation of the sulfides.

The Tres Cruces Mineral Resource was estimated in 2021 using different cut-off grades for the oxide, leachable sulfide and sulfide volumes of the deposit based on values used for pit optimization and available metallurgical test results, which are summarized in Table 1. The 2021 Tres Cruces Mineral Resource Estimate is listed in Table 2 using a cut-off of 0.3 g/t for oxide and leachable sulfide material and 0.9 g/t for sulfide material. A range of cut-off grades are shown in Table 3 to quantify sensitivity to grade; the highlighted Mineral Resource Estimates in the table indicate the currently chosen cut-off grades for each mineralization type. No values are tabled for sulfides at 0.6 g/t Au cut-off and lower, due to limited economic viability based on the operating parameters used in this estimate.

Figure 3 Example Section - Indicator Grade Shell Interpolation

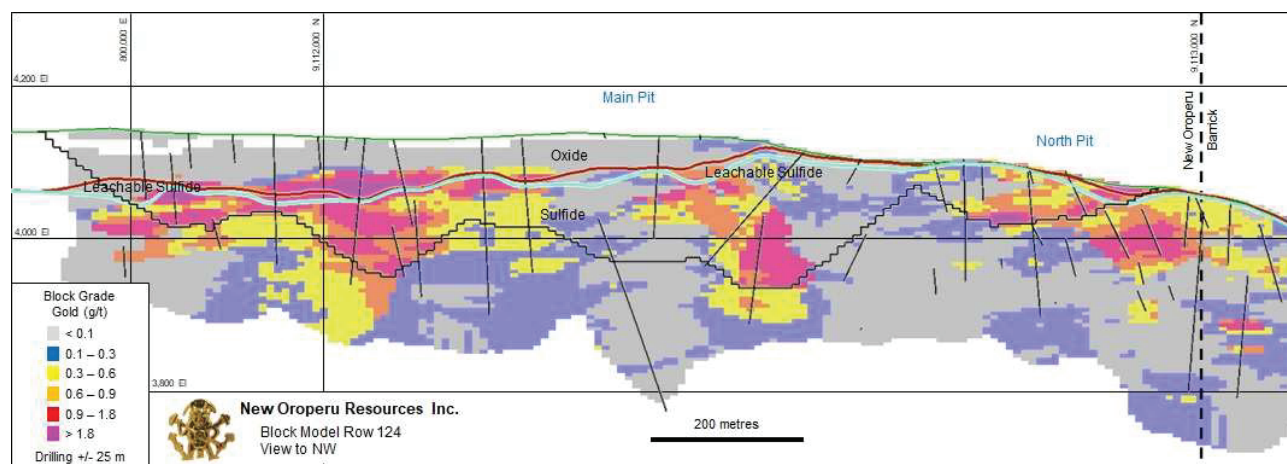


Table 1 Cut-off Grade by Mineralization Type

Min. Type	Cost (\$/t) (incl.mining)	Recovery Factored Cost (\$/t)	Cut-off Au (g/t)	Revenue (\$/t)
Oxide	4.27	\$5.23	0.3	\$14.83
Leachable Sulfide	5.20	\$8.00	0.3	\$14.83
Sulfide	30.39	\$34.53	0.9	\$44.50

Table 2 Tres Cruces 2021 Mineral Resource Estimate

Resource Classification	Oxide (0.3 g/t Au Cut-off)			Leachable Sulfide (0.3 g/t Au Cut-off)			Sulfide (0.9 g/t Au Cut-off)			Total		
	Tonnes	Au	Oz Au	Tonnes	Au	Oz Au	Tonnes	Au	Oz Au	Tonnes	Au	Oz Au
	(1,000s)	(g/t)	(1,000s)	(1,000s)	(g/t)	(1,000s)	(1,000s)	(g/t)	(1,000s)	(1,000s)	(g/t)	(1,000s)
Indicated	9,636	1.37	425	5,707	1.12	205	31,132	1.84	1,844	46,475	1.65	2,474
Inferred	487	0.75	12	361	0.60	7	1,713	1.55	85	2,561	1.26	104

Table 3 Mineral Resource at Range of Gold Cutoff Grades

Cut-off (g/t Au)	Resource Classification	Oxide			Leachable Sulfide			Sulfide			Total		
		Tonnes (1,000s)	Au (g/t)	Oz Au (1,000s)	Tonnes (1,000s)	Au (g/t)	Oz Au (1,000s)	Tonnes (1,000s)	Au (g/t)	Oz Au (1,000s)	Tonnes (1,000s)	Au (g/t)	Oz Au (1,000s)
0.2	Indicated	9,908	1.34	427	5,830	1.10	206				15,738	1.25	633
	Inferred	563	0.68	12	376	0.59	7				939	0.64	19
0.3	Indicated	9,636	1.37	425	5,707	1.12	205				15,343	1.28	630
	Inferred	487	0.75	12	361	0.60	7				848	0.69	19
0.4	Indicated	9,297	1.41	421	5,432	1.15	201				14,729	1.31	622
	Inferred	397	0.84	11	262	0.69	6				659	0.78	17
0.5	Indicated	8,720	1.47	413	4,842	1.24	193				13,562	1.39	606
	Inferred	332	0.92	10	170	0.83	5				502	0.89	15
0.6	Indicated	7,856	1.57	397	4,273	1.33	183				12,129	1.49	580
	Inferred	247	1.04	8	139	0.89	4				386	0.99	12
0.7	Indicated	6,963	1.69	379	3,652	1.45	170	42,692	1.56	2,139	53,307	1.57	2,688
	Inferred	169	1.23	7	88	1.03	3	2,185	1.38	97	2,442	1.36	107
0.8	Indicated	6,178	1.81	360	3,098	1.57	157	36,292	1.70	1,985	45,568	1.71	2,502
	Inferred	140	1.33	6	65	1.14	2	1,962	1.46	92	2,167	1.44	100
0.9	Indicated	5,563	1.92	343	2,662	1.69	145	31,132	1.84	1,844	39,357	1.84	2,332
	Inferred	118	1.41	5	56	1.18	2	1,713	1.55	85	1,888	1.53	92
1.0	Indicated	5,088	2.01	329	2,295	1.81	133	26,844	1.99	1,714	34,228	1.98	2,176
	Inferred	104	1.48	5	36	1.30	2	1,476	1.64	78	1,616	1.62	85

Interpretation and Conclusions

The mineral resource for New Oropu's Tres Cruces project was estimated by Mr. James N. Gray of Advantage Geoservices Limited, and reported in a Company news release on February 1, 2021, replacing the 2012 Lacroix estimate. The resource estimate includes data from 327 drill holes (159 RC and 168 diamond core holes) of 371 drill holes that were completed between 1996 and 2008 by New Oropu, BMC and Barrick. The following interpretations and conclusions are made by the authors of the Tres Cruces Technical Report:

- Indicated Mineral Resources are estimated to contain 46.5 million tonnes grading 1.65 g/t Au for a total of 2.5 million ounces of contained Au metal. Inferred Mineral Resources are estimated at 2.6 million tonnes grading 1.26 g/t Au for 0.1 million contained ounces Au. These estimates are reported at a 0.3 g/t Au cut-off, for oxide and leachable sulfide material, and at a 0.9 g/t cut-off for sulfide mineralization. These cut-off grades are considered appropriate based on currently available metallurgical testwork and the assumed mining parameters and gold price.
- The near surface Indicated Mineral Resource comprised of 9.64 M tonnes of oxide mineralization grading 1.37 g/t Au for 425,000 contained ounces of gold, and the immediately underlying leachable sulfides of 5.71 M tonnes grading 1.12 g/t Au for 205,000 contained ounces, form the basis for a reasonably sized heap leach operation.
- Near-surface oxide mineralization expansion opportunities are present in areas covered by shallow post-mineral rocks.
- Potential exists to increase the size of, and the confidence in, the resource through further drilling. Drilling areas presently classified as Inferred Mineral Resource, particularly in areas where holes ended in mineralization, could add, or upgrade significant resource tonnage.
- No estimate has been made by the authors for Ag although significant potential for value exists at current Ag prices. Indications are that silver grades are generally low and concentrated mainly in the deeper,

sulfide portion of the gold deposit. Based on this updated gold resource scenario, overall silver grades would be expected to range between 1.5 and 2.5 g/t, potentially containing 2.5 to 3.5 million ounces of silver. Any silver recovered with the gold would enhance overall project economics.

- While metallurgical testing still requires further detailed work, a baseline recovery of about 82% or better of the contained Au has been established for heap leaching of oxide mineralization, and 65% for heap leaching of low sulfide mineralization. Testing has indicated that greater than 88% recoveries are possible for sulfide components of the mineralization using flotation followed by pressure oxidation and CIL.
- Au recoveries do not necessarily depend on sulfur content. Those samples with both high Au recovery and S content are primarily derived from shallower depths while those with high S and lower recoveries are from deeper intervals. It is probable that in those samples exhibiting higher recoveries, some of the sulfur occurs in sulfate minerals (oxide state), or lower sulfur content may be due to partial leaching of sulfur following oxidation, or the gold may deport as free grains. Some of this mineralization may be treatable by heap leaching or other low-cost recovery techniques.
- The Tres Cruces heap leachable oxide mineralization, and the immediately underlying leachable sulfides can provide the foundation to develop the deposit as an initial heap leach operation, which could then transition to the exploitation of the sulfides. The tabular geometry of the oxide mineralization would, when extracted, expose some of the higher-grade areas of sulfide mineralization.
- The sulfide mineralization cut-off of 0.9 g/t Au was established by considering processing using pressure oxidation. Recommendations have been made by metallurgical consultants to further evaluate the treatment of the sulfide portion of the resource by various other less expensive treatment methods, including heap leaching, CIL leaching, oxidative pre-treatment, or flotation to create concentrates for shipping.
- Significant mineralization exists at depth below the currently optimized pit and beyond the northern property boundary, extending onto adjacent claims.
- The Cardoso Zone is the least densely drilled and contains only Inferred Mineral Resources. Additional drilling at closer spacings is required to bring these resources into higher-confidence categories.
- The Tres Cruces resource estimate has been carried out to industry standard techniques and classified in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards for Mineral Resources and Mineral Reserves (CIM, 2014).

The following recommendations are made by the authors of the Tres Cruces Technical Report:

- Drilling should be undertaken to better define mineralization in areas of the drill grid where holes are greater than 50 m apart, where there are unexplained discrepancies in zone continuity or grades between holes, or in areas where holes end in mineralized material.
- Drilling should be undertaken to define the edges of mineralized zones to better define resources and allow for detailed pit planning.
- Geotechnical drilling is needed in support of detailed mine design.
- Given the potential economic contribution from Ag recovered in the metallurgical processes, future mineral resource estimates should include Ag. The existing drill database silver assays should be vetted. This may require additional assaying, as not all samples were analyzed for Ag. Pulps and rejects from previous drilling campaigns may be available to aid in this process.
- Additional metallurgical testwork is recommended to better quantify recoveries for the different mineralization types as well as to refine the processing scope going forward.

- Efforts should be directed toward developing better methods for characterizing sulfide mineralization within the deposit. Sulfides of variable characteristics are shown to be amenable to heap leaching, CIL leaching and flotation concentration. Ongoing metallurgical investigations should include review of onsite options for oxidative pre-treatment of flotation concentrates.
- Alteration mapping and geochemical analyses of drill samples should be compiled and augmented with additional analyses from samples in storage to help further develop geological modelling of the deposit.
- Geological mapping and modelling should be directed toward evaluating the potential for higher-grade cores of mineralization, as well as possible mineralization hidden beneath thin layers of post-mineral rock units.
- Many previous holes ended in mineralization. Selected areas should have deeper drilling to determine the ultimate depth of mineralization, especially within or close to current expected pit limits.
- Exploration drilling should test favourable targets defined by geological modelling, or geophysical surveying outside of the known zones.
- An accurate topographic survey should be carried out for the entire property. This will be required for future detailed planning work.
- Project evaluation should be advanced by completing an economic assessment.

For further information regarding New Oroperu and the Tres Cruces Project see the Tres Cruces Technical Report, a copy of which is available on New Oroperu's company profile at www.sedar.com.

Recent Developments

On June 16, 2021, New Oroperu entered into the Arrangement Agreement with First Light pursuant to which First Light agreed to acquire all of the issued and outstanding New Oroperu Shares by way of the Arrangement. As consideration under the Arrangement, New Oroperu Shareholders (other than Dissenting Shareholders) will receive 5.815 First Light Shares for each New Oroperu Share held. Immediately following completion of the Arrangement, New Oroperu will become a wholly-owned subsidiary of First Light and, assuming that no New Oroperu Shares are issued in settlement of New Oroperu Options or New Oroperu Warrants and that there are no Dissenting Shareholders, it is anticipated that former New Oroperu Shareholders and current First Light Shareholders will own approximately 84% and 16% of Anacortes, without giving effect to the Concurrent Private Placement. See *"The Arrangement – Effect of the Arrangement – Anacortes Shares"*.

On April 19, 2021, New Oroperu announced that Mr. Rubenstein resigned from the board of directors of New Oroperu and that board accepted his resignation.

On February 1, 2021, New Oroperu announced receipt of a gold resource estimate at its Tres Cruces Project.

On January 5, 2021, New Oroperu disclosed that the right of Minera Barrick Misquichilca S. A. ("**MBM**") to acquire an interest in the shares of the New Oroperu's wholly-owned subsidiary, Aurifera Tres Cruces S. A., expired unexercised on December 31, 2020. New Oroperu notified MBM and Barrick accordingly and requested certain assurances from MBM arising as a result of the expiry of MBM's rights.

On May 7, 2020, New Oroperu closing a non-brokered private placement raising gross proceeds of \$1,300,000 by the issuance of 1,857,143 units at a price of \$0.70 per unit. Each unit consisted of one New Oroperu Share and one-half of one transferable share purchase warrant. Each whole warrant is exercisable to purchase one New Oroperu at a price of \$0.85 for a period of three years from the date of closing of the private placement.

On August 8, 2019, New Oroperu closed a non-brokered private placement, consisting of 1,850,000 units at a price of \$0.30 per unit for aggregate proceeds of \$555,000. Each unit consisted of one New Oroperu Share and

one transferable share purchase warrant. Each share purchase warrant is exercisable to acquire one New Oroperu at an exercise price of \$0.50 for a period of three years from the date of closing of the private placement.

Description of Capital Structure

New Oroperu Shares

New Oroperu's authorized share capital consists of an unlimited number of New Oroperu Shares without par value. All New Oroperu Shares rank equally as to dividends, voting powers and participation in assets and in all other respects. The holders of New Oroperu Shares are entitled to receive notice of, attend and vote at any meeting of the shareholders of New Oroperu. Each New Oroperu Share carries one vote per share. There are no voting right ceilings attached to the New Oroperu Shares. The holders of New Oroperu Shares are entitled to receive on a pro-rata basis such dividends as the New Oroperu Board from time to time may declare, out of funds legally available therefor. In the event of a liquidation, winding-up or dissolution of New Oroperu, whether voluntary or involuntary or for the purpose of a reorganization or otherwise or upon any distribution of capital, the holders of New Oroperu Shares have the right to receive on a pro-rata basis all of the assets of New Oroperu remaining after payment of all of New Oroperu's liabilities. No pre-emptive, redemption, retraction, exchange, sinking fund or conversion rights are attached to the New Oroperu Shares, and the New Oroperu Shares, when fully paid, will not be liable to further call or assessment. No other class of shares may be created without the approval of the holders of New Oroperu Shares.

Warrants

On August 8, 2019, New Oroperu completed a non-brokered private placement (the "**2019 Private Placement**") pursuant to which New Oroperu issued units consisting of New Oroperu Shares and warrants to acquire New Oroperu Share (the "**2019 Warrants**"). 1,850,000 New Oroperu Warrants were issued pursuant to the 2019 Private Placement, each of which entitles the holder thereof to acquire one New Oroperu Share at an exercise price of \$0.50 for a period of three years from the date of closing of the 2019 Private Placement.

On May 7, 2020, New Oroperu completed a non-brokered private placement (the "**2020 Private Placement**") pursuant to which New Oroperu issued units consisting of New Oroperu Shares and warrants to acquire New Oroperu Shares (the "**2020 Warrants**"). 928,571 New Oroperu Warrants were issued pursuant to the 2020 Private Placement, each of which entitles the holder thereof to acquire one New Oroperu Share at an exercise price of \$0.85 for a period of three years from the date of closing of the 2020 Private Placement.

The following New Oroperu Warrants are outstanding as at the date of this Circular:

Number of Warrants	Exercise Price	Expiry Date
1,850,000	\$0.50	August 8, 2022
841,072	\$0.85	May 7, 2023
Total: 2,691,072		

Options

On December 4, 2017, New Oroperu granted an aggregate of 2,500,000 New Oroperu Options to directors, officers and employees of the Company, each of which entitles the holder thereof to purchase one New Oroperu Share at an exercise price of \$0.45 per New Oroperu Share for a period of five years from the date of grant.

In May 2020, New Oroperu issued 400,000 New Oroperu Options to Ontario Limited, each of which entitles the holder thereof to purchase one New Oroperu Share at an exercise price of \$1.25 per New Oroperu Share until May 4, 2023.

In September 2020, New Oroperu issued 500,000 New Oroperu Options to Jonathan Rubenstein, each of which entitles the holder thereof to purchase one New Oroperu Share at an exercise price of \$2.50 per New Oroperu Share until September 4, 2025. Mr. Rubenstein ceased to be a director of New Oroperu on April 15, 2021, and his New Oroperu Options expired on July 14, 2021.

The following New Oproeru Options are outstanding as at the date of this Circular:

Number of Options	Exercise Price	Expiry Date
2,500,000	\$0.45	December 4, 2022
400,000	\$1.25	May 4, 2023
Total: 2,900,000		

Dividend History

New Oproeru has paid no dividends on the New Oproeru Shares since incorporation and does not anticipate paying dividends in the immediate future. The payment of future dividends, if any, will be reviewed periodically by the New Oproeru Board and will depend upon, among other things, conditions then existing including earnings, financial conditions, cash on hand, financial requirements to fund its commercial activities, development and growth, and other factors that the New Oproeru Board may consider appropriate in the circumstances.

Market for Securities

Price Range and Trading Volumes of New Oproeru Shares

The New Oproeru Shares are listed on the TSXV under the symbol "ORO.V". The following table sets forth, for the periods indicated, the reported high, low and month-end closing trading prices and the volume of trading of the New Oproeru Shares on the TSXV.

		TSXV			
		High (C\$)	Low (C\$)	Close (C\$)	Volume
2021					
	August 1 – August 6	2.00	1.86	1.95	10,902
	July	2.13	1.90	1.97	352,658
	June	2.23	1.86	2.13	235,180
	May	2.15	1.84	2.10	209,354
	April	2.10	1.74	2.00	294,286
	March	2.38	1.74	1.95	426,356
	February	2.70	2.15	2.34	763,721
	January	3.05	1.77	2.32	728,494
2020					
	December	3.24	2.77	2.97	162,463
	November	3.59	2.15	3.09	365,903
	October	2.45	2.01	2.20	162,261
	September	2.66	2.07	2.39	307,279
	August	2.83	2.15	2.67	465,343
	July	2.95	2.10	2.79	470,955

On June 16, 2021, the last trading day prior to the announcement that New Oproeru and First Light had entered into the Arrangement Agreement, the closing price of the New Oproeru Shares on the TSXV was \$1.99. On August 6, 2021, the last trading day prior to the date of this Circular, the closing price of the New Oproeru Shares on the TSXV was \$1.95.

Prior Sales

The following table summarizes the issuances by New Oproeru of the New Oproeru Shares, or securities convertible into the New Oproeru Shares, within the twelve months preceding the date of this Circular:

Date of Issuance	Type of Security	Price per Security (C\$)	Number of Securities
July 9, 2020	New Oproeru Shares ⁽¹⁾	0.20	463,334
July 10, 2020	New Oproeru Shares ⁽¹⁾	0.20	1,135,000
September 23, 2020	New Oproeru Shares ⁽¹⁾	0.85	37,500

September 23, 2020	New Oroperu Shares ⁽²⁾	0.17	25,000
September 23, 2020	New Oroperu Shares ⁽²⁾	0.17	25,000
October 22, 2020	New Oroperu Shares ⁽²⁾	0.17	1,050,000

Notes:

(1) Issued pursuant to exercise of New Oroperu Warrants.

(2) Issued pursuant to exercise of New Oroperu Options.

Legal Proceedings and Regulatory Actions

New Oroperu is not a party to, nor is any of its property the subject of, any material legal proceedings, and there are no material legal proceedings known by New Oroperu to be contemplated. New Oroperu has not: (i) received any penalties or sanctions imposed against it by a court relating to securities legislation or by a securities regulatory authority during the financial year ended December 31, 2020; (ii) received any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision; or (iii) entered any settlement agreements with a court relating to securities legislation or with a securities regulatory authority during the financial year ended December 31, 2020.

Transfer Agent, Registrar and Auditor

New Oroperu's transfer agent and registrar for the New Oroperu Shares is Computershare Trust Company of Canada at its principal office in Vancouver, British Columbia.

The auditors of New Oroperu are Smythe LLP of Vancouver, British Columbia.

Risk Factors

The business and operations of New Oroperu are subject to risks. New Oroperu Securityholders should carefully consider the risk factors and other information contained in this Circular. See "*Risk Factors – Risk Factors Relating to New Oroperu and Anacortes*".

Schedule "H"

Information Concerning First Light

Corporate Structure

Name and Incorporation

First Light was incorporated on March 5, 2018, as evidenced by a Certificate of Incorporation issued pursuant to the provisions of the *Business Corporations Act* (British Columbia) under the name "First Light Capital Corp."

The registered and records office of First Light is located at Suite 800, 885 West Georgia Street, Vancouver, British Columbia V6C 3H1. The head office of First Light is located at #1090 – 510 Burrard Street, Vancouver, British Columbia V6C 3B9.

Intercorporate Relationships

First Light has two wholly-owned subsidiaries, Finco and Subco, both of which were incorporated pursuant to the provisions of the *Business Corporations Act* (British Columbia).

General Development of the Business

History

First Light is a CPC and, to date, has not carried on any commercial operations. The sole business of First Light since its incorporation has been to identify and evaluate opportunities for the acquisition of an interest in assets or businesses so as to complete a Qualifying Transaction. Until the closing of the Arrangement, First Light will not have operated a business or have any material assets other than cash. First Light currently has no written or oral agreements in principle for the acquisition of an asset or business other than the Arrangement Agreement.

On October 5, 2018, First Light completed a private placement offering, pursuant to which First Light issued 10,000,000 common shares at \$0.05 per share for gross proceeds of \$500,000.

On April 23, 2019, First Light completed the First Light IPO as a CPC of 2,500,000 First Light Shares for gross proceeds of \$250,000 and the First Light Shares began trading on the TSXV on April 25, 2019 under the symbol "XYZ.P".

On December 19, 2019, following arm's length negotiations, First Light entered into a letter of intent with vMobo Inc., pursuant to which First Light and vMobo Inc. agreed to negotiate a transaction on the terms and conditions set forth therein.

On April 2, 2019, the letter of intent between First Light and vMobo Inc. expired, and First Light did not engage in any further discussion with vMobo Inc. with respect to completing a transaction.

On July 15, 2020, First Light completed a private placement offering, pursuant to which First Light issued 18,000,000 common shares at \$0.10 per share for gross proceeds of \$1,800,000.

On April 5, 2021, following arm's length negotiations, First Light and New Oroperu entered into the New Oroperu LOI pursuant to which First Light and New Oroperu agreed to negotiate a transaction on the terms and conditions set forth therein. The LOI was subsequently amended on May 4, 2021 and May 18, 2021 to, among other things, extend the expiry date of the LOI.

On June 16, 2021, First Light, Finco and Subco entered into the Amalgamation Agreement in connection with the Arrangement. The First Light Shares were halted from trading on the TSXV on June 17, 2021, pending announcement of the Arrangement. The closing price of the First Light Shares on June 16, 2021, the last trading date immediately preceding the announcement of the Arrangement, was \$0.47. Trading in the First Light Shares

remains halted on the TSXV as at the date of this Circular and is expected to remain halted until after the closing of the Arrangement.

On July 8, 2021, First Light applied to the TSXV for approval of Arrangement as First Light's Qualifying Transaction. There is no assurance the TSXV will grant conditional or final approval of the proposed Qualifying Transaction.

On July 21, 2021, First Light and Finco completed the Concurrent Private Placement pursuant to which First Light and Finco issued an aggregate of 5,096,250 Subscription Receipts at a price of \$0.40 per Subscription Receipt for aggregate gross proceeds of \$22,038,500.

Dividend Policy

First Light has not paid any dividends since incorporation and it has no plans to pay dividends. The directors of First Light will determine if and when dividends should be declared and paid in the future based on First Light's financial position at the relevant time. All of the First Light Shares are entitled to an equal share in any dividends declared and paid.

Description of the Securities

The authorized capital of First Light consists of an unlimited number of First Light Shares without par value. As of the date of this Circular, 30,687,500 First Light Shares are issued and outstanding, of which 11,500,000 First Light Shares are held in escrow pursuant to the terms of the CPC Escrow Agreement.

Holders of First Light Shares are entitled to one vote for each First Light Share held at all meetings of First Light Shareholders, to receive dividends if, as and when declared by the First Light Board, and to participate rateably in any distribution of property or assets upon the liquidation, winding-up or other dissolution of First Light. The First Light Shares carry no pre-emptive rights, conversion or exchange rights, or redemption, retraction, repurchase, sinking fund or purchase fund provisions. There are no provisions requiring a holder of First Light Shares to contribute additional capital, and no restrictions on the issuance of additional securities by First Light. There are no restrictions on the repurchase or redemption of First Light Shares by First Light except to the extent that any such repurchase or redemption would render First Light insolvent.

Stock Option Plan

The First Light Board initially adopted a 10% rolling stock option plan (the "**First Light Stock Option Plan**") on October 16, 2018, which was most recently approved by the First Light Shareholders on November 24, 2020. The following is a brief description of the key provisions of the First Light Stock Option Plan, which is qualified in its entirety by the full text of the plan. As of the date of this Circular, there are 300,000 First Light Options outstanding under the First Light Stock Option Plan.

The First Light Stock Option Plan provides that, unless authorized by the First Light Shareholders, the First Light Stock Option Plan, together with all of First Light's other previously established or proposed stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Shares, may not result, at any time, in:

- the number of First Light Shares reserved for issuance pursuant to stock options exceeding 400,000 First Light Shares at any time prior to the completion by First Light of a Qualifying Transaction or 10% of the outstanding First Light Shares following the completion by First Light of a Qualifying Transaction;
- the issuance to insiders, within a one-year period, of a number of First Light Shares exceeding 400,000 First Light Shares at any time prior to the completion by First Light of a Qualifying Transaction or 10% of the outstanding First Light Shares following the completion by First Light of a Qualifying Transaction;
- the issuance to any one insider and such Insider's associates, within a one year period, of a number of First Light Shares exceeding 200,000 First Light Shares at any time prior to the completion by First Light

of a Qualifying Transaction or 5% of the outstanding First Light Shares following the completion by First Light of a Qualifying Transaction; or

- if required by TSXV Policy or Applicable Securities Laws, the issuance to consultants of a number of First Light Shares exceeding 80,000 First Light Shares at any time prior to the completion by First Light of a Qualifying Transaction or 2% of the outstanding First Light Shares following the completion by First Light of a Qualifying Transaction.

First Light Options may be exercised the greater of 12 months after the completion of the Qualifying Transaction and 90 days following cessation of the optionee's position with First Light, provided that if the cessation of office, directorship, or technical consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option. The exercise price of any option cannot be less than the greater of the Offering share price and the Discounted Market Price (as defined in the policies of the TSXV). Any First Light Shares acquired pursuant to the exercise of options prior to the completion of the Qualifying Transaction, must be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin (as defined in the policies of the TSXV) is issued.

First Light intends to seek the approval of its shareholders at the First Light Meeting to amend the First Light Stock Option Plan to provide for the grant of equity awards other than stock options, namely, restricted share units and performance share units, with such amendments to take effect on the closing of the Arrangement. The amendment of the First Light Stock Option Plan is not a condition to the closing of the Arrangement, and, if not approved or the Arrangement does not complete for any reason, the existing First Light Stock Option Plan will continue in full force and effect.

Prior Sales

The following table sets out information with respect to prior issuances of securities of First Light in the 12 months preceding the date of this Circular.

Date Issued	Type of Security	Price or Exercise Price	Number of Securities
July 21, 2021	First Light Subscription Receipts	\$0.40	4,531,250 ⁽¹⁾⁽²⁾
July 21, 2021	Agents' Compensation Subscription Receipts	N/A ⁽³⁾	3,304,025

Notes:

(1) Issued pursuant to the First Light Private Placement.

(2) Does not include 50,565,000 Finco Subscription Receipts issued pursuant to the Concurrent Private Placement. See "*The Arrangement – Effects of the Arrangement – First Light Shares*";

(3) Issued as compensation to the Agents in exchange for services rendered in connection with the Concurrent Private Placement.

Stock Exchange Price

The following table shows the high, low and closing prices and total trading volume of the First Light Shares on a monthly basis for each month or partial month over the 12 months preceding the date of this Circular:

Period	High	Low	Volume Traded
August 1, 2021 to August 9, 2021	No trades ⁽¹⁾		
July 2021	No trades ⁽¹⁾		
June 2021	0.47 ⁽¹⁾	0.40 ⁽¹⁾	1,170 ⁽¹⁾

Period	High	Low	Volume Traded
May 2021	0.45	0.35	45,000
April 2021	0.45	0.42	192,000
March 2021	0.485	0.35	184,700
February 2021	0.49	0.40	78,850
January 2021	0.48	0.33	49,000
December 2020	0.48	0.30	15,560
November 2020	0.32	0.305	11,500
October 2020	0.45	0.305	7,514
September 2020	0.31	0.31	1,000
August 2020	0.36	0.26	77,560

Notes:

- (1) Trading in the First Light Shares on the TSXV was halted on June 16, 2021, following the announcement of entry into the Arrangement Agreement.

Escrowed Securities

Designation of Class	Number of securities held in escrow or that are subject to a contractual restriction on transfer	Percentage of Class
Common Shares	11,500,000 ⁽¹⁾	37.5%

Notes:

- (1) Pursuant to Schedule B of the CPC Escrow Agreement, 25% of the CPC Escrow Shares would be released upon the date of issuance of the Final Exchange Bulletin and an additional 25% of the CPC Escrow Securities would be released every 6 months thereafter, until all CPC Escrow Shares have been released (18 months following the date of issuance of the Final Exchange Bulletin).

Directors and Executive Officers

At present, the directors of First Light are elected at each annual general meeting and hold office until the next annual general meeting, or until their successors are duly elected or appointed in accordance with the First Light's articles or until such director's earlier death, resignation or removal.

The following table sets out, for each of First Light's directors and executive officers, the person's name, province or state and country of residence, position with First Light, principal occupation, security holdings and, if a director, the date on which the person became a director.

Name, Place of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years⁽¹⁾	Director Since	Number of First Light Shares Owned⁽¹⁾
James Currie ⁽²⁾ British Columbia, Canada <i>Chief Executive Officer and Director</i>	Mr. Currie is a registered professional engineer with over 40 years of senior management, engineering and operations experience in the mining industry. Most recently, he served as chief operating officer of Equinox Gold, where, amongst other things, he led the construction team building the company's Aurizona Mine in Brazil. Prior to that, Mr. Currie was the chief operating officer of a number of small to mid-size mining and development companies, including Pretium Resources and NewGold Inc. Mr. Currie holds a Bachelor's degree in mining engineering from Queen's University and was the 2014 co-winner of AME BC's prestigious EA Scholtz Award for Excellence in Mine Development for his work on New Gold Inc.'s New Afton gold mine in B.C., which went into production in 2012.	June 9, 2020	3,000,000 ⁽³⁾
Neil Currie ⁽²⁾ British Columbia, Canada <i>Chief Financial Officer, Corporate Secretary and Director</i>	Mr. Currie has been the managing partner and founder of Capital Event Management, a private company offering investment conferences, from November 2010 to present.	March 15, 2018	1,980,000 ⁽⁴⁾
Benjamin Curry ⁽²⁾ British Columbia, Canada <i>Director</i>	Mr. Curry has been a registered mortgage broker since 2015 and is currently an associate with commercial real estate finance firm, CMSI Pacific, a private commerce real estate finance firm. He was a principal of Coastline Capital Corp., a private financial advisory firm, from January 2011 to May 2018.	March 15, 2018	100,000 ⁽⁵⁾

Notes:

- (1) Information has been furnished by the respective nominees individually.
- (2) Member of the Audit Committee.
- (3) This number includes 1,200,000 First Light Shares held directly and 1,800,000 First Light Shares held indirectly through Anacortes Management Ltd., a company wholly owned by James Currie.
- (4) These First Light Shares are held indirectly through Currie Capital Corp., a company wholly owned by Neil Currie. Does not include an aggregate of 100,000 options held directly, each of which is exercisable into one First Light Share at a price of \$0.10 per share until April 23, 2024.
- (5) Does not include an aggregate of 100,000 options held directly, each of which is exercisable into one First Light Share at a price of \$0.10 per share until April 23, 2024.

Orders

To the best of First Light's knowledge, no director or executive officer of First Light is, or within the ten (10) years before the date of this Circular has been, a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days 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.

Bankruptcies

To the best of First Light's knowledge, no director or executive officer of First Light is, or within ten (10) years before the date of this Circular, has been, a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the 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 made a proposal under any legislation relating to bankruptcies or insolvency.

Penalties and Sanctions

To the best of First Light's knowledge, no director or executive officer of First Light has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a director.

Legal Proceedings And Regulatory Actions

There are no material pending legal proceedings or regulatory actions to which First Light is a party, or of which any of its property is the subject matter, nor is First Light aware that any such proceedings are contemplated.

First Light has not: (i) received any penalties or sanctions imposed against it by a court relating to securities legislation or by a securities regulatory authority during the financial year ended December 31, 2020; (ii) received any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision; or (iii) entered any settlement agreements with a court relating to securities legislation or with a securities regulatory authority during the financial year ended December 31, 2020.

Interests of Management and Others in Material Transactions

Except as set out below and as described elsewhere in this Circular, no insider, director or executive officer of First Light and no associate of any director, executive officer, or insider has any material interest, direct or indirect, in any transaction since First Light's incorporation that has materially affected or is reasonably expected to materially affect the First Light. See Schedule "L" *Statement of Executive Compensation*.

First Light entered into an advisory agreement with Medalist Capital Ltd. ("**Medalist**"), a holder of more than 10% of the issued and outstanding First Light Shares, dated April 1, 2021, whereby Medalist agreed to provide certain financial advisory services in connection with the Arrangement. In consideration for its services, First Light has agreed to issue to Medalist 3,200,000 First Light Units (on a pre-Consolidation basis), payable on the closing of the Arrangement.

Auditor, Transfer Agent and Registrar

Auditor

The auditor of First Light is Manning Elliott LLP, at its Vancouver office at 1030 W Georgia St #1700, Vancouver, British Columbia V6E 2Y3.

Transfer Agent and Registrar

The transfer agent of First Light is Computershare Investor Services Inc., at its Vancouver office at 510 Burrard Street, 3rd Floor, Vancouver, British Columbia V6C 3A8.

Material Contracts

Since incorporation, First Light has not entered into any contracts that are still in force that are material to investors in the First Light Shares, except:

1. the Arrangement Agreement;
2. the Amalgamation Agreement;
3. the Agency Agreement dated July 21, 2021 among First Light, Finco, New Oroperu and the Agents entered into in connection with the Concurrent Private Placement;
4. the Warrant Indenture dated July 21, 2021 between First Light and Computershare Trust Company of Canada entered into in connection with the Concurrent Private Placement;
5. the First Light Subscription Receipt Agreement;
6. the Finco Subscription Receipt Agreement;
7. the CPC Escrow Agreement; and
8. the Transfer Agent, Registrar and Dividend Disbursing Agent Agreement dated October 16, 2018 between First Light and Computershare Investor Services Inc.

Copies of these agreements may be inspected without charge during regular business hours at 1090 - 510 Burrard Street, Vancouver, British Columbia V6C 3B9, until 30 days after the closing of the Arrangement. Copies of these agreements may also be found under First Light's profile on SEDAR at www.sedar.com.

Schedule "I"

Information Concerning Anacortes

The following is a summary of Anacortes, the entity resulting from the Arrangement, its business and operations and should be read together with the more detailed information and financial data and statements contained elsewhere in this Circular. This information is presented on a post-Arrangement and post-Consolidation basis and is reflective of the projected pro forma business, financial and share capital position of Anacortes assuming completion of the Arrangement and the Consolidation. As Anacortes will be the same corporate entity as First Light, this section only includes information respecting First Light (and New Oroperu, as applicable) after the Arrangement and the Consolidation that is materially different from information provided elsewhere in this Circular regarding First Light and New Oroperu pre-Closing.

Except as otherwise described in this Schedule "I", the business of Anacortes and information relating to Anacortes shall be that of New Oroperu generally disclosed elsewhere in this Circular.

Overview

Corporate Structure

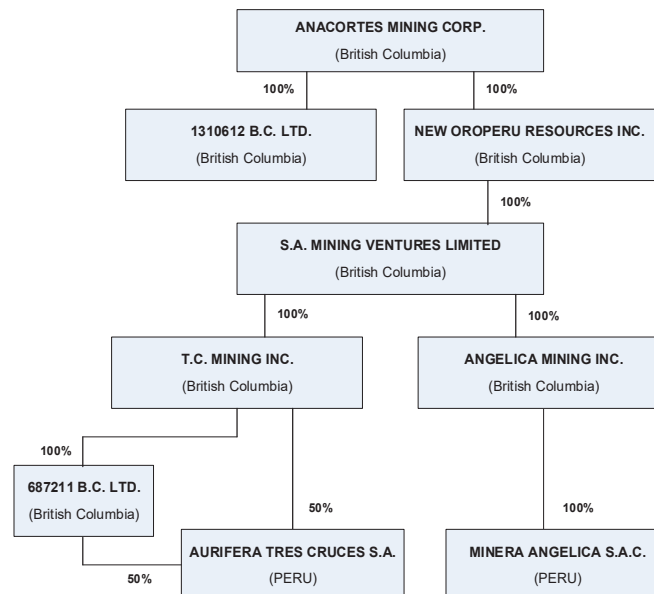
On completion of the Arrangement, First Light will continue the current operations of New Oroperu under the name "Anacortes Mining Corp." and be governed by the laws of the Province of British Columbia. The Arrangement will result in the acquisition of all of the New Oroperu Shares by First Light.

It is expected that the head office of the Resulting Issuer, and the registered and records office of the Resulting Issuer, remain, until further notice, at the registered office of First Light.

Following the Closing, the Anacortes Shares are expected to be listed on the TSXV under the trading symbol "XYZ.V".

Intercorporate Relationships

The following diagram sets forth the corporate structure of Anacortes.



Description of the Business

Anacortes will carry on the business operated by New Oroperu, and specifically it will continue to operate, explore and develop mineral properties. Following completion of the Arrangement, Anacortes' efforts will be focused on: the successful integration of the business and operations of New Oroperu into Anacortes; data compilation and validation; exploration drilling to increase oxide and sulphide mineral resources; the advancement of a feasibility study for a standalone oxide operation; permitting; and the evaluation of oxide development scenarios, including potential synergies. Following the Arrangement, Anacortes' principal asset will be the Tres Cruces Project. See "Information Concerning New Oroperu – Tres Cruces" in Schedule "G".

Description of Share Capital

The authorized share capital of Anacortes will be the same as the currently authorized share capital of First Light and there will be no change in the rights associated with the First Light Shares. The authorized share capital of Anacortes will consist of an unlimited number of First Light Shares without par value. See "Description of the Securities" in Schedule "H" hereto.

Immediately following completion of the Arrangement, Anacortes will give effect to the Consolidation. Based on the number of issued and outstanding New Oroperu Shares and First Light Shares as at the Record Date and assuming that no New Oroperu Shares are issued in settlement of New Oroperu Options or New Oroperu Warrants at the Effective Time and that there are no Dissenting Shareholders, it is anticipated that there will be 42,173,833 Anacortes Shares issued and outstanding upon completion of the Arrangement and the Consolidation. In addition, Anacortes Shares may be issued at and after the Effective Time in settlement of the New Oroperu Warrants, however it cannot be determined at this time if any such Anacortes Shares will be issued.

Available Funds and Principal Purposes

The following table sets out information respecting the Anacortes' expected sources of cash following the completion of the Arrangement. The amounts shown in the table are estimates only and are based upon the information available to First Light and New Oroperu as of the date hereof:

Sources	
Estimated First Light working capital as at March 31, 2021 (unaudited)	\$1,982,921
Estimated New Oroperu working capital as at March 31, 2021 (unaudited)	\$1,476,997
Net proceeds of Concurrent Private Placement	\$20,483,330 ⁽¹⁾
Estimated funds available to the Resulting Issuer upon completion of the Arrangement	\$23,943,248

Notes:

(1) Calculated after deducting the Agents' Cash Fee of \$1,320,360 and the reasonable expenses of the Agents of \$234,810 expected to be incurred in connection with the Concurrent Private Placement and to be paid by First Light and Finco.

The following table sets out the principal purposes, using approximate amounts, for which Anacortes currently intends to use its available funds on completion of the Arrangement. The amounts shown in the table are estimates only and are based on the information available to First Light and New Oroperu as of the date hereof.

Use of Funds	
Payments related to the Completion of the Qualifying Transaction ⁽¹⁾	\$7,044,350
Estimated 12 month general and administrative expenses ⁽²⁾	\$1,411,300

Use of Funds	
Public Company Operations ⁽³⁾	\$433,400
Exploration work on the Property	\$6,526,381
New property investigation costs	\$1,122,000
Unallocated funds	\$7,405,817
Total	\$23,943,248

Notes:

- (1) Includes professional and advisory fees, \$2,395,750 in change of control payments, and \$2,073,600 in cash payments to holders of New Oroperu Options.
- (2) Includes \$698,500 for executive and management salaries, \$280,500 for legal, audit and accounting fees, \$102,300 for office expenses, and \$330,000 for consulting fees.
- (3) Includes \$110,000 for regulatory expenses, \$257,400 for shareholder communications and \$66,000 for insurance and other expenses.

There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary.

Pro Forma Information

Unaudited Pro Forma Financial Information

Pro forma consolidated financial statements of Anacortes have been compiled from the underlying financial statements of New Oroperu and First Light, which have each been prepared in accordance with IFRS, to illustrate the effect of the Arrangement. The unaudited *pro forma* consolidated financial statements of Anacortes and accompanying notes are included in Schedule "K" to this Circular.

Pro Forma Consolidated Capitalization

The following table sets forth the approximate capitalization of First Light as at March 31, 2021, both before and after giving effect to the Arrangement but without giving effect to the Consolidation.

Designation of Security	As at March 31, 2021 (Before Giving Effect to the Arrangement)	As at March 31, 2021 (After Giving Effect to the Arrangement and Without Giving Effect to the Consolidation)
Common Shares ⁽¹⁾	30,625,000	253,042,999
Warrants ⁽²⁾	Nil	43,196,708
Options ⁽³⁾	300,000	9,720,300
Broker Warrants ⁽⁴⁾	125,000	3,304,025

Notes:

- (1) Based on there being (i) 30,625,000 First Light Shares outstanding as of March 31, 2021, (ii) 62,500 First Light Shares issued on the exercise of warrants subsequent to March 31, 2021, (iii) 27,937,962 New Oroperu Shares expected to be outstanding as of the Effective Time, entitling the holder thereof to acquire 5.815 First Light Shares for each New Oroperu Share held at the Effective Time, (iv) an aggregate of 55,096,250 First Light Shares to be issued on conversion of 55,096,250 Subscription Receipts immediately prior to the Effective Time, and (v) an aggregate of 4,800,000 First Light Shares issued as compensation to financial advisors on the Closing.
- (2) Based on there being (i) 2,691,072 New Oroperu Warrants issued and outstanding expected to be outstanding immediately prior to the Effective Time, which following the Effective Time, will entitle the holder thereof to acquire 5.815 First Light Shares for each New Oroperu Warrant held, and (ii) an aggregate of 27,548,125 First Light Warrants to be issued on conversion of 55,096,250 Subscription Receipts immediately prior to the Effective Time.
- (3) Based on there being (i) 300,000 options to purchase First Light Shares outstanding as of March 31, 2021, with each option having an exercise price of \$0.10 per share until April 23, 2024, (ii) 1,620,000 New Oroperu Options expected to be outstanding immediately prior to the Effective Time which will be exchanged for 9,420,300 Replacement Options at the Effective Time.

- (4) Based on there being (i) 125,000 broker warrants of First Light outstanding on March 31, 2021, with each having an exercise price of \$0.10 until April 23, 2021, of which 62,500 were exercised for First Light Shares subsequent to March 31, 2021 and 62,500 expired, and (ii) an aggregate of 3,304,025 Agents' Compensation Subscription Receipts issued in connection with the Concurrent Private Placement, which will convert into 3,304,205 Agents' Compensation Options on completion of the Arrangement.

Options to Purchase Securities

The following table sets forth the aggregate number of options to acquire Resulting Issuer Shares that are expected to be outstanding upon Closing (including First Light Replacement Options and Resulting Issuer Options to be issued at Closing):

Category		Number of Options to acquire Resulting Issuer Shares	Exercise Price	Expiration Date
(i)	all executive officers and past executive officers of the Resulting Issuer, as a group (4 persons in total)	16,666	\$0.60	April 23, 2024
		800,000	\$0.40	5 years from the Closing Date
(ii)	all directors and past directors of the Resulting Issuer who are not also executive officers, as a group, excluding those in (i) above (6 persons in total)	455,508	\$0.4643	December 4, 2022
		33,332	\$0.60	April 23, 2024
		600,000	\$0.40	5 years from the Closing Date
(iii)	all executive officers and past executive officers of all subsidiaries of the Resulting Issuer, as a group, excluding those in (i) and (ii) above (1 person in total)	242,291	\$0.4643	December 4, 2022
(iv)	all directors and past directors of all subsidiaries of the Resulting Issuer who are not also executive officers of those subsidiaries, as a group, excluding those in (ii) above (2 persons in total)	484,582	\$0.4643	December 4, 2022
(v)	all other employees and past employees of the Resulting Issuer as a group	Nil	N/A	N/A
(vi)	all other employees and past employees of subsidiaries of the Resulting Issuer as a group	387,666	\$1.2898	May 4, 2023
(vii)	all consultants of the Resulting Issuer as a group	Nil	N/A	N/A

The Resulting Issuer's Board of Directors may, from time to time, in its discretion, grant to directors, officers, employees, consultants and other personnel of the Resulting Issuer, options to purchase shares of the Resulting Issuer. The Resulting Issuer expects to issue 1,400,000 Resulting Issuer Options on Closing to certain directors and officers of the Resulting Issuer, with such options having an exercise price of \$0.40 and expiring 5 years after the Closing Date

Dividends

There will be no restrictions in Anacortes' articles or elsewhere, other than customary general solvency requirements, which would prevent Anacortes from paying dividends following completion of the Arrangement. However, neither New Oropu nor First Light has paid any dividends since incorporation and it is not anticipated that any dividends will be paid on the Anacortes Shares in the immediate future, as management of Anacortes anticipates that all available funds will be invested to finance further acquisition, exploration and development of its mineral properties. Any decision to pay dividends on the Anacortes Shares in the future will be made by the Anacortes Board on the basis of the earnings, financial requirements and other conditions existing at such time.

Principal Securityholders

To the best of the knowledge of the directors and officers of New Oropu and First Light, upon completion of the Arrangement, there will be no persons or companies who will beneficially own, directly or indirectly, or exercise control or direction over, shares carrying more than 10% of the voting rights attached to the Anacortes Shares, after giving effect to the Arrangement.

Executive Officers and Directors of Anacortes

The following table sets out the province or state, and country of residence of each proposed director and executive officer of the Resulting Issuer, their proposed respective positions and offices with the Resulting Issuer, their respective principal occupations during the five preceding years and the number and percentage of Resulting Issuer Shares which will be beneficially owned, directly or indirectly, or over which control or direction is proposed to be exercised, by each of the Resulting Issuer's proposed directors and executive officers following the completion of the Arrangement. Each director's term of office will expire at the next annual meeting of the shareholders of the Resulting Issuer unless they are re-elected at such meeting.

Name, Province or State and Country of Residence and Position to be held at Closing	Principal Occupation During Last Five Years	Resulting Issuer Shares Outstanding on Closing	
		Number	Percentage (%) ⁽¹⁾
James Currie, President, CEO and Director <i>British Columbia, Canada</i>	Chief Operating Officer at Equinox Gold Corp.	583,333	1.4%
Brian Storseth, Director <i>Ontario, Canada</i>	Principal at Wellington-Dupont Public Affairs	Nil	N/A
Barry Hildred, Director ⁽²⁾⁽³⁾ <i>Ontario, Canada</i>	Executive Chairman at Aquila Resources Inc.	Nil	N/A
Andy Carstensen, Director	VP Exploration at Luminex Resources	10,416	*

Name, Province or State and Country of Residence and Position to be held at Closing	Principal Occupation During Last Five Years	Resulting Issuer Shares Outstanding on Closing	
		Number	Percentage (%) ⁽¹⁾
Montana, USA	Chief Geologist at Lumina Gold Corp.		
K. Wayne Livingstone, Director British Columbia, Canada	President and CEO at New Oroperu President and CEO at Carlin Gold Corporation	3,021,617	7.2%
Hornng Dih Lee, CFO and Secretary British Columbia, Canada	CFO, Secretary and VP at Eastern Platinum Ltd. CFO and Secretary at Esrey Resources Ltd.	Nil	N/A
Steven Botts, President, General Manager ATC Lima, Peru	President at Santa Barbara Consultants VP and Managing Director at Tahoe Peru	20,833	*

Notes:

* Less than 1%

(1) On a non-diluted basis based on 42,173,833 Resulting Issuer Shares expected to be issued and outstanding on Closing.

(2) Member of the Audit Committee.

(3) Chair of the Audit Committee.

Upon completion of the Arrangement, the proposed directors and officers of the Resulting Issuer and its material subsidiaries as a group are expected to beneficially own, directly or indirectly, or exercise control or direction over, an aggregate of 3,636,199 Anacortes Shares, representing 8.6% of the issued and outstanding Anacortes Shares on an undiluted basis, assuming there are 42,173,833 Anacortes Shares outstanding at Closing. All of such Anacortes Shares are subject to the CPC Escrow Agreement or will be required to be deposited into escrow pursuant to the terms of a Value Security Escrow Agreement, as applicable. See “*Escrowed Securities*”.

Biographies

The following are brief profiles of the proposed members of management and directors of the Resulting Issuer.

James Currie – President, CEO and Director

Mr. James (“Jim”) Currie is currently President and CEO of First Light Capital Corp. (TSXV:XYZ.P) which is a capital pool company focused on identifying a qualifying transaction in the mining sector. Most recently, he was Chief Operating Officer (COO) of Equinox Gold (TSX/NYSE:EQX), where he was responsible for two operating mines and a development project.

Jim has held the role of COO for a number of mid-tier gold producers, including Pretivm Resources (TSX/NYSE:PVG) and New Gold Inc. (TSX/NYSE:NGD). At Pretivm, he led the early development of the Brucejack gold mine which commenced operation in 2017. At New Gold, he was responsible for three mining operations and led the construction and development of New Gold’s New Afton gold mine, which went into production in 2012.

Over the course of his 40+ year career in the mining industry he has been a director on various boards and held senior management, engineering and operation roles for a number of mines and projects. Jim holds a Bachelor

of Applied Science degree with honours in mining engineering from Queen's University and is a registered professional engineer. He was the 2014 co-winner of AME BC's prestigious EA Scholtz Award for Excellence in Mine Development for his work on New Afton.

Brian Storseth – Director

Brian Storseth has over 20 years of experience working in municipal, provincial and federal politics. He started his career by working for the Speaker of the Legislative Assembly of Alberta. He was then elected as the Councillor for the Town of Barrhead in Alberta. He was elected to the House of Commons in 2006 and served as Member of Parliament (MP) representing the electoral district of Westlock-St Paul for 10 years.

During his time in the House of Commons, Mr. Storseth was part of the Standing Committee on Agriculture, Standing Committee on Transportation and Infrastructure, Standing Committee on National Defense, Standing Committee on Foreign Affairs and International Development, Standing Committee on Environment and the Standing Committee on Indigenous Affairs. He was also the Chair of the Government Mining Caucus for over four years. As a Member of Parliament, Mr. Storseth worked with the government to consult with industry in developing Canada's Corporate Social Responsibility strategy for the extractive industries sector in 2013.

Since leaving politics, Mr. Storseth has served on several non-profit and publicly traded Boards. He also serves on the Boards of several charitable organizations, including Progress for Mental Health and the Canada Lebanon Foundation. Mr. Storseth is also the founder of the Westlock Women's Hope Resource Centre. He is one of the founders of Reshore Canada, an initiative designed to advocate for the return of critical supply chains and manufacturing to Canada and North America.

Barry Hildred – Director

Barry Hildred is a senior executive and successful entrepreneur with varied business leadership experience and is currently Executive Chairman of Aquila Resources Inc. Mr. Hildred was founder of The Equicom Group, a company specializing in strategic financial and investor relations services for Canadian public companies. In 2007, The Equicom Group was acquired by the TMX Group, owner and operator of the Toronto Stock Exchange and the TSXV. Mr. Hildred also serves on the Board of Directors of the Children's Aid Foundation of Canada where he is Past-Chair.

Andy Carstensen – Director

Andrew Carstensen is a professional geologist who has over 43 years of experience in mineral exploration within both major mining and junior exploration sectors. Mr. Carstensen is currently VP of Exploration at Luminex Resources and Chief Geologist for Lumina Gold Corp as well as a member of the Board at Sun Summit Minerals. He previously held senior positions with other Lumina Group Companies including Anfield Nickel, Anfield Gold, Lumina Copper, and was technical advisor to a private copper-silver exploration venture in Poland (Miedzi Copper). Prior to his association with the Lumina Group, Mr. Carstensen held senior management roles at Geologix Exploration and Manhattan Minerals. Earlier in his career, Mr. Carstensen held geological positions with Western Gold Exploration, Noranda and Newmont Exploration. Mr. Carstensen holds BA and MS degrees in Geology from the University of Montana and is a Certified Professional Geologist with AIPG.

K. Wayne Livingstone – Director

Wayne Livingstone graduated with degrees in Geology from Carleton University, BSc. (Hons.) and University of British Columbia, MSc. Over his career Mr. Livingstone has explored for copper porphyries in North America and epithermal gold deposits in North and South America. Mr. Livingstone served as a director and geologist of Hycroft Resources and Development Corporation during its exploration and development of a 1 million ounce gold heap leach operation in Nevada. Mr. Livingstone currently serves as a Director of Constantine Metal Resources Ltd. (TSXV), whose technical team drilled the discovery holes in its massive sulphide, Cu, Zn, Au, Ag, Palmer deposit in Alaska. Constantine's assembled gold assets were subsequently spun-out into a new public company, HighGold Mining Inc. Mr. Livingstone has served as a Director, President and Chief Executive Officer of New Oropu since 1994.

Hong Dih Lee – CFO and Secretary

Horng Dih (H.D.) Lee obtained his M.B.A. from the University of British Columbia and his Chartered Accountant designation in 1988 with Deloitte LLP in Vancouver, BC, Canada. Mr. Lee has worked with public companies in a financial and managerial capacity since 1990. He has extensive experience with financial reporting, corporate governance, budgeting, public company procedures, and mergers and acquisitions.

Since 2016, Mr. Lee has provided consulting services to a number of private and public companies in the mining sector, and in the personal services, medical device, and financial services industries.

From 2008-2016, Mr. Lee was CFO and Corporate Secretary of Eastern Platinum Ltd. (TSX), and from 2004-2007, he was CFO and Corporate Secretary of Northern Orion Resources Inc. (TSX). From 1996 – 2003 Mr. Lee was CFO of Diamond Fields International Ltd. Prior to that, he held positions of increasing responsibility with Galactic Resources, Diamondfields Resources and Auto Marine Electric. Mr. Lee has also been a director of public mining companies, most recently Orosur Mining Inc. (TSX) from 2014-2020 where he was also the Chair of its Remuneration Committee and Audit Committee.

Steven Botts – President ATC

Mr. Botts has more than 40 years' experience in the mining industry with a focus on the areas of project development, environmental management, stakeholder engagement, and sustainable development. He currently (since 2011) is the President of Santa Barbara Consultants in Lima Peru. From 2018 – 2019, he served as VP and Managing Director of Tahoe Peru, where he managed both the La Arena and Shahuindo gold heap leach operations before the company was sold to Pan American Silver. From 2014 – 2017, he was GM of Marcobre S.A.C. (a subsidiary of Minsur) where he managed the Feasibility Study for the Mina Justa copper project. From 2012 – 2013 he was President and CEO of Minera Panamá S.A. where he had overall responsibility for the (then) development-stage Cobre Panamá Project. Prior to that, he worked in senior positions for AngloGold Ashanti Americas, Rio Tinto's La Granja Copper Project from 2006-2009 and Compañía Minera Antamina.

Compensation of Executives and Directors

The following table outlines the anticipated compensation to be paid by the Resulting Issuer in the 12-month period following the completion of the Arrangement to its proposed President and CEO, CFO and the most highly compensated officer of the Resulting Issuer (other than its CEO and CFO) whose total compensation is anticipated to be more than \$150,000 during that period:

Name and Position	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites⁽¹⁾ (\$)	Value of all other Compensation (\$)	Total Compensation (\$)
Jim Currie President and Chief Executive Officer	270,000	TBD ⁽²⁾	Nil	Nil	Nil	270,000
Horng Dih Lee, Chief Financial Officer ⁽³⁾	200,000	TBD ⁽²⁾	Nil	Nil	Nil	200,000
Steven Botts, Chief President, Peru	US240,000	TBD ⁽⁴⁾	Nil	Nil	Nil	US240,000

Notes:

- (1) On “Perquisites” include perquisites provided to an executive officer or director that are not generally available to all employees and that, in aggregate, are: (a) \$15,000, if the executive officer’s or director’s total salary for the financial year is \$150,000 or less, (b) 10% of the executive officer’s or director’s salary for the financial year if the executive officer or director’s total salary for the financial year is greater than \$150,000 but less than \$500,000, or (c) \$50,000 if the executive officer’s or director’s total salary for the financial year is \$500,000 or greater.
- (2) The Resulting Issuer has not determined the proposed bonus structure for its NEOs as at the date hereof, but expects to pay bonuses to its executives in line with the bonuses paid to executives in comparable companies in the Resulting Issuer’s industry.
- (3) “Perquisites” include perquisites provided to an executive officer or director that are not generally available to all employees and that, in aggregate, are: (a) \$15,000, if the executive officer’s or director’s total salary for the financial year is \$150,000 or less, (b) 10% of the executive officer’s or director’s salary for the financial year if the executive officer or director’s total salary for the financial year is greater than \$150,000 but less than \$500,000, or (c) \$50,000 if the executive officer’s or director’s total salary for the financial year is \$500,000 or greater.
- (4) The Resulting Issuer has not determined the proposed bonus structure for its NEOs as at the date hereof, but expects to pay bonuses to its executives in line with the bonuses paid to executives in comparable companies in the Resulting Issuer’s industry.

Transfer Agent, Registrar and Auditor

It is expected that following completion of the Arrangement, the transfer agent and registrar for the Anacortes Shares will continue to be Computershare Trust Company of Canada at its principal office in Vancouver, British Columbia.

It is expected that the auditors for Anacortes will be Manning Elliott LLP, at its Vancouver office at 1030 W Georgia St. #1700, Vancouver, British Columbia V6E 2Y3.

Risk Factors

The business and operations of Anacortes will be subject to risks. New Oroperu Securityholders should carefully consider the risk factors and other information contained in this Circular. See “*Risk Factors – Risk Factors Relating to New Oroperu and Anacortes*”.

Schedule "J"

Audited Financial Statements, Unaudited Financial Statements and MD&A of First Light

(See attached)

First Light Capital Corp.

Financial Statements

For the Years Ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

First Light Capital Corp.

Table of Contents

	Page
Table of Contents	2
Independent Auditors' Report	3
Financial Statements	
Statements of Financial Position	5
Statements of Comprehensive Loss	6
Statements of Cash Flows	7
Statements of Changes in Equity	8
Notes to the Financial Statements	9

INDEPENDENT AUDITORS' REPORT

To the Shareholders and Directors of First Light Capital Corp.

Opinion

We have audited the financial statements of First Light Capital Corp. (the "Company") which comprise the statements of financial position as at December 31, 2020 and 2019, the statements of comprehensive loss, cash flows, and changes in equity for the years ended December 31, 2020 and 2019, and the related notes comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020 and 2019, and its financial performance and its cash flows for the years ended December 31, 2020 and 2019, in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information, which comprises the information included in the Company's Management Discussion & Analysis to be filed with the relevant Canadian securities commission.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditors' report is Michael Ryan Ayre.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, Canada
April 16, 2021

First Light Capital Corp.
Statements of Financial Position
As at December 31, 2020 and 2019
(Expressed in Canadian Dollars)

	Note	2020	2019
		\$	\$
ASSETS			
Current assets			
Cash		2,214,452	612,255
Total assets		2,214,452	612,255
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		7,209	19,224
EQUITY			
Share capital	5	2,482,082	703,151
Reserves	5	43,571	45,871
Deficit		(318,410)	(155,991)
Total equity		2,207,243	593,031
Total liabilities and equity		2,214,452	612,255

Nature and continuance of operations (Note 1)
Subsequent event (Note 9)

Approved on behalf of the Board of Directors on April 16, 2021:

"Neil Alexander Currie"
Neil Alexander Currie, Director

"James Currie"
James Currie, Director

The accompanying notes are an integral part of these financial statements

First Light Capital Corp.
Statements of Comprehensive Loss
For the Years Ended December 31, 2020 and 2019
(Expressed in Canadian Dollars)

	2020	2019
	\$	\$
EXPENSES		
Consulting fees	54,086	-
Foreign exchange loss	45	-
Office expenses	3,397	851
Professional fees	89,235	56,072
Share-based compensation	-	27,302
Transfer agent and filing fees	15,655	27,633
NET LOSS AND COMPREHENSIVE LOSS	162,419	111,858
LOSS PER SHARE – Basic and diluted	0.01	0.06
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	10,204,597	1,726,027

The accompanying notes are an integral part of these financial statements

First Light Capital Corp.
Statements of Cash Flows
For the Years Ended December 31, 2020 and 2019
(Expressed in Canadian Dollars)

	2020	2019
	\$	\$
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Net loss	(162,419)	(111,858)
Item not involving cash:		
Share-based compensation	-	27,302
Changes in non-cash working capital items:		
Prepaid expenses	-	6,000
Accounts payable and accrued liabilities	(12,015)	9,616
	(174,434)	(68,940)
FINANCING ACTIVITIES		
Issuance of common shares, net of share issuance costs	1,776,631	221,720
INCREASE IN CASH	1,602,197	152,780
CASH, BEGINNING	612,255	459,475
CASH, ENDING	2,214,452	612,255

The accompanying notes are an integral part of these financial statements

First Light Capital Corp.
Statements of Changes in Equity
For the Years Ended December 31, 2020 and 2019
(Expressed in Canadian Dollars)

	Common Shares		Reserves	Deficit	Total
	Number of shares	Amount \$			
Balance, December 31, 2018	10,000,000	500,000	-	(44,133)	455,867
Shares issued for cash, net of share issue costs	2,500,000	203,151	18,569	-	221,720
Share-based compensation	-	-	27,302	-	27,302
Net loss for the year	-	-	-	(111,858)	(111,858)
Balance, December 31, 2019	12,500,000	703,151	45,871	(155,991)	593,031
Shares issued for cash, net of share issue costs	18,000,000	1,772,031	-	-	1,772,031
Shares issued upon exercise of warrants	46,000	6,900	(2,300)	-	4,600
Net loss for the year	-	-	-	(162,419)	(162,419)
Balance, December 31, 2020	30,546,000	2,482,082	43,571	(318,410)	2,207,243

The accompanying notes are an integral part of these financial statements

First Light Capital Corp.

Notes to Financial Statements

For the Years Ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

First Light Capital Corp. (the "Company") was incorporated under the Business Corporations Act of British Columbia on March 15, 2018. The head office, principal address and registered office of the Company are located at 2080 – 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4. Subsequent to December 31, 2019, on January 23, 2020 the Company changed its registered and records office address to 800 – 885 West Georgia Street, Vancouver, British Columbia, V6C 3H1 and its head office address to 1090 – 510 Burrard Street, Vancouver, British Columbia, V6C 3B9.

The principal business of the Company is the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction ("QT").

These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts from those reflected in these financial statements.

On March 11, 2020, the outbreak of the novel strain of coronavirus specifically identified as "COVID-19" was declared a pandemic by the World Health Organization. The outbreak has resulted in governments worldwide enacting emergency measures to combat the spread of the virus which in turn have caused material disruption to business globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. No significant impact has been noted to the Company's business during the year ended December 31, 2020. The management team is closely following the progression of COVID-19 and its potential impact on the Company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of Compliance and Basis of Preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These financial statements were authorized for issue in accordance with a resolution from the Board of Directors of the Company on April 16, 2021.

(b) Significant Accounting Estimates and Judgements

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates, and assumptions that affect the application of policies and reported amounts of assets, liabilities, income, and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

First Light Capital Corp.

Notes to Financial Statements

For the Years Ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Significant Accounting Estimates and Judgements, continued

Significant areas requiring the use of estimates include the measurement of unrecognized deferred income tax assets.

Judgments made by management in the application of IFRS that have a significant effect on the financial statements include the factors that are used in determining the application of the going concern assumption which requires management to take into account all available information about the future, which is at least but not limited to, 12 months from the year end of the reporting period.

(c) Cash and cash equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance, are readily convertible to known amounts of cash, and which are subject to insignificant risk of changes in value to be cash equivalents.

(d) Share capital

Common shares issued by the Company are classified as equity. Costs directly attributable to the issue of common shares, share purchase warrants and share options are recognized as a deduction from equity, net of any related income tax effects.

The fair value of the common shares issued in a private placement unit of shares and warrants is determined to be the more easily measurable component and are valued at their fair value, as determined by the closing quoted price on the issuance date. The remaining proceeds, if any, are allocated to the attached warrants. Warrants issued to agents are measured at their fair value on the date of grant using the Black-Scholes option pricing model and recognized in equity as a deduction from the proceeds. Costs directly attributable to the issue of new shares are recognized in equity as a deduction from the proceeds. Costs attributable to the listing of existing shares are expensed as incurred.

(e) Loss per share

Basic loss per share is computed by dividing the net loss available to common shareholders by the weighted average number of common shares issued and outstanding during the period. Diluted loss per share is calculated assuming that outstanding share purchase options, with an average market price that exceeds the average exercise prices of the options and warrants for the period, are exercised and the proceeds are used to repurchase shares of the Company at the average market price of the common shares for the period. As at December 31, 2020, the Company had no potentially dilutive shares outstanding.

(f) Income taxes

Income tax is recognized in the statement of operations except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

In general, deferred income tax is recognized in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the statement of financial position date and are expected to apply when the deferred income tax asset or liability is settled. Deferred income tax assets are

First Light Capital Corp.

Notes to Financial Statements

For the Years Ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Income taxes, continued

recognized to the extent that it is probable that the assets can be recovered. Deferred income tax assets and liabilities are presented as non-current.

(g) Share-based payment transactions

Share-based payments to directors and officers of the Company are measured at the estimated fair value of the instruments issued on the grant date and amortized over the vesting years. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods and services cannot be reliably measured and are recorded at the date of the goods or services expected to vest. The offset to the recorded cost is to equity settled share-based payments reserve.

Consideration received on the exercise of stock options is recorded as share capital and the related equity settled share-based payments reserve is transferred to share capital. Charges for options that are forfeited before vesting are reversed from equity settled share-based payment reserve.

Share-based compensation expense relating to deferred share units is accrued over the vesting year of the units based on the quoted market price. As these awards can be settled in cash, the expense and liability are adjusted each reporting year for changes in the underlying share price.

(h) Share issuance costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered unlikely; otherwise they are expensed as incurred. Share issuance costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are expensed.

(i) Financial Instruments

Financial instruments are accounted for in accordance with IFRS 9, "Financial Instruments: Classification and Measurement". A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability of equity instrument of another entity.

i) Financial assets

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income ("FVOCI"); or (iii) fair value through profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed.

All financial assets not classified and measured at amortized cost or FVOCI are measured at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

First Light Capital Corp.

Notes to Financial Statements

For the Years Ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial Instruments, continued

i) Financial assets, continued

The classification determines the method by which the financial assets are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Cash is measured at FVTPL. The Company has no financial assets classified at amortized cost.

ii) Financial liabilities

Financial liabilities are classified as either: (i) fair value through profit or loss; or (ii) amortized cost. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Accounts payable are classified at amortized cost.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

iii) Impairment of financial assets

At each reporting date the Company assesses whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired, if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

3. ADOPTION OF NEW ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS

During the year ended December 31, 2020, the Company was not required to, and did not, adopt any new accounting standards, interpretations and amendments which had a significant impact on the Company's financial statements.

The Company does not expect the adoption of any currently announced new standards, interpretations and amendments to existing standards to have a material impact on the Company's financial statements.

First Light Capital Corp.

Notes to Financial Statements

For the Years Ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

4. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

The Company considers the directors and officers of the Company as key management personnel. The Company did not incur any key management compensation for the year ended December 31, 2020. For the year ended December 31, 2019, total key management compensation incurred was \$27,302 in the form of share-based payments.

The Company had incurred the following key management personnel cost from related parties:

	2020	2019
	\$	\$
Share-based payments	-	27,302

5. SHARE CAPITAL

Authorized

The Company is authorized to issue an unlimited number of common shares without par value.

Escrow

In 2018, the Company entered into an escrow agreement, whereby 10,000,000 common shares will be held in escrow. A further 1,200,000 common shares issued during the year ended December 31, 2020 are also subject to escrow. The common shares are scheduled for release upon the completion of the Qualifying Transaction. As at December 31, 2020, 11,200,000 common shares were held in escrow.

Issued and Outstanding

As at December 31, 2020: 30,546,000 (2019 – 12,500,000) common shares were issued and outstanding.

For the year ended December 31, 2020, the Company had the following share capital transactions:

- On July 15, 2020, the Company issued 18,000,000 common shares at a price of \$0.10 per common share for gross proceeds of \$1,800,000. The Company incurred share issue costs of \$27,969 in connection with the financing.
- The Company issued 46,000 common shares pursuant to the exercise of warrants for gross proceeds of \$4,600. In connection with the exercise of warrants, the Company also reclassified \$2,300 from reserves to share capital, representing the fair value of the warrants on the date of grant.

For the year ended December 31, 2019, the Company had the following share capital transactions:

- On April 23, 2019, the Company issued 2,500,000 common shares at a price of \$0.10 per common share for gross proceeds of \$250,000. The Company also incurred share issue costs of \$28,280. In conjunction with the private placement, 250,000 warrants were issued as finder's fees, exercisable at a price of \$0.10 per share for a period of two years. The fair value of the warrants was estimated to be \$18,569. These warrants are not subject to any hold period.

First Light Capital Corp.**Notes to Financial Statements****For the Years Ended December 31, 2020 and 2019**(Expressed in Canadian Dollars)

5. SHARE CAPITAL (continued)**Warrants**

A continuity of the warrants outstanding for the years ended December 31, 2020 and 2019 is as follows:

	Expiry date	Outstanding number of warrants	Weighted average exercise price
			\$
Balance, December 31, 2018		-	-
Issued	April 23, 2021	250,000	0.10
Balance, December 31, 2019		250,000	0.10
Exercised	April 23, 2021	(46,000)	0.10
Balance, December 31, 2020		204,000	0.10

Warrants outstanding and exercisable as at December 31, 2020 are as follows:

Expiry Date	Number	Weighted average exercise price	Weighted average life remaining
April 23, 2021	204,000	\$0.10	0.31

The inputs used in the Black-Scholes calculation for warrants issued during the year ended December 31, 2019 are as follows:

	2019
Share price at grant date	\$0.10
Risk-free interest rate	1.59%
Expected life of warrants (years)	2
Dividend yield	0%
Exercise price	\$0.10
Expected annualized volatility	150%
Weighted average grant date fair value	\$0.07

Warrant pricing models require the input of highly subjective assumptions regarding volatility. The Company has used historical volatility of comparative companies in the same industry to estimate the volatility of the share price.

First Light Capital Corp.**Notes to Financial Statements****For the Years Ended December 31, 2020 and 2019**(Expressed in Canadian Dollars)

5. SHARE CAPITAL (continued)**Stock options**

The Company did not grant any stock options during the year ended December 31, 2020.

On April 23, 2019, the Company granted 300,000 stock options to certain directors and officers of the Company at an exercise price of \$0.10 for a period of five years from the date of grant. The fair value of these options was estimated to be \$27,302. The remaining expected life as at December 31, 2020 is 3.31 years.

A continuity of the stock options outstanding for the years ended December 31, 2020 and 2019 is as follows:

	Expiry date	Outstanding number of options	Weighted average exercise price
			\$
Balance, December 31, 2018		-	-
Issued	April 23, 2024	300,000	0.10
Balance, December 31, 2019 and 2020		300,000	0.10

Stock options outstanding and exercisable as at December 31, 2020 are as follows:

Expiry Date	Number	Weighted average exercise price	Weighted average remaining life
April 23, 2024	300,000	\$0.10	3.31

The inputs used in the Black-Scholes calculation for the stock options granted during the year ended December 31, 2019 are as follows:

	2019
Share price at grant date	\$0.10
Risk-free interest rate	1.59%
Expected life of options (years)	5
Dividend yield	0%
Exercise price	\$0.10
Expected annualized volatility	150%
Weighted average grant date fair value	\$0.09

First Light Capital Corp.

Notes to Financial Statements

For the Years Ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

5. SHARE CAPITAL (continued)

Stock options, continued

Option pricing models require the input of highly subjective assumptions regarding volatility. The Company has used historical volatility of comparative companies in the same industry to estimate the volatility of the share price.

6. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the general operations of the Company and facilitate the liquidity needs of its operations. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital to include all components of equity.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to externally imposed capital requirements.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash and accounts payable. As at December 31, 2020, the fair values of these financial instruments approximate their carrying values due to their current nature.

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis. Cash is classified under Level 1.

Level 2 – Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices). The Company does not have any financial instruments classified under Level 2.

Level 3 – Valuations in the level are those with inputs for the asset or liability that are not based on observable market data. Accounts payable are classified under Level 3.

Assets measured at fair value on a recurring basis were presented on the Company's statement of financial position as at December 31, 2020, as follows:

First Light Capital Corp.**Notes to Financial Statements****For the Years Ended December 31, 2020 and 2019**(Expressed in Canadian Dollars)

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

	Fair Value Measurements Using			Balance, December 31, 2020 \$
	Quoted prices in active markets for identical instruments (Level 1) \$	Significant other observable inputs (Level 2) \$	Significant unobservable inputs (Level 3) \$	
Financial Assets:				
Cash	2,214,452	—	—	2,214,452

Assets measured at fair value on a recurring basis were presented on the Company's statement of financial position as at December 31, 2019, as follows:

	Fair Value Measurements Using			Balance, December 31, 2019 \$
	Quoted prices in active markets for identical instruments (Level 1) \$	Significant other observable inputs (Level 2) \$	Significant unobservable inputs (Level 3) \$	
Financial Assets:				
Cash	612,255	—	—	612,255

The fair value of the Company's other financial instrument, accounts payable, approximates carrying value as at December 31, 2020 and 2019 due to the short-term nature of these instruments.

Financial risk management objectives and policies

The risks associated with the Company's financial instruments and the policies followed to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) Credit Risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counter-party default on its obligation. The Company minimizes its credit risk associated with its cash balance by dealing with major financial institutions in Canada. The carrying amount of financial assets represents the maximum credit exposure less the amount of insurance provided by the Canada Deposit Insurance Corporation.

First Light Capital Corp.

Notes to Financial Statements

For the Years Ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

(ii) Foreign Exchange Rate and Interest Rate Risk

The Company is not exposed to any significant foreign exchange rate risk or interest rate risk.

(iii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company manages liquidity risk by maintaining sufficient cash balances and adjusting its operating budget and expenditure. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital in order to meet short-term and other specific obligations.

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when they come due. As at December 31, 2020, accounts payable and accrued liabilities of \$7,209 are due within one year.

(iv) Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as market prices, foreign exchange rates and interest rates. In management's opinion, the Company is not exposed to significant market risk.

8. INCOME TAXES

The Company has losses carried forward of approximately \$308,014 (2019 - \$134,345) available to reduce income taxes in future years which expire starting in 2038.

The Company has not recognized any deferred income tax assets. The Company recognizes deferred income tax assets based on the extent to which it is probable that sufficient taxable income will be realized during the carry forward years to utilize the deferred tax assets.

The following table reconciles the amount of income tax recoverable on application of the statutory Canadian federal and provincial income tax rates:

	2020	2019
Canadian statutory income tax rate	27%	27%
	\$	\$
Income tax recovery at statutory rate	(43,853)	(30,202)
Effect of income taxes of:		
Permanent differences and other	(7,553)	(264)
Change in deferred tax assets not recognized	51,406	30,466
Deferred income tax recovery	-	-

First Light Capital Corp.**Notes to Financial Statements****For the Years Ended December 31, 2020 and 2019**(Expressed in Canadian Dollars)

8. INCOME TAXES (continued)

The temporary differences that give rise to significant portions of the deferred tax assets not recognized are presented below:

	2020	2019
	\$	\$
Non-capital loss carry forwards	83,164	36,273
Share issuance cost	10,624	6,108
Deferred tax assets not recognized	(93,788)	(42,382)
	-	-

9. SUBSEQUENT EVENT

Subsequent to December 31, 2020, the Company issued 141,500 common shares for the exercise of warrants priced at \$0.010 per share for gross proceeds of \$14,150.

First Light Capital Corp.
Condensed Interim Financial Statements
For the Three-Month Period Ended March 31, 2021

First Light Capital Corp.
Condensed Interim Statements of Financial Position
As at March 31, 2021 and December 31, 2020
(Expressed in Canadian dollars)

	Note	March 31, 2020 (Unaudited) \$	December 31, 2020 (Audited) \$
ASSETS			
Current assets			
Cash		2,009,756	2,214,452
Total assets		2,009,756	2,214,452
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		26,835	7,209
Total liabilities		26,835	7,209
EQUITY			
Share capital	4	2,493,932	2,482,082
Reserves		39,621	43,571
Deficit		(550,632)	(318,410)
Total equity		1,982,921	2,207,243
Total liabilities and equity		2,009,756	2,214,452

Nature and continuance of operations (Note 1)
Subsequent event (Note 6)

Approved and authorized for issue on behalf of the Board on May 21, 2021:

"Neil Alexander Currie"
Neil Alexander Currie, Director

"James Currie"
James Currie, CEO and Director

The accompanying notes are an integral part of these condensed interim financial statements

First Light Capital Corp.
Condensed Interim Statements of Comprehensive Loss
For the Three-Month Periods Ended March 31, 2021 and 2020
(Expressed in Canadian dollars)
(Unaudited)

	Three-Month Period Ended March 31, 2021	Three-Month Period Ended March 31, 2020
	\$	\$
EXPENSES		
Property investigation costs (Note 1)	183,930	-
Foreign exchange loss	2,705	-
Office expenses	1,612	-
Professional fees	36,898	29,100
Transfer agent and filing fees	7,077	9,739
NET LOSS AND COMPREHENSIVE LOSS	232,222	38,839
LOSS PER SHARE – Basic and diluted	\$ (0.01)	\$ (0.00)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	19,381,111	12,500,000

The accompanying notes are an integral part of these condensed interim financial statements.

First Light Capital Corp.
Condensed Interim Statements of Changes in Equity
For the Three-Month Periods Ended March 31, 2021 and 2020
(Expressed in Canadian dollars)
(Unaudited)

	Common Shares				Reserves	Deficit	Total
	Number of Shares	Amount		\$			
				\$	\$	\$	\$
Balance, December 31, 2019	12,500,000	703,151		45,871	(155,991)		593,031
Net loss for the period	-	-		-	(38,839)		(38,839)
Balance, March 31, 2020	12,500,000	703,151		45,871	(194,830)		554,192
Balance, December 31, 2020	30,546,000	2,482,082		43,571	(318,410)		2,207,243
Common shares issued for warrant exercise	79,000	11,850		(3,950)	-		7,900
Net loss for the period	-	-		-	(232,222)		(232,222)
Balance, March 31, 2021	30,625,000	2,493,932		39,621	(550,632)		1,982,921

The accompanying notes are an integral part of these condensed interim financial statements.

First Light Capital Corp.
Condensed Interim Statements of Cash Flows
For the Three-Month Periods Ended March 31, 2021 and March 31, 2020
(Expressed in Canadian dollars)
(Unaudited)

	Three-Month Period Ended March 31, 2021	Three-Month Period Ended March 31, 2020
	\$	\$
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Net loss for the period	(232,222)	(38,839)
Changes in non-cash working capital balances:		
Accounts payable and accrued liabilities	19,626	21,968
Net cash used in operating activities	(212,596)	(16,871)
FINANCING ACTIVITIES		
Common shares issued for cash	7,900	-
Net cash provided by financing activities	7,900	-
 CHANGE IN CASH	 (204,696)	 (16,871)
CASH, BEGINNING OF PERIOD	2,214,452	612,255
CASH, END OF PERIOD	2,009,756	595,384
 SUPPLEMENTAL CASH DISCLOSURES		
Interest paid	\$ -	\$ -
Income taxes paid	\$ -	\$ -

The accompanying notes are an integral part of these condensed interim financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

First Light Capital Corp. (the "Company") was incorporated under the Business Corporations Act of British Columbia on March 15, 2018. The Company's registered and records office is located at 800 – 885 West Georgia Street, Vancouver, British Columbia, V6C 3H1 and its head office address is located at 1090 – 510 Burrard Street, Vancouver, British Columbia, V6C 3B9.

The principal business of the Company is the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction ("QT"). Identification and evaluation costs are recorded as property investigation costs in the condensed interim statement of comprehensive loss.

These condensed interim financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts from those reflected in these condensed interim financial statements.

On March 11, 2020, the outbreak of the novel coronavirus identified as "COVID-19" was declared a pandemic by the World Health Organization. The outbreak has resulted in governments worldwide enacting emergency measures to combat the spread of the virus which in turn have caused material disruption to business globally resulting in an economic slowdown. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

2. BASIS OF PRESENTATION

a) Statement of Compliance

These condensed interim financial statements, have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, being IAS 34, Interim Financial Reporting. As a result, certain disclosures included in the annual financial statements prepared in accordance with IFRS have been condensed or omitted. Accordingly, these condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2020. In preparation of these condensed interim financial statements, the Company has consistently applied the same accounting policies as disclosed in Note 2 to the audited financial statements for the year ended December 31, 2020.

These condensed interim financial statements were approved by the Board of Directors on May 21, 2021.

b) Use of Estimates and Judgments

The preparation of these interim financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Significant areas requiring the use of estimates include unrecognized deferred income tax assets. Actual results could differ from those estimates. Judgments made by management include the factors used to determine the assessment of whether the going concern assumption is appropriate. The assessment of the going concern assumption requires management to take into account all available information about the future, which is at least, but is not limited to, 12 months from the end of the reporting period.

3. RELATED PARTY TRANSACTIONS

The Company considers the directors and officers of the Company as key management personnel. Key management compensation was \$Nil for the three-month periods ended March 31, 2021 and 2020.

4. SHARE CAPITAL

a) Authorized

Unlimited number of common shares without par value.

b) Issued

During the three-month period ended March 31, 2021:

On February 8, 2021, the Company issued 79,000 common shares for the exercise of warrants priced at \$0.10 per common share for gross proceeds of \$7,900.

c) Escrow

As at March 31, 2021, 11,200,000 common shares were held in escrow and are expected to be released upon the completion of the Qualifying Transaction.

d) Stock options

On April 23, 2019, the Company granted an aggregate of 300,000 incentive stock options to its directors, officers and certain technical consultants. Each option is exercisable at a price of \$0.10 per share for a period of five years and vested on the grant date. A continuity of options outstanding during the three-month period ended March 31, 2021 is as follows:

	Number of shares under option	Weighted Average Exercise Price	Expiry date
Outstanding at December 31, 2020	300,000	\$0.10	April 23, 2024
Granted	-	-	
Exercised	-	-	
Cancelled	-	-	
Expired	-	-	
Outstanding and exercisable at March 31, 2021	300,000	\$0.10	April 23, 2024

As at March 31, 2021, the stock options outstanding have a weighted average outstanding contractual life of 3.07 years.

First Light Capital Corp.
Notes to the Condensed Interim Financial Statements
For the Three-Month Periods Ended March 31, 2021 and 2020
(Expressed in Canadian dollars)
(Unaudited)

4. SHARE CAPITAL (continued)

The Company has adopted a stock option plan which provides that the board of directors of the Company may from time to time, in its discretion, and in accordance with Exchange requirements, grant to directors, officers and technical consultants to the Company, nontransferable options to purchase Common Shares, provided that the number of Common Shares reserved for issuance, together with any options issued to eligible charitable organizations, will not exceed 10% of the issued and outstanding Common Shares, exercisable for a period of up to ten years from the date of grant and until completion of the Qualifying Transaction, will not exceed 1,250,000 options (in the event of completion of the Minimum Offering) or 1,300,000 options (in the event of the completion of the Maximum Offering). Until the completion of the Qualifying Transaction, the number of Common Shares reserved for issuance to any individual director or officer will not exceed 5% of the issued and outstanding Common Shares and the number of Common Shares reserved for issuance to all technical consultants will not exceed 2% of the issued and outstanding Common Shares, each as at the closing of the Offering. No options may be granted to investor relations service providers and the exercise price cannot be less than the greater of the Offering share price and the Discounted Market Price. Options may be exercised the greater of 12 months after the Completion of the Qualifying Transaction and 90 days following cessation of the optionee's position with the Company, provided that if the cessation of office, directorship, or technical consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option. Any Common Shares acquired pursuant to the exercise of options prior to the Completion of the Qualifying Transaction will be subject to escrow restrictions until the issuance of the Final Exchange Bulletin.

e) Warrants

A continuity of the warrants outstanding during the three-month period ended March 31, 2021 is as follows:

	Number of shares issuable under Warrants	Weighted Average Remaining Contractual life in Years	Weighted Average Exercise Price
Outstanding at December 31, 2020	204,000	0.31	\$0.10
Granted	-		-
Exercised	(79,000)		0.10
Cancelled	-		-
Expired	-		-
Outstanding and exercisable at March 31, 2021	125,000	0.06	\$0.10

First Light Capital Corp.
Notes to the Condensed Interim Financial Statements
For the Three-Month Periods Ended March 31, 2021 and 2020
(Expressed in Canadian dollars)
(Unaudited)

5. FAIR VALUE MEASUREMENTS

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's financial instruments include cash and accounts payable. The Company's cash is measured at fair value and is classified as Level 1 under the fair value hierarchy. The carrying value of accounts payable approximates their fair value due to the on-demand nature or short-term maturity of these instruments.

Assets measured at fair value on a recurring basis were presented on the Company's statement of financial position as at March 31, 2021 are as follows:

Fair Value Measurements Using				
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance March 31, 2021
	\$	\$	\$	\$
Cash	2,009,756	-	-	2,009,756

6. SUBSEQUENT EVENT

Subsequent to March 31, 2021, the Company issued 62,500 common shares for the exercise of warrants priced at \$0.10 per share for gross proceeds of \$6,250.

First Light Capital Corp.
Management Discussion and Analysis
Results of Operations and Financial Condition
For the year ended December 31, 2020

This Management Discussion and Analysis (“MD&A”) of First Light Capital Corp. (the “Company”) provides analysis of the Company’s financial results for the year ended December 31, 2020. The following information should be read in conjunction with the audited financial statements and the notes to the audited financial statements for the year ended December 31, 2020 and December 31, 2019, which are prepared in accordance with International Financial Reporting Standards (“IFRS”). All amounts are expressed in Canadian dollars unless otherwise noted.

This discussion includes certain statements that may be deemed “forward-looking statements”. Forward- looking statements usually include words such as may, will, would, expect, plan, anticipate, budget, estimates, potential, believe, intend, or other similar words. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, continued availability of capital and financing and general economic, market or business conditions. The Company does not update or revise forward-looking information even if new information becomes available unless legislation requires us to do so. Investors should not place undue reliance on forward-looking statements. Additional details of the specific risks associated with the operations of the Company and such forward-looking statements are set out below under “Risks and Uncertainties”. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements.

Date of Report

This MD&A is prepared as of April 16, 2021.

Corporate Profile and Overall Performance

First Light Capital Corp. (the “Company”) was incorporated under the Business Corporations Act of British Columbia on March 15, 2018. The Company is classified as a “Capital Pool Company” for the purposes of Policy 2.4 of the TSX Venture Exchange Inc. (the “TSX-V” or the “Exchange”). As a result, the Company’s principal business is the identification and evaluation of a Qualifying Transaction (“QT”) and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval, if required, and acceptance by regulatory authorities. The Company has not conducted commercial operations other than to enter into discussions for the purpose of identifying potential acquisitions or interests.

Until completion of a Qualifying Transaction, the Company will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a potential Qualifying Transaction. With the consent of the Exchange, this may include the raising of additional funds in order to finance an acquisition. Except as described in the Company’s prospectus dated March 20, 2019, the funds raised pursuant to the Company’s Initial Public Offering and any subsequent financing will be utilized only for the identification and evaluation of potential Qualifying Transactions and, to the extent permitted by Policy 2.4, for general and administrative expenses.

Qualifying Transaction

To date, the Company has not yet completed a Qualifying Transaction. The Company has limited funds to identify and complete a QT, and therefore there can be no assurance that the Company will be able to complete a QT within the time period permitted.

Initial Public Offering

On March 20, 2019, the Company filed a Prospectus in respect of an Initial Public Offering (“IPO”). The Company’s IPO was completed on April 23, 2019 with the issuance of 2,500,000 common shares at a price of \$0.10 per share, for gross proceeds of \$250,000. In connection with the financing, the Company entered into an Agency Agreement with Leede Jones Gable Inc. (the “Agent”). As part of the Agency Agreement, the Agent received a cash commission of 10% of gross proceeds, or \$25,000, a corporate finance fee of \$10,500, and a legal cost reimbursement of \$10,400. As part of the Agency Agreement, the Company agreed to grant Agent warrants (the “Agent’s Warrants”) which will

entitle the Agent to purchase up to 10% of the common shares sold under the IPO, at a purchase price that is equal to the price per share offered in the IPO. The Agent's Warrants are exercisable until 24 months from the Listing date.

The Company commenced trading on the Exchange on May 3, 2019 under the symbol XYZ.P.

Results of Operations

Selected Annual Information

The Company's only activity to date has been to attempt to identify businesses with a view to completing a Qualifying Transaction. For the year ended December 31, 2020, the Company had a net loss of \$162,419 (2019 - \$111,858). Included in the determination of operating loss was professional fees of \$89,235 (2019 - \$56,072), filing fees of \$15,655 (2019 - \$27,633), consulting fees of \$54,086 (2019 - \$Nil) and office expenses of \$3,397 (2019 - \$851). These costs were related to the Company's listing on the Exchange, as well as audit and legal expenses relating to the filing of the Company's Prospectus. The Company also incurred a stock based compensation charge of \$Nil (2019 - \$27,302).

Summary of Quarterly Results

During the three-month period ending December 31, 2020, the Company had a net loss of \$88,751. Included in the determination of operating loss was filing fees of \$3,865 (2019 - \$1,692) and professional fees of \$29,802 (2019 - \$14,038).

The following selected financial data has been prepared in accordance with IFRS and should be read in conjunction with the Company's financial statements. All dollar amounts are in Canadian dollars.

	December 31, 2020	September 30, 2020	June 30, 2020	March 31, 2020
Total assets	\$ 2,214,452	\$ 2,316,320	\$ 555,572	\$ 595,384
Working capital (deficiency)	2,207,243	2,296,039	524,645	554,192
Shareholder's equity (deficiency)	2,207,243	2,296,039	524,645	554,192
Income (loss) for the period	(86,053)	(7,981)	(29,546)	(38,839)
Basic and diluted income (loss) per share	(0.00)	(0.00)	(0.00)	(0.00)

Liquidity and Capital Resources

At December 31, 2020 the Company had a working capital surplus of \$2,207,243 and cash of \$2,214,452 compared to \$593,031 and \$612,255 at December 31, 2019, respectively. As of the date of this report, the Company has not paid dividends and does not have any commitments for capital expenditures.

Management believes the Company has sufficient working capital at this time to meet its ongoing financial obligations; however, there is no revenue generated from operations, and any additional working capital would require raising additional debt and/or equity capital. Management cannot provide assurance that the Company will ultimately achieve profitable operations, become cash flow positive, or raise additional debt and/or equity capital.

Transactions with Related Parties

On April 23, 2019, the Company granted 300,000 stock options to key management personnel and recorded share-based compensation was \$21,344 for the period ending June 30, 2019. Key management personnel consist of officers and directors of the Company. Key management compensation was \$Nil for the year ended December 31, 2020.

On July 15, 2020, James Currie acquired 1,200,000 of common shares and at the date of this MD&A he holds 9.84% of issued and outstanding securities after closing of the private placement described on note below.

Outstanding Share Data

On July 15, 2020, the Company issued 18,000,000 common shares through non-brokered private placement for gross proceeds of \$1,800,000. The Company intends to use the funds to identify and evaluate assets or businesses suitable for a Qualifying Transaction. No finders' fees or commissions were paid in connection with the Offering. All of the Shares issued in the Offering are subject to a statutory hold period that expire on November 16, 2020.

As at December 31, 2020, there were 30,546,000 common shares issued and outstanding.

As at December 31, 2019, there were 12,500,000 common shares issued and outstanding.

Subsequent to December 31, 2020, the Company issued 141,500 common shares for the exercise of warrants priced at \$0.010 per share for gross proceeds of \$14,150.

On April 23, 2019, the Company granted 300,000 stock options exercisable at a price of \$0.10 per share for a period of five years, and 250,000 agent warrants to acquire 250,000 common shares at a price of \$0.10 per share, for a 24-month period.

Braydon Sutton, former director of the Company, resigned as of June 9, 2020, resulting in forfeiture of the 100,000 shares under the option held as at December 31, 2020.

Risks and Uncertainties

The Company's sole objective is to identify a satisfactory Qualifying Transaction. The closing of any proposed Qualifying Transaction is subject to a number of terms and conditions, including completion of due diligence procedures by parties to the transaction and receipt of all required regulatory approvals, and there is no assurance that a transaction will be completed. If the Company does not complete a Qualifying Transaction within the time permitted by the Exchange, its common shares could be delisted.

The Company does not have a source of income, has not commenced commercial operations, and has no significant assets other than cash. There can be no assurance that the Company will be able to raise additional funding in the future on terms acceptable to the Company.

During the three-month period ended March 31, 2020, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", was declared a pandemic by the World Health Organization. The outbreak has resulted in governments worldwide enacting emergency measures to combat the spread of the virus which in turn have caused material disruption to business globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. No significant impact has been noted to the Company's business during the year ended December 31, 2020. The management team is closely following the progression of COVID-19 and its potential impact on the Company.

Credit risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk, the Company places these instruments with a high quality financial institution.

Liquidity risk

Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the identification and evaluation of a QT.

Interest rate risk

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

Currency risk

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any foreign currency denominated monetary assets or liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified and evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

Off Balance Sheet Transactions

The Company does not have any off balance sheet arrangements as at December 31, 2020 or as of the date of this report.

Additional Information

Additional information relating to the Company can be found on SEDAR at www.sedar.com.

First Light Capital Corp.
Management Discussion and Analysis
Quarterly Report – March 31, 2021

This Management Discussion and Analysis (“MD&A”) of First Light Capital Corp. (the “Company”) provides analysis of the Company’s financial results for the three-month period ended March 31, 2021. The following information should be read in conjunction with the unaudited condensed interim financial statements and the notes to the unaudited condensed interim financial statements for the three-month period ended March 31, 2021 and the audited financial statements for the year ended December 31, 2020, which are prepared in accordance with International Financial Reporting Standards (“IFRS”). All amounts are expressed in Canadian dollars unless otherwise noted.

This discussion includes certain statements that may be deemed “forward-looking statements”. Forward-looking statements usually include words such as may, will, would, expect, plan, anticipate, budget, estimates, potential, believe, intend, or other similar words. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, continued availability of capital and financing and general economic, market or business conditions. The Company does not update or revise forward-looking information even if new information becomes available unless legislation requires us to do so. Investors should not place undue reliance on forward-looking statements. Additional details of the specific risks associated with the operations of the Company and such forward-looking statements are set out below under “Risks and Uncertainties”. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements.

Date of Report

This MD&A is prepared as of May 21, 2021.

Corporate Profile and Overall Performance

First Light Capital Corp. (the “Company”) was incorporated under the Business Corporations Act of British Columbia on March 15, 2018. The Company is classified as a “Capital Pool Company” for the purposes of Policy 2.4 of the TSX Venture Exchange Inc. (the “TSX-V” or the “Exchange”). As a result, the Company’s principal business is the identification and evaluation of a Qualifying Transaction (“QT”) and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval, if required, and acceptance by regulatory authorities. The Company has not conducted commercial operations other than to enter into discussions for the purpose of identifying potential acquisitions or interests.

Until completion of a QT, the Company will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a potential QT. With the consent of the Exchange, this may include the raising of additional funds in order to finance an acquisition. Except as described in the Company’s prospectus dated March 20, 2019, the funds raised pursuant to the Company’s Initial Public Offering and any subsequent financing will be utilized only for the identification and evaluation of potential QTs and, to the extent permitted by Policy 2.4, for general and administrative expenses.

On March 20, 2019, the Company filed a Prospectus in respect of an Initial Public Offering (“IPO”). The Company’s IPO was completed on April 23, 2019 with the issuance of 2,500,000 common shares at a price of \$0.10 per share, for gross proceeds of \$250,000. In connection with the financing, the Company entered into an Agency Agreement with Leede Jones Gable Inc. (the “Agent”) whereby the Agent received a cash commission of 10% of gross proceeds, or \$25,000, a corporate finance fee of \$10,500, legal costs reimbursement of \$10,400 and warrants (the “Agent’s Warrants”) which will entitle the Agent to purchase up to 10% of the common shares sold under the IPO, at a purchase price that is equal to the price per share offered in the IPO. The Agent’s Warrants are exercisable until 24 months from the listing date.

The Company commenced trading on the Exchange on May 3, 2019 under the symbol XYZ.P.

To date, the Company has not yet completed a QT. The Company has limited funds to adequately identify, evaluate and complete a QT, and there are also only a limited number of suitable projects that would satisfy the Company’s criteria. Therefore, there can be no assurance that the Company will be able to complete a QT and on acceptable terms.

Results of Operations for the three months ending March 31, 2021

The Company's only activity to date has been to attempt to identify businesses with a view to completing a Qualifying Transaction. During the three-month period ending March 31, 2021, the Company had a net loss of \$232,222. The loss related primarily to property investigation costs of \$183,930. These costs were related to identification and evaluation of a potential property acquisition during the period.

Liquidity and Capital Resources

At March 31, 2021 the Company had a working capital surplus of \$1,982,921 and cash of \$2,009,756 compared to \$2,214,452 at December 31, 2020. As of the date of this MD&A, the Company has not paid dividends and does not have any commitments for capital expenditures.

Management believes the Company has sufficient working capital at this time to meet its ongoing financial obligations. However, there is no revenue generated from operations, and any additional working capital would require raising additional debt and/or equity capital. There is no assurance that the Company will ultimately achieve profitable operations, become cash flow positive, or raise sufficient funds through the issuance of additional debt and/or equity in the current volatile capital markets.

Transactions with Related Parties

Key management personnel consist of officers and directors of the Company. Key management compensation was \$Nil for the three-month period ended March 31, 2021.

On July 15, 2020, James Currie, CEO and director of the Company, acquired 1,200,000 common shares of the Company and at the date of this MD&A, he holds 9.84% of issued and outstanding shares of the Company.

Outstanding Share Data

As at March 31, 2021, there were 30,625,000 common shares issued and outstanding, compared to 30,546,000 common shares issued and outstanding as at December 31, 2020.

Subsequent to March 31, 2021, the Company issued 62,500 common shares for the exercise of warrants priced at \$0.10 per share for gross proceeds of \$6,250.

On February 8, 2021, the Company issued 79,000 common shares for the exercise of warrants priced at \$0.10 per common share for gross proceeds of \$7,900.

On July 15, 2020, the Company issued 18,000,000 common shares through non-brokered private placement for gross proceeds of \$1,800,000. The Company intends to use the funds to identify and evaluate assets or businesses suitable for a Qualifying Transaction. No finders' fees or commissions were paid in connection with the Offering. All of the shares issued in the Offering were subject to a statutory hold period that expired on November 16, 2020.

Risks and Uncertainties

The Company's sole objective is to identify a satisfactory Qualifying Transaction. The closing of any proposed QT is subject to a number of terms and conditions, including completion of due diligence procedures by parties to the transaction and receipt of all required regulatory approvals, and there is no assurance that a transaction will be completed.

The Company does not have a source of income, has not commenced commercial operations, and has no significant assets other than cash. There can be no assurance that the Company will be able to raise additional funding in the future on terms acceptable to the Company.

On March 11, 2020, the outbreak of the novel coronavirus identified as "COVID-19" was declared a pandemic by the World Health Organization. The outbreak has resulted in governments worldwide enacting emergency measures to combat the spread of the virus which in turn have caused material disruption to business globally resulting in an economic slowdown. Governments and central banks have reacted with significant monetary and fiscal interventions

designed to stabilize economic conditions. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

Credit risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high-quality financial institution.

Liquidity risk

Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the identification and evaluation of a QT.

Interest rate risk

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

Currency risk

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any foreign currency denominated monetary assets or liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified and evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

Off Balance Sheet Transactions

The Company does not have any off-balance sheet arrangements as at March 31, 2021 or as of the date of this MD&A.

Additional Information

Additional information relating to the Company can be found on SEDAR at www.sedar.com.

Schedule "K"

Unaudited Pro Forma Financial Statements of Anacortes

(See attached)

ANACORTES MINING CORP.
(formerly First Light Capital Corp.)

PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

As at March 31, 2021,
for the year ended December 31, 2020 and
for the three months ended March 31, 2021

(in Canadian dollars)

Anacortes Mining Corp.

Unaudited pro forma consolidated statement of financial position

As at March 31, 2021

(Expressed in Canadian dollars)

	First Light Capital Corp.	New Oropuru Resources Inc.	Notes	Pro forma adjustments	Pro forma consolidated
ASSETS					
Current assets					
Cash	\$ 2,009,756	\$ 1,470,435	3(a)	\$ 20,483,330	\$ 23,963,521
Receivables	-	59,521			59,521
Prepaid expenses	-	8,333			8,333
Non-current assets					
Exploration and evaluation properties	-	502,721			502,721
	\$ 2,009,756	\$ 2,041,010			\$ 24,534,096
LIABILITIES					
Current liabilities					
Accounts payable	\$ 26,835	\$ 43,449	3(b)	\$ 675,000	\$ 2,645,284
			3(b)(iii)	1,900,000	
Due to related parties	-	17,843	3(c)	2,395,750	4,487,193
			3(d)	2,073,600	
	26,835	61,292			7,132,477
EQUITY					
Share capital	2,493,932	35,701,029	3(a)	16,807,245	66,678,274
			3(b)	(2,493,932)	
			3(b)(i)	12,250,000	
			3(b)(iii)	1,920,000	
Reserves	39,621	2,598,709	3(a)	3,676,085	6,390,276
			3(b)	(39,621)	
			3(b)(ii)	115,482	
Deficit	(550,632)	(36,320,020)	3(b)	550,632	(55,666,931)
			3(b)	(10,382,561)	
			3(b)(iii)	(675,000)	
			3(b)(iii)	(1,920,000)	
			3(b)(iii)	(1,900,000)	
			3(c)	(2,395,750)	
			3(d)	(2,073,600)	
	1,982,921	1,979,718			17,401,619
	\$ 2,009,756	\$ 2,041,010			\$ 24,534,096

Anacortes Mining Corp.

Unaudited pro forma consolidated statement of loss

Year ended December 31, 2020

(Expressed in Canadian dollars)

	Year ended December 31,				
	First Light Capital Corp.	New Oropu Resources Inc.	Notes	Pro forma adjustments	Pro forma consolidated
	(audited)				
Expenses					
Consulting fees	\$ 54,086	\$ 151,500		\$ -	\$ 205,586
Directors' fees	-	42,000		-	42,000
General and administration	3,397	108,654		-	112,051
Insurance	-	21,277		-	21,277
Legal and audit	89,235	71,570		-	160,805
Payroll taxes	-	22,450		-	22,450
Property maintenance	-	195		-	195
Regulatory fees	15,655	13,523		-	29,178
Rent	-	6,000		-	6,000
Travel	-	3,172		-	3,172
Share-based payments	-	1,074,318	3(b)(ii)	115,482	1,189,800
Change of control payments to insiders	-	-	3(c),3(d)	4,469,350	4,469,350
Transaction expenses	-	-	3(b)	14,762,079	14,762,079
	162,373	1,514,659	4	19,346,911	21,023,943
Other					
Proceeds of option payments in excess of costs	-	(192,465)		-	(192,465)
Foreign exchange loss	45	47,484		-	47,529
	45	(144,981)			(144,936)
Net loss and comprehensive loss	162,418	1,369,678		-	20,879,007
Loss per share		\$ (0.05)		-	\$ (0.09)
Weighted average common shares outstanding		25,250,971	4	202,218,375	227,469,346

Note: The pro forma income statement for the year ended December 31, 2020 were prepared from the audited statements of loss and comprehensive loss of First Light and NOP for the year ended December 31, 2020 as though the transaction described in Notes 1 and 3 had occurred on January 1, 2020.

Anacortes Mining Corp.

Unaudited pro forma consolidated statement of loss

Three months ended March 31, 2021

(Expressed in Canadian dollars)

	Three months ended March 31,				
	First Light Capital Corp.	New Oropuru Resources Inc.	Notes	Pro forma adjustments	Pro forma consolidated
	(unaudited)				
Expenses					
Consulting fees	\$ -	\$ 32,000		\$ -	\$ 32,000
Directors' fees	-	13,500		-	13,500
General and administration	1,612	26,428		-	28,040
Insurance	-	6,250		-	6,250
Legal and audit	36,898	12,510		-	49,408
Property maintenance	-	194		-	194
Regulatory fees	7,077	13,420		-	20,497
Rent	-	1,500		-	1,500
Shareholders communications	-	34,895		-	34,895
Share-based payments	-	115,761	3(b)(ii)	115,482	231,243
Property investigation costs	183,930	-		-	183,930
Change of control payments to insiders	-	-	3(c),3(d)	4,469,350	4,469,350
Transaction expenses	-	-	3(b)	14,762,079	14,762,079
	229,517	256,458	4	19,346,911	19,832,886
Other					
Foreign exchange loss (gain)	2,705	(1,641)		-	1,064
	2,705	(1,641)			1,064
Net loss and comprehensive loss	232,222	254,817		-	19,833,950
Loss per share	\$	(0.01)		-	\$ (0.08)
Weighted average common shares outstanding		27,887,962	4	219,962,287	247,850,249

Note: The pro forma income statement for the three months ended December 31, 2020 were prepared from the unaudited statements of loss and comprehensive loss of First Light and NOP for the three months ended March 31, 2021 as though the transaction described in Notes 1 and 3 had occurred on January 1, 2021.

Anacortes Mining Corp.

Notes to the pro forma consolidated financial statements
(Unaudited)
(Expressed in Canadian dollars)

1. Proposed transaction with New Oroperu Resources Inc.

First Light Capital Corp. (“First Light” or the “Company”) and New Oroperu Resources Inc. (“New Oroperu” or “NOP”) entered into a definitive arrangement agreement dated June 16, 2021 (the “Arrangement Agreement”) to combine and create Anacortes Mining Corp. (“Anacortes”) – a new growth-oriented gold company (the “Transaction”) which intends to focus on continued exploration and advancement of New Oroperu’s Tres Cruces project located in Peru, in addition to seeking further growth opportunities in the Americas.

Under the terms of the Arrangement Agreement, which was negotiated at arms-length, each New Oroperu shareholder will receive 5.815 common shares of First Light (each a “First Light Share”) for each New Oroperu common share held (each a “New Oroperu Share”) (the “Share Exchange Ratio”). A portion of the New Oroperu options outstanding will vest immediately prior to closing of the Transaction and shall be transferred to New Oroperu for cancellation at closing of the Transaction (“Closing”) for an amount equal to the positive difference between the exercise price and the 20-day volume weighted average share price of New Oroperu for the 20-day period ending on the day prior to the announcement of the Transaction. All remaining outstanding options of New Oroperu will be exchanged for equivalent options of First Light in accordance with the Arrangement Agreement and based on the Share Exchange Ratio. The outstanding New Oroperu warrants will be adjusted to become exercisable for First Light Shares based on the Share Exchange Ratio. Based upon the Share Exchange Ratio, a total of 162,168,499 First Light Shares will be issued to New Oroperu shareholders based on a total of 27,887,962 New Oroperu Shares, before giving effect to the Consolidation (as defined below). The Transaction will constitute a change of control of New Oroperu, and at closing New Oroperu will be required to pay an aggregate of approximately C\$2.4M in cash change of control payments to five insiders.

It is anticipated that upon completion of the Transaction, current First Light and New Oroperu shareholders will own 16% and 84% of Anacortes, respectively, without giving effect to the Private Placement. After giving effect to the Private Placement, it is expected that current First Light shareholders, New Oroperu shareholders and investors in the Private Placement will own approximately 13%, 66% and 21% of Anacortes, respectively. Directors and officers of New Oroperu representing 14.9% of New Oroperu Shares, in addition to Pan American Silver Corp. that represents 17.4% of the New Oroperu Shares, have entered into lock-up and voting support agreements in connection with the Transaction.

Immediately following completion of the Transaction, Anacortes will consolidate its common shares at a ratio of six pre-consolidation shares to one post-consolidation share (the “Consolidation”).

2. Basis of presentation

The unaudited pro forma consolidated financial statements of Anacortes give effect to the Transaction as described above. In substance, the Transaction involves NOP shareholders obtaining control of the First Light and accordingly the Transaction will be considered to be a reverse takeover transaction (“RTO”). As First Light does not meet the definition of a business under International Financial Reporting Standards (“IFRS”), the consolidated statement of financial position of the resulting entity will represent the continuation of NOP. The Transaction has been accounted for as a share-based payment by which NOP acquired the net assets and management of First Light. Accordingly, the unaudited pro forma consolidated financial statements of Anacortes have been prepared by management using the same accounting policies as described in First Light’s audited financial statements for the year ended December 31, 2020 which are consistent with that of NOP.

These unaudited pro forma financial statements are not intended to reflect the results of operations or the financial position of Anacortes which would have actually resulted had the proposed transaction been effected on the dates indicated. Further, the unaudited pro forma financial information is not necessarily indicative of the results of operations that may be obtained in the future. The actual pro forma adjustments will depend on a number of factors, and could result in a change to these unaudited pro forma financial statements.

Anacortes Mining Corp.

Notes to the pro forma consolidated financial statements
(Unaudited)
(Expressed in Canadian dollars)

2. Basis of presentation (continued)

These unaudited pro forma consolidated financial statements have been compiled from information derived from, and should be read in conjunction with, the following information prepared in accordance with IFRS:

- The Company's audited financial statements for the year ended December 31, 2020;
- NOP's audited financial statements for the years ended December 31, 2020;
- The Company's unaudited financial statements for the three months ended March 31, 2021; and
- NOP's unaudited financial statements for the three months ended March 31, 2021.

It is management's opinion that these pro forma financial statements include all adjustments necessary for the fair presentation, in all material respects, of the Transaction described herein in accordance with IFRS applied on a basis consistent with First Light and NOP's accounting policies. No adjustments have been made to reflect potential additional costs or cost savings that may occur subsequent to completion of the Transaction.

3. Unaudited pro forma assumptions and adjustments

The unaudited pro forma consolidated statement of financial position gives effect had the Transaction been completed on March 31, 2021 and have been prepared based on the following assumptions:

- (a) On July 21, 2021, First Light and NOP completed a private placement financing whereby First Light issued 55,096,250 subscription receipts (the "Subscription Receipts") at a price of C\$0.40 per Subscription Receipt (the "Subscription Price") for gross proceeds of C\$22,038,500 (the "Private Placement") and net proceeds of \$20,483,330. The Private Placement included the partial exercise of the agents' option and was co-led by Haywood Securities Inc. ("Haywood") as sole bookrunner, and Clarus Securities Inc. ("Clarus" and together with Haywood, the "Agents") under the brokered portion of the Private Placement.

The Private Placement consisted of Subscription Receipts offered by First Light and by 1310612 B.C. Ltd. ("Finco"), a wholly-owned subsidiary of First Light, as follows:

- (i) 4,406,250 Subscription receipts sold by First Light on a brokered basis;
- (ii) 49,077,500 Subscription receipts sold by Finco on a brokered basis;
- (iii) 125,000 Subscription receipts sold by First Light on a non-brokered basis; and
- (iv) 1,487,500 Subscription receipts sold by Finco on a non-brokered basis.

Each Subscription Receipt sold by First Light will entitle the holder thereof to receive one First Light common share (each, a "First Light Share") and one-half of one common share purchase warrant of First Light (each full warrant, a "First Light Warrant"). Each Subscription Receipt sold by Finco will entitle the holder to receive one Finco common share (each a "Finco Share") and one-half of one Finco common share purchase warrant (each whole warrant a "Finco Warrant"). After conversion of the Finco Subscription Receipts and in connection with closing of the Transaction, Finco will amalgamate with a wholly-owned subsidiary of First Light which will result in the Finco Shares and the Finco Warrants being exchanged for First Light Shares and First Light Warrants on a "one for one" basis. Each First Light Warrant shall be exercisable for one First Light Share at an exercise price of C\$0.55 for a period of 24 months from the closing date of the Private Placement. If certain escrow release conditions are not satisfied on or before the November 30, 2021 (subject to extension at the request of the Company or the Agents), or if the Arrangement Agreement is terminated at any earlier time, or if First Light advises the Agents or announces to the public that it does not intend to satisfy the escrow release conditions, then holders of the Subscription Receipts will be returned an amount equal to the aggregate Subscription Price for the Subscription Receipts held by them, together with a pro rata portion of interest earned on the escrowed proceeds (less applicable withholding tax, if any) and the Subscription Receipts will be cancelled and of no further force or effect.

Anacortes Mining Corp.

Notes to the pro forma consolidated financial statements
(Unaudited)
(Expressed in Canadian dollars)

3. Unaudited pro forma assumptions and adjustments (continued)

As consideration for their services, the Agents will receive a cash commission equal to 6.0% of the gross proceeds of the brokered tranche of the Private Placement and that number of compensation subscription receipts equal to 6.0% of the aggregate number of Subscription Receipts sold under the brokered tranche of the Private Placement. In addition, the Agents will receive a corporate finance fee of \$35,000 and 95,000 compensation subscription receipts as additional consideration for their services in connection with the Private Placement. On satisfaction of the escrow release conditions, each compensation subscription receipt will automatically convert into a compensation option entitling the holder thereof to purchase one First Light Share at the Subscription Price for a period of 24 months from the closing date of the Private Placement.

The fair value of the share purchase warrants issued to holders of the subscription receipts and the fair value of the compensation options issued to the Agents upon closing of the Private Placement is estimated using the Black-Scholes pricing model with the following assumptions:

	Subscription receipts warrants	Compensation options
Exercise price per warrant or option	\$0.55	\$0.40
Share price at date of issue	\$0.47	\$0.47
Expected life	2 years	2 years
Risk-free interest rate	0.46%	0.46%
Dividend yield	Nil	Nil
Expected volatility	90.16%	90.16%
Estimated fair value per warrant or option	\$0.21	\$0.24

- (b) Pursuant to the terms of the Arrangement Agreement, First Light will issue an aggregate of 162,168,499 of the Company's common shares to the shareholders of NOP. As a result of the Transaction, the current shareholders of NOP will acquire control of First Light and the Transaction, as undertaken pursuant to the Arrangement Agreement, will be treated as an RTO transaction. The Transaction will be accounted for as an acquisition of the net assets and management of the Company by NOP where the excess of the estimated fair value of the equity instruments that the Company is deemed to have issued to acquire NOP, plus the transaction costs (both the "Consideration") and the estimated fair value of the Company's net assets, will be recorded as the cost of the acquisition. For the purposes of the pro forma consolidated statement of financial position, the fair value of the equity instruments deemed to be issued by the Company and the transaction costs comprise the following:

- (i) The fair value of the Company's existing outstanding common shares is determined to be \$12,250,000 based on a price of \$0.40 per Subscription Receipt (Note 3(a)).
- (ii) The fair value of the Company's existing stock options is determined to be \$115,482, based on the Black-Scholes pricing model with the following assumptions:

	First Light stock options
Exercise price per option	\$0.10
Share price at date of issue	\$0.46
Expected life	3.07 years
Risk-free interest rate	0.57%
Dividend yield	Nil
Expected volatility	88.87%
Estimated fair value per option	\$0.38

Anacortes Mining Corp.

Notes to the pro forma consolidated financial statements
(Unaudited)
(Expressed in Canadian dollars)

3. Unaudited pro forma assumptions and adjustments (continued)

- (iii) Transaction costs include professional fees of approximately \$675,000 payable in cash comprised of financial advisory fees, legal fees, and consulting fees; additional financial advisory fees payable in 4,800,000 First Light common shares having a deemed value of \$1,920,000 based on a price of \$0.40 per Subscription Receipt (Note 3(a)); and a success fee of approximately \$1,900,000 to Haywood, of which \$175,000 is payable in cash and the remaining amount (the "Remainder") is payable in cash or an equivalent amount in Subscription Receipts or a combination of both. For the purposes of the pro forma statement of financial position, the Remainder is treated as a cash payment and is recorded in accounts payable.

The allocation of the Consideration for the purposes of the pro forma consolidated statement of financial position is as follows:

	Note	Amount
Net assets acquired:		
Current assets		\$ 2,009,756
Current liabilities assumed		(26,835)
Net assets acquired		<u>1,982,921</u>
Consideration given:		
Value of common shares deemed to be issued by the Company	(i)	12,250,000
Stock options deemed to be issued by the Company	(ii)	115,482
Professional fees	(iii)	675,000
Financial advisory fees	(iii)	1,920,000
Success fees	(iii)	<u>1,900,000</u>
Consideration given		<u>16,860,482</u>
Total consideration given		16,860,482
Total net assets acquired		<u>1,982,921</u>
Total transaction expense		<u>\$ 14,877,561</u>

There will be an elimination of the Company's pre-acquisition equity of \$1,982,921.

- (c) The Arrangement Agreement contemplates that as the Transaction will constitute a change of control of New Oropu, at closing New Oropu will be required to pay an aggregate of \$2,395,750 in cash as change of control payments to five insiders.
- (d) Pursuant to the terms of the Arrangement Agreement, a portion of the New Oropu options outstanding will vest immediately prior to closing of the Transaction and shall be transferred to New Oropu for cancellation at closing of the Transaction for an amount equal to the positive difference between the exercise price and the 20-day volume weighted average share price of New Oropu for the 20-day period ending on the day prior to the announcement of the Transaction. All remaining outstanding options of New Oropu will be exchanged for equivalent options of First Light in accordance with the Arrangement Agreement and based on the Share Exchange Ratio.

A total of \$2,073,600 will be paid to certain New Oropu option holders pursuant to the above.

Anacortes Mining Corp.

Notes to the pro forma consolidated financial statements
(Unaudited)
(Expressed in Canadian dollars)

4. Pro forma shareholders' equity

As a result of the Transaction and the pro forma assumptions and adjustments, the shareholders' equity of Anacortes as at March 31, 2021 is comprised of the following:

	Notes	Number of shares	Share capital	Option reserve	Warrant reserve	Deficit	Total
Balance at March 31, 2021		27,887,962	\$35,701,029	\$2,598,709	\$ -	\$(36,320,020)	\$ 1,979,718
Subscription receipts	3(a)	55,096,250	18,083,313	-	3,955,187	-	22,038,500
Share issue costs	3(a)	-	(1,276,068)	-	(279,102)	-	(1,555,170)
NOP shares cancelled in share exchange with shareholders in RTO		(27,887,962)	(35,701,029)	-	-	-	(35,701,029)
Shares issued in share exchange with shareholders in RTO		162,168,499	35,701,029	-	-	-	35,701,029
Shares and options deemed to be issued in RTO	3(b)(i)(iii)	30,625,000	12,250,000	115,482	-	-	12,365,482
Transaction costs	3(b)(iii), 3(c),3(d)	4,800,000	1,920,000	-	-	-	1,920,000
		-	-	-	-	(19,346,911)	(19,346,911)
Pro forma balance, prior to 6:1 consolidation		252,689,749	\$66,678,274	\$2,714,191	\$3,676,085	\$(55,666,931)	\$17,401,619

Based on the pro forma assumptions, Anacortes is expected to have 42,114,958 common shares outstanding immediately following the 6:1 consolidation of its shares.

5. Income taxes

The pro forma effective statutory income tax rate of the combined companies will be 27%. No provision for loss carryforwards and the resulting income tax benefit has been made in the pro forma consolidated statement of financial position.

Schedule "L"

Statement of Executive Compensation

Executive Compensation

Summary Compensation Table

The following table outlines the anticipated compensation, other than compensation securities, to be paid by the Resulting Issuer in the 12-month period following the completion of the Arrangement to its proposed President and CEO, CFO and the most highly compensated officer of the Resulting Issuer (other than its CEO and CFO) whose total compensation is anticipated to be more than \$150,000 during that period:

Name and Position	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus ⁽²⁾ (\$)	Committee or Meeting Fees (\$)	Value of Perquisites ⁽¹⁾ (\$)	Value of all other Compensation (\$)	Total Compensation (\$)
Jim Currie President and Chief Executive Officer	270,000	TBD ⁽²⁾	Nil	Nil	Nil	270,000
Hong Dih Lee, Chief Financial Officer	200,000	TBD ⁽²⁾	Nil	Nil	Nil	200,000
Steven Botts, President ATC	US240,000	TBD ⁽²⁾	Nil	Nil	Nil	US240,000

Notes:

- (1) "Perquisites" include perquisites provided to an executive officer or director that are not generally available to all employees and that, in aggregate, are: (a) \$15,000, if the executive officer's or director's total salary for the financial year is \$150,000 or less, (b) 10% of the executive officer's or director's salary for the financial year if the executive officer or director's total salary for the financial year is greater than \$150,000 but less than \$500,000, or (c) \$50,000 if the executive officer's or director's total salary for the financial year is \$500,000 or greater.
- (2) The Resulting Issuer has not determined the proposed bonus structure for its NEOs as at the date of hereof, but expects to pay bonuses to its executives in line with the bonuses paid to executives in comparable companies in the Resulting Issuer's industry.

First Light currently does not have a standard arrangement pursuant to which directors are compensated. All directors are reimbursed for their respective out of pocket expenses in relation to their attendance at meetings of the Board and committee meetings. First Light has not provided compensation to members of the board of the directors at any time and the Resulting Issuer does not intend to provide compensation to any director, who is not also an executive officer, in the near term, other than compensation securities.

Indebtedness of Directors and Officers

No director or officer of First Light, nor any proposed director or officer of the Resulting Issuer, is or has been indebted to First Light at any time or is expected to be indebted to the Resulting Issuer following the Closing.

Security Based Compensation

Stock Options and Other Security Based Compensation

First Light has not granted any compensation securities to its directors or NEOs in the most recently completed financial year. The Resulting Issuer expects to grant an aggregate of 1,400,000 Resulting Issuer Options on the closing of the Arrangement as follows: 300,000 Resulting Issuer Options to James Currie, 250,000 Resulting Issuer Options to each of Horng Dih Lee and Steven Botts, and 200,000 Resulting Issuer Options to each of Brian Storseth, Barry Hildred and Andy Carstensen. Each such Resulting Issuer Option will have an exercise price of \$0.40 and expires 5 years after the Closing Date.

Security Based Compensation Plans

The stock option plan of the Resulting Issuer will be the Stock Option Plan of First Light. A copy of the First Light's Stock Option Plan is available on SEDAR under First Light's profile at www.sedar.com. First Light intends to seek the approval of its shareholders at the First Light Meeting to amend the Stock Option Plan to provide for the grant of awards other than stock options, namely, restricted share units and performance share units, with such amendments to take effect on the closing of the Arrangement. The amendment of the First Light Stock Option Plan is not a condition to the closing of the Arrangement, and, if not approved or the Arrangement does not complete for any reason, the existing First Light Stock Option Plan will continue in full force and effect.

Also see "*Information Concerning First Light – Stock Option Plan*" for a description of the material terms of the Stock Option Plan.

Under the policies of the Exchange, the Resulting Issuer's Stock Option Plan is required to be approved by its shareholders annually at the Resulting Issuer's annual general meeting.

Oversight of Director and Executive Officer Compensation

First Light, as a capital pool company, did not provide any compensation, other than compensation securities, to its directors and executive officers. As of the date of this Circular, the Resulting Issuer has not yet fully determined the proposed compensation structure for its executive officers, but it expects to offer compensation to its executives in line with the bonuses paid to executives in comparable companies in the Resulting Issuer's industry.

The Resulting Issuer Board, after having received the recommendation of the compensation committee, will make decisions regarding all forms of compensation, including salaries, bonuses and equity incentive compensation for the Resulting Issuer's CEO, CFO and other executive officers, as well as approves corporate goals and objectives relevant to their compensation. The Board is ultimately responsible for the administration of employee incentive compensation, including the Resulting Issuer Stock Option Plan. The Board is expected to delegate the responsibility for the administration of Resulting Issuer Stock Option Plan to the compensation committee.

The Resulting Issuer's compensation practices will be designed to retain, motivate and reward its executive officers for their performance and contribution to the Resulting Issuer's long-term success. The Board will seek to compensate executive officers by combining short-term and long-term cash and equity incentives. It will also seek to reward the achievement of corporate and individual performance objectives and to align executive officers' incentives with the Resulting Issuer's performance. The Resulting Issuer will seek to tie individual goals to the area of the senior executive officer's primary responsibility. These goals may include the achievement of specific financial or business development goals. Corporate performance goals are based on our financial performance during the applicable financial year.

In order to achieve the Resulting Issuer's growth objectives, attracting and retaining the right team members is critical. A key part of this is a well-thought out compensation plan that attracts high performers and compensates them for continued achievements. Many of the Resulting Issuer's team members may participate in the Resulting Issuer Stock Option Plan, driving retention and ownership. Communicating clear and concrete criteria and process for merit-based increases and bonuses will also motivate the entire team to achieve individual and corporate goals.

Schedule "M"

Corporate Governance

Audit Committee

Under National Instrument 52-110 *Audit Committees* ("NI 52-110"), a reporting issuer is required to provide disclosure annually with respect to its audit committee, including the text of its audit committee charter, information regarding the composition of the audit committee, and information regarding fees paid to its external auditor. Upon completion of the Arrangement, the audit committee charter of First Light will become the audit committee charter of the Resulting Issuer. The Resulting Issuer provides the following disclosure with respect to its proposed audit committee (the "**Audit Committee**"). The full text of the audit committee charter of First Light is attached as Appendix "A" to this Schedule "M".

Composition of the Audit Committee

The Resulting Issuer's Audit Committee is expected to be comprised of three directors, consisting of Barry Hildred, Brian Storseth and Andy Carstensen. As defined in NI 52-110, each proposed member of the Audit Committee is "independent."

All of the proposed Audit Committee members are "financially literate", as defined in NI 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Resulting Issuer, as well as an understanding of internal controls and procedures necessary for financial reporting.

The Audit Committee is responsible for review of both interim and annual financial statements for the Resulting Issuer. For the purposes of performing their duties, the members of the Audit Committee have the right at all times, to inspect all the books and financial records of the Resulting Issuer and any subsidiaries, and to discuss with management and the external auditors of the Resulting Issuer any accounts, records and matters relating to the financial statements of the Resulting Issuer. The Audit Committee members meet periodically with management and annually with the external auditors.

Relevant Education and Experience

Each proposed Audit Committee member possesses education and experience that is relevant to the performance of their responsibilities as an Audit Committee member and that provides each proposed member with: (i) an understanding of the accounting principles used by the Resulting Issuer to prepare its financial statements; (ii) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions, (iii) 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 reasonably be expected to be raised by the Resulting Issuer's financial statements, or experience actively supervising one or more individuals engaged in such activities; and (iv) an understanding of internal controls and procedures for financial reporting. For a description of such relevant education and experience, see the respective biographies of each of Mr. Hildred, Mr. Storseth and Mr. Carstensen above under the heading "*Executive Officers and Directors of Anarcortes – Biographies*" in Schedule "I".

Pre-Approval Policies and Procedures

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the First Light Board and the Audit Committee, on a case-by-case basis as applicable.

External Auditor Service Fees

The below table sets forth the audit fees billed by First Lights audit in each of the last two fiscal years.

Year Ended December 31	Audit Fees	Audit Fees Related	Tax Fees	All Other Fees
2020	\$10,000	Nil	\$1,750	\$15,825
2019	\$12,500	Nil	\$5,250	\$15,000

Board of Directors

The First Light Board facilitates, and following the Closing, the Resulting Issuer Board will facilitate, its exercise of independent supervision over the company's management through meetings of the Board.

Mr. James Currie, a proposed director of the Resulting Issuer, is not considered to be independent as he is expected to be an officer of the Resulting Issuer. Messrs. Brian Storseth, Barry Hildred, Andy Carstensen and K. Wayne Livingstone are considered to be independent in that they are independent and free from any interest and any business or other relationship which could or could reasonably be perceived to materially interfere with the respective director's ability to act with the best interests of the Resulting Issuer, other than the interests and relationships arising from being shareholders.

It is proposed that Mr. Barry Hildred will be the Chair of the Resulting Issuer Board, and in such role, he is principally responsible for overseeing the operations and affairs of the Resulting Issuer Board.

It is expected that the Resulting Issuer Board will adopt a written charter describing, *inter alia*, the Board's role and overall responsibility to supervise the management of the business and affairs of the Resulting Issuer following completion of the Arrangement.

Directorships

The following table sets out information regarding other directorships, other than First Light and New Oroperu, presently held by proposed directors of the Resulting Issuer with other reporting issuers (or the equivalent) in Canada or any foreign jurisdiction:

Name of Director	Names of Other Reporting Issuers	Securities Exchange
James Currie	Northstar Clean Technologies Inc.	TSXV
	Badger Capital Corp.	TSXV
	Southern Empire Resources Corp.	TSXV
Brian Storseth	ParcelPal Logistics Inc.	CSE
	Reliq Health Technologies Inc.	TSXV

Name of Director	Names of Other Reporting Issuers	Securities Exchange
Barry Hildred	Aquila Resources Inc.	TSX
	Green Light Metals Inc.	N/A
Andrew Carstsensen	Sun Summit Minerals Corp.	TSXV
K. Wayne Livingstone	Constantine Metal Resources Ltd.	TSXV
	Carlin Gold Corporation	TSXV

Orientation and Continuing Education

New directors of the Resulting Issuer will be expected to participate in an initial information session on the Resulting Issuer in the presence of its senior executive officers to learn about, among other things, the business of the Resulting Issuer, its financial situation and its strategic planning. In addition, new directors will be furnished with appropriate documentation, providing them with information about, among other matters, the corporate governance practices of the Resulting Issuer, the structure of the Board and its committees, the Resulting Issuer's history, its activities, its corporate organization, the charters of the Board and its committees, the Resulting Issuer's articles and other relevant corporate policies.

Ethical Business Conduct

The Board has not adopted a written ethical business code of conduct for directors, officers and employees. However, the Board believes that the fiduciary duties placed on individual directors by First Light's governing corporate legislation and the common law, and the restrictions placed by applicable corporate legislation on an individual director's 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 First Light.

It is expected that the Resulting Issuer Board will adopt a written code of ethics applicable to all of its employees, executive officers and directors following completion of the Arrangement (the "**Code of Ethics**"). Among other things, the Code of Ethics will provide guidance on appropriate conduct within the organization amongst shareholders, customers, vendors and other third parties, as well as outline the appropriate course of action to ensure regulatory compliance and avoid conflicts of interests, bribes and kickbacks, and other unethical practices. The purpose of the Code of Conduct is to establish a workspace with integrity and ethical standards and will apply in addition to any legal, contractual obligations or regulatory obligations. The Chief Financial Officer will be responsible for reporting any material issues relating to the Code of Ethics to the Audit Committee.

Insider Trading Policy

It is expected that the Resulting Issuer will adopt an insider trading policy (the "**Insider Trading Policy**") following completion of the Arrangement, applicable to all directors, officers, employees, consultants, contractors and related individuals of the Resulting Issuer who have access to material non-public information. The Insider Trading Policy will be implemented to ensure compliance with applicable securities laws. Compliance with the Insider Trading Policy will be overseen by the Chief Financial Officer, or in his/her absence, the President and Chief Executive Officer of the Resulting Issuer.

The Insider Trading Policy applies to all transactions in the securities of the Resulting Issuer, other than the exercise of share options or other awards for cash under the Resulting Issuer's incentive plan.

Nomination of Directors

First Light does not have a formal process or committee for proposing new nominees for election to the Board. The nominees proposed are generally the result of recruitment efforts by the members of the Board, including both formal and informal discussions among the members of the Board.

Management of the Resulting Issuer is in contact with individuals involved in the mining and mineral exploration sector. From these sources management has made a number of contacts and in the event that the Resulting Issuer requires any new directors, such individuals will be brought to the attention of the Board. Management will conduct reference and background checks on suitable candidates. New nominees generally must have public company board experience and a track record in business management, areas of strategic interest to the Resulting Issuer, the ability to devote the time required to carry out the obligations and responsibilities of a director and a willingness to serve in that capacity.

Compensation Committee

The First Light Board has not created or appointed a compensation committee given First Light's current size and stage of development. All tasks related to developing and monitoring First Light's approach to the compensation of First Light's NEOs and directors are performed by the members of the Board. The compensation of the NEOs, directors and First Light's employees or consultants, if any, is reviewed, recommended and approved by the Board without reference to any specific formula or criteria.

The Resulting Issuer Board is expected to form a compensation committee (the "**Compensation Committee**") following closing of the Arrangement. The Compensation Committee will be comprised of Barry Hildred, Brian Storseth and Andy Carstensen each of whom has a working familiarity with human resources and compensation matters. Each of Mr. Hildred, Mr. Storseth and Mr. Carstensen are independent within the meaning of NI 52-110. For the skills and experience of each proposed member of the Compensation Committee relevant to the performance of his or her duties as a member of the Compensation Committee, see "*Management and Director Biographies*".

It is expected that the Resulting Issuer Board will adopt a written charter for the Compensation Committee describing its roles and responsibilities which will include, among other things, to:

- consider and recommend for approval by the Resulting Issuer Board the appointment of the executive officers of the Resulting Issuer;
- review existing management resources and plans for ensuring that qualified personnel will be available as required and to report on this matter to the Resulting Issuer Board;
- review and assess annually the performance of the Chief Executive Officer, the Chief Financial Officer and the Chief Technology Officer against pre-set specific corporate and individual goals and objectives;
- oversee and recommend for approval by the Resulting Issuer Board the executive compensation principles, policies, programs, grants of equity-based incentives and processes and specifically consider and recommend annually or as required;
- review the compensation discussion and analysis and related executive compensation disclosure for inclusion in the Resulting Issuer's public disclosure documents, in accordance with applicable rules and regulations; and

- review, monitor, report and where appropriate, provide recommendations to the Resulting Issuer Board on the Resulting Issuer's exposure to risks related to executive compensation policies and practices, if any, and identify compensation policies and practices that mitigate any such risk.

The Compensation Committee will have the authority to engage outside counsel or other outside advisors as it deems appropriate to assist the Compensation Committee in the performance of its functions.

The Compensation Committee may also recommend to the Resulting Issuer Board further changes to the existing executive compensation regimes and severance pay practices, employment agreements for executive officers and adoption of stock ownership guidelines.

Assessments

The Board regularly monitors the adequacy and effectiveness of information given to directors, communications between the Board and management, and the strategic direction and processes of the Board and its committees.

Appendix “A”

FIRST LIGHT CAPITAL CORP. (the “Corporation”)

AUDIT COMMITTEE CHARTER

1. MANDATE

The audit committee will assist the board of directors of the Corporation (the “**Board**”) in fulfilling its financial oversight responsibilities. The committee will review and consider, in consultation with the Corporation’s external auditors, the financial reporting process, the system of internal control over financial reporting and the audit process. In performing its duties, the audit committee will maintain effective working relationships with the Board, management and the external auditors. To effectively perform his or her role, each committee member must obtain an understanding of the principal responsibilities of committee membership as well as the Corporation’s business, operations and risks.

2. COMPOSITION

The Board will appoint, from among their membership, an audit committee after each annual meeting of the shareholders of the Corporation. The audit committee will consist of a minimum of three directors.

2.1 *Independence*

A majority of the members of the audit committee must be “independent” (as defined in Sec. 1.4 of National Instrument 52-110 (Audit Committees)) (“**NI 52-110**”).

2.2 *Expertise of Committee Members*

A majority of the members of the audit committee must be “financially literate” (as defined in Sec. 1.6 of NI 52-110) or must become financially literate within a reasonable period of time after his or her appointment to the committee. At least one member of the committee must have accounting or related financial management expertise.

3. MEETINGS

The audit committee shall meet in accordance with a schedule established each year by the Board, and at other times that the audit committee may determine. The audit committee shall meet at least annually with the Corporation’s Chief Financial Officer and external auditors in separate executive sessions.

4. ROLES AND RESPONSIBILITIES

The audit committee shall fulfill the following roles and discharge the following responsibilities:

4.1 *External Audit*

The audit committee shall be directly responsible for overseeing the work of the external auditors in preparing or issuing the auditor’s report, or performing other audit, review or attestation services, including the resolution of disagreements between management and the external auditors regarding financial reporting. In carrying out this duty, the audit committee shall:

- (a) recommend to the Board that the external auditor to be nominated for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attestation services for the Corporation;

- (b) review (by discussion and enquiry) the external auditors' proposed audit scope and approach;
- (c) review the performance of the external auditors and recommend to the Board the appointment or discharge of the external auditors;
- (d) review and recommend to the Board the compensation to be paid to the external auditors;
- (e) review and confirm the independence of the external auditors by reviewing the non-audit services provided and the external auditors' assertion of their independence in accordance with professional standards; and
- (f) review and approve the Corporation's hiring policies regarding partners and employees, and former partners and employees, of the present and former external auditor of the Corporation.

4.2 Internal Control

The audit committee shall consider whether adequate controls are in place over annual and interim financial reporting as well as controls over assets, transactions and the creation of obligations, commitments and liabilities of the Corporation. In carrying out this duty, the audit committee shall:

- (a) evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Corporation; and
- (b) ensure that the external auditors discuss with the audit committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

4.3 Financial Reporting

The audit committee shall review the financial statements and financial information of the Corporation prior to their release to the public. In carrying out this duty, the audit committee shall:

General

- (a) review significant accounting and financial reporting issues, especially complex, unusual and related party transactions;
- (b) review and ensure that the accounting principles selected by management in preparing financial statements are appropriate;

Annual Financial Statements

- (c) review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements;
- (d) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered;
- (e) review management's discussion & analysis respecting the annual reporting period prior to its release to the public;

Interim Financial Statements

- (f) review and approve the interim financial statements prior to their release to the public;

- (g) review management's discussion & analysis respecting the interim reporting period prior to its release to the public; and

Release of Financial Information

- (h) where reasonably possible, review and approve all public disclosure containing financial information, including news releases, prior to release to the public. An audit committee must be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, and must periodically assess the adequacy of those procedures.

4.4 Non-Audit Services

All non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements) which are proposed to be provided by the external auditors to the Corporation or any subsidiary of the Corporation shall be subject to the prior approval of the audit committee.

Delegation of Authority

- (a) The audit committee may delegate to one or more independent members of the audit committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the audit committee at its next scheduled meeting.

De-Minimis Non-Audit Services

- (b) The audit committee may satisfy the requirement for the pre-approval of non-audit services if:
 - (i) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Corporation and its subsidiaries to the external auditor during the fiscal year in which the services are provided; or
 - (ii) the services are brought to the attention of the audit committee and approved, prior to the completion of the audit, by the audit committee or by one or more of its members to whom authority to grant such approvals has been delegated.

Pre-Approval Policies and Procedures

- (c) The audit committee may also satisfy the requirement for the pre-approval of non-audit services by adopting specific policies and procedures for the engagement of non-audit services, if:
 - (i) the pre-approval policies and procedures are detailed as to the particular service;
 - (ii) the audit committee is informed of each non-audit service; and
 - (iii) the procedures do not include delegation of the audit committee's responsibilities to management.

4.5 Other Responsibilities

The audit committee shall:

- (a) establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters;

- (b) establish procedures for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters;
- (c) ensure that significant findings and recommendations made by management and the external auditor are received and discussed on a timely basis;
- (d) review the policies and procedures in effect for considering officers' expenses and perquisites;
- (e) perform other oversight functions as requested by the Board; and
- (f) review and update this Charter and receive approval of changes to this Charter from the Board.

4.6 Reporting Responsibilities

The audit committee shall regularly update the Board about committee activities and make appropriate recommendations.

5. RESOURCES AND AUTHORITY OF THE AUDIT COMMITTEE

The audit committee shall have the resources and the authority appropriate to discharge its responsibilities, including the authority to

- (a) engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for any advisors employed by the audit committee; and
- (c) communicate directly with the internal and external auditors.

6. GUIDANCE – ROLES & RESPONSIBILITIES

The audit committee should consider undertaking the actions described in the following guidance, which is intended to provide the audit committee members with additional guidance on fulfilment of their roles and responsibilities on the committee:

6.1 Internal Control

- (a) evaluate whether management is setting the goal of high standards by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities,
- (b) focus on the extent to which external auditors review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of an IT systems breakdown, and
- (c) gain an understanding of whether internal control recommendations made by external auditors have been implemented by management;

6.2 **Financial Reporting**

General

- (a) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements,
- (b) ask management and the external auditors about significant risks and exposures and the plans to minimize such risks,
- (c) understand industry best practices and the Corporation's adoption of them;

Annual Financial Statements

- (d) review the annual financial statements and determine whether they are complete and consistent with the information known to committee members, and assess whether the financial statements reflect appropriate accounting principles in light of the jurisdictions in which the Corporation reports or trades its shares;
- (e) pay attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;
- (f) focus on judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of loan losses; warranty, professional liability; litigation reserves; and other commitments and contingencies;
- (g) consider management's handling of proposed audit adjustments identified by the external auditors;
- (h) ensure that the external auditors communicate all required matters to the committee;

Interim Financial Statements

- (i) be briefed on how management develops and summarizes interim financial information, the extent to which the external auditors review interim financial information;
- (j) meet with management and the auditors, either telephonically or in person, to review the interim financial statements;
- (k) to gain insight into the fairness of the interim statements and disclosures, obtain explanations from management on whether:
 - (i) actual financial results for the quarter or interim period varied significantly from budgeted or projected results;
 - (ii) changes in financial ratios and relationships of various balance sheet and operating statement figures in the interim financials statements are consistent with changes in the Corporation's operations and financing practices;
 - (iii) generally accepted accounting principles have been consistently applied;
 - (iv) there are any actual or proposed changes in accounting or financial reporting practices;
 - (v) there are any significant or unusual events or transactions;

- (vi) the Corporation's financial and operating controls are functioning effectively;
- (vii) the Corporation has complied with the terms of loan agreements, security indentures or other financial position or results dependent agreement; and
- (viii) the interim financial statements contain adequate and appropriate disclosures;

6.3 Compliance with Laws and Regulations

- (a) periodically obtain updates from management regarding compliance with this policy and industry "best practices";
- (b) be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements;
- (c) review the findings of any examinations by securities regulatory authorities and stock exchanges; and

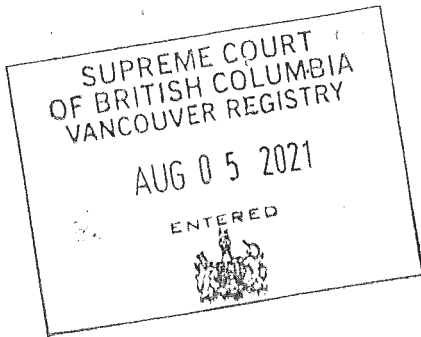
6.4 Other Responsibilities

- (a) review, with the Corporation's counsel, any legal matters that could have a significant impact on the Corporation's financial statements.

Schedule "N"

Interim Order

(See attached)



No. 6217112
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE *BUSINESS CORPORATIONS ACT*,
S.B.C. 2002, CHAPTER 57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING
NEW OROPERU RESOURCES INC. and

FIRST LIGHT CAPITAL CORP.

NEW OROPERU RESOURCES INC.

PETITIONER

ORDER MADE AFTER APPLICATION

BEFORE *MASTER Vos*) 5/Aug/2021
)
)

ON THE APPLICATION of the Petitioner, New Oroperu Resources Inc. ("**New Oroperu**") for an Interim Order pursuant to its Petition filed on August 3, 2021.

[x] without notice coming on for hearing by Microsoft Teams at Vancouver, British Columbia on August 5, 2021 and on hearing Alexandra Luchenko, counsel for the Petitioner and upon reading the Petition herein and the Affidavit of K. Wayne Livingstone sworn on August 3, 2021 and filed herein (the "**Livingstone Affidavit**"); and upon being advised that it is the intention of First Light Capital Corp. ("**First Light**") to rely upon Section 3(a)(10) of the *United States Securities Act of 1933*, as amended (the "**1933 Act**") as a basis for an exemption from the registration requirements of the 1933 Act with respect to securities of First Light issued under the proposed Plan of Arrangement based on the Court's approval of the Arrangement;

THIS COURT ORDERS THAT:

DEFINITIONS

1. As used in this Interim Order, unless otherwise defined, terms beginning with capital letters have the respective meanings set out in the information circular entitled Notice of Special Meeting of Securityholders and Management Information Circular (collectively, the "**Circular**") attached as Exhibit "A" to the Livingstone Affidavit.

MEETING

2. Pursuant to Sections 186, 288, 289, 290 and 291 of the *Business Corporations Act*, S.B.C., 2002, c. 57, as amended (the "**BCBCA**"), New Oroperu is authorized and directed to call, hold and conduct a special meeting of the holders ("**New Oroperu Shareholders**") of common shares in the capital of New Oroperu ("**New Oroperu Shares**"), holders of outstanding options to purchase New Oroperu Shares issued pursuant to the New Oroperu Option Plan ("**New Oroperu Optionholders**") and holders of outstanding warrants to purchase New Oroperu Shares ("**New Oroperu Warrantholders**" and collectively, the "**New Oroperu Securityholders**") to be held at 11:00 a.m. (Pacific time) on September 8, 2021 at 595 Burrard Street, Suite 2600, Vancouver BC V7X 1L3 (the "**Meeting**");

- (a) to consider and, if thought advisable, to pass, with or without variation, a special resolution (the "**Arrangement Resolution**") of the New Oroperu Securityholders approving an arrangement (the "**Arrangement**") under Division 5 of Part 9 of the BCBCA, the full text of which is set forth in Schedule "A" to the Circular; and
- (b) to transact such further or other business, including amendments to the foregoing, as may properly be brought before the Meeting or any adjournment or postponement thereof.

3. The Meeting will be called, held and conducted in accordance with the BCBCA, the articles of New Oroperu and the Circular subject to the terms of this Interim Order, and any further order of this Court, and the rulings and directions of the Chair of the Meeting, such rulings and directions not to be inconsistent with this Interim Order.

ADJOURNMENT

4. Notwithstanding the provisions of the BCBCA and the articles of New Oroperu, and subject to the terms of the Arrangement Agreement, New Oroperu, if it deems advisable, is

specifically authorized to adjourn or postpone the Meeting on one or more occasions, without the necessity of first convening the Meeting or first obtaining any vote of the New Oroperu Securityholders respecting such adjournment or postponement and without the need for approval of the Court. Notice of any such adjournments or postponements will be given by news release, newspaper advertisement, or by notice sent to New Oroperu Securityholders by one of the methods specified in paragraph 9 of this Interim Order.

5. The Record Date (as defined in paragraph 7 below) will not change in respect of any adjournments or postponements of the Meeting.

AMENDMENTS

6. Prior to the Meeting, New Oroperu is authorized to make such amendments, revisions or supplements to the proposed Arrangement and the Plan of Arrangement, in accordance with the terms of the Arrangement Agreement, without any additional notice to the New Oroperu Securityholders, and the Arrangement and Plan of Arrangement as so amended, revised and supplemented will be the Arrangement and Plan of Arrangement submitted to the Meeting, and the subject of the Arrangement Resolution.

RECORD DATE

7. The record date for determining the New Oroperu Securityholders entitled to receive notice of, attend and vote at the Meeting will be close of business on August 4, 2021 (the "Record Date").

NOTICE OF MEETING

8. The Circular is hereby deemed to represent sufficient and adequate disclosure, including for the purpose of Section 290(1)(a) of the BCBCA, and New Oroperu will not be required to send to the New Oroperu Securityholders any other or additional statement pursuant to Section 290(1)(a) of the BCBCA.

9. The Circular, the form of proxy, letter of transmittal and election form, and the Notice of Hearing of Petition (collectively referred to as the "**Meeting Materials**"), in substantially the same form as contained in Exhibits "A", "B" and "C" to the Livingstone Affidavit, with such deletions, amendments or additions thereto as counsel for New Oroperu, and its directors and officers may advise are necessary or desirable, provided that such amendments are not inconsistent with the terms of this Interim Order, will be sent to:

- (a) the registered New Oroperu Shareholders as well as New Oroperu Optionholders and New Oroperu Warrantholders, as they appear on the central securities register of New Oroperu or the records of its registrar and transfer agent as at the close of business on the Record Date, but not to New Oroperu Shareholders who New Oroperu, on two consecutive occasions, have sent a record but had such record returned because the shareholder could not be located, the Meeting Materials to be sent at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing, delivery or transmittal and the date of the Meeting, by one or more of the following methods:
 - (i) by prepaid ordinary or air mail addressed to the New Oroperu Securityholder at their addresses as they appear in the applicable records of New Oroperu or its registrar and transfer agent as at the Record Date;
 - (ii) by delivery in person or by courier to the addresses specified in paragraph 9 (a)(i) above; or
 - (iii) by email or facsimile transmission to any New Oroperu Securityholder who has previously identified himself, herself or itself to the satisfaction of New Oroperu acting through its representatives, who requests such email or facsimile transmission and the in accordance with such request;
- (b) in the case of non-registered New Oroperu Shareholders, by providing copies of the Meeting Materials to intermediaries and registered nominees for sending to such beneficial owners in accordance with the procedures prescribed by *National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer of the Canadian Securities Administrators* at least three (3) Business Days prior to the twenty-first (21st) day prior to the date of the Meeting; and
- (c) the directors and auditors of New Oroperu by mailing the Meeting Materials by prepaid ordinary mail, or by email or facsimile transmission, to such persons at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing or transmittal;

and substantial compliance with this paragraph will constitute good and sufficient notice of the Meeting.

10. Accidental failure of or omission by New Oroperu to give notice to any one or more New Oroperu Securityholder or any other persons entitled thereto, or the non-receipt of such notice by one or more New Oroperu Securityholder or any other persons entitled thereto, or any failure or omission to give such notice as a result of events beyond the reasonable control of New Oroperu (including, without limitation, any inability to use postal services), will not constitute a breach of this Interim Order or a defect in the calling of the Meeting, and will not invalidate any resolution passed or proceeding taken at the Meeting, but if any such failure or omission is brought to the attention of New Oroperu, then it will use commercially reasonable best efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

11. Provided that notice of the Meeting is given and the Meeting Materials are provided to the New Oroperu Securityholders and other persons entitled thereto in compliance with this Interim Order, the requirement of Section 290(1)(b) of the BCBCA to include certain disclosure in any advertisement of the Meeting is waived.

DEEMED RECEIPT OF NOTICE

12. The Meeting Materials will be deemed, for the purposes of this Interim Order, to have been served upon and received:

- (a) in the case of mailing pursuant to paragraph 9(a)(i) above, the day, Saturdays, Sundays and holidays excepted, following the date of mailing;
- (b) in the case of delivery in person pursuant to paragraph 9(a)(ii) above, the day following personal delivery or, in the case of delivery by courier, the day following delivery to the person's address in paragraph 9 above; and
- (c) in the case of any means of transmitted, recorded or electronic communication pursuant to paragraph 9(a)(iii) above, when dispatched or delivered for dispatch.

UPDATING MEETING MATERIALS

13. Notice of any amendments, updates or supplement to any of the information provided in the Meeting Materials may be communicated to the New Oroperu Securityholders or other persons entitled thereto by news release, newspaper advertisement or by notice sent to the New Oroperu Securityholders or other persons entitled thereto by any of the means set forth in paragraph 9 of this Interim Order, as determined to be the most appropriate method of communication by the Board of Directors of New Oroperu.

QUORUM AND VOTING

14. The quorum required at the Meeting will be one New Oroperu Shareholder, present in person or represented by proxy and entitled to vote at the Meeting.
15. The vote required to pass the Arrangement Resolution will be:
- (a) the affirmative vote of at least two-thirds of the votes cast by New Oroperu Shareholders, present in person or represented by proxy and entitled to vote at the Meeting;
 - (b) the affirmative vote of at least two-thirds of the votes cast by New Oroperu Securityholders, present in person or represented by proxy and entitled to vote at the Meeting, voting together as one class; and
 - (c) the affirmative vote of a simple majority of the votes cast by New Oroperu Shareholders present in person or represented by proxy and entitled to vote at the Meeting, excluding votes attached to New Oroperu Shares held by any person described in items (a) through (d) of section 8.1(2) of Multilateral Instrument 61-101 – *Protection of Minority Security holders in Special Transactions*.
16. In all other respects, the terms, restrictions and conditions set out in the articles of New Oroperu will apply in respect of the Meeting.

PERMITTED ATTENDEES

17. The only persons entitled to attend the Meeting will be (i) the New Oroperu Securityholders or their respective proxyholders as of the Record Date, (ii) New Oroperu's directors, officers, auditors and advisors, (iii) representatives of First Light, and (iv) any other person admitted on the invitation of the Chair of the Meeting or with the consent of the Chair of the Meeting, and the only persons entitled to be represented and to vote at the Meeting will be the New Oroperu Securityholders at the close of business on the Record Date, or their respective proxyholders.

SCRUTINEERS

18. Representatives of New Oroperu's registrar and transfer agent (or any agent thereof) are authorized to act as scrutineers for the Meeting.

SOLICITATION OF PROXIES

19. New Oroperu is authorized to use the form of proxy and letter of transmittal and election form in connection with the Meeting, in substantially the same form as attached as Exhibit "B" to the Livingstone Affidavit. New Oroperu is authorized, at its expense, to solicit proxies, directly and through its officers, directors and employees, and through such agents or representatives as it may retain for the purpose, and by mail or such other forms of personal or electronic communication as it may determine.

20. The procedure for the use of proxies at the Meeting will be as set out in the Meeting Materials. New Oroperu may in its discretion waive the time limits for the deposit of proxies by New Oroperu Securityholders if New Oroperu deems it advisable to do so, such waiver to be endorsed on the proxy by the initials of the Chair of the Meeting.

DISSENT RIGHTS

21. Each registered New Oroperu Shareholder will have the right to dissent in respect of the Arrangement Resolution in accordance with the provisions of Sections 237-247 of the BCBCA, as modified by the terms of this Interim Order, the Plan of Arrangement and the Final Order.

22. Registered New Oroperu Shareholders will be the only New Oroperu Shareholders entitled to exercise rights of dissent. A beneficial holder of New Oroperu Shares registered in the name of a broker, custodian, trustee, nominee or other intermediary who wishes to dissent must make arrangements for the registered New Oroperu Shareholder to dissent on behalf of the beneficial holder of New Oroperu Shares or, alternatively, make arrangements to become a registered New Oroperu Shareholder.

23. In order for a registered New Oroperu Shareholder to exercise such right of dissent (the "**Dissent Right**"):

- (a) a Dissenting New Oroperu Shareholder must deliver a written notice of dissent which must be received by New Oroperu at c/o Blake, Cassels & Graydon LLP, Suite 2600 – 595 Burrard Street, Vancouver, BC, V7X 1L3 Attention: Alexandra Luchenko, by 5:00 p.m. (Pacific time) on September 6, 2021 or, in the case of any adjournment or postponement of the Meeting, the date which is two business days prior to the date of the Meeting; a vote against the Arrangement Resolution or an abstention will not constitute written notice of dissent;

- (b) a Dissenting New Oroperu Shareholder must not have voted his, her or its New Oroperu Shares at the Meeting, either by proxy or in person, in favour of the Arrangement Resolution;
- (c) a Dissenting New Oroperu Shareholder must dissent with respect to all of the New Oroperu Shares held by such person; and
- (d) the exercise of such Dissent Right must otherwise comply with the requirements of Sections 237 to 247 of the BCBCA, as modified by the Plan of Arrangement, this Interim Order and the Final Order.

24. Notice to the New Oroperu Shareholders of their Dissent Right with respect to the Arrangement Resolution will be given by including information with respect to the Dissent Right in the Circular to be sent to New Oroperu Shareholders in accordance with this Interim Order.

25. Subject to further order of this Court, the rights available to the New Oroperu Shareholders under the BCBCA and the Plan of Arrangement to dissent from the Arrangement will constitute full and sufficient Dissent Rights for the New Oroperu Shareholders with respect to the Arrangement.

APPLICATION FOR FINAL ORDER

26. Upon the approval, with or without variation, by the New Oroperu Securityholders of the Arrangement, in the manner set forth in this Interim Order, New Oroperu may apply to this Court for, *inter alia*, an order:

- (a) pursuant to BCBCA Sections 291(4)(a) and 295, approving the Arrangement; and
- (b) pursuant to BCBCA Section 291(4)(c) declaring that the terms and conditions of the Arrangement, and the exchange of securities to be effected by the Arrangement, are procedurally and substantively fair and reasonable to those who will receive securities in the exchange

(collectively, the “**Final Order**”),

and the hearing of the Final Order will be held on September 10, 2021 at 9:45 a.m. (Vancouver time) at the Courthouse at 800 Smithe Street, Vancouver, British Columbia or as soon thereafter as the hearing of the Final Order can be heard, or at such other date and time as this Court may direct.

27. The form of Notice of Hearing of Petition attached to the Livingstone Affidavit as Exhibit "C" is hereby approved as the form of Notice of Proceedings for such approval. Any New Oroperu Securityholder has the right to appear (either in person or by counsel) and make submissions at the hearing of the application for the Final Order, subject to the terms of this Interim Order.

28. Any New Oroperu Securityholder seeking to appear at the hearing of the application for the Final Order must:

- (a) file and deliver a Response to Petition (a "**Response**") in the form prescribed by the *Supreme Court Civil Rules*, and a copy of all affidavits or other materials upon which they intend to rely, to the Petitioner's solicitors at:

Blake, Cassels & Graydon LLP
Barristers & Solicitors
Suite 2600, Three Bentall Centre
595 Burrard Street, PO Box 49314
Vancouver, BC V7X 1L3]

Attention: Alexandra Luchenko

by or before 4:00 p.m. (Pacific time) on September 8, 2021.

29. Sending the Notice of Hearing of Petition and this Interim Order in accordance with paragraph 9 of this Interim Order will constitute good and sufficient service of this proceeding and no other form of service need be made and no other material need be served on persons in respect of these proceedings. In particular, service of the Petition herein and the accompanying Affidavit and additional Affidavits as may be filed, is dispensed with.

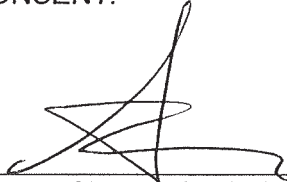
30. In the event the hearing for the Final Order is adjourned, only those persons who have filed and delivered a Response in accordance with this Interim Order need be provided with notice of the adjourned hearing date and any filed materials.

VARIANCE

31. New Oroperu will be entitled, at any time, to apply to vary this Interim Order or for such further order or orders as may be appropriate.

32. To the extent of any inconsistency or discrepancy between this Interim Order and the Circular, the BCBCA, applicable Securities Laws or the articles of New Oroperu, this Interim Order will govern.

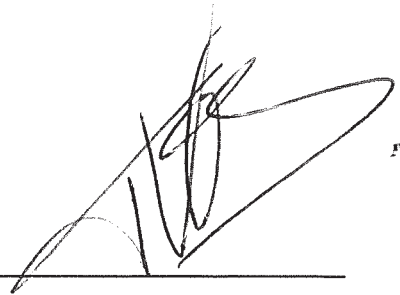
THE FOLLOWING PARTIES APPROVE THE FORM OF THIS INTERIM ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:



Signature of lawyer for Petitioner
Alexandra Luchenko

BY THE COURT

REGISTRAR



No.
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE *BUSINESS CORPORATIONS ACT*,
S.B.C. 2002, CHAPTER 57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING
NEW OROPERU RESOURCES INC. and
FIRST LIGHT CAPITAL CORP.

NEW OROPERU RESOURCES INC.

PETITIONER

ORDER MADE AFTER APPLICATION

Alexandra Luchenko
Blake, Cassels & Graydon LLP
Suite 2600, Three Bentall Centre
595 Burrard Street, PO Box 49314
Vancouver, BC, V7X 1L3
(604) 631-3300

Agent: Dye & Durham

Schedule "O"

Notice of Hearing of Petition

(See attached)

No.
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE *BUSINESS CORPORATIONS ACT*,
S.B.C. 2002, CHAPTER 57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING
NEW OROPERU RESOURCES INC. and
FIRST LIGHT CAPITAL CORP.

NEW OROPERU RESOURCES INC.

PETITIONER

NOTICE OF HEARING OF PETITION

To: The holders of common shares ("**New Oroperu Shares**") of New Oroperu Resources Inc. ("**New Oroperu Shareholders**")

And to: The holders of outstanding options to purchase New Oroperu Shares ("**New Oroperu Optionholders**")

And to: The holders or outstanding warrants to purchase New Oroperu Shares ("**New Oroperu Warrantholders**", and collectively with New Oroperu Shareholders and New Oroperu Optionholders, the "**New Oroperu Securityholders**")

NOTICE IS HEREBY GIVEN that a Petition has been filed by the Petitioner, New Oroperu Resources Inc. ("**New Oroperu**") in the Supreme Court of British Columbia (the "**Court**") for approval of a plan of arrangement (the "**Arrangement**"), pursuant to the *Business Corporations Act*, S.B.C., 2002, c. 57, as amended (the "**BCBCA**");

AND NOTICE IS FURTHER GIVEN that by an Interim Order Made After Application, pronounced by the Court on August 5, 2021 the Court has given directions as to the calling of a special meeting of the New Oroperu Securityholders, for the purpose of, among other things, considering, and voting upon the special resolution to approve the Arrangement;

AND NOTICE IS FURTHER GIVEN that an application for a Final Order approving the Arrangement and for a determination that the terms and conditions of the Arrangement and the exchange of New Oroperu Shares for common shares of First Light Capital Corp. and the exchange of options to purchase New Oroperu Shares for options to purchase common shares of First Light to be effected thereby are procedurally and substantively fair and reasonable to the New Oroperu Securityholders, and shall be made before the presiding Judge in Chambers at the Courthouse, 800 Smithe Street, Vancouver, British Columbia on September 10, 2021 at 9:45 am (Vancouver time), or as soon thereafter as counsel may be heard (the "**Final Application**").

AND NOTICE IS FURTHER GIVEN that the Final Order approving the Arrangement will, if made, serve as the basis of an exemption from the registration requirements of the United States Securities Act of 1933, as amended, pursuant to Section 3(a)(10) thereof with respect to securities issued under the Arrangement.

IF YOU WISH TO BE HEARD, any person affected by the Final Order sought may appear (either in person or by counsel) and make submissions at the hearing of the Final Application if such person has filed with the Court at the Court Registry, 800 Smithe Street, Vancouver, British Columbia, a Response to Petition ("**Response**") in the form prescribed by the Supreme Court Civil Rules, together with any affidavits and other material on which that person intends to rely at the hearing of the Final Application, and delivered a copy of the filed Response, together with all affidavits and other material on which such person intends to rely at the hearing of the Final Application, including an outline of such person's proposed submissions, to the Petitioner at its address for delivery set out below by or before 4:00 p.m. (Vancouver time) on September 8, 2021.

The Petitioner's address for delivery is:

BLAKE, CASSELS & GRAYDON LLP
Suite 2600, Three Bentall Centre
595 Burrard Street, P.O. Box 49314
Vancouver, B.C. V7X 1L3

Attention: Alexandra Luchenko

IF YOU WISH TO BE NOTIFIED OF ANY ADJOURNMENT OF THE FINAL APPLICATION, YOU MUST GIVE NOTICE OF YOUR INTENTION by filing and delivering the form of "Response" as aforesaid. You may obtain a form of "Response" at the Court Registry, 800 Smithe Street, Vancouver, British Columbia, V6Z 2E1.

AT THE HEARING OF THE FINAL APPLICATION the Court may approve the Arrangement as presented, or may approve it subject to such terms and conditions as the Court deems fit.

IF YOU DO NOT FILE A RESPONSE and attend either in person or by counsel at the time of such hearing, the Court may approve the Arrangement, as presented, or may approve it subject to such terms and conditions as the Court shall deem fit, all without any further notice to you. If the Arrangement is approved, it will significantly affect the rights of the New Oproeru Securityholders

A copy of the said Petition and other documents in the proceeding will be furnished to any New Oproeru Securityholders upon request in writing addressed to the solicitors of the Petitioner at the address for delivery set out above.

Date: August 5, 2021

"Alexandra Luchenko"

Signature of lawyer for Petitioner
Alexandra Luchenko

Schedule "P"

Sections 237 to 247 of the Business Corporations Act (British Columbia)

(See attached)

Division 2 — Dissent Proceedings

Definitions and application

237 (1) In this Division:

"dissenter" means a shareholder who, being entitled to do so, sends written notice of dissent when and as required by section 242;

"notice shares" means, in relation to a notice of dissent, the shares in respect of which dissent is being exercised under the notice of dissent;

"payout value" means,

- (a) in the case of a dissent in respect of a resolution, the fair value that the notice shares had immediately before the passing of the resolution,
- (b) in the case of a dissent in respect of an arrangement approved by a court order made under section 291(2)(c) that permits dissent, the fair value that the notice shares had immediately before the passing of the resolution adopting the arrangement,
- (c) in the case of a dissent in respect of a matter approved or authorized by any other court order that permits dissent, the fair value that the notice shares had at the time specified by the court order, or
- (d) in the case of a dissent in respect of a community contribution company, the value of the notice shares set out in the regulations,

excluding any appreciation or depreciation in anticipation of the corporate action approved or authorized by the resolution or court order unless exclusion would be inequitable.

(2) This Division applies to any right of dissent exercisable by a shareholder except to the extent that

- (a) the court orders otherwise, or
- (b) in the case of a right of dissent authorized by a resolution referred to in section 238(1)(g), the court orders otherwise or the resolution provides otherwise.

Right to dissent

238 (1) A shareholder of a company, whether or not the shareholder's shares carry the right to vote, is entitled to dissent as follows:

- (a) under section 260, in respect of a resolution to alter the articles
 - (i) to alter restrictions on the powers of the company or on the business the company is permitted to carry on,

- (ii) without limiting subparagraph (i), in the case of a community contribution company, to alter any of the company's community purposes within the meaning of section 51.91, or
- (iii) without limiting subparagraph (i), in the case of a benefit company, to alter the company's benefit provision;
- (b) under section 272, in respect of a resolution to adopt an amalgamation agreement;
- (c) under section 287, in respect of a resolution to approve an amalgamation under Division 4 of Part 9;
- (d) in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent;
- (e) under section 301 (5), in respect of a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking;
- (f) under section 309, in respect of a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;
- (g) in respect of any other resolution, if dissent is authorized by the resolution;
- (h) in respect of any court order that permits dissent.

(1.1) A shareholder of a company, whether or not the shareholder's shares carry the right to vote, is entitled to dissent under section 51.995(5) in respect of a resolution to alter its notice of articles to include or to delete the benefit statement.

(2) A shareholder wishing to dissent must

- (a) prepare a separate notice of dissent under section 242 for
 - (i) the shareholder, if the shareholder is dissenting on the shareholder's own behalf, and
 - (ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is dissenting,
- (b) identify in each notice of dissent, in accordance with section 242 (4), the person on whose behalf dissent is being exercised in that notice of dissent, and
- (c) dissent with respect to all of the shares, registered in the shareholder's name, of which the person identified under paragraph (b) of this subsection is the beneficial owner.

(3) Without limiting subsection (2), a person who wishes to have dissent exercised with respect to shares of which the person is the beneficial owner must

- (a) dissent with respect to all of the shares, if any, of which the person is both the registered owner and the beneficial owner, and
- (b) cause each shareholder who is a registered owner of any other shares of which the person is the beneficial owner to dissent with respect to all of those shares.

Waiver of right to dissent

239 (1) A shareholder may not waive generally a right to dissent but may, in writing, waive the right to dissent with respect to a particular corporate action.

(2) A shareholder wishing to waive a right of dissent with respect to a particular corporate action must

(a) provide to the company a separate waiver for

(i) the shareholder, if the shareholder is providing a waiver on the shareholder's own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is providing a waiver, and

(b) identify in each waiver the person on whose behalf the waiver is made.

(3) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on the shareholder's own behalf, the shareholder's right to dissent with respect to the particular corporate action terminates in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and this Division ceases to apply to

(a) the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and

(b) any other shareholders, who are registered owners of shares beneficially owned by the first mentioned shareholder, in respect of the shares that are beneficially owned by the first mentioned shareholder.

(4) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on behalf of a specified person who beneficially owns shares registered in the name of the shareholder, the right of shareholders who are registered owners of shares beneficially owned by that specified person to dissent on behalf of that specified person with respect to the particular corporate action terminates and this Division ceases to apply to those shareholders in respect of the shares that are beneficially owned by that specified person.

Notice of resolution

240 (1) If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a meeting of shareholders, the company must, at least the prescribed number of days before the date of the proposed meeting, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a notice of the meeting that specifies the date of the meeting, and contains a statement advising of the right to send a notice of dissent.

(2) If a resolution in respect of which a shareholder is entitled to dissent is to be passed as a consent resolution of shareholders or as a resolution of directors and the earliest date on which that resolution can be passed is specified in the resolution or in the statement referred to in paragraph (b), the company may, at least 21 days before that specified date, send to each of its shareholders, whether or not their shares carry the right to vote,

- (a) a copy of the proposed resolution, and
- (b) a statement advising of the right to send a notice of dissent.

(3) If a resolution in respect of which a shareholder is entitled to dissent was or is to be passed as a resolution of shareholders without the company complying with subsection (1) or (2), or was or is to be passed as a directors' resolution without the company complying with subsection (2), the company must, before or within 14 days after the passing of the resolution, send to each of its shareholders who has not, on behalf of every person who beneficially owns shares registered in the name of the shareholder, consented to the resolution or voted in favour of the resolution, whether or not their shares carry the right to vote,

- (a) a copy of the resolution,
- (b) a statement advising of the right to send a notice of dissent, and
- (c) if the resolution has passed, notification of that fact and the date on which it was passed.

(4) Nothing in subsection (1), (2) or (3) gives a shareholder a right to vote in a meeting at which, or on a resolution on which, the shareholder would not otherwise be entitled to vote.

Notice of court orders

241 If a court order provides for a right of dissent, the company must, not later than 14 days after the date on which the company receives a copy of the entered order, send to each shareholder who is entitled to exercise that right of dissent

- (a) a copy of the entered order, and
- (b) a statement advising of the right to send a notice of dissent.

Notice of dissent

242 (1) A shareholder intending to dissent in respect of a resolution referred to in section 238(1)(a), (b), (c), (d), (e) or (f) or (1.1) must,

- (a) if the company has complied with section 240(1) or (2), send written notice of dissent to the company at least 2 days before the date on which the resolution is to be passed or can be passed, as the case may be,

(b) if the company has complied with section 240(3), send written notice of dissent to the company not more than 14 days after receiving the records referred to in that section, or

(c) if the company has not complied with section 240(1), (2) or (3), send written notice of dissent to the company not more than 14 days after the later of

(i) the date on which the shareholder learns that the resolution was passed, and

(ii) the date on which the shareholder learns that the shareholder is entitled to dissent.

(2) A shareholder intending to dissent in respect of a resolution referred to in section 238(1)(g) must send written notice of dissent to the company

(a) on or before the date specified by the resolution or in the statement referred to in section 240(2)(b) or (3)(b) as the last date by which notice of dissent must be sent, or

(b) if the resolution or statement does not specify a date, in accordance with subsection (1) of this section.

(3) A shareholder intending to dissent under section 238(1)(h) in respect of a court order that permits dissent must send written notice of dissent to the company

(a) within the number of days, specified by the court order, after the shareholder receives the records referred to in section 241, or

(b) if the court order does not specify the number of days referred to in paragraph (a) of this subsection, within 14 days after the shareholder receives the records referred to in section 241.

(4) A notice of dissent sent under this section must set out the number, and the class and series, if applicable, of the notice shares, and must set out whichever of the following is applicable:

(a) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner and the shareholder owns no other shares of the company as beneficial owner, a statement to that effect;

(b) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner but the shareholder owns other shares of the company as beneficial owner, a statement to that effect and

(i) the names of the registered owners of those other shares,

(ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

(iii) a statement that notices of dissent are being, or have been, sent in respect of all of those other shares;

(c) if dissent is being exercised by the shareholder on behalf of a beneficial owner who is not the dissenting shareholder, a statement to that effect and

- (i) the name and address of the beneficial owner, and
- (ii) a statement that the shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the shareholder's name.

(5) The right of a shareholder to dissent on behalf of a beneficial owner of shares, including the shareholder, terminates and this Division ceases to apply to the shareholder in respect of that beneficial owner if subsections (1) to (4) of this section, as those subsections pertain to that beneficial owner, are not complied with.

Notice of intention to proceed

243 (1) A company that receives a notice of dissent under section 242 from a dissenter must,

- (a) if the company intends to act on the authority of the resolution or court order in respect of which the notice of dissent was sent, send a notice to the dissenter promptly after the later of
 - (i) the date on which the company forms the intention to proceed, and
 - (ii) the date on which the notice of dissent was received, or
- (b) if the company has acted on the authority of that resolution or court order, promptly send a notice to the dissenter.

(2) A notice sent under subsection (1)(a) or (b) of this section must

- (a) be dated not earlier than the date on which the notice is sent,
- (b) state that the company intends to act, or has acted, as the case may be, on the authority of the resolution or court order, and
- (c) advise the dissenter of the manner in which dissent is to be completed under section 244.

Completion of dissent

244 (1) A dissenter who receives a notice under section 243 must, if the dissenter wishes to proceed with the dissent, send to the company or its transfer agent for the notice shares, within one month after the date of the notice,

- (a) a written statement that the dissenter requires the company to purchase all of the notice shares,
- (b) the certificates, if any, representing the notice shares, and
- (c) if section 242(4)(c) applies, a written statement that complies with subsection (2) of this section.

(2) The written statement referred to in subsection (1)(c) must

- (a) be signed by the beneficial owner on whose behalf dissent is being exercised, and
- (b) set out whether or not the beneficial owner is the beneficial owner of other shares of the company and, if so, set out

- (i) the names of the registered owners of those other shares,
- (ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and
- (iii) that dissent is being exercised in respect of all of those other shares.

(3) After the dissenter has complied with subsection (1),

- (a) the dissenter is deemed to have sold to the company the notice shares, and
- (b) the company is deemed to have purchased those shares, and must comply with section 245, whether or not it is authorized to do so by, and despite any restriction in, its memorandum or articles.

(4) Unless the court orders otherwise, if the dissenter fails to comply with subsection (1) of this section in relation to notice shares, the right of the dissenter to dissent with respect to those notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares.

(5) Unless the court orders otherwise, if a person on whose behalf dissent is being exercised in relation to a particular corporate action fails to ensure that every shareholder who is a registered owner of any of the shares beneficially owned by that person complies with subsection (1) of this section, the right of shareholders who are registered owners of shares beneficially owned by that person to dissent on behalf of that person with respect to that corporate action terminates and this Division, other than section 247, ceases to apply to those shareholders in respect of the shares that are beneficially owned by that person.

(6) A dissenter who has complied with subsection (1) of this section may not vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, other than under this Division.

Payment for notice shares

245 (1) A company and a dissenter who has complied with section 244 (1) may agree on the amount of the payout value of the notice shares and, in that event, the company must

- (a) promptly pay that amount to the dissenter, or
- (b) if subsection (5) of this section applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(2) A dissenter who has not entered into an agreement with the company under subsection (1) or the company may apply to the court and the court may

- (a) determine the payout value of the notice shares of those dissenters who have not entered into an agreement with the company under subsection (1), or order that the payout value of those notice shares be established by arbitration or by reference to the registrar, or a referee, of the court,
- (b) join in the application each dissenter, other than a dissenter who has entered into an agreement with the company under subsection (1), who has complied with section 244(1), and
- (c) make consequential orders and give directions it considers appropriate.

(3) Promptly after a determination of the payout value for notice shares has been made under subsection (2)(a) of this section, the company must

- (a) pay to each dissenter who has complied with section 244(1) in relation to those notice shares, other than a dissenter who has entered into an agreement with the company under subsection (1) of this section, the payout value applicable to that dissenter's notice shares, or
- (b) if subsection (5) applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(4) If a dissenter receives a notice under subsection (1)(b) or (3)(b),

- (a) the dissenter may, within 30 days after receipt, withdraw the dissenter's notice of dissent, in which case the company is deemed to consent to the withdrawal and this Division, other than section 247, ceases to apply to the dissenter with respect to the notice shares, or
- (b) if the dissenter does not withdraw the notice of dissent in accordance with paragraph (a) of this subsection, the dissenter retains a status as a claimant against the company, to be paid as soon as the company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the company but in priority to its shareholders.

(5) A company must not make a payment to a dissenter under this section if there are reasonable grounds for believing that

- (a) the company is insolvent, or
- (b) the payment would render the company insolvent.

Loss of right to dissent

246 The right of a dissenter to dissent with respect to notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares, if, before payment is made to the dissenter of the full amount of money to which the dissenter is entitled under section 245 in relation to those notice shares, any of the following events occur:

- (a) the corporate action approved or authorized, or to be approved or authorized, by the resolution or court order in respect of which the notice of dissent was sent is abandoned;

- (b) the resolution in respect of which the notice of dissent was sent does not pass;
- (c) the resolution in respect of which the notice of dissent was sent is revoked before the corporate action approved or authorized by that resolution is taken;
- (d) the notice of dissent was sent in respect of a resolution adopting an amalgamation agreement and the amalgamation is abandoned or, by the terms of the agreement, will not proceed;
- (e) the arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed;
- (f) a court permanently enjoins or sets aside the corporate action approved or authorized by the resolution or court order in respect of which the notice of dissent was sent;
- (g) with respect to the notice shares, the dissenter consents to, or votes in favour of, the resolution in respect of which the notice of dissent was sent;
- (h) the notice of dissent is withdrawn with the written consent of the company;
- (i) the court determines that the dissenter is not entitled to dissent under this Division or that the dissenter is not entitled to dissent with respect to the notice shares under this Division.

Shareholders entitled to return of shares and rights

247 If, under section 244(4) or (5), 245(4)(a) or 246, this Division, other than this section, ceases to apply to a dissenter with respect to notice shares,

- (a) the company must return to the dissenter each of the applicable share certificates, if any, sent under section 244(1)(b) or, if those share certificates are unavailable, replacements for those share certificates,
- (b) the dissenter regains any ability lost under section 244(6) to vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, and
- (c) the dissenter must return any money that the company paid to the dissenter in respect of the notice shares under, or in purported compliance with, this Division.

