



NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

WHEN: Wednesday, May 15, 2024 at 11:00 a.m. (Eastern Time)

WHERE: Online at <https://meetnow.global/M99A5DD>

PURPOSE:

1. To receive the audited annual financial statements of the Company for its financial year ended December 31, 2023;
2. To set the number of directors at seven (7);
3. To elect directors for the ensuing year;
4. To appoint Grant Thornton LLP as the Company's auditor for the ensuing fiscal year at a remuneration to be fixed by the directors;
5. To reapprove the Company's 10% "rolling" Stock Option Plan;
6. To adopt, with or without amendment, a resolution to approve and adopt the Company's Amended Share Incentive Plan; and
7. To adopt, with or without amendment, a resolution to approve security-based compensation to non-arm's length parties.

Shareholders will also transact any other business properly brought before the meeting.

NOTICE-AND-ACCESS

The Company is delivering its management proxy circular and proxy materials to both registered and non-registered shareholders using notice-and-access as permitted by NI 54-101 and NI 51-102. The Meeting materials are available under the Company's profile on SEDAR+ at <https://www.sedarplus.ca> and on the Company's website at <https://www.rio2.com/investors> and will remain on the website for at least one full year from the date that the Meeting materials are posted on SEDAR+.

To obtain additional information about notice-and-access provisions, shareholders may contact the Company's transfer agent, Computershare, at www.computershare.com/noticeandaccess or 1-855-805-1250 (toll-free).

You may request a paper copy of the Meeting Materials and Financial Information by calling by calling 1 604 762-4720.

PLEASE REFER TO SECTION "RECEIVING DOCUMENTS" OF THE INFORMATION CIRCULAR FOR MORE INFORMATION.

MEETING FORMAT

This will be a completely virtual Meeting, to be conducted via live webcast, where all Shareholders regardless of geographic location will have an equal opportunity to participate online. Shareholders will not be able to attend the Meeting in person.

Registered Shareholders and their duly appointed proxyholders can attend, participate and vote at the Meeting online, all in real time, at <https://meetnow.global/M99A5DD>, provided they are connected to the Internet and comply with all of the requirements set out in the Circular. Beneficial Shareholders (being Shareholders who hold their Common Shares through a broker, investment dealer, bank, trust company, custodian, nominee or other intermediary) will be able to attend the Meeting, ask questions and vote, all in real time, only if they duly appoint themselves as their own proxy holder and comply with all of the requirements set out in the Circular relating to that appointment and registration.

VOTING

You may vote your shares on the Internet, by phone, fax, mail, or by attending the virtual meeting at <https://meetnow.global/M99A5DD>. Please refer to the instructions on your separate proxy or voting instruction form on how to vote using these methods.

Please refer to the instructions provided in section “Voting at the Meeting” of the Information Circular for more information.

COMPLETED PROXIES OR VOTING INFORMATION FORMS MUST BE RECEIVED BY 11:00 A.M. (EASTERN TIME) ON MAY 13, 2024.

DATED at Vancouver, British Columbia, this 2nd day of April 2024.

BY ORDER OF THE BOARD

(signed) “Alex Black”

Alex Black, Executive Chairman



2024

Annual General and Special Meeting of Shareholders

to be held

at 11 a.m. (ET) on May 15, 2024

ONLINE AT:

<https://meetnow.global/M99A5DD>

MANAGEMENT INFORMATION CIRCULAR

Date: April 2, 2024

Rio2 Limited

#1000 – 355 Burrard Street

Vancouver, BC V6C 2G8

Telephone: 1 (604) 762-4720

Email: info@rio2.com

Website: www.rio2.com

INFORMATION CIRCULAR

Rio2 Limited (the “**Company**” or “**Rio2**”) is providing this management information circular (the “**Information Circular**” or “**Circular**”) to its shareholders as of the close of business on March 27, 2024, the “**Record Date**” for its 2024 Annual General and Special Meeting (the “**Meeting**”) of the Company to be held on May 15, 2024 at the time and for the purposes set forth in the accompanying Notice of Meeting and at any adjournments or postponements thereof.

Unless the context otherwise requires, references in this Information Circular to the Company are references to Rio2 Limited and its subsidiaries.

In this Information Circular references to “C\$” are to amounts in Canadian dollars and references to “\$” are to amounts in United States dollars.

This Information Circular and certain information referenced within it, is publicly available on the Company’s website at www.rio2.com and under the Company’s profile on SEDAR+ at www.sedarplus.ca.

PROXY INFORMATION

SOLICITATION OF PROXIES

The information contained in this Circular is furnished in connection with the solicitation of proxies to be used at the Meeting to be held on May 15, 2024 at 11:00 a.m. ET via live webcast at <https://meetnow.global/M99A5DD> for the purposes set out in the accompanying Notice of the Meeting.

We will solicit proxies for the Meeting primarily by mail; however, directors, officers and employees of the Company may also solicit proxies by telephone, electronic transmission or in person in respect of the Meeting. The solicitation of proxies for the Meeting is being made by or on behalf of management of Rio2 Limited, and Rio2 will bear the cost in respect of the Meeting.

QUORUM AND APPROVAL

A quorum of shareholders is present at a meeting of shareholders irrespective of the number of persons actually present at the meeting, if at least 15% of the shares entitled to vote at the meeting are present in person or represented by proxy, and at least two persons entitled to vote at the meeting are actually present at the meeting or represented by proxy.

ATTENDING THE MEETING

Shareholders and duly appointed proxyholders can attend the Meeting online by going to <https://meetnow.global/M99A5DD>.

You are a **registered** shareholder if your name appears on your share certificate or appears as the registered shareholder with our transfer agent.

You are a **non-registered (beneficial)** shareholder if your shares are registered in the name of a bank, trust company, securities broker, trustee or other financial institution or nominee on your behalf (your *nominee*).

Please be sure to follow the appropriate voting procedure.

- Registered Shareholders and duly appointed proxyholders can participate in the Meeting by clicking “**Shareholder**” and entering a Control Number or an Invitation Code before the start of the Meeting.
 - Registered Shareholders - The 15-digit control number is located on the form of proxy or in the email notification you received.
 - Duly appointed proxyholders – Computershare will provide the proxyholder with an Invitation Code after the voting deadline has passed.
- Voting at the Meeting will only be available for Registered Shareholders and duly appointed proxyholders. Non-Registered Shareholders who have not appointed themselves may attend the Meeting by clicking “**Guest**” and completing the online form.

IT IS IMPORTANT THAT YOU ARE CONNECTED TO THE INTERNET AT ALL TIMES DURING THE MEETING IN ORDER TO VOTE WHEN BALLOTING COMMENCES.

IN ORDER TO PARTICIPATE ONLINE, SHAREHOLDERS MUST HAVE A VALID 15-DIGIT CONTROL NUMBER AND PROXYHOLDERS MUST HAVE RECEIVED AN EMAIL FROM COMPUTERSHARE CONTAINING AN INVITATION CODE

PARTICIPATING AT THE MEETING

The Meeting will be hosted online by way of a live webcast. Shareholders will not be able to attend the Meeting in person. A summary of the information shareholders will need to attend the Online Meeting is provided below. The Meeting will begin at 11 a.m. ET on May 15, 2024.

- Registered Shareholders (as defined in this Circular under the heading “ATTENDING THE MEETING”) that have a 15-digit control number, along with duly appointed proxyholders who were assigned an Invitation Code by Computershare Trust Company of Canada (“Computershare”) (see details under the heading “Appointment of Proxies”), will be able to vote and submit questions during the Meeting. To do so, please go to <https://meetnow.global/M99A5DD> prior to the start of the Meeting to login. Click on “Shareholder” and enter your 15-digit control number or click on “Invitation Code” and enter your Invitation Code. Non-Registered Shareholders (as defined in this Circular under the heading “Non-Registered Shareholders”) who have not appointed themselves to vote at the Meeting, may login as a guest, by clicking on “Guest” and completing the online form.
- United States Beneficial Holders: To attend and vote at the virtual Meeting, you must first obtain a valid legal proxy from your broker, bank or other agent and then register in advance to attend the Meeting. Follow the instructions from your broker or bank included with these proxy materials or contact your broker or bank to

request a legal proxy form. After first obtaining a valid legal proxy from your broker, bank or other agent, to then register to attend the Meeting, you must submit a copy of your legal proxy to Computershare.

Requests for registration should be directed to:

Computershare Trust Company of Canada
100 University Avenue
8th Floor
Toronto, Ontario
M5J 2Y1
OR
Email: uslegalproxy@computershare.com

Requests for registration must be labeled as “Legal Proxy” and be received no later than May 13, 2024 by 11 a.m. ET. You will receive a confirmation of your registration by email after we receive your registration materials. You may attend the Meeting and vote your shares at <https://meetnow.global/M99A5DD> during the Meeting. Please note that you are required to register your appointment at <http://www.computershare.com/Rio2>.

- Non-Registered Shareholders who do not have a 15-digit control number or Invite Code will only be able to attend as a guest which allows them listen to the Meeting however will not be able to vote or submit questions. Please see the information under the heading “Non-Registered Shareholders” for an explanation of why certain shareholders may not receive a form of proxy.
- If you are eligible to vote at the Meeting, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the Meeting.

VOTING AT THE MEETING

A registered shareholder of **Common Shares**, or a Non-Registered Shareholder who has appointed themselves or a third party proxyholder to represent them at the Meeting, will appear on a list of shareholders prepared by Computershare, the transfer agent and registrar for the Meeting. To have their Shares/Units voted at the Meeting, each Registered Shareholder or proxyholder will be required to enter their control number or Invitation Code provided by Computershare at <https://meetnow.global/M99A5DD> prior to the start of the Meeting. In order to vote, Non-Registered Shareholders who appoint themselves as a proxyholder **MUST** register with Computershare at <http://www.computershare.com/Rio2> **after** submitting their voting instruction form in order to receive an Invitation Code (please see the information under the headings “Appointment of Proxies” below for details).

If a shareholder who has submitted a proxy attends the Meeting via the webcast and has accepted the terms and conditions when entering the Meeting online, any votes cast by such shareholder on a ballot will be counted and the submitted proxy will be disregarded.

APPOINTMENT OF PROXIES

Shareholders who wish to appoint a third party proxyholder to represent them at the Meeting **must submit their proxy or voting instruction form (if applicable) prior to registering your proxyholder. Registering your proxyholder is an additional step once you have submitted your proxy or voting instruction form. Failure to register the proxyholder will result in the proxyholder not receiving an Invite Code to participate in the Meeting.** To register a proxyholder, shareholders **MUST** visit <https://www.computershare.com/Rio2>, by May 13, 2024 at 11 a.m. ET and provide Computershare with their proxyholder’s contact information, so that Computershare may provide the proxyholder with an Invite Code via email.

A proxy can be submitted to Computershare either in person, or by mail or courier, to 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, or via the internet at www.investorvote.com. The proxy must be deposited with Computershare by no later than 11 a.m. ET on May 13, 2024, or if the Meeting is adjourned or postponed, not less than 48 hours, excluding Saturdays, Sundays and statutory holidays, before the commencement of such adjourned or postponed meeting. If a shareholder who has submitted a proxy attends the Meeting via the webcast and has accepted the terms and conditions when entering the Meeting online, any votes cast by such shareholder on a ballot will be counted and the submitted proxy will be disregarded.

WITHOUT AN INVITATION CODE, PROXYHOLDERS WILL NOT BE ABLE TO VOTE AT THE MEETING

RECEIVING DOCUMENTS

In February 2013, the Canadian Securities Administrators implemented regulatory amendments to securities laws, including National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) and National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”), governing the delivery of proxy-related materials by public companies. As a result, public companies are now permitted to deliver proxy-related materials to their shareholders using the “notice-and-access” mechanism (as defined under NI 54-101, and sometimes referred to herein as the “**notice-and-access provisions**”) by posting such materials both on SEDAR+ and a non-SEDAR+ website, rather than delivering the materials by mail. The use of the notice-and-access reduces paper waste and mailing costs to the Company. In order for the Company to employ notice-and-access, the Company must send a notice to shareholders indicating that the proxy-related materials have been posted electronically and explaining how a shareholder can access them or obtain from the Company a paper copy of those materials. The required elements of such notice have been built into the accompanying Notice of Meeting.

The Company is sending this Information Circular to non-registered (beneficial) shareholders using notice-and-access as permitted by NI 54-101 and NI 51-102. The Meeting materials, including this Information Circular, are available on under the Company’s profile on SEDAR+ and on the Company’s website at <https://www.rio2.com/investors> and will remain on the website for at least one full year from the date that the Meeting materials are posted on SEDAR+.

To obtain additional information about notice-and-access provisions, shareholders may contact the Company’s transfer agent, Computershare, at www.computershare.com/noticeandaccess or 1-855-805-1250 (toll-free).

The Company will not use procedures known as “stratification” in relation to its use of the notice-and-access provisions in relation to the Meeting. Stratification occurs when a reporting issuer using notice-and-access provides a paper copy of the relevant information circular to some, but not all, shareholders with the notice package in relation to the relevant meeting. In relation to the Meeting, registered shareholders will receive a paper copy of each of the Notice of the Meeting and a form of proxy, whereas Non-Registered shareholders will receive a paper copy of the Notice of the Meeting and a Voting Instruction Form (VIF).

To obtain a printed paper copy of the Information Circular prior to the date of the Meeting please call 1 (604) 762-4720. The Company will, upon request, mail a paper copy of the Information Circular at no cost within three business days following receipt of such request. The Company will, upon request, mail a paper copy of the Information Circular at no cost within ten calendar days following receipt of such request, if received after the Meeting.

OBJECTING BENEFICIAL OWNERS

The Company does not intend to pay for Nominees to deliver the Meeting materials and Form 54-101F7 – Request for Voting Instructions Made by Intermediary to “objecting beneficial owners” (“OBOs”), as defined under NI 54-101. As a result, OBOs will not receive the Meeting materials unless their respective Nominee assumes the delivery costs.

CHANGING YOUR VOTE

In addition to revocation in any other manner permitted by law, a registered shareholder, his or her attorney authorized in writing or, if the shareholder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a proxy by instrument in writing, including a proxy bearing a later date. The instrument revoking the proxy must be deposited at the registered office of the Company, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting. Only registered shareholders have the right to revoke a proxy. Non-Registered shareholders who wish to change their vote should contact their respective Nominees well in advance of the Meeting to revoke the proxy on their behalf.

If, as a registered shareholder, you are using your control number to login to the Meeting and you accept the terms and conditions, you will be revoking any and all previously submitted proxies and will be provided the opportunity to vote by online ballot on the matters put forth at the Meeting. If you do NOT wish to revoke a previously submitted proxy, do not accept the terms and conditions, and you will be able to participate in the Meeting as a guest only.

VOTING SECURITIES A PRINCIPAL HOLDERS THEREOF

The authorized capital of the Company consists of an unlimited number of common shares (the “Common Shares”) without par value. As at the date of this Information Circular there are **259,568,913** Common Shares issued and outstanding. The Company has only one class of shares.

Persons who are registered shareholders at the close of business on the Record Date will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each Common Share held. To the knowledge of the Directors and executive officers of the Company, no person beneficially owns, controls or directs, directly or indirectly, shares carrying 10% or more of the voting rights attached to all shares of the Company, except the following:

Name	No. of Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly ⁽¹⁾	Percentage of Outstanding Shares
Eric Sprott ⁽¹⁾	25,933,371	10.02%

Note:

(1) As reported on an Early Warning Report filed on Sedar+ on August 13, 2022.

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the Board of Directors (the “Board”), the only matters to be brought before the Meeting are those matters set forth in the accompanying Notice of Meeting.

1. RECEIVE THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED DECEMBER 31, 2023

Rio2’s Audited Consolidated Financial Statements for the year ended December 31, 2023 and the auditor’s report, are available on our website (www.rio2.com) and on SEDAR+ (www.sedarplus.ca).

2. FIX THE NUMBER OF DIRECTORS TO BE ELECTED AT THE MEETING

Shareholders of the Company will be asked to consider and, if thought appropriate, approve and adopt an ordinary resolution fixing the number of directors to be elected at the Meeting. In order to be effective, an ordinary resolution requires the approval of a majority of the votes cast by shareholders who vote in respect of the resolution.

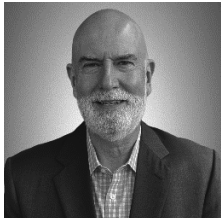
At the Meeting, it will be proposed that seven (7) directors be elected to hold office until the next annual general meeting or until their successors are elected or appointed.

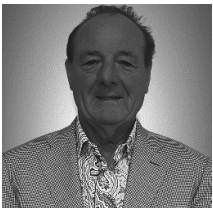
UNLESS OTHERWISE DIRECTED, IT IS THE INTENTION OF THE MANAGEMENT DESIGNEES, IF NAMED AS PROXY, TO VOTE FOR FIXING THE NUMBER OF DIRECTORS TO BE ELECTED AT THE MEETING AT SEVEN (7)

3. ELECTION OF DIRECTORS

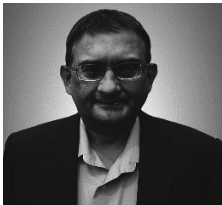
The Board has nominated seven directors for re-election at the Meeting. The directors nominated for re-election are Alex Black, Andrew Cox, Klaus Zeitler, Ram Ramachandran, Sidney Robinson, Albrecht Schneider and Drago Kisic. Each nominee is well-qualified to serve on the Board and has expressed willingness to do so.

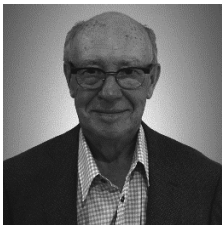
The following table sets forth the name of each of the persons proposed to be nominated for election as a director, all positions and offices in the Company presently held by such nominee, the nominee's municipality of residence, principal occupation at present and during the preceding five years, the period during which the nominee has served as a director, and the number and percentage of Common Shares of the Company that the nominee has advised are beneficially owned by the nominee, directly or indirectly, or over which control or direction is exercised, as of the Record Date.

	Alex Black Lima, Peru Executive Chairman of the Board of Rio2 since November 28, 2022 President, CEO & Director from November 28, 2016 to November 28, 2022
Mr. Black lives in Lima, Peru and has 40 years' experience in the mining industry. Mr. Black holds a BSc in Mining Engineering from the University of South Australia and is a member of the Australasian Institute of Mining and Metallurgy. Prior to moving to Peru in 2000, Mr. Black was the founder and Managing Director of international mining consulting services group Global Mining Services from 1994 to 2000. In 1996, Mr. Black also founded and was Chairman of OFEX listed AGR Limited with exploration projects in Ghana and Mongolia. In 2002, Mr. Black took control of role in the acquisition of the Mina Justa Copper Project and formation of the Korean joint venture with Chariot Resources. Upon his resignation as Chairman & Executive VP of Chariot Resources in 2006, Mr. Black founded the Peruvian registered Rio Alto S.A.C. In 2009 after successfully negotiating the acquisition of the La Arena Gold Project from Iamgold Corp, Rio Alto was acquired by Mexican Silver Mines and renamed Rio Alto Mining Limited. In 2014, Rio Alto also completed the successful acquisition of Sulliden Gold and the Shahuindo Gold Project for \$300M. Mr. Black, as President & Chief Executive Officer of Rio Alto Mining Limited and his experienced management team built Rio Alto from a \$12M company in 2009 to a \$1.2 billion company in 2015 at the time of the acquisition by Tahoe Resources Inc.	
Ownership or Control Over Voting Shares Held ⁽¹⁾ 16,780,810 - 6.46% ⁽²⁾	Board/Committee Membership Member of the Health, Safety, and Community Committee

	Klaus Zeitler ⁽⁵⁾ ⁽⁸⁾ West Vancouver, British Columbia, Canada Lead Independent Director of Rio2 since November 23, 2022 Chairman of the Rio2 Board from April 24, 2017 to November 23, 2022
Dr. Klaus Zeitler received his professional education at Karlsruhe University from 1959 to 1966 and obtained a PhD in economic planning. Dr. Zeitler is a member of the Canadian Institute of Mining and Metallurgy and the Prospectors and Developers Association. Dr. Zeitler financed, built and managed base metal and gold mines worldwide (Europe, Africa, North America, South America, Pacific) with a total investment value of \$4.0 billion. Dr. Zeitler was a managing director of Metallgesellschaft AG, a German metals conglomerate, and in 1986 founded and was a director and the first CEO of Metall Mining (later Inmet Mining Corporation) with assets of over \$4.0 billion, and base metal and gold mines in different parts of the world. After having been a director of Teck and Cominco ("Teck") for many years, Dr. Zeitler joined Teck in 1997 as Senior Vice President and had responsibilities for the exploration and development of mines in Peru, Mexico and the USA. Since his retirement in 2002 from Teck, and in addition to being Executive Chairman and a director of Amerigo Resources Ltd., Dr. Zeitler was Chairman of the Board of Rio Alto Limited from 2011 to 2015, a director of Tahoe Resources Ltd. from April 2015 to May 2017, and is presently a director of Western Copper and Gold Corporation.	
Ownership or Control Over Voting Shares Held ⁽¹⁾ 2,208,694 – 0.85% ⁽²⁾	Board/Committee Membership Chairman of the Corporate Governance & Compensation Committee Chairman of the Health, Safety, and Community Committee

	Andrew Cox Lima, Peru Non Independent Director since December 15, 2022 President & CEO since November 28, 2022
Andrew Cox is based in Lima, Peru, and has over 24 years of experience in mining operations around the world. Andrew held various positions at Rio Alto Mining Ltd. since 2011 until acquired in 2015. He was operations manager at La Arena mine from 2011 to 2014, moving to the Shahuindo gold project as acting operations manager for the first year of construction in 2015. Following the acquisition of Rio Alto Mining Ltd. by Tahoe Resources Inc. in April, 2015, Andrew was the corporate operations manager in Peru, until December 2016. Prior to his involvement with Rio Alto Mining, Andrew managed the dam embankment project at Oceanagold's Macraes Flat mine and the Alliance Mining contract at the Globe Progress mine for Stracon New Zealand from 2009 to 2011. In 2005, he joined mining and civil contractor Stracon GyM in Peru as manager of the El Brocal open-pit mining contract until 2009. Andrew started his career with 10 years in alluvial gold mining and exploration in New Zealand, Chile and Bolivia with L& M Mining. Later, he moved to a role as Production Geologist at Solid Energy's Stockton Mine in New Zealand. Andrew holds an MSc, geology honours, from the University of Canterbury in New Zealand.	
Ownership or Control Over Voting Shares Held ⁽¹⁾ 384,799 – 0.14% ⁽²⁾	Board/Committee Membership N/A

	Ram Ramachandran Aurora, Ontario, Canada Independent Director since April 24, 2017
Mr. Ramachandran has over 35 years of capital markets experience. Mr. Ramachandran has previously served as Associate Chief Accountant and Deputy Director, Corporate Finance at the Ontario Securities Commission and as a senior member in the national office of an international accounting firm. Mr. Ramachandran originally qualified as a Chartered Accountant in England & Wales in 1978 and subsequently in Ontario in 1984 (now retired).	
Ownership or Control Over Voting Shares Held ⁽¹⁾ 289,532 – 0.11%⁽²⁾	Board/Committee Membership Chairman of the Audit Committee Member of the Corporate Governance & Compensation Committee Member of the Health, Safety, and Community Committee

	Sidney Robinson Toronto, Ontario, Canada Independent Director since April 24, 2017
Mr. Robinson was a senior partner of Torys LLP, a law firm, until January 2004, practicing corporate/commercial law, with emphasis on financings, mergers and acquisitions and international projects. In his practice, Mr. Robinson acted as strategic and legal advisor to senior management and boards of many large corporate issuers. Mr. Robinson was a long-time member of Torys LLP's executive committee. Mr. Robinson is a former director of Rio Alto Mining Limited, Amerigo Resources Ltd, and of Inmet Mining Corporation. He has also served on the Board of Directors of several private corporations, is a founding partner of Butterfield & Robinson Inc., and was the first Chairman of Canada Post Corporation's Real Estate Advisory Committee. Mr. Robinson holds an M.A. and an LL.B from the University of Toronto and an LL.M from Osgoode Hall Law School.	
Ownership or Control Over Voting Shares Held ⁽¹⁾ 275,047 – 0.10%⁽²⁾	Board/Committee Membership Member of the Audit Committee

	Albrecht Schneider Santiago, Chile Independent Director since July 16, 2018
Mr. Schneider was the co-founder of Atacama Pacific Gold Corporation and discovered with his team the Cerro Maricunga gold deposit. He served as the Executive Chairman and as a director of Atacama Pacific Gold Corporation until the completion of the business combination with Rio2 in July 2018. Mr. Schneider is a Professional Geologist with more than 25 years of field management and project generation experience in South America. He is currently the President of SBX Consultores, a geological consulting firm in Santiago, Chile. Mr. Schneider has held senior management positions with several other public companies including TVX Gold and generated the Volcan gold discovery in Chile for Andina Minerals. He has also acted as a Chilean representative for TVX Normandy Americas, Newmont Mining, and Kinross Gold and has acted as an international consultant for Antofagasta and Gold Fields. Mr. Schneider received a Ph.D. (Geology) from Imperial College, University of London in 1985.	
Ownership or Control Over Voting Shares Held ⁽¹⁾ 11,404,107 – 4.39%⁽²⁾	Board/Committee Membership N/A

	Drago Kistic Lima, Peru Independent Director since May 28, 2019
Mr. Kistic is a founding member and shareholder of Macro Group (Macroconsult, Macroinvest, Macrocapitales Safi, Macro Assets Management and Macro Wealth), President of the Board of Macrocapitales SAFI, Banco Pichincha Perú S.A., Bodega San Nicolás, Inmobiliarias Cerro Lindo SAC and Alto Las Viñas SAC. Currently, Mr. Kistic is a member of the boards of: Corporacion Rey, Haug S.A.; Clinica Médica Cayetano Heredia, Corporación Lindley, Promotora San Andres and Asociación de Bancos del Perú (ASBANC). From 1978 to 1981 he worked as Senior Economist for the Banco Central de Reserva del Peru and was Chairman of the Board of the Comisión Nacional Supervisora de Empresas y Valores (CONASEV) between 1981 and 1982. Between 1982 and 1985 he acted as Advisor to the Executive Director of the World Bank in Washington DC, USA. In 1998 he was a member of the Advisory Committee of the Peruvian Ministry of Foreign Affairs and President of the commission of border integration in the peace negotiations between Peru and Ecuador. Mr. Kistic was a director of Rio Alto Mining Limited (TSX) (between 2010 and 2015) and Tahoe Resources Limited (from August 2015 to February 2019). Mr. Kistic holds a B.S. from Pontificia Universidad Católica del Perú and a Master's degree (B-Phil) from Oxford University.	
Ownership or Control Over Voting Shares Held ⁽¹⁾ 234,211 – 0.09%⁽²⁾	Board/Committee Membership Member of the Audit Committee Member of the Corporate Governance & Compensation Committee

Notes:

- (1) Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at the date of this Circular, based upon information furnished to the Company by the above individuals.
- (2) Percentage of the shares issued and outstanding as of Record Date.

UNLESS OTHERWISE DIRECTED, IT IS THE INTENTION OF THE MANAGEMENT DESIGNEES, IF NAMED AS PROXY, TO VOTE FOR THE ELECTION OF THE PERSONS NAMED IN THE TABLE ABOVE TO THE BOARD

Management does not contemplate that any of the nominees will be unable to serve as directors; however, if, for any reason, any of the proposed nominees do not stand for election or are unable to serve as such, proxies held by Management Designees will be voted for another nominee in their discretion unless the shareholder has specified in his form of proxy that his Common Shares are to be withheld from voting in the election of directors. Each director elected will hold office until the next annual general meeting of shareholders or until his successor is duly elected, unless his office is earlier vacated in accordance with the by-laws of the Company or the provisions of the Ontario Business Corporations Act ("OBCA").

Cease Trade Orders or Bankruptcies

No proposed director, within ten (10) years before the date of this Circular, has been a director or executive officer of any company that:

- (a) was the subject of: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) 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 (collectively, an "Order") that was issued while the proposed director was acting in the capacity as director or executive officer; or
- (b) was subject to an Order that was issued after the proposed director ceased to be a director or executive officer and which resulted from an event that occurred while that person was acting in the capacity as director or executive officer.

No proposed director, within ten (10) years before the date of the Circular, has been a director or executive officer of any company that, while the proposed director was acting in that capacity, or within a year of the proposed director ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Personal Bankruptcies

No proposed director has within ten (10) years before the date of the Circular, become 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 the assets of such person.

Penalties and Sanctions

No proposed director has been subject to:

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

4. APPOINTMENT OF INDEPENDENT AUDITOR

The Board, on recommendation of the Audit Committee, is recommending that Grant Thornton LLP be appointed as the independent auditor to serve for the ensuing year. Grant Thornton LLP was first appointed as the auditor of Rio2 on April 21, 2017. Shareholders will also be asked to authorize the Board to set the auditor's pay for the ensuing year.

UNLESS OTHERWISE DIRECTED, IT IS THE INTENTION OF THE MANAGEMENT DESIGNEES, IF NAMED AS PROXY, TO VOTE FOR THE APPOINTMENT OF GRANT THORNTON LLP, CHARTERED ACCOUNTANTS, OF VANCOUVER, BRITISH COLUMBIA, AS AUDITOR OF THE COMPANY FOR THE ENSUING YEAR

External Auditor Service Fees

The aggregate fees billed by the Company's external auditors in respect of each of the financial year ending December 31, 2023, 2022, and 2021 for audit and other fees are as follows:

Financial Year Ending	Audit Fees ⁽¹⁾	Audited Related Fees ⁽²⁾	Tax Fees ⁽³⁾	All Other Fees
2023	\$60,200	Nil	Nil	Nil
2022	\$65,700	\$12,300	Nil	Nil
2021	\$53,400	\$32,300	Nil	Nil

Notes:

- (1) "Audit Fees" are the aggregate fees charged by the Company's auditors for the audit of the Company's consolidated annual financial statements, reviews of interim financial statements and attestation services that are provided in connection with statutory and regulatory filings or engagements.
- (2) "Audit-Related Fees" are fees charged by the Company's auditors for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under "Audit Fees."

5. REAPPROVAL OF STOCK OPTION PLAN

Under the policies of the Exchange, a "rolling" stock option plan must be reapproved on a yearly basis by shareholders. Accordingly, the shareholders will be asked to pass an ordinary resolution approving the company's rolling stock option plan (the "Option Plan"), which amended version was first approved by shareholders on September 27, 2023. Please see the "Stock Options and Other Compensation Securities" section appearing on page 28 of this document for more details. The following is a summary of the Option Plan, which is entirely qualified by the full text of the Option Plan, which is available upon request to the Company.

Option Plan Summary

The Option Plan permits the granting of stock options ("Options") to directors, officers and employees of, and consultants to, the Company. The Option Plan limits the total number of Common Shares that may be issued on exercise of Options outstanding at any time under the Option Plan to 10% of the number of Common Shares issued and outstanding (less the number of Common Shares reserved for issuance under any other share-based compensation arrangement of the Company), subject to the following additional limitations:

- (a) the aggregate number of Common Shares issuable pursuant to all security based compensation granted to any one participant (and companies wholly owned by that participant) in a twelve (12) month period must not exceed 5% of the issued and outstanding Common Shares, calculated on the date the security based compensation is granted or issued to the participant (unless the Company has obtained the requisite disinterested shareholder approval);
- (b) the maximum number of Common Shares reserved for issuance pursuant to all security-based compensation granted to insiders (as a group) must not exceed 10% of the issued and outstanding Common Shares at any point in time (unless the Company has obtained the requisite disinterested shareholder approval);

- (c) the grant to insiders (as a group), within a twelve (12) month, period of an aggregate number of security based compensation must not exceed 10% of the issued and outstanding Common Shares, calculated as at the date the security based compensation is granted or issued to any insider (unless the Company has obtained the requisite disinterested shareholder approval);
- (d) the aggregate number of security-based compensation granted to any one consultant, within a twelve (12) month period, must not exceed 2% of the issued and outstanding Common Shares, calculated as at the date the security based compensation is granted or issued to the consultant; and
- (e) the aggregate number of Options granted to all persons employed to provide investor relation activities shall not exceed 2% of the issued and outstanding Common Shares of the Company in any twelve (12) month period, calculated as at the date an Option is granted or issued to any such person. Options granted to persons retained to perform investor relations activities will contain vesting provisions such that vesting occurs over at least 12 months with no more than 1\4 of the options vesting in any 3 month period.

Each Option and all rights thereunder will expire on the date set out in the applicable option agreement. Under the Option Plan, in the event of the death of a participant, the Options previously granted to such participant will be exercisable only within one year after such death and then only to the extent that such deceased participant was entitled to exercise his Option at the date of his death. In the event that a participant shall cease to be a director, officer, consultant or employee of the Company or ceases to be a Management Company Employee (as defined in the Option Plan), for any reason (other than death), such Participant may exercise his or her Option to the extent that the participant was entitled to exercise it at the date of such cessation, provided that such exercise must occur within one year after the participant ceases to be a director, officer, consultant, employee or a Management Company Employee, unless such participant was engaged in investor relations activities, in which case such exercise must occur within 30 days after the cessation of services.

Pursuant to the Option Plan, the exercise price shall be fixed by the Board at the time that the Option is granted; however, no Option shall be granted with an exercise price at a discount to the market price. The Option Plan also provides that the Board may, in its sole discretion, determine the time during which Options shall vest and the method of vesting, subject to any vesting restrictions imposed by any stock exchange on which the Common Shares are then listed. The maximum term of an Option may not exceed 10 years from the date of grant.

The Option Plan includes a black-out provision. Pursuant to the policies of the Company respecting restrictions on trading, there are a number of periods each year during which directors, officers and certain employees are precluded from trading in the Company's securities. These periods are referred to as "black-out periods". A black-out period is designed to prevent a person from trading while in possession of material information that is not yet available to other Shareholders. The Option Plan includes a provision that, should an Option expiration date fall within a black-out period or immediately following a black-out period, the expiration date will automatically be extended without any further act or formality, to that date which is the 10th business day after the end of the black-out period, and the 10 business day period may not be further extended by the Board.

The Option Plan allows for optionholders to exercise their Options on a cashless exercise and net exercise basis. In connection with a Cashless Exercise, a brokerage firm will loan money to a participant under the Option Plan to purchase Common Shares underlying the options and will sell a sufficient number of Common Shares to cover the exercise price of such options in order to repay the loan made to the participant and the participant retains the balance of the Common Shares. In connection with a Net Exercise, a participant under the Option Plan would receive Common Shares equal in value to the difference between the exercise price and the fair market value of the Common Shares on the date of exercise, computed in accordance with the Option Plan.

Based on the policies of the Exchange and industry practice, the Option Plan specifies the types of amendments to the Option Plan and the Options granted thereunder that can be made by the Board without the approval of the shareholders. The Option Plan allows the Board to terminate or discontinue the Option Plan at any time without the consent of the Option holders, provided that such termination or discontinuance shall not alter or impair any Option previously granted under the Option Plan. The only amendments to the Option Plan that would be subject to shareholder approval are amendments that would:

- (a) persons eligible to be granted or issued Options under the Option Plan;
- (b) the maximum number or percentage, as the case may be, of listed shares that may be issuable under the Option Plan;
- (c) the limits under the Option Plan on the amount of Options that may be granted or issued to any one person or any category of persons (such as, for example, Insiders);
- (d) the method for determining the exercise price of the Options;
- (e) the maximum term of the Options;
- (f) the expiry and termination provisions applicable to the Options, including the addition of a blackout period;
- (g) the addition of a Net Exercise provision; and
- (h) any method or formula for calculating prices, values or amounts under the Plan that may result in a benefit to a Participant, including but not limited to the formula for calculating the appreciation of a Stock Appreciation Right (as defined in the policies of the Exchange).

Text of Ordinary Resolution to Approve the Plan

Management of the Company believes the reapproval of the Option Plan as described above is in the best interests of the Company and recommends that shareholders vote in favour of the ordinary resolution reapproving the Plan.

The shareholders at the Meeting will be asked to pass an ordinary resolution reapproving the Option Plan. All shareholders present at the Meeting, whether in person or by proxy, will be entitled to vote on the following resolution:

“BE IT RESOLVED THAT the Company's Stock Option Plan dated July 24, 2023, be and is hereby ratified, confirmed and approved with such additional provisions and amendments of a clerical or non-material nature, provided that such are not inconsistent with the Policies of the TSX Venture Exchange, as the directors of the Company may deem necessary or advisable.”

UNLESS OTHERWISE DIRECTED, IT IS THE INTENTION OF THE MANAGEMENT DESIGNEES TO VOTE PROXIES IN FAVOUR OF THE RESOLUTION REAPPROVING THE STOCK OPTION PLAN.

6. AMENDMENT TO SHARE INCENTIVE PLAN

The Company is proposing to replace the current share incentive plan (the “**Plan**”) with an amended share incentive plan (the “**Amended Plan**”) in substantially the form attached as Schedule “A”. The Amended Plan is substantially the same as the Plan, however, the Amended Plan contains minor amendments to ensure compliance with TSX Venture Exchange (the “**Exchange**”) Policy 4.4 – Security Based Compensation (“**Policy 4.4**”) which was implemented by the Exchange on November 24, 2021.

The Board approved the adoption of the Amended Plan by a directors’ resolution dated effective March 28, 2024, subject to the approval of the Exchange and the shareholders of the Company. As a result, and assuming such approvals are obtained, the Plan will be of no further force and effect and all Awards (as defined in the Amended Plan) issued under the Plan will be deemed to be issued under the Amended Plan and henceforth governed under the Amended Plan.

At the Meeting, Rio2's shareholders will be asked to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution in the form set out below (the "**Amended Plan Resolution**"), subject to such amendments, variations or additions as may be approved at the Meeting, to approve, ratify and adopt the Amended Plan. In order to pass, the Amended Plan Resolution must be approved by a majority of the votes cast at the Meeting by all shareholders, present and in person or represented by proxy.

The Amended Plan will function as a rolling plan and as such, the maximum number of Common Shares issuable pursuant to all Awards (as defined below) issued under the Amended Plan and other security based compensation plans (including the Option Plan) of the Company shall not exceed 10% of the outstanding Common Shares from time to time. As of the date of this Circular, there are 259,568,913 Common Shares issued and outstanding and therefore 25,956,891 Common Shares are reserved for grant and issuance pursuant to the settlement of Awards pursuant to the Amended Plan.

The full text of the Amended Plan is set out in Schedule "A" hereto and a summary thereof is included below. The summary, however, is qualified in its entirety by the terms of the Amended Plan. A summary of the material terms of the Amended Plan are as follows:

Purpose and Eligibility

The Board has determined that it is in the best interest of the Company to adopt the Amended Plan as a new security based compensation plan in tandem with the Stock Option Plan. The purpose of the Amended Plan is to strengthen the ability of the Company to (i) retain and attract qualified directors, officers, consultants, employees, management company employees ("**Service Providers**"); (ii) to promote a proprietary interest in the Company by such Service Providers and to encourage such persons to remain in the employ or service of the Company and put forth maximum efforts for the business and the success of the affairs of the Company; and to focus management of the Company on operating and financial performance and long-term shareholder return. The Amended Plan does not include stock options which are addressed under the Company's Option Plan.

All Service Providers, except persons conducting investor relations activities, are eligible to participate in the Amended Plan, subject to limitations in the event of the termination of services of an employee, director, management company employees or consultant. Participation in the Amended Plan is voluntary and eligibility to participate does not confer upon any Service Provider any right to receive any grant of an Award (as defined below) pursuant to the Amended Plan. The extent to which any Service Provider is entitled to receive a grant of an Award pursuant to the Amended Plan will be determined in the sole and absolute discretion of the Board.

Awards Granted Under the Amended Plan

Awards under the Amended Plan can be time-based ("**Time-Based Award**") or performance-based ("**Performance-Based Award**") and together with Time-Based Awards, "**Awards**"). In determining the Service Providers to whom Awards may be granted and the number of Common Shares to be covered by each Award, the Board may take into account such factors as it shall determine in its sole discretion, including, if so determined by the Board, any one or more of the following factors:

- (a) compensation data for comparable benchmark positions among the Company's peers;
- (b) the duties, responsibilities, position and seniority of the Service Provider;
- (c) the corporate performance measures for the applicable period compared with any applicable internally established performance measures approved by the Board and/or similar performance measures of members of the Company's peers for such period;
- (d) the individual contributions and potential contributions of the Service Provider to the success of the Company;
- (e) any bonus payments paid or to be paid to the Service Provider in respect of his or her individual contributions and potential contributions to the success of the Company;
- (f) the fair market value or current market price of the Common Shares at the time of such Award; and

- (g) such other factors as the Board shall deem relevant in its sole discretion in connection with accomplishing the purposes of the Amended Plan.

Limitations Under the Amended Plan

Subject to adjustment as provided for in the Amended Plan and any subsequent amendment to the Amended Plan, the total number of Common Shares reserved and available for grant and issuance pursuant to the settlement of Awards pursuant to the Amended Plan, together with all of the Company's other security based compensation arrangements (including the Option Plan), shall not exceed 10% (in the aggregate) of the issued and outstanding Common Shares of the Company from time to time. Any Award granted under the Amended Plan that has been settled in cash, cancelled, terminated, surrendered, forfeited or expired without being exercised, the Common Shares that were reserved will to the Amended Plan and remain available for the purposes of the granting of further Awards under the Amended Plan.

The Amended Plan is subject to the following limitations on Awards:

- (a) the number of Awards granted to any one Service Provider in a twelve (12) month period must not exceed 5% of the issued and outstanding Common Shares, calculated on the date an Award is granted or issued to the Service Provider;
- (b) the maximum number of Common Shares reserved for issuance under Awards granted to Insiders (as a group) must not exceed 10% of the issued and outstanding Common Shares at any point in time;
- (c) the grant to Insiders (as a group), within a twelve (12) month period, of Awards must not exceed 10% of the issued and outstanding Common Shares, calculated as at the date an Award is granted or issued to any Insider;
- (d) the number of Awards granted to any one consultant, within a twelve (12) month period, must not exceed 2% of the issued and outstanding Common Shares, calculated as at the date an Award is granted or issued to the consultant; and
- (e) Investor relations service providers may not receive any security based compensation other than stock options.

Annually, and prior to the payment date in respect of any Performance-Based Award, the Board shall assess the performance of the Company for the applicable period and shall determine, in its sole discretion, whether a payout multiplier applies. Such payout multiplier is subject to the aforementioned limits. The Company shall be permitted to make payments in cash to the Service Provider, if it does not have a sufficient amount of Common Shares reserved under the Amended Plan to satisfy its obligations under the payout multiplier.

Term and Vesting of Awards

The payment dates in respect of Awards issued pursuant to the Amended Plan is as follows, unless otherwise determined by the Board in its sole discretion (and, for greater certainty, the Board may, in its sole discretion, impose additional or different conditions on the determination of the payment date(s) in respect of payment pursuant to any Award):

- (a) as to one-third of the award value of such Award, on the first anniversary of the grant date of the Award;
- (b) as to one-third of the award value of such Award, on the second anniversary of the grant date of the Award; and
- (c) as to the remaining one-third of the v of such Award, on the third anniversary of the grant date of the Award;

The aforementioned payment dates are subject to leaves of absences, black-out periods, change of control of the Company and acceleration of vesting of Awards in connection with a Service Provider's death or where the Service Provider ceases to be an eligible Service Provider. Notwithstanding any provision of the Amended Plan, no Award may vest before one year from the grant date. Each Award shall expire on the third anniversary of the grant date, subject to extension pursuant to the black-out period provisions in the Amended Plan. All Awards granted under the Amended Plan are non-transferrable, subject to transfer by will or by the laws of descent and distribution.

Termination of Awards

If a Service Provider ceases to be a Service Provider for any reason whatsoever, including termination without cause all outstanding award agreements under which Awards have been made to such Service Provider and which have vested, shall be terminated and all rights to receive Common Shares thereunder are forfeited by the Service Provider effective as of the date that is 30 days from the cessation date. For clarity, the Service Provider shall only be entitled to receive the value for the outstanding Awards for which the payment date would fall between the date that the Service Provider ceased to be employed or retained and the date that is thirty (30) days from such date. Notwithstanding the foregoing, in the event of a termination of any employee for cause, the Board may, in its sole discretion, determine that all outstanding vested Awards shall immediately terminate and become null and void. All Awards which have not vested at the cessation date shall immediately terminate and become null and void. Notwithstanding any provision in the Amended Plan, all Awards must expire within a reasonable period, not exceeding 12 months, following a Service Provider ceasing to be an eligible Service Provider.

Upon the death or disability of a Service Provider prior to the expiry date, all outstanding award agreements under which Awards have been made to such Service Provider which have vested shall be terminated and all rights to receive Common Shares thereunder shall be forfeited by the Service Provider effective on earlier of: (i) the expiry date; and (ii) date that is six months from the cessation date. All Awards which have not vested at the cessation date shall immediately terminate and become null and void. In the case of the death of a Service Provider, the rights of the Service Provider, if any, shall pass by the Service Provider's will or by the laws of descent and distribution.

Amendment

The Amended Plan and any Awards granted pursuant to the Amended Plan may be amended, modified or terminated by the Board without shareholder approval, subject to any required approval of the Exchange in the event that the Common Shares of the Company are listed on the Exchange.

If the Common Shares of the Company are listed on the Exchange, then notwithstanding the foregoing, the prior shareholder approval shall be required to effect any of the following amendments to the Amended Plan:

- (a) persons eligible to be granted or issued Awards under the Amended Plan;
- (b) make any amendment to the Amended Plan to increase the percentage of Common Shares that are available to be issued under outstanding Awards;
- (c) make any amendment to the limits of the Amended Plan on the amount of Awards that may be granted or issued to any one person or any category of persons (such as, for example, Insiders);
- (d) the maximum term of Awards;
- (e) the expiry and termination provisions applicable to Awards; and
- (f) any method or formula for calculating prices, values or amounts the Amended Plan that may result in a benefit to a Service Provider.

In addition, no amendment to the Amended Plan or Awards granted pursuant to the Amended Plan may be made without the consent of the Service Provider, if it adversely alters or impairs the rights of any Service Provider in respect of any Award previously granted to such Service Provider under the Amended Plan. Notwithstanding the foregoing, the following types of amendments to the Amended Plan are not subject to shareholder approval:

- (a) amendments to fix typographical errors; or
- (b) amendments to clarify existing provisions of the Amended Plan which do not have the effect of altering the scope, nature and intent of such provisions.

7. APPROVAL OF SECURITY BASED COMPENSATION TO NON-ARM'S LENGTH PARTIES

During the Meeting, the Company's disinterested Shareholders will be invited to consider and, if deemed advisable, to adopt, with or without amendment, a resolution, the text of which is set below, approving the Security Based Compensation (as defined below) for services to certain non-arm's length parties to the Company.

On January 29, 2024, the Company announced that it entered into share compensation agreements with certain directors, employees and consultants (the "**Share Compensation Agreements**"). Pursuant to the Share Compensation Agreements, such directors, employees and consultants will receive all or a portion of their director fees or wages for the period from January 1, 2024 to December 31, 2024 in common shares of the Company (the "**Security Based Compensation**"), with the remaining amount, if any, to be satisfied in cash. The common shares will be issued quarterly and will be subject to a four month and one day hold period commencing upon the date of issuance. Under the Share Compensation Agreements, the deemed price per common share to be issued will be no less than the volume weighted average closing price of the Company's common shares on the last three trading days of each quarter, provided that in any event the price will not be lower than the discount permitted under applicable Exchange policies. The total value of the Security Based Compensation that the Company intends to issue is up to \$750,000. The issuance of the Security Based Compensation to the directors must be approved by the majority of disinterested shareholders.

More specifically, section 6.2(k) of Policy 4.4 of the Exchange required that the issuance of listed shares, rather than cash, as compensation for services, to a Non-Arm's Length Party (as defined below) to the Company or to any of its affiliates for ongoing services, outside of a security based compensation plan of a deemed value of the listed shares to be issued by the Company that exceed \$5,000 per month per person or \$10,000 per month in aggregate, must first obtain disinterested shareholder approval pursuant to section 6.1 of Policy 4.4.

Furthermore, section 6.1 of Policy 4.4 states that any issuance to a Non-Arm's Length Party to the issuer of its listed shares as compensation for services must be subject to disinterested shareholder approval prior to the issuance of such listed shares. Any disinterested shareholder approval must be obtained by obtaining approval of majority of the votes cast by shareholders of the Company excluding those votes attaching beneficially owned by the recipient and by associates and affiliates of the recipient. Under the policies of the Exchange, a Non-Arm's Length Party is (a) in relation to a company: (i) a promoter, officer, director, other insider or control person of that company and any associates or affiliates of any of such persons; or (ii) another entity or an affiliate of that entity, if that entity or its affiliate have the same promoter, officer, director, insider or control person as the company. (b) in relation to an individual, any Associate of the individual or any company of which the individual is a promoter, officer, director, insider or control person.

Pursuant to the Share Compensation Agreements, the Company was to pay C\$106,093 in Security Based Compensation equaling 286,739 common shares, in exchange for services rendered during the first quarter of 2024. The Security Based Compensation will be issued upon the receipt of disinterested shareholder approval described herein but will have a deemed price of C\$0.37 based on the weighted average closing price of the Company's common shares on the last three trading days of the first quarter. The common shares issued in exchange for services rendered during the first quarter of 2024 represent 0.1% of the issued and outstanding common shares of the Company.

In determining disinterested shareholders' approval, the Company is required to exclude the votes attached to the Shares that, to the knowledge of the Company, or any interested party or their respective directors or senior officers, after reasonable inquiry, are beneficially owned or over which control or direction is exercised by "interested parties", and their "related parties" or "joint actors", as such terms are defined in the policies of the Exchange, as applicable.

Alex Black, Executive Chairman of the Board will be excluded for the purposes of determining the disinterested shareholders' approval regarding the Security Based Compensation. 16,780,810 common shares held by Alex Black, representing 6.46% of the issued and outstanding Shares of the Company will be excluded from the vote requiring disinterested shareholders' approval regarding the Security Based Compensation.

Andrew Cox, President, CEO and director will be excluded for the purposes of determining the disinterested shareholders' approval regarding the Security Based Compensation. 384,799 common shares held by Andrew Cox, representing 0.14% of

the issued and outstanding Shares of the Company will be excluded from the vote requiring disinterested shareholders' approval regarding the Security Based Compensation.

Kathryn Johnson, Executive Vice President, CFO, and Corporate Secretary will be excluded for the purposes of determining the disinterested shareholders' approval regarding the Security Based Compensation. 797,188 common shares held by Kathryn Johnson, representing 0.30% of the issued and outstanding Shares of the Company will be excluded from the vote requiring disinterested shareholders' approval regarding the Security Based Compensation.

Klaus Zeitler, Lead Director of the Board will be excluded for the purposes of determining the disinterested shareholders' approval regarding the Security Based Compensation. 2,208,694 common shares held by Klaus Zeitler, representing 0.85% of the issued and outstanding Shares of the Company will be excluded from the vote requiring disinterested shareholders' approval regarding the Security Based Compensation.

Ram Ramachandran, Director, will be excluded for the purposes of determining the disinterested shareholders' approval regarding the Security Based Compensation. 289,532 common shares held by Ram Ramachandran, representing 0.11% of the issued and outstanding Shares of the Company will be excluded from the vote requiring disinterested shareholders' approval regarding the Security Based Compensation.

Sidney Robinson, Director, will be excluded for the purposes of determining the disinterested shareholders' approval regarding the Security Based Compensation. 275,047 common shares held by Sidney Robinson, representing 0.10% of the issued and outstanding Shares of the Company will be excluded from the vote requiring disinterested shareholders' approval regarding the Security Based Compensation.

Drago Kisic, Director, will be excluded for the purposes of determining the disinterested shareholders' approval regarding the Security Based Compensation. 234,211 common shares held by Drago Kisic, representing 0.09% of the issued and outstanding Shares of the Company will be excluded from the vote requiring disinterested shareholders' approval regarding the Security Based Compensation.

Albrecht Schneider, Director, will be excluded for the purposes of determining the disinterested shareholders' approval regarding the Security Based Compensation. 11,404,107 common shares held by Albrecht Schneider, representing 4.39% of the issued and outstanding Shares of the Company will be excluded from the vote requiring disinterested shareholders' approval regarding the Security Based Compensation.

Alex Black, Kathryn Johnson, Klaus Zeitler, Andrew Cox, Ram Ramachandran, Sidney Robinson, Drago Kisic and Albrecht Schneider, are currently directors and/or officers of the Company. Each issuance of common shares to such directors or officers constitutes a "related party transaction" within the meaning of Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Company is relying on the exemptions from the formal valuation and minority approval requirements contained in Sections 5.5(a) and 5.7(1)(a) of MI 61-101, on the basis that the fair market value of the transaction does not exceed 25% of the Company's market capitalization.

The Security Based Compensation is also subject to the Exchange approval.

Unless the shareholders provide instruction to the contrary or in the absence of specific instruction in this respect, the persons named as proxyholders in the enclosed proxy form intend to vote FOR the adoption of the resolution.

Accordingly, at the Meeting, shareholders will be asked to consider and, if thought fit, to pass the following resolution:

"BE IT RESOLVED as an ordinary resolution of the disinterested shareholders of the Company that:

- 1. the issuance of common shares to certain directors and employees of the Company as compensation for all or a portion of their director fees or wages for the period from January 1, 2024 to December 31, 2024 in accordance with the terms of the Share Compensation Agreements is hereby approved;**
- 2. any officer or director of the Company is hereby authorized and directed for and on behalf of the Company to execute or cause to be executed and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be performed all such other acts and things as in such person's opinion may be necessary or desirable to give full force and effect to the foregoing resolutions and the**

matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing; and

3. the Company may revoke this resolution before it is acted upon without further approval of the shareholders."

STATEMENT OF EXECUTIVE COMPENSATION

For the Fiscal Year Ended December 31, 2023

GENERAL

The following information has been updated as at the date of this Information Circular and is provided as required under Form 51-102F6 (the "**Form**"), as such term is set out in National Instrument 51-102 *Continuous Disclosure Obligations*. Except as otherwise indicated, all dollar amounts in this Form are expressed in US dollars and references to \$ are US dollars.

For the purpose of this Statement of Executive Compensation:

"**CEO**" means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

"**CFO**" means an individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

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

- a. a CEO;
- b. a CFO;
- c. each of the three most highly compensated executive officers of the company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6), for that financial year; and
- d. each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

Based on the foregoing definition of NEO, during the last completed fiscal year of the Company, Rio2 had three NEOs:

- Alex Black, Executive Chairman
- Andrew Cox, President, CEO & Director
- Kathryn Johnson, Executive Vice President - Chief Financial Officer and Corporate Secretary.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION DISCUSSION & ANALYSIS

Corporate Governance and Compensation Committee

In respect of compensation matters, the Corporate Governance, and Compensation Committee of the Board (the "**CGC Committee**") has the following responsibilities:

- reviewing and approving the corporate and individual goals and objectives relevant to senior management's compensation, evaluating performance, and setting compensation levels based upon this evaluation;
- reviewing the recommendations of the CEO with respect to compensation of other management members, and for fixing their compensation, including annual bonuses and the granting of stock options under the Company's stock option plan;

- reviewing executive compensation disclosure before the Company publicly discloses this information; and
- reviewing compensation policies and proposals with reference to industry sectors and markets in which the Company operates.

The CGC Committee members are independent directors Klaus Zeitler (Chairman), Ram Ramachandran, and Drago Kisic. Meetings of the Committee are documented in the form of meeting minutes. In establishing policies covering compensation, including annual bonuses and stock option grants, the CGC Committee takes into consideration the recommendations of the CEO, advice of independent consultants, when retained, and industry standards. The majority of the members of the CGC Committee have direct experience which is relevant to their responsibilities in executive compensation as they have been previously, and are currently, involved with compensation matters at other companies, both public and private, which they are directors. Each of the CGC Committee members have developed appropriate skills and experience, including management experience in human resources or executive compensation gained from their former business dealings as executive officers or directors of private or public entities in similar industries to that in which the Company operates, in order to make decisions on the suitability of the Company's compensation policies and practices.

Skills and experience that enable the CGC Committee to make decisions on the suitability of the Company's compensation policies and practise include:

Klaus Zeitler:

Dr. Klaus Zeitler received his professional education at Karlsruhe University from 1959 to 1966 and obtained a PhD in economic planning. Dr. Zeitler is a member of the Canadian Institute of Mining and Metallurgy and the Prospectors and Developers Association.

Dr. Zeitler financed, built and managed base metal and gold mines worldwide (Europe, Africa, North America, South America, Pacific) with a total investment value of \$4 billion. Dr. Zeitler was a managing director of Metallgesellschaft AG, a German metals conglomerate, and in 1986 founded and was a director and the first CEO of Metall Mining (later Inmet Mining Corporation) with assets of over \$4 billion, and base metal and gold mines in different parts of the world. After having been a director of Teck for many years, Dr. Zeitler joined Teck in 1997 as Senior Vice President and had responsibilities for the exploration and development of mines in Peru, Mexico and the USA.

Since his retirement in 2002 from Teck, and in addition to being Executive Chairman and a director of Amerigo Resources Ltd., Dr. Zeitler was Chairman of the Board of Rio Alto Limited from 2011 to 2015, a director of Tahoe Resources Ltd. from April 2015 to May 2017, and is presently a director of Western Copper and Gold Corporation.

Ram Ramachandran:

Mr. Ramachandran has over 35 years of capital markets experience. Mr. Ramachandran has previously served as Associate Chief Accountant and Deputy Director, Corporate Finance at the Ontario Securities Commission and as a senior member in the national office of an international accounting firm. Mr. Ramachandran originally qualified as a Chartered Accountant in England & Wales in 1978 and subsequently in Ontario in 1984 (now retired).

Drago Kisic:

Drago Kisic is a founding member and shareholder of Macro Group (Macroconsult, Macroinvest, Macrocapitales Safi, Macro Assets Management and Macro Wealth) in Peru. From 1975 to 1981 he worked as Senior Economist for the Banco Central de Reserva del Peru and was Chairman of the Board of the Comisión Nacional Supervisora de Empresas y Valores (CONASEV) between 1981 and 1982. Between 1982 and 1985 he acted as Advisor to the Executive Director of the World Bank in Washington DC, USA. In 1998 but he was a member of the Advisory Committee of the Peruvian Ministry of Foreign Affairs and President of the commission of border integration in the peace negotiations between Peru and Ecuador. Drago Kisic Wagner holds a B.S. from Pontificia Universidad Católica del Perú and a Master's degree (B-Phil) from Oxford University.

Objectives of Compensation Policy

The Company's process for determining executive compensation, which is designed to attract and retain highly qualified individuals, relies on recommendations from the CGC Committee for approval by the Board.

The CGC Committee has unrestricted access to the Company's personnel and documents and is provided with the resources necessary, including, as required, the engagement and compensation of outside advisors, to carry out its responsibilities.

In June 2018, the Company retained the services of an independent consulting firm, Lane Caputo Compensation Inc. ("**Lane Caputo**") to undertake a full review of the Company's compensation program for its executive officers and directors. Lane Caputo has not provided any services to the Company or its subsidiaries, or to any of its directors or members of management, other than the services discussed in this section. No fees were paid to Lane Caputo or any other compensation consultant during the years ended December 31, 2023 and December 31, 2022.

Lane Caputo provided information and advice in respect of executive compensation for the Company based on industry comparable companies and other relevant factors. A peer group of mining companies was developed against which Lane Caputo benchmarked the competitiveness of Rio2's senior executive and Board compensation practices. The 17 companies in the peer group developed for this review at that time were Almaden Minerals Ltd., Equinox Gold Corp., Sabina Gold & Silver Corp., Aquila Resources Inc., Harte Gold Corp., Victoria Gold Corp., Barkerville Gold Mines Ltd., INV Metals Inc., Vista Gold Corp., Bear Creek Mining Corp, Orezone Gold Corp., West African Resources Ltd., Belo Sun Mining Corp., Orla Mining Ltd., Western Copper and Gold Corp., Dalradian Resources Inc., and Pershing Gold Corp.

After reviewing Lane Caputo's final report and recommendation and the Company's past and existing compensation programs and levels for executives in comparison to the practices of a peer group of companies and practices in the current market, and after taking into consideration the Company's history and various potential risks associated with different compensation programs, the CGC Committee made its recommendations to the Board of Directors for approval in August 2018. The Board of Directors approved the recommendations and the new compensation program took effect, there have been no further changes to the Company's compensation programs after 2018. Please see the "Employment, Consulting and Management Agreements" section of this form for more details about NEO's employment agreements.

In evaluating the performance of the Company's executives for the possible award of bonuses or long term incentive compensation, the Compensation Committee reviews the achievement of project specific goals included in the Company's plans such as: identifying mineral prospects; executing successful drill programs; advancing or completing scoping, prefeasibility or feasibility studies; building and maintaining social licence through community relationships and initiatives; acquiring necessary permits; and successfully advancing projects and/or initiatives that accomplish the Company's goals. In addition, the Committee considers management's performance in unplanned situations and their ability to manage projects through complex political and social situations. Finally, corporate objectives such as successful capital raising (if applicable), peer benchmarking (as further discussed below) and market performance are considered. The Company's compensation of executives may consist of any or all of a base salary, cash bonuses and long-term incentive compensation.

Elements of Compensation

The Company's executive compensation policy consists of base salaries, bonuses, and long-term incentives granted through a Stock Option Plan and a Share Incentive Plan. An executive's initial base salary is recommended by the CGC Committee, based on the committee members' knowledge of typical mining industry salary levels commensurate with the executive's level of experience and skill set. The Company's executives are eligible for cash bonuses, as provided in their employment agreements. In its annual management compensation review, the CGC Committee may consider, and recommend the Board approve, the payment of a cash bonus to one or more executives to reward the achievement of performance goals or successful execution of the Company's corporate strategy.

The CGC Committee also annually considers grants under the Company's Stock Option Plan and Share Incentive Plan based on the achievement of performance goals or successful execution of the Company's corporate strategy. When considering and recommending future compensation to the Board for approval, the CGC Committee's review is focused on the individual executive salaries, performance-based bonus opportunity, and security-based award grants (including consideration of previous grants), with a review of the aggregate level of salary, performance based bonus, and security-based award grants for the balance of the staff.

An amended stock option plan was last approved by shareholders on September 27, 2023; the Board has approved an Amended Share Incentive Plan and is presenting it to shareholders for their approval at the Meeting. For more information,

please see “Particulars of Matters to be Acted Upon – Reapproval if Stock Option Plan” and “Particulars of Matters to be Acted Upon – Amendment to Share Incentive Plan” sections of this document.

Compensation Policies and Risk Management

Through the CGC Committee, the Board of Directors considers the implications of the risks associated with the Company’s compensation policies and practices when determining rewards for its officers. The CGC Committee conducts an annual review of the risks, if any, associated with the Company’s compensation policies and practices. Executive compensation is comprised of short-term compensation in the form of a base salary and long-term ownership through the Company’s Stock Option Plan and Share Incentive Plan. This structure ensures that a significant portion of executive compensation (stock options and restricted share units) are both long-term and “at risk” and, accordingly, is directly linked to the achievement of business results and the creation of long-term shareholder value. As the benefits of such compensation, if any, are not realized by officers until a significant period of time has passed, the ability of officers to take inappropriate or excessive risks that are beneficial to their compensation at the expense of the Company and the Shareholders is extremely limited. Furthermore, the short-term component of executive compensation (base salary) represents a relatively small part of the total compensation. As a result, it is unlikely an officer would take inappropriate or excessive risks at the expense of the Company or the shareholders that would be beneficial to their short-term compensation when their long-term compensation might be put at risk from their actions. Due to the small size of the Company and its current level of activity, the Board of Directors is able to closely monitor and consider any risks which may be associated with Rio2’s compensation policies and practices. Risks, if any, may be identified and mitigated through regular Board meetings during which financial and other information of the Company are reviewed. No risks have been identified arising from the Company’s compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

Hedging of Economic Risks in the Company’s Securities

The Company has not adopted a policy prohibiting Directors or Officers from purchasing financial instruments that are designed to hedge or offset a decrease in market value of the Company’s securities granted as compensation or held, directly or indirectly, by Directors or Officers. However, the Company is not aware of any Directors or Officers having entered into this type of transaction.

NAMED EXECUTIVE OFFICER COMPENSATION

The following table (presented in accordance with National Instrument Form 51-102F6 - Statement of Executive Compensation (“Form 51-102F6”)) sets forth all annual and long-term compensation for services in all capacities to the Company and its subsidiaries for the last three most recently completed financial years of the Company in respect of each Named Executive Officer (“NEO”).

NEO Summary Compensation Table

Name and principal position	Year	Salary ⁽¹⁾ (\$)	Share based awards ⁽¹⁾⁽²⁾ (\$)	Option based awards ⁽¹⁾⁽³⁾ (\$)	Non-equity Incentive plan compensation (\$)		All Other compensation (\$)		Total compensation (\$)
					Annual Incentive plans ⁽⁴⁾	Long term incentive plans	Annual Fees	Other	
Alex Black, Executive Chairman ⁽⁵⁾⁽⁶⁾	2023	300,000	Nil	63,888	Nil	N/A	Nil	Nil	363,888
	2022	250,000	Nil	Nil	Nil	N/A	Nil	18,460	268,460
	2021	300,000	Nil	Nil	200,000	N/A	Nil	26,463	526,463
Andrew Cox, President, CEO & Director ⁽⁷⁾⁽⁸⁾	2023	280,000	Nil	63,888	Nil	N/A	Nil	21,375	365,263
	2022	280,000	Nil	118,357	Nil	N/A	Nil	25,320	423,677
	2021	280,000	Nil	129,136	140,000	N/A	Nil	50,920	600,056

Name and principal position	Year	Salary ⁽¹⁾ (\$)	Share based awards ⁽¹⁾⁽²⁾ (\$)	Option based awards ⁽¹⁾⁽³⁾ (\$)	Non-equity Incentive plan compensation (\$)		All Other compensation (\$)		Total compensation (\$)
					Annual Incentive plans ⁽⁴⁾	Long term incentive plans	Annual Fees	Other	
Kathryn Johnson, EVP, CFO & Corporate Secretary	2023	250,000	Nil	63,888	Nil	N/A	Nil	22,720	336,608
	2022	250,000	Nil	118,357	Nil	N/A	Nil	11,167	379,524
	2021	250,000	Nil	129,136	125,000	N/A	Nil	12,090	516,226

Notes:

- (1) All compensation amounts awarded, earned, paid, or payable are reflected in US Dollars, which is the functional/reporting currency of the Company. Amounts denominated in C\$ have been converted into US\$ for reporting purposes at an average exchange rate. For the financial year ended December 31, 2023 the average exchange rate was C\$1.3497/US\$1.00. For the financial years ended December 31, 2022 and 2021 the average exchange rate was C\$1.3031/US\$1.00 and \$1.2535/US\$1.00, respectively. The exchange rate was acquired from the Bank of Canada.
- (2) Value of Restricted Share Units granted during the year. Value is calculated based on the closing value of Rio2 share value on the Exchange on the date of issuance.
- (3) Value of Stock Options granted during the year. Value is calculated for options granted during the year using the Black Scholes Option Pricing Model and the following assumptions: expected dividend yield (0%), expected stock price volatility (91.56%), risk-free interest rate (3.13%) and expected life of options (5 years). The Company selected the Black Scholes model given its prevalence of use within North America.
- (4) Bonuses earned during the financial year.
- (5) Mr. Black did not receive any additional compensation for serving as a director of the Company.
- (6) Mr. Black was Rio2's President and CEO until November 28, 2022.
- (7) Mr. Cox was appointed President and CEO on November 28, 2022.
- (8) Mr. Cox did not receive any additional compensation for serving as a director of the Company.

Employment, Consulting and Management Agreements

During the year ended December 31, 2023, the Company had employment agreements with Ms. Johnson, Messrs. Black, and Cox.

Alex Black, Executive Chairman of the Board, former President & CEO

The Company entered into an employment agreement with Mr. Black on August 31, 2018 with an effective date of September 1, 2018. The agreement has an indefinite term, provides for an annual salary of US\$300,000 and entitles Mr. Black to participate in the Company's option and share incentive plans and group health insurance plan. Mr. Black may terminate his employment agreement with thirty (30) days' written notice to the Company. The Company may terminate his agreement for cause at any time with no further obligations to Mr. Black.

On August 31, 2022, Mr. Black agreed to a 50% reduction of his US\$300,000 salary. On January 3, 2023 the employment agreement was amended to reflect Mr. Black's appointment as Executive Chairman of the Board without other changes to compensation terms. On the same day, Mr. Black entered into an agreement with the Company whereby half of his US\$300,000 compensation for the period Jan 1, 2023 to December 31, 2023 will be paid quarterly in the form of Common Shares of Rio2.

Andrew Cox, President, CEO & Director, former EVP – Chief Operating Officer

Rio2 SAC, a wholly-owned subsidiary of Rio2 Limited, entered into an employment agreement with Mr. Cox on July 7, 2020 by which Mr. Cox would be Executive Vice President - Chief Operating Officer. The agreement had an indefinite term, provides for an annual salary of \$280,000 and entitled Mr. Cox to participate in the Company's option and share incentive plans and group health insurance plan. This employment agreement was amended on November 27, 2022 to reflect Mr. Cox appointment as President and CEO of Rio2; all other terms remain unchanged. The Company may terminate his agreement for cause at any time with no further obligations to Mr. Cox.

Kathryn Johnson, EVP - CFO & Corporate Secretary

The Company entered into an employment agreement with Ms. Johnson on September 19, 2018 with an effective date of August 1, 2018. The agreement had an indefinite term, provided for an annual salary of \$180,000 and entitled Ms. Johnson to participate in the Company's option and share incentive plans and group health insurance plan. On October 1, 2020, Ms. Johnson's salary was increased to \$250,000 all other terms of her employment agreement remain unchanged. Ms. Johnson may terminate her employment agreement with thirty (30) days' written notice to the Company. The Company may terminate her agreement for cause at any time with no further obligations to Ms. Johnson.

Termination and Change of Control Benefits

As at the date of this Information Circular, the Company has entered into employment agreements with Alex Black, Kathryn Johnson, and Andrew Cox.

Alex Black

The Company shall be entitled to terminate this Agreement and the Executive's employment at any time, for any reason in the absence of Cause, in which case Mr. Black shall be entitled to receive compensation as follows:

- a) all unpaid base salary, and accrued vacation,
- b) any accrued but unpaid incentive bonuses,
- c) a retiring allowance equal to sum of 6 months of Base Salary plus 2 months of Base Salary for every complete year of employment, and, if applicable, an amount equal to Mr. Black's Incentive Bonus annual target amount in effect on the termination date multiplied by the fraction the numerator of which is the number of months of base salary retiring allowance to be paid to him, and
- d) if applicable, an amount equal to Mr. Black's Incentive Bonus annual target amount in effect on the termination date multiplied by the fraction the numerator of which is the number of months of base salary retiring allowance to be paid to him, and
- e) where possible and allowed by the Company's providers of Benefits, maintain the Benefits for a period equal to the number of months of Base Salary retiring allowance to be paid to Alex Black pursuant to section (c) above commencing on the termination date.

If there is a change of control, or within twelve months of a change of control, Mr. Black is terminated by the Company, he will be entitled to a retiring allowance equal to 24 months of base salary, plus an amount equal to two times his annual target incentive bonus (if such bonus target amount has been set by the Board), plus the immediate vesting of all unvested securities granted to him under the Share Incentive and Stock Option Plans.

The annual target bonus for the years 2022 and 2023 were set to \$0 by the Corporate Governance and Compensation Committee of the Board of Directors of the Company.

Andrew Cox

The Company shall be entitled to terminate Mr. Cox's employment agreement at any time, for any reason in the absence of Cause, in which case the Executive shall be entitled to receive compensation as follows:

- a) all unpaid base salary, and accrued vacation,
- b) any accrued but unpaid incentive bonuses,
- c) a retiring allowance equal to sum of 6 months of Base Salary plus 2 months of Base Salary for every complete year of employment,
- d) A voluntary indemnification for each year of effective service rendered by Andrew Cox, equivalent to 02 (two) months of base salary for each year completed as of August 1, 2018, and
- e) where possible and allowed by the Company's providers of Benefits, maintain the Benefits for a period equal to the number of months of Base Salary retiring allowance to be paid to Mr. Cox pursuant to section (c) above commencing on the termination date.

If there is a change of control, or within twelve months of a change of control, Mr. Cox is terminated by the Company, he will be entitled to a retiring allowance equal to 24 months of base salary, plus an amount equal to two times his annual target incentive bonus (if such bonus target amount has been set by the Board), plus the immediate vesting of all unvested securities granted to him under the Share Incentive and Stock Option Plans.

The annual target bonus for the years 2022 and 2023 were set to \$0 by the Corporate Governance and Compensation Committee of the Board of Directors of the Company.

Kathryn Johnson

If the Company terminates her employment agreement without cause, Ms. Johnson will be entitled to:

- a) all unpaid base salary, and accrued vacation,
- b) any accrued but unpaid incentive bonuses,
- c) a retiring allowance equal to sum of 6 months of Base Salary plus 2 months of Base Salary for every complete year of employment based on a start date of August 1, 2018 to a maximum of 24 months of Base Salary,
- d) if applicable, an amount equal to Ms. Johnson's Incentive Bonus annual target amount in effect on the termination date multiplied by the fraction the numerator of which is the number of months of base salary retiring allowance to be paid to her,
- e) The Company shall also, where possible and allowed by the Company's providers of Benefits, maintain the Benefits for a period equal to the number of months of Base Salary retiring allowance to be paid to the Employee pursuant to section (c) above commencing on the Termination Date.

If there is a change of control, or within twelve months of a change of control, Ms. Johnson is terminated by the Company, she will be entitled to a retiring allowance equal to 24 months of base salary, plus an amount equal to two times her annual target incentive bonus (if such bonus target amount has been set by the Board), plus the immediate vesting of all unvested securities granted to her under the Share Incentive and Stock Option Plans.

The annual target bonus for the years 2022 and 2023 were set to \$0 by the Corporate Governance and Compensation Committee of the Board of Directors of the Company.

The following table provides detail regarding the estimated payments to each NEO on a termination without cause or following a change of control, assuming a triggering event occurred on December 31, 2023, calculated under the employment contracts in effect at the time. Amounts shown are exclusive of applicable taxes.

Name and principal position	Severance Payment	
	Termination severance payment following without cause	Termination following change of control resulting in severance payment
	Termination ⁽¹⁾ \$	payment \$
Alex Black	400,000	600,000
Andrew Cox	373,333	560,000
Kathryn Johnson	346,134	519,202

Note:

- (1) For more detail regarding executives' employment agreements and for amendments to the same subsequent to December 31, 2023, please see the "Employment, Consulting and Management Agreements" section of this document.

NEO Outstanding Share-based awards and option-based awards

This table includes all awards outstanding at December 31, 2023.

	Option-based Awards				Share-based Awards		
Name	Number of securities underlying unexercised options ⁽¹⁾	Option exercise price (C\$)	Option expiration date	Value of unexercised in-the-money options ⁽²⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Alex Black, Executive Chairman	500,000	0.55	Sept 9, 2024	N/A	Nil	N/A	Nil
Andrew Cox, President & CEO, Director	200,000	0.55	Sept 9, 2024	N/A	Nil	Nil	Nil
	300,000	0.65	Jun 26, 2025	N/A			
	300,000	0.65	Sept 21, 2026	N/A			
	400,000	0.65	Jan 11, 2027	N/A			
	500,000	0.30	Jan 11, 2028	37,690			
Kathryn Johnson, EVP, CFO & Corporate Secretary	300,000	0.55	Sept 9, 2024	N/A	Nil	Nil	Nil
	200,000	0.65	Jun 26, 2025	N/A			
	300,000	0.65	Sept 21, 2026	N/A			
	400,000	0.65	Jan 11, 2027	N/A			
	500,000	0.30	Jan 11, 2028	37,690			

Notes:

- (1) Each stock option is exercisable for one common share for a period of five years from grant and are priced in C\$. Value is calculated by multiplying the number of securities which may be acquired on exercise of the options by the difference, if any, between the market value of the securities underlying the options at financial year-end and the exercise price of the option. The amount is then converted to US dollars at an exchange rate of C\$1.3226/US\$1.000, which is the exchange rate as at December 31, 2023. The exchange rate was acquired from the Bank of Canada. The closing price for the Company's shares on December 29, 2023, the last trading day of the year, was C\$0.40. The value shown in this column does not represent the actual value the individual could receive. The actual gain, if any, on exercise will depend on the price of Rio2's common shares on the date of exercise.
- (2) The options granted by Rio2 vest 1/3 equally over a three-year period.

None of the awards disclosed in the table above have been transferred at any price other than fair market value.

NEO Incentive Plan Awards – value vested or earned during the year

The following table illustrates the value earned or vested by each NEO during the year ended December 31, 2023.

Name	Option-based awards – Value vested during the year ⁽¹⁾⁽²⁾ (\$)	Share-based awards – Value vested during the year ⁽³⁾ (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Alex Black, Executive Chairman	Nil	Nil	Nil
Andrew Cox, President, CEO & Director	Nil	14,818	Nil
Kathryn Johnson, EVP, CFO & Corporate Secretary	Nil	9,879	Nil

Notes:

- (1) Value calculated by multiplying the number of options vesting by the difference between the market price of the common shares on the vesting date and the exercise price of the option. The amount is then converted to US dollars at an exchange rate of C\$1.3497/US\$1.000, which is the average exchange rate for the year ended December 31, 2023. The exchange rate was acquired from the Bank of Canada.
- (2) The options granted by Rio2 vest 1/3 equally over a three-year period.
- (3) Value calculated by multiplying the number of shares by the market value of the underlying shares on the vesting date. The amount is then converted to US dollars at an exchange rate of C\$1.3497/US\$1.000, which is the average exchange rate for the year ended December 31, 2023. The exchange rate was acquired from the Bank of Canada.

Stock Options and Other Compensation Securities

Amended Share Incentive Plan

The Company's Share Incentive Plan (the "Share Plan") is administered by the CGC Committee of the Board of Directors. The Company is proposing to replace the current Share Plan with an amended share incentive plan, please see "Particulars of Matters to be Acted Upon – Amendment to Share Incentive Plan" for more details.

Stock Option Plan

The Company is seeking shareholder reapproval for the Option Plan, please see "Particulars of Matters to be Acted Upon - Reapproval of Stock Option Plan" for more details.

Pension

No pension, retirement or deferred compensation plans, including defined contribution plans, have been instituted by the Company and none are proposed at this time.

DIRECTOR COMPENSATION

Director Compensation Table

The following table sets forth all amounts of compensation provided to directors who are not NEOs for the financial year ended December 31, 2023.

Name	Fees Earned ⁽¹⁾ (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-equity incentive Plan Compensation (\$)	All Other Compensation (\$)⁽²⁾	Total (\$)
Klaus Zeitler	40,009	Nil	25,555	Nil	2,964	68,528
Ram Ramachandran	28,154	Nil	25,555	Nil	2,964	56,673
Albrecht Schneider	20,004	Nil	25,555	Nil	2,964	48,523
Sidney Robinson	20,004	Nil	25,555	Nil	2,964	48,523
Drago Kistic	20,004	Nil	25,555	Nil	2,964	48,523

Notes:

- (1) See Compensation of Directors below.
- (2) Payment of Meeting Fees.

The compensation set out in the preceding table was paid to the Directors for acting in their capacity as Directors and committee members, and for meeting and committee participation.

Compensation of Directors

On July 1, 2019, the Board of Directors adopted a Directors' compensation plan (the "**Directors' Compensation Plan**").

The objectives of the Directors' Compensation Plan are:

- to attract and retain Directors with the skills and experience necessary to provide excellence in board oversight;
- to remunerate Directors for the substantial amount of time and level of responsibility dedicated to the Company; and
- to align Directors' interests with those of shareholders.

Director Outstanding Share-based awards and option-based awards

This table includes all awards outstanding at the end of December 31, 2023.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options ⁽¹⁾ (#)	Option exercise price (C\$)	Option expiration date	Value of unexercised in-the-money options ⁽²⁾ (\$)	Number of shares or units of shares that have not vested ⁽³⁾ (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Klaus Zeitler	200,000	0.55	Sept 9, 2024	N/A	Nil	N/A	N/A
	150,000	0.65	June 26, 2025	N/A			
	150,000	0.65	Sept 21, 2026	N/A			
	200,000	0.30	Jan 11, 2028	15,076			
Ram Ramachandran	200,000	0.55	Sept 9, 2024	N/A	Nil	N/A	N/A
	150,000	0.65	Jun 26, 2025	N/A			
	150,000	0.65	Sept 21, 2026	N/A			
	200,000	0.30	Jan 11, 2028	15,076			
Albrecht Schneider	200,000	0.55	Sept 9, 2024	N/A	Nil	N/A	N/A
	150,000	0.65	Jun 26, 2025	N/A			
	150,000	0.65	Sep 21, 2026	N/A			
	200,000	0.30	Jan 11, 2028	15,076			
Sidney Robinson	200,000	0.55	Sept 9, 2024	N/A	Nil	N/A	N/A
	150,000	0.65	Jun 26, 2025	N/A			
	150,000	0.65	Sept 21, 2026	N/A			
	200,000	0.30	Jan 11, 2028	15,076			
Drago Kistic	200,000	0.55	Sept 9, 2024	N/A	Nil	N/A	N/A
	150,000	0.65	Jun 26, 2025	N/A			
	150,000	0.65	Sept 21, 2026	N/A			
	200,000	0.30	Jan 11, 2028	15,076			

Notes:

- (1) Each stock option is exercisable for one common share for a period of five years from grant and are priced in C\$.
- (2) Value is calculated by multiplying the number of securities which may be acquired on exercise of the options by the difference, if any, between the market value of the securities underlying the options at financial year-end and the exercise price of the option. The amount is then converted to US dollars at an exchange rate of C\$1.3266/US\$1.000, which is the exchange rate as at December 31, 2023. The exchange rate was acquired from the Bank of Canada. The closing price for the Company's shares on December 31, 2023 was \$0.40.
- (3) The options granted by Rio2 vest 1/3 equally over a three-year period.

None of the awards disclosed in the table above have been transferred at any price other than fair market value.

Director Incentive Plan Awards – value vested or earned during the year

The following table illustrates the value earned or vested by each Director who was not a NEO during the year ended December 31, 2023.

Name	Option-based awards – Value vested during the year ⁽¹⁾ ⁽²⁾ (\$)	Share-based awards – Value vested during the year ⁽³⁾ (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Klaus Zeitler	Nil	Nil	Nil
Ram Ramachandran	Nil	Nil	Nil
Albrecht Schneider	Nil	Nil	Nil
Sidney Robinson	Nil	Nil	Nil
Drago Kistic	Nil	Nil	Nil

Notes:

- (1) Value calculated by multiplying the number of options vesting by the difference between the market price of the common shares on the vesting date and the exercise price of the option. The amount is then converted to US dollars at an exchange rate of C\$1.3497/US\$1.000, which is the average exchange rate for the year ended December 31, 2023. The exchange rate was acquired from the Bank of Canada.
- (2) The options granted by Rio2 vest 1/3 equally over a three-year period.
- (3) Value calculated by multiplying the number of shares by the market value of the underlying shares on the vesting date. The amount is then converted to US dollars at an exchange rate of C\$1.3497/US\$1.000, which is the average exchange rate for the year ended December 31, 2023. The exchange rate was acquired from the Bank of Canada.

Exercise of Stock Options

During the financial year ended December 31, 2023 no NEO or director of the Company exercised incentive stock options.

INDEBTEDNESS TO COMPANY OF DIRECTORS AND EXECUTIVE OFFICERS AND SENIOR OFFICERS

As of the date of this Information Circular, there is no indebtedness outstanding of any current or former Director, executive officer or employee of the Company or any of its subsidiaries which is owing, to the Company or any of its subsidiaries, or owing to another entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries, either pursuant to a purchase of securities of the Company or otherwise.

No individual who is, or at any time, during the most recently completed financial year was, a Director or executive officer of the Company, no proposed nominee for election as a Director of the Company and no associate of such persons:

- a) is or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or its subsidiaries; or
- b) whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries, in relation to a securities purchase program or other program.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as set out herein, no person who has been a Director or executive officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee of management of the Company for election as a Director of the Company and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the election of Directors or the appointment of auditors.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than transactions carried out in the ordinary course of business of the Company, no informed person of the Company or proposed director of the Company, no associate or affiliate of the foregoing persons, nor any shareholder beneficially owning, directly or indirectly, Shares, or exercising control or direction over Shares, or a combination of both, carrying more than 10% of the voting rights attached to the Company's outstanding Shares nor an associate or affiliate of any of the foregoing persons, has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which in either case has materially affected or would materially affect the Company or any of its subsidiaries.

MANAGEMENT CONTRACTS

During the most recently completed financial year, no management functions of the Company were to any substantial degree performed by a person or company other than the directors or executive officers (or private companies controlled by them, either directly or indirectly) of the Company.

AUDIT COMMITTEE

The Audit Committee shall be composed of a minimum of three directors. The members shall be appointed annually by the Board, typically at the first meeting of the Board following the annual shareholder's meeting. Unless a Chair is appointed by the full Board, the members of the Audit Committee may designate a Chair by a majority vote of the full Audit Committee membership.

All members of the Audit Committee shall meet the independence, financial literacy and experience requirements under applicable laws, rules and regulations binding on the Company from time to time, including without limitation the applicable rules of any stock exchanges upon which the Company's securities are listed and any requirements for independence and financial literacy under applicable securities laws.

Pursuant to National Instrument 52-110 *Audit Committees* ("**NI 52-110**") the Company is required to disclose certain information with respect to its Audit Committee, as summarized below.

AUDIT COMMITTEE CHARTER

The text of the Company's Audit Committee Charter is set in Schedule "B" to this Circular.

AUDIT COMMITTEE COMPOSITION AND RELEVANT EDUCATION AND EXPERIENCE

The members of Rio2's Audit Committee are:

- 1) Ram Ramachandran, Chair
- 2) Sidney Robinson

3) Drago Kisić

For a description of their education and experience relevant to serving as member of the Audit Committee please see section “Particulars of Matters to be Acted Upon – Election of Directors” of this Circular.

All members of the Audit Committee are independent and financially literate.

RELIANCE ON CERTAIN EXEMPTIONS

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-audit Services), Section 3.2 of NI 52-110 (Initial Public Offerings), Section 3.3(2) of NI 52-110 (Controlled Companies), Section 3.4 of NI 52-110 (Events Outside Control of Member), Section 3.5 of NI 52-110 (Death, Disability or Resignation of Audit Committee Member), Section 3.6 of NI 52-110 (Temporary Exemption for Limited and Exceptional Circumstances) or Section 3.8 of NI 52-110 (Acquisition of Financial Literacy), or an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions) of NI 52-110.

AUDIT COMMITTEE OVERSIGHT

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

PRE-APPROVAL POLICIES AND PROCEDURES

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in SCHEDULE “B” under the heading “*Audit Committee Charter - Responsibilities and Duties - External Auditors*”.

CORPORATE GOVERNANCE

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day to day management of the Company. The Board is committed to sound corporate governance practices which are both in the interest of its shareholders and contribute to effective and efficient decision making. To achieve this goal, the Company has implemented an Audit Committee Charter and a Whistle-Blower Policy. See “Audit Committee Charter” at Schedule “B” hereto.

National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) requires that if management of an issuer solicits proxies from its securityholders for the purpose of electing directors that certain prescribed disclosure respecting corporate governance matters be included in its management information circular, as summarized below.

BOARD OF DIRECTORS

An “independent director” generally is one who has no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgment. The definition of independence in National Instrument 58-101 (“**NI 58-101**”) is the definition set out in NI 52-110.

The Board is currently comprised of five independent directors and two directors who are not considered to be independent. NI 58-101 recommends that the Board of a public company should be constituted with a majority of individuals who qualify as “independent” directors. An “independent” director is a director who has no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a director's independent judgment. The Board is responsible for assessing director independence. The Board has assessed the independence of each director in accordance with National Instrument 58-101

and NI 52-110. Following this assessment, the Board of Directors concluded that Klaus Zeitler, Sidney Robinson, Ram Ramachandran, Albrecht Schneider, and Drago Kisic are all independent directors under NI 58-101. Alex Black, the Executive Chairman of the Board, and Andrew Cox, the President and Chief Executive Officer of the Company, are members of management and as a result, they are not independent directors.

DIRECTORSHIPS

The following directors of the Company are currently directors of the following reporting issuers:

Director	Other Reporting Issuers
Klaus Zeitler	Amerigo Resources Ltd. Western Copper and Gold Corporation

PARTICIPATION OF DIRECTORS IN BOARD MEETINGS

The Board meets at least once every quarter to review, among other things, the performance of the Company relative to its corporate goals, plans and performance in prior years. The Board also holds a meeting each year to review and assess the Company's financial budget and business plan for the ensuing year and its overall strategic objectives. This process establishes, among other things, benchmarks against which the Board may assess the performance of management. Additional meetings of the Board are called from time to time to deal with special matters as circumstances require.

The Board has adopted the practice of following each meeting with an independent directors' discussion. The Board ensures open and candid discussion among its independent directors by continuously monitoring situations where a conflict of interest or perceived conflict of interest with respect to a director may exist. In cases where such a conflict of interest or perceived conflict of interest is identified, it is addressed in accordance with applicable corporate law and policies. The Board may determine that it is appropriate to hold an in-camera session excluding a director with a conflict of interest or perceived conflict of interest, or such director may consider that it is appropriate to recuse him or herself from considering and voting with respect to the matter under consideration.

In the year ended December 31, 2023 the following Board and Committee meetings were held: Four meetings of the Board of Directors; and two meetings of the Audit Committee, at which all members were present.

BOARD MANDATE

The Board does not have a written mandate. The Board is responsible for the supervision of the management of the Company and must act in the best interests of the Company and the shareholders. The Board acts in accordance with the *Business Corporations Act* (Ontario) (the "**OBCA**"), the Articles of the Company, and the specific terms of reference as laid out for each committee and the Board of Directors as a whole. The Board has the responsibility for adopting a strategic planning process and reviewing and approving the Company's strategic plan developed and proposed by management and monitoring performance against the plan. The Board is responsible for developing and adopting policies and procedures to identify the principal business risks of the Company and ensure that appropriate systems are implemented to manage these risks. The Board is also responsible for developing and adopting policies and procedures to ensure that that integrity of the internal controls and management information systems of the Company. Matters that require Board approval include, among other things: (i) the approval of the quarterly and annual financial statements and management's discussion and analysis; (ii) the issuance of securities; (iii) significant acquisitions; (iv) annual capital and operating plans and budgets; and (v) the compensation of members of the executive management team.

POSITION DESCRIPTIONS

The Board has developed written position descriptions for the Chairman of the Board. The Company has no written description for its Committee chair positions; however, the Company has a mandate for each Committee and the roles and responsibilities of each Committee chair position are implied therein.

The Board and CEO and CFO have not developed a written position description for the CEO and CFO. However, the Board, acting through the CGC Committee, is responsible for monitoring and evaluating the performance of management, including the CEO.

ORIENTATION AND CONTINUING EDUCATION

The Board provides an overview of the Company's business activities, systems and business plan to all new directors. New director candidates have free access to any of our employees or senior management in order to conduct their own due diligence and will be briefed on the strategic plans, short, medium and long term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing policies of the Company.

No formal continuing education program currently exists for the directors of the Company. The Company encourages directors to attend, enroll or participate in courses and/or seminars dealing with financial literacy, corporate governance and related matters and has agreed to pay the cost of such courses and seminars. Each director of the Company has the responsibility for ensuring that he or she maintains the skill and knowledge necessary to meet his or her obligations as a director. The Company conducts informal director evaluations from time to time.

ETHICAL BUSINESS CONDUCT

The Board has adopted a written Code of Business Conduct and Ethics, which is available for review on the Company's website at www.rio2.com. The Code is administered by the Corporate Governance & Compensation Committee, who delegates the day-to-day responsibility for administering and interpreting the Code to the Chief Financial Officer of the Company. The CFO periodically reports to the Corporate Governance & Compensation Committee in respect of administration of the Code, and any reports of variance from the Code will be reported to the Board. The Company has not had to file any material change reports pertaining to any conduct of a director or executive officer that constitutes a departure from the Code.

The Board has also adopted a Whistle Blower Policy which establishes the complaint procedure for concerns about any aspect of the Company's activities and operations. The Company has also adopted a Disclosure and Confidentiality Policy which establishes procedures for ensuring adequate disclosure and compliance with disclosure requirements as well as procedures for maintaining confidentiality.

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual 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 the Company.

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. In addition, as some of the directors of the Company may also serve as directors and officers of other companies engaged in similar business activities, directors must comply with the conflict of interest provisions of the OBCA, as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors which evoke such a conflict.

NOMINATION OF DIRECTORS

The Board determines new nominees to the Board although no formal process has been adopted. The Board does not have a nominating committee for this purpose. The nominees are generally the result of recruitment efforts by current members of the Board, including as a result of both formal and informal discussions among Board members and officers. In considering Board composition and to encourage an objective nomination process, the Board periodically assesses the size, structure and composition of the Board, taking into consideration current strengths, skills and experience of the Board, proposed retirements and the requirements and strategic direction of the Company.

COMPENSATION

The Board reviews the compensation of directors annually. Until June 30, 2019, there were no directors' compensation arrangements in place. Commencing July 1, 2020, members of the Board received an annual retainer (pro-rated for the year ended 2019), as well as meeting fees for each board, audit committee or compensation committee meeting attended. During the year ended December 31 2023, the Chairman of the Board's annual retainer was C\$40,000 per year. On November 28, 2022, Alex Black was appointed Executive Chairman, for an annual fee of \$300,000 (see section "Employment, Consulting and Management Agreements"). Klaus Zeitler, who was previously the Chairman of the Board until November 28, 2022, then transitioned to the role of Lead Director. The role of Lead Director annual retainer is C\$40,000. Board Members received an annual retainer of C\$27,000. Additional retainers of C\$11,000 to the Chair of the Audit Committee, C\$8,000 to the Chair of the Compensation Committee and C\$8,000 to the Chair of the Health, Safety and Community Committee were paid. Meeting fees are C\$1,000 per meeting.

For a discussion of the compensation of directors, see "Named Executive Officer Compensation" in the case of directors who are also officers of Rio2 and "Director Compensation" in respect of directors who are not also officers of Rio2.

OTHER BOARD COMMITTEES

The Company has no other committees than the Audit, Corporate Governance & Compensation Committee and the Health, Safety, and Community Committee. The primary function of the Health, Safety, and Community Committee of the Board of Directors of the Company is to assist the Board of Directors in fulfilling its oversight responsibilities regarding the health and safety of its employees and contractors, the conduct by the Company of its operations in an environmentally responsible manner and the development and maintenance of positive relationships with communities in the area of influence the Company's projects. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels.

ASSESSMENTS

The Board has not implemented a formal process for assessing its effectiveness. As a result of the Company's size, its stage of development and the limited number of individuals on the Board, the Board considers a formal assessment process to be inappropriate at this time. The Board plans to continue evaluating its own effectiveness on an ad hoc and informal basis.

The Board does not formally assess the performance or contribution of individual Board members or committee members.

DIRECTOR TERM LIMITS

The Board believes that issues relating to Board effectiveness, Board renewal and Board succession planning are best addressed by a strong Chairperson, a thoughtful governance committee and independent-thinking Board members. The Board is responsible for recommending to shareholders from time to time candidates for election to the Board that together contribute the right mix of skills and expertise to the Board. To assist in making those recommendations, the Board periodically conducts informal reviews of the effectiveness of the Board and individual Board members. When considering the composition of the Board, the Chairperson and the other members of the Board also take into consideration the skills of all Board members to ensure that the Board possesses the requisite experience, expertise and business and operational insight to effectively guide the Company.

The Company has not adopted term limits for the directors on its Board. The Board is concerned that imposing arbitrary and inflexible director term limits may result in the Company losing valued directors at a time when the Company most needs their skills, qualities and contributions, as well as their knowledge of the history and culture of the organization. Mandatory retirement ages pose the same risk and the Board does not want to risk the loss of key directors to retirement policies that seem unnecessarily arbitrary and inflexible when they force a high performing director off the Board. As a result, the Board does not feel that it would be appropriate to set term limits for its directors but rather relies on the experience of its members to determine when Board renewals, Board removals and Board additions are appropriate.

POLICIES REGARDING THE REPRESENTATION OF WOMEN ON THE BOARD

The Company does not have a written policy relating to the identification and nomination of women directors. All appointments to the Board are made on merit, in the context of the skills and experience the Board, as a whole, requires to be effective. When considering and recommending qualified director nominees, the Board takes the background and diversity (including gender) of all directors and nominees into consideration.

CONSIDERATION OF THE REPRESENTATION OF WOMEN IN THE DIRECTOR IDENTIFICATION AND SELECTION PROCESS

The Board thoroughly considers any new director nominees, including an evaluation of the skills and experience of the current directors, determining the gaps in skills and experience that exist and finding potential candidates to fill those gaps and round out the skills and experience of the Board as a whole. Diversity (including the representation of women on the Board and in executive officer positions) is a factor considered in determining the optimum composition of the Board. The final recommendation for nomination or appointment to the Board has been based on the best combination of skills and experience for the position, with due regard for the benefits of diversity on the Board.

CONSIDERATION GIVEN TO THE REPRESENTATION OF WOMEN IN EXECUTIVE OFFICER APPOINTMENTS

The Board encourages the consideration of women who have the necessary skills, knowledge, experience and character when considering new potential candidates for executive officer positions.

COMPANY'S TARGETS REGARDING THE REPRESENTATION OF WOMEN ON THE BOARD AND IN EXECUTIVE OFFICER POSITIONS

The Board does not have specific targets in respect of appointing women to the Board and in respect of executive officer appointments, as a result of its commitment to a principle-based selection process, as discussed above. However, the Board does understand and appreciate the importance of gender equality and diversity and is committed to strengthening diversity when recruiting for a Board appointment or executive officer position.

NUMBER OF WOMEN ON THE BOARD AND IN EXECUTIVE OFFICER POSITIONS

As of the date of this Information Circular, there are currently nil women on the Board (0%), and one out of three executive officers is a woman.

ADDITIONAL INFORMATION

Additional information relating to the Company and its business activities including financial information provided in the Rio2 Annual Financial Statements and related MD&A for the most recently completed financial year is available on SEDAR+ at www.sedarplus.ca and on the Company's website at www.rio2.com. Shareholders may contact the Company at 1 (604) 762-4720 to request copies of the Company's financial statements and MD&A free of charge. Following the Meeting, the voting results for each item on the proxy form will be available on SEDAR+ and on the Company's website.

OTHER MATTERS

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

APPROVED BY THE BOARD OF DIRECTORS

s/ "Alex Black"

Alex Black, Executive Chairman of the Board

RIO2 LIMITED

SCHEDULE "A"

AMENDED SHARE INCENTIVE PLAN

1. Purposes

The principal purposes of the Plan are as follows:

- (a) to strengthen the ability of the Corporation to retain and attract qualified Service Providers;
- (b) to promote a proprietary interest in the Corporation by such Service Providers and to encourage such persons to remain in the employ or service of the Corporation and put forth maximum efforts for the business and the success of the affairs of the Corporation; and
- (c) to focus management of the Corporation on operating and financial performance and long-term Total Shareholder Return.

2. Definitions

As used in this Plan, the following words and phrases shall have the meanings indicated:

- (a) "**Adjustment Ratio**" means, with respect to any Award, the ratio used to adjust the notional number of Common Shares to be issued on the applicable Payment Date pertaining to such Award for Dividends and, in respect of each Award, shall be equal to one plus the amount, rounded to the nearest five decimal places, equal to a fraction, having as its numerator the arithmetic total of the Dividends, expressed as an amount per Common Share, declared on each Dividend Record Date following the Grant Date of the initial Award, and having as its denominator the Fair Market Value of the Common Shares on the first Business Day of the calendar month in which the Payment Date occurs;
- (b) "**Award**" means an award, whose Award Value is computed by reference to equal to a notional number of Common Shares, made pursuant to the Plan, for which payment shall be made on the Payment Date(s) in accordance with the terms of Section 7 hereof and shall not include stock options of the Corporation;
- (c) "**Award Agreement**" has the meaning set forth in Section 7 hereof;
- (d) "**Award Value**" means, with respect to any Award, an amount equal to the notional number of Common Shares granted pursuant to such Award, as such number may be adjusted in accordance with the terms of the Plan, multiplied by the Fair Market Value of a Common Share;
- (e) "**Black-Out Period**" means a period of time imposed by the Board pursuant to the policies of the Corporation upon certain Service Providers during which those persons may not trade in any securities of the Corporation as a result of the bona fide existence of undisclosed material information;
- (f) "**Board**" means the board of directors of the Corporation, as constituted from time to time;
- (g) "**Business Day**" means a day other than a Saturday, Sunday or a day when banks in the City of Toronto, Ontario are not generally open for business;
- (h) "**Cessation Date**" means the date that is the earlier of:
 - (i) the date of the Service Provider's termination or resignation, as the case may be regardless of whether adequate or proper advance notice of termination or resignation shall have been provided in respect of such cessation of being a Service Provider; or
 - (ii) the date of the of the Service Provider's death or disability, as the case may be.

For greater certainty a Leave of Absence or disability of a Service Provider shall not, unless otherwise determined by the Board, be considered an interruption or termination of the employment of a Service Provider or cessation of the services provided by a Service Provider for any purpose of the Plan except

that a Service Provider's employment shall be deemed to have been voluntarily terminated on the date that is two years after the date of disability;

(i) **"Change of Control"** means:

- (i) a successful "take-over bid" as defined in Multilateral Instrument 62-104 or any replacement or successor provisions ("**MI 62-104**"), which is not exempt from the take-over bid requirements of MI 62-104, pursuant to which the "offeror" as a result of such take-over bid, beneficially owns, directly or indirectly, in excess of 50% of the outstanding Total Common Shares;
- (ii) the issuance to or acquisition by any person, or group of persons acting in concert, of directly, or indirectly, including through an arrangement, merger or other form of reorganization of the Corporation, of Common Shares of the Corporation which in the aggregate total 50% or more of the then issued and outstanding Total Common Shares;
- (iii) the election at a meeting of the Shareholders of a number of directors of the Corporation who were not included in the slate for election as directors proposed to the Shareholders by the Corporation's prior Board, and would represent a majority of the Board;
- (iv) the appointment of a number of directors which would represent a majority of the Board and which were nominated by any holder of Common Shares or by any group of holders of Common Shares acting jointly or in concert and not approved by the Corporation's prior Board;
- (v) the winding up or termination of the Corporation or the sale, lease or transfer of all or substantially all of the directly or indirectly held assets of the Corporation to any other person or persons (other than pursuant to an internal reorganization or in circumstances where the business of the Corporation is continued,

provided that notwithstanding the application of any of the foregoing, a **"Change of Control"** shall be deemed to not have occurred:

- (vi) pursuant to an arrangement, merger or other form of reorganization of the Corporation where the holders of the outstanding voting securities or interests of the Corporation immediately prior to the completion of the reorganization will hold more than 50% of the outstanding voting securities or interests of the continuing entity upon completion of the reorganization; or
- (vii) if a majority of the Board determines that in substance an arrangement, merger or reorganization has not occurred or the circumstances are such that a Change of Control should be deemed to not have occurred and any such determination shall be binding and conclusive for all purposes of the Plan;

(j) **"Common Shares"** means common shares in the capital of the Corporation;

(k) **"Consultant"** has the meaning ascribed to it in Exchange Policy 4.4 – *Security Based Compensation*;

(l) **"Corporate Performance Measures"** for any period that the Board in its sole discretion shall determine, means the performance measures to be taken into consideration in granting Awards under the Plan and determining the Payout Multiplier in respect of any Performance Award, which may include, without limitation, the following:

- (i) Relative Total Shareholder Return;
- (ii) activities related to growth of the Corporation;
- (iii) share price performance;
- (iv) the execution of the Corporation's strategic plan as determined by the Board; and
- (v) such additional measures as the Board, in its sole discretion, shall consider appropriate in the circumstances;

(m) **"Corporation"** means Rio2 Limited, a corporation incorporated pursuant to the laws of Ontario, and any successor corporation thereto;

- (n) **"disability"** means:
 - (i) a Service Provider who has been placed on long term disability under the Corporation's long term disability plan or, if such Service Provider is not covered by the Corporation's long term disability plan, would meet the requirements to be placed on long term disability under the Corporation's long term disability plan if covered; and
 - (ii) the Corporation has not made a determination to designate the Service Provider's status as being on a Leave of Absence;
- (o) **"Discounted Market Price"** has the meaning ascribed to it in Exchange Policy 1.1 – *Interpretation*;
- (p) **"Dividend"** means any dividend declared by the Corporation in respect of the Common Shares, whether in the form of cash, Common Shares or other securities or other property, expressed as an amount per Common Shares;
- (q) **"Dividend Record Date"** means the applicable record date in respect of any Dividend used to determine the Shareholders entitled to receive such Dividend;
- (r) **"Exchange"** means the TSX Venture Exchange or, if the Common Shares are not then listed and posted for trading on the TSX Venture Exchange, on such stock exchange in Canada on which such shares are listed and posted for trading as may be selected for such purpose by the Board;
- (s) **"Expiry Date"** means, in connection with each Award made pursuant to the Plan, means the third year anniversary of the date on which the Award was granted;
- (t) **"Fair Market Value"** with respect to a Common Share, as at any date means the weighted average of the prices at which the Common Shares traded on the Exchange (or, if the Common Shares are not then listed and posted for trading on the Exchange or are then listed and posted for trading on more than one stock exchange, on such stock exchange on which the Common Shares are then listed and posted for trading as may be selected for such purpose by the Board in its sole discretion) for the five (5) trading days on which the Common Shares traded on the said exchange immediately preceding such date. In the event that the Common Shares are not listed and posted for trading on any stock exchange, the Fair Market Value shall be the fair market value of the Common Shares as determined by the Board in its sole discretion, acting reasonably and in good faith. If initially determined in United States dollars, the Fair Market Value shall be converted into Canadian dollars at an exchange rate selected and calculated in the manner determined by the Board from time to time acting reasonably and in good faith. The Fair Market Value cannot be lower than the Discounted Market Price and when the initial value of a grant or issuance of Awards is tied to the market price, the Exchange's pricing rules applicable to stock options will also apply;
- (u) **"Grant Date"** means the grant date for an Award;
- (v) **"Grantee"** has the meaning set forth in Section 4 hereof;
- (w) **"Insider"** has the meaning ascribed to it in Exchange Policy 1.1 – *Interpretation*;
- (x) **"Investor Relations Activities"** has the meaning ascribed to it in Exchange Policy 1.1 – *Interpretation*;
- (y) **"Investor Relations Service Provider"** has the meaning ascribed to it in Exchange Policy 4.4 – *Security Based Compensation*;
- (z) **"Leave of Absence"** means a period of time designated as a "leave of absence" by the Board which is in excess of three (3) months;
- (aa) **"Payment Date"** means, with respect to any Award, the date upon which the Corporation shall pay to the Grantee the Award Value to which the Grantee is entitled pursuant to such Award in accordance with the terms hereof;
- (bb) **"Payout Multiplier"** means the payout multiplier determined by the Board in accordance with Section 7(d);
- (cc) **"Peer Comparison Group"** means, generally, public Canadian issuers that are in the mining business and, in the opinion of the Board, are competitors of the Corporation and which shall be determined from time to time by the Board in its sole discretion;

- (dd) **"Performance Award"** means an Award granted hereunder designated as a "Performance Award" in the Award Agreement pertaining thereto;
- (ee) **"Plan"** means this share incentive plan;
- (ff) **"Relative Total Shareholder Return"** means the percentile rank, expressed as a whole number, of Total Shareholder Return relative to returns calculated on a similar basis on securities of members of the Peer Comparison Group over the applicable period;
- (gg) **"Security Based Compensation"** has the meaning ascribed to it in Exchange Policy 4.4 – *Security Based Compensation*;
- (hh) **"Security Based Compensation Plan"** has the meaning ascribed to it in Exchange Policy 4.4 – *Security Based Compensation*;
- (ii) **"Service Provider"** means bona fide directors, officers, Consultants, employees, and management company employees, as applicable, of the Corporation, but does not include individuals or persons conducting Investor Relations Activities for the Corporation;
- (jj) **"Shareholder"** means a holder of Common Shares;
- (kk) **"Time-Based Award"** means an Award granted hereunder designated as a "Time-Based Award" in the Award Agreement pertaining thereto;
- (ll) **"Total Common Shares"** means the aggregate number of issued and outstanding Common Shares (including Common Shares issuable upon exchange of exchangeable shares of the Corporation and other fully paid securities exchangeable into Common Shares); and
- (mm) **"Total Shareholder Return"** means, with respect to any period, the total return to Shareholders on the Common Shares calculated using cumulative dividends on a reinvested basis, if applicable, and the change in the trading price of the Common Shares on the Exchange over such period (or, if the Common Shares are not then listed and posted for trading on the Exchange or are then listed and posted for trading on more than one stock exchange, on such stock exchange on which the Common Shares are then listed and posted for trading as may be selected for such purpose by the Board in its sole discretion).

3. Administration

- (a) The Plan shall be administered by the Board, provided that the Board shall have the authority to appoint a committee of the Board to administer the Plan. In the event that the Board appoints a committee of the Board to administer the Plan, all references in the Plan to the Board will be deemed to be references to such other committee of the Board, as applicable. The Board may also delegate to one or more of its members or to one or more agents such administrative duties as it may deem advisable, and the Board or any person to whom it has delegated duties as aforesaid may employ one or more persons to render advice with respect to any responsibility the Board or such person may have under the Plan.
- (b) The Board shall have the full power and sole responsibility to interpret the provisions of the Plan, to administer the Plan and to exercise all the powers and authorities either specifically granted to it under the Plan or necessary or advisable in the administration of the Plan subject to and not inconsistent with the express provisions of this Plan and of Section 10 hereof, including, without limitation and subject to Exchange rules, the authority:
 - (i) to grant Awards;
 - (ii) to determine the Fair Market Value of the Common Shares on any date;
 - (iii) to determine the Service Providers to whom, and the time or times at which Awards shall be granted and shall become issuable to such Service Providers;
 - (iv) to determine the Award Value of each Award;
 - (v) to determine and revise the members of the Peer Comparison Group from time to time;
 - (vi) to determine the Corporate Performance Measures and the Payout Multiplier in respect of a particular period;

- (vii) to prescribe, amend and rescind rules and regulations relating to the Plan;
 - (viii) to interpret the Plan;
 - (ix) to determine the terms and provisions of Award Agreements (which are not required to be identical to one another) entered into in connection with Awards; and
 - (x) to make all other determinations deemed necessary or advisable for the administration of the Plan in accordance with the terms and conditions of the Plan.
- (c) For greater certainty and without limiting the discretion conferred on the Board pursuant to this Section 3, the Board's decision to approve the grant of an Award to any Service Provider in any period shall not require the Board to approve the grant of an Award to any Service Provider in any other period; nor shall the Board's decision with respect to the size or terms and conditions of an Award in any period require it to approve the grant of an Award of the same or similar size or with the same or similar terms or conditions to any other Service Provider in any other period, nor shall the Board's decision with respect to the form of payment of an Award require it to pay any other Awards in the same manner or entitle a Service Provider to be paid in any particular form. The Board shall not be precluded from approving the grant of an Award to any Service Provider solely because such Service Provider may previously have been granted an Award under this Plan or any other similar compensation arrangement of the Corporation. No Service Provider has any claim or right to be granted an Award other than as such claim or right may be provided for in the Award Agreement, if applicable. In determining the Service Providers to whom Awards may be granted ("**Grantees**") and the number of Common Shares to be covered by each Award, the Board may take into account such factors as it shall determine in its sole discretion, including, if so determined by the Board, any one or more of the following factors:
- (i) compensation data for comparable benchmark positions among the Peer Comparison Group;
 - (ii) the duties, responsibilities, position and seniority of the Grantee;
 - (iii) the Corporate Performance Measures for the applicable period compared with any applicable internally established performance measures approved by the Board and/or similar performance measures of members of the Peer Comparison Group for such period;
 - (iv) the individual contributions and potential contributions of the Grantee to the success of the Corporation;
 - (v) any bonus payments paid or to be paid to the Grantee in respect of his or her individual contributions and potential contributions to the success of the Corporation;
 - (vi) the Fair Market Value or current market price of the Common Shares at the time of such Award; and
 - (vii) such other factors as the Board shall deem relevant in its sole discretion in connection with accomplishing the purposes of the Plan.
- (d) The Board may delegate to one or more of its members or to one or more agents such administrative duties as it may deem advisable, and the Board or any person to whom it has delegated duties as aforesaid may employ one or more persons to render advice with respect to any responsibility the Board or such person may have under the Plan.

4. Eligibility and Award Determination

- (a) No Awards may be granted or issued unless the Award is allocated to a particular Service Provider.
- (b) In order to be eligible to receive Awards, in the case of employees, management company employees or Consultants, the Award Agreement to which they are party must contain a representation of the Corporation and Grantee that such employee, management company employee or Consultant, as the case may be, is a bona fide employee, management company employee or Consultant of the Corporation or a subsidiary of the Corporation.
- (c) In determining the Service Providers to whom Awards may be granted ("**Grantees**") and the number of Common Shares to be referred to in respect of each Award, the Board may, in addition to the factors set

forth in Subsection 3(c) of the Plan, take into account such other factors as it may determine in its sole discretion.

- (d) For purposes of the calculations in this section, it shall be assumed that all issued and outstanding Awards are to be paid by the issuance of Common Shares from treasury, notwithstanding the Corporation's right pursuant to Section 7 hereof to settle the Award Value underlying Awards in cash.

5. Reservation of Common Shares

- (a) The total number of Common Shares reserved and available for grant and issuance pursuant to the settlement of Awards pursuant to this Plan, together with all of the Corporation's other Security Based Compensation Plans, shall not exceed 10% (in the aggregate) of the issued and outstanding Common Shares of the Corporation from time to time.
- (b) Any Award granted under this Plan that has been settled in cash, cancelled, terminated, surrendered, forfeited or expired without being exercised, any Common Shares that were reserved hereunder shall return to the Plan and remain available for the purposes of the granting of further Awards under this Plan.
- (c) Awards may be granted in excess of the limits set forth in Section 6 provided that prior to the receipt of the approval required in Section 10, if any, such Awards may not be paid until such approval has been received.
- (d) For purposes of the calculations in this section, it shall be assumed that all issued and outstanding Awards are to be paid by the issuance of Common Shares from treasury, notwithstanding the Corporation's right pursuant to Section 7 hereof to settle the Award Value underlying Awards in cash.

6. Limits on Grants of Awards

All grants of Awards under the Plan shall be subject to the following restrictions in accordance with the applicable policies of the Exchange:

- (a) The number of Common Shares that are issuable at any time, under the Plan or when combined with all of the Corporation's other Security Based Compensation Plans, shall not exceed 10% of the issued and outstanding Common Shares from time to time;
- (b) Awards may be granted by the Board from time to time, at its sole discretion, to Service Providers, provided that:
 - (i) the number of Awards granted to any one Grantee (and companies wholly owned by that Grantee) in a twelve (12) month period must not exceed 5% of the issued and outstanding Common Shares, calculated on the date an Award is granted or issued to the Grantee, less the aggregate number of Common Shares reserved for issuance to such person under any other Security Based Compensation Plan (unless the Corporation has obtained the requisite disinterested shareholder approval);
 - (ii) the maximum number of Common Shares reserved for issuance under Awards granted to Insiders (as a group) must not exceed 10% of the issued and outstanding Common Shares at any point in time, less the aggregate number of Common Shares reserved for issuance to Insiders under any other Security Based Compensation Plan (unless the Corporation has obtained the requisite disinterested shareholder approval);
 - (iii) the grant to Insiders (as a group), within a twelve (12) month period, of Awards must not exceed 10% of the issued and outstanding Common Shares, calculated as at the date an Award is granted or issued to any Insider, less the aggregate number of Common Shares reserved for issuance to Insiders under any other Security Based Compensation Plan (unless the Corporation has obtained the requisite disinterested shareholder approval);
 - (iv) the number of Awards granted to any one Consultant, within a twelve (12) month period, must not exceed 2% of the issued and outstanding Common Shares, calculated as at the date an Award is granted or issued to the Consultant, less the aggregate number of Common Shares reserved for issuance to such Consultant under any other Security Based Compensation Plan;

- (v) Investor Relations Service Providers may not receive any Security Based Compensation other than stock options;
- (c) No Service Provider shall have any rights to be granted Awards hereunder, except as may be specifically granted by the Board; and
- (d) Awards may be granted in excess of the limits set forth in this Section 6 provided that prior to the receipt of disinterested shareholder approval as required by the policies of the Exchange, and such Awards shall not be paid until such approval has been obtained.

7. Terms and Conditions of Awards

Each Award granted under the Plan shall be subject to the terms and conditions of the Plan and evidenced by a written agreement between the Corporation and the Grantee or an award letter of other confirmation of grant from the Corporation to the Grantee (an "**Award Agreement**") which agreement shall comply with, and in the event that the Common Shares of the Corporation are listed on the Exchange, shall comply with, and be subject to, the requirements of the Exchange and the following terms and conditions (and with such other terms and conditions as the Board, in its sole discretion, shall establish):

- (a) Type of Awards – The Board shall determine the Award Value to be awarded to a Grantee pursuant to the Award in accordance with the provisions set forth in Section 3 hereof and shall designate such award as either a "Time-Based Award" or a "Performance Award", as applicable, in the Award Agreement relating thereto.
- (b) Payment Date of Awards – The Payment Dates in respect of Awards issued pursuant to the Plan shall be as follows, unless otherwise determined by the Board in its sole discretion (and, for greater certainty, the Board may, in its sole discretion, impose additional or different conditions on the determination of the Payment Date(s) in respect of payment pursuant to any Award):
 - (i) as to one-third of the Award Value of such Award, on the first anniversary of the Grant Date of the Award;
 - (ii) as to one-third of the Award Value of such Award, on the second anniversary of the Grant Date of the Award; and
 - (iii) as to the remaining one-third of the Award Value of such Award, on the third anniversary of the Grant Date of the Award;

provided however, that:

- (A) if a Grantee is on a Leave of Absence before the Payment Date or Dates, such Payment Date or Payment Dates shall be extended by that portion of the duration of the period of the Leave of Absence that is in excess of three (3) months;
- (B) where a Payment Date occurs on a date when a Grantee is subject to a Black-Out Period, such Payment Date shall be extended to a date which is within ten (10) Business Days following the end of such Black-Out Period;
- (C) in the event of any Change of Control of the Corporation prior to the before the Payment Date or Payment Dates, the Payment Date or Payment Dates for all Common Shares awarded pursuant to such Awards shall be closing date of the Change of Control and the Payout Multiplier applicable to any Performance Awards shall be determined by the Board;
- (D) notwithstanding any other provision of this Plan, the Board may, in its sole discretion, determine that an Award is payable in relation to all or a percentage of the Award Value covered thereby for all or any Awards at any time and from time to time;
- (E) acceleration of vesting of Awards is permitted in connection with a Service Provider's death or where the Service Provider ceases to be an eligible Service Provider in connection with a change of control, take-over bid, reverse take-over or other similar transaction; and

- (F) notwithstanding any other provision of this Plan, no Award may vest before one year from the Grant Date.
- (c) Expiry Dates of Awards – Notwithstanding any other provision of this Plan, no Payment Date in respect of an Award may occur after the Expiry Date of such Award, and in the event that a Payment Date would occur after the Expiry Date, the Payment Date in respect of such Award shall be on the Expiry Date of such Award. Where an Expiry Date occurs on a date when a Grantee is subject to a Black-Out Period, such Expiry Date shall be extended to a date which is within ten (10) Business Days following the end of such Black-Out Period.
- (d) Payout Multiplier – Annually, and prior to the Payment Date in respect of any Performance Award, or prior to the Payment Date in the case of a Change of Control or otherwise to the extent that such annual determination has not yet been made, the Board shall assess the performance of the Corporation for the applicable period. The weighting of the individual measures comprising the Corporate Performance Measures shall be determined by the Board in its sole discretion having regard to the principal purposes of the Plan and, upon the assessment of all Corporate Performance Measures, the Board shall determine the Corporation's ranking as compared to the Peer Comparison Group. The applicable Payout Multiplier in respect of this ranking shall be as determined by the Board in its sole discretion and is subject to the limits set forth in Section 6 hereof. For greater certainty, where the Payment Date is not the first anniversary of the Grant Date, the Payout Multiplier for those Performance Awards will be the arithmetic average of the Payout Multiplier for each of the preceding annual performance assessment periods. The Corporation shall be permitted to make payments in cash to the Grantee, if it does not have a sufficient amount of Common Shares reserved under this Plan to satisfy its obligations under the Payout Multiplier.
- (e) Adjustment of Awards – Immediately prior to each Payment Date, the notional number of Common Shares underlying an Award shall be adjusted by multiplying such number by: (1) the Adjustment Ratio applicable in respect of such Award, and (2) the Payout Multiplier applicable to such Award, in the case of a Performance Award, provided however, that:
- (i) if a Grantee has been on a Leave of Absence at any time since the Grant Date in respect of such Award, the Adjustment Ratio shall not be adjusted for any Dividends paid during the period of such Leave of Absence;
 - (ii) notwithstanding any other provision of this Plan, but subject to the limits described in Section 6 hereof and, in the event that the Common Shares of the Corporation are listed on the Exchange, any applicable requirements of the Exchange, or other applicable regulatory authority, the Board hereby reserves the right to make any additional adjustments to the notional number of Common Shares underlying any Award if, in the sole discretion of the Board, such adjustments are appropriate in the circumstances having regard to the principal purposes of the Plan and terms of the Award; and
 - (iii) The Corporation shall be permitted to make payments in cash to the Grantee under the Adjustment Ratio, if it does not have a sufficient amount of Common Shares reserved under this Plan to satisfy its obligations, or where the issuance of Common Shares would result in a breach of the limits described in Section 6 hereof.
- (f) Payment in Respect of Awards – On the Payment Date, the Corporation, at its sole and absolute discretion, shall have the option of settling the Award Value payable in respect of an Award by any of the following methods or by a combination of any of the following methods:
- (i) payment in cash;
 - (ii) in the event that the Common Shares of the Corporation are listed on the Exchange, payment in Common Shares acquired by the Corporation on the Exchange;
 - (iii) payment in Common Shares issued from the treasury of the Corporation;
 - (iv) any combination of the above.
- (g) Determinations of Payment – the Corporation shall not determine whether the payment method shall take the form of cash or Common Shares (or a combination thereof) until the Payment Date, or some

reasonable time prior thereto. A holder of an Award shall not have any right to demand be paid in, or receive, Common Shares in respect of the Award Value underlying an Award, at any time. Notwithstanding any election by the Corporation to settle any Award Value, or portion thereof, in Common Shares, the Corporation reserves the right to change its election in respect thereof at any time up until payment is actually made, and the holder of such Award shall not have the right, at any time to enforce settlement in the form of either cash or Common Shares of the Corporation, as the case may be.

- (h) No Fractional Common Shares - Where the Corporation elects to pay any amounts pursuant to an Award by issuing Common Shares, and the determination of the number of Common Shares to be delivered to a Grantee in respect of a particular Payment Date would result in the issuance of a fractional Common Share, the number of Common Shares deliverable on the Payment Date shall be rounded down to the next whole number of Common Shares. No certificates representing fractional Common Shares shall be delivered pursuant to this Plan nor shall any cash amount be paid at any time in lieu of any such fractional interest.
- (i) Delivery of Payment – Any amount payable to a Grantee in respect of an Award shall be paid to the Grantee as soon as practicable following the Payment Date provided that the payment must occur not later than the Expiry Date.
- (j) Termination of Relationship as Service Provider – Unless otherwise determined by the Board or unless otherwise provided in an Award Agreement pertaining to a particular Award or any written employment or consulting agreement governing a Grantee's role as a Service Provider, the following provisions shall apply in the event that a Grantee ceases to be a Service Provider:
 - (i) *Termination upon Ceasing to be a Service Provider* – If a Grantee ceases to be a Service Provider for any reason whatsoever, including termination without cause, other than the death or disability of such Grantee (as contemplated under paragraph (ii) below), all outstanding Award Agreements under which Awards have been made to such Grantee and which have vested in accordance with Section 7(b), shall be terminated and all rights to receive Common Shares thereunder shall be forfeited by the Grantee effective as of the date that is 30 days from the Cessation Date. For clarity, the Grantee shall only be entitled to receive the Award Value for the outstanding Awards for which the Payment Date would fall between the date that the Grantee ceased to be employed or retained and the date that is thirty (30) days from such date. Notwithstanding the foregoing, in the event of a termination of any employee for cause, the Board may, in its sole discretion, determine that all outstanding vested Awards shall immediately terminate and become null and void. All Awards which have not vested in accordance with Section 7(b) at the Cessation Date shall immediately terminate and become null and void. Notwithstanding any provision in the Plan, all Awards must expire within a reasonable period, not exceeding 12 months, following a Service Provider ceasing to be an eligible Service Provider;
 - (ii) *Termination Upon Death or Disability* – Upon the death or disability of a Grantee prior to the Expiry Date, all outstanding Award Agreements under which Awards have been made to such Grantee which have vested in accordance with Section 7(b) shall be terminated and all rights to receive Common Shares thereunder shall be forfeited by the Grantee effective on earlier of: (i) the Expiry Date; and (ii) date that is six months from the Cessation Date. All Awards which have not vested in accordance with Section 7(b) at the Cessation Date shall immediately terminate and become null and void. In the case of the death of a Grantee, the rights of the Grantee, if any, shall pass by the Grantee's will or by the laws of descent and distribution. The Chief Executive Officer of the Corporation in the case of a Grantee who is not a director or officer and the Board in all other cases, taking into consideration the performance of such Grantee and the performance of the Corporation since the date of grant of the Award(s), may determine in its sole discretion the Payout Multiplier to be applied to any Performance Awards held by the Grantee; and
 - (iii) *Extension of Expiration Period* – Subject to Section 10, the Board may, in its sole discretion, determine that the Expiry Dates set forth in Section 7(j)(i) and Section 7(j)(ii) shall be extended by the time frames set forth in Section 7(c).

- (k) Rights as a Shareholder – Until Common Shares have actually been issued in accordance with the terms of the Plan, the Grantee to whom an Award has been made shall not possess any incidents of ownership of such Common Shares including, for greater certainty and without limitation, the right to receive Dividends on such Common Shares and the right to exercise voting rights in respect of such Common Shares. Such Grantee shall only be considered a Shareholder in respect of such Common Shares when such issuance has been entered upon the records of the duly authorized transfer agent of the Corporation.
- (l) Effect of Certain Changes – In the event:
 - (i) of any change in the Common Shares through subdivision, consolidation, reclassification, amalgamation, merger or otherwise;
 - (ii) that any rights are granted to all Shareholders to purchase Common Shares at prices substantially below the Fair Market Value; or
 - (iii) that, as a result of any recapitalization, merger, consolidation or other transaction, the Common Shares are converted into or exchangeable for any other securities,

then, in any such case, the Board may, in the event that the Common Shares of the Corporation are listed on the Exchange, subject to any required approval of the Exchange, make such adjustments to the Plan, to any Awards and to any Award Agreements outstanding under the Plan as may be appropriate in the circumstances (including changing the Common Shares covered by each Award into other securities on the same basis as Common Shares are converted into or exchangeable for such securities in any such transaction) to prevent dilution or enlargement of the rights granted to Grantees hereunder. Any adjustment, other than in connection with a consolidation or split, to Awards granted or issued under this Plan are subject to prior acceptance of the Exchange, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

8. Withholding Taxes

Subject to the policies of the Exchange, when a Grantee or other person becomes entitled to receive a payment in respect of an Award, the Corporation shall have the right to require the Grantee or person to remit to the Corporation an amount sufficient to satisfy any withholding tax requirements relating thereto. Unless otherwise prohibited by the Board or by applicable law, satisfaction of the withholding tax obligation may be accomplished by any of the following methods or by a combination of the following methods:

- (a) the tendering by the Grantee of a cash payment to the Corporation in an amount less than or equal to the total withholding tax obligation;
- (b) where the Corporation has elected to issue Common Shares to the Grantee, the withholding by the Corporation, as the case may be, from the Common Shares otherwise due to the Grantee such number of Common Shares as it determines are required to be sold by the Corporation, as trustee, to satisfy the total withholding tax obligation (net of selling costs). The Grantee consents to such sale and grants to the Corporation an irrevocable power of attorney to effect the sale of such Common Shares and acknowledges and agrees that the Corporation does not accept responsibility for the price obtained on the sale of such Common Shares; or
- (c) the withholding by the Corporation, as the case may be, from any cash payment otherwise due to the Grantee, including the amount the person is entitled to receive as payment in respect of an Award, such amount of cash as is required for the amount of the total withholding tax obligation;

provided, however, that the sum of any cash so paid or withheld and the Fair Market Value of any Common Shares so withheld is sufficient to satisfy the total withholding tax obligation.

Grantees (or their beneficiaries) shall be responsible for all taxes with respect to any Awards granted under the Plan. The Board and the Corporation make no guarantees to any person regarding the tax treatment of Awards or payments made under the Plan and none of the Corporation, nor any of its employees or representatives shall have any liability to a Grantee (or its beneficiaries) with respect thereto.

9. Non-Transferability

Subject to Section 7(j)(ii), the right to receive payment pursuant to an Award granted to a Service Provider is held only by such Service Provider personally. Except as otherwise provided in this Plan, no assignment, sale, transfer, pledge or charge of an Award, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Award whatsoever in any assignee or transferee and, immediately upon any assignment, sale, transfer, pledge or charge or attempt to assign, sell, transfer, pledge or charge, such Award shall terminate and be of no further force or effect.

10. Amendment and Termination of Plan

This Plan and any Awards granted pursuant to the Plan may be amended, modified or terminated by the Board without approval of Shareholders, subject to any required approval of the Exchange in the event that the Common Shares of the Corporation are listed on the Exchange.

If the Common Shares of the Corporation are listed on the Exchange, then notwithstanding the foregoing, the prior approval of the Shareholders shall be required to effect any of the following amendments to the Plan:

- (a) persons eligible to be granted or issued Awards under this Plan;
- (b) make any amendment to the Plan to increase the percentage of Common Shares that are available to be issued under outstanding Awards at any time pursuant to Section 6 hereof;
- (c) the limits under the Section 6 of the Plan on the amount of Awards that may be granted or issued to any one person or any category of persons (such as, for example, Insiders);
- (d) the maximum term of Awards;
- (e) the expiry and termination provisions applicable to Awards; and
- (f) any method or formula for calculating prices, values or amounts under this Plan that may result in a benefit to a Service Provider.

In addition, no amendment to the Plan or Awards granted pursuant to the Plan may be made without the consent of the Grantee, if it adversely alters or impairs the rights of any Grantee in respect of any Award previously granted to such Grantee under the Plan. Notwithstanding the foregoing, the following types of amendments to the Plan are not subject to shareholder approval:

- (a) amendments to fix typographical errors; or
- (b) amendments to clarify existing provisions of the Plan which does not have the effect of altering the scope, nature and intent of such provisions.

11. Merger and Sale

Subject to any required approval of the Exchange, in the event that the Corporation enters into any transaction or series of transactions whereby the Corporation or all or substantially all of the Corporation's undertaking, property or assets would become the property of any other trust, body corporate, partnership or other person (a "**Successor**") whether by way of takeover bid, acquisition, reorganization, consolidation, amalgamation, arrangement, merger, transfer, sale or otherwise, unless prior to or contemporaneously with the consummation of such transaction, the Corporation and the Successor shall execute such instruments and do such things as may be necessary or advisable, if any, to establish that upon the consummation of such transaction the Successor will have assumed all the covenants and obligations of the Corporation under this Plan and the Award Agreements outstanding on consummation of such transaction in a manner that substantially preserves and does not impair the rights of the Grantees thereunder in any material respect (including the right to receive shares, securities, cash or other property of the Successor in lieu of Common Shares upon the subsequent vesting of Awards). Subject to compliance with this Section 11, any such Successor shall succeed to, and be substituted for, and may exercise every right and power of the Corporation under this Plan and such Award Agreements with the same effect as though the Successor had been named as the Corporation herein and therein and thereafter, the Corporation shall be relieved of all obligations and covenants under this Plan and such Award Agreements and the obligation of the Corporation to the Grantees in respect of the Awards shall terminate and be at an end and the Grantees

shall cease to have any further rights in respect thereof including, without limitation, any right to acquire Common Shares upon vesting of the Awards.

12. Miscellaneous

- (a) Effect of Headings – The Section and subsection headings contained herein are for convenience only and shall not affect the construction hereof.
- (b) Compliance with Legal Requirements – the Corporation may, in its sole discretion, postpone the issuance or delivery of any Common Shares that it elects to issue as payment for any Award as the Board may consider appropriate, and may require any Grantee to make such representations and furnish such information as it may consider appropriate in connection with the issuance or delivery of Common Shares in compliance with applicable laws, rules and regulations. the Corporation shall not be required to qualify for resale pursuant to a prospectus or similar document any Common Shares awarded under the Plan, provided that, if required, the Corporation shall notify the Exchange and any other appropriate regulatory bodies in Canada of the existence of the Plan and the granting of Awards hereunder in accordance with any such requirements.
- (c) No Right to Continued Employment – Nothing in the Plan or in any Award Agreement entered into pursuant hereto shall confer upon any Grantee the right to continue in the employ or service of the Corporation, to be entitled to any remuneration or benefits not set forth in the Plan or an Award Agreement or to interfere with or limit in any way the right of the Corporation to terminate a Grantee's employment or service arrangement with the Corporation.
- (d) Grantee Information – Each Grantee shall provide the Corporation with all information (including personal information) required by the Corporation in order to administer the Plan. Each Grantee acknowledges that information required by the Corporation in order to administer the Plan may be disclosed to the Board or its appointed administrator and other third parties in connection with the administration of the Plan. Each Grantee consents to such disclosure and authorizes the Corporation to make such disclosure on the Grantee's behalf.
- (e) Expenses – Other than as contemplated pursuant to Section 8, all expenses in connection with the Plan shall be borne by the Corporation.

13. Governing Law

The Plan shall be governed by and construed in accordance with the laws in force in the Province of Ontario.

14. Effective Date

This Plan shall take effect at the Effective Time (as defined in this Circular).

RIO2 LIMITED

SCHEDULE “B”

AUDIT COMMITTEE CHARTER

Mandate

The primary function of the audit committee (the “Committee”) is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company’s systems of internal controls regarding finance and accounting and the Company’s auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company’s policies, procedures and practices at all levels. The Committee’s primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Company’s financial reporting and internal control system and review the Company’s financial statements.
- Review and appraise the performance of the Company’s external auditors.
- Provide an open avenue of communication among the Company’s auditors, financial and senior management and the Board of Directors.

Composition

The Committee shall be comprised of three Directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company’s Charter, the definition of “financially literate” is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company’s financial statements.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders’ meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

Meetings

The Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

Documents/Reports Review

- a) Review and update this Charter annually.
- b) Review the Company’s financial statements, MD&A and any annual and interim earnings, press releases before

the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

External Auditors

- a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company.
- b) Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
- c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- d) Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors.
- e) Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- f) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The preapproval requirement is waived with respect to the provision of non-audit services if:
 - the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
 - such services were not recognized by the Company at the time of the engagement to be non-audit services; and
 - such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the preapproval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

Financial Reporting Processes

- a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- b) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.

- d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- i) Review certification process.
- j) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Risk Management

1. To review, at least annually, and more frequently if necessary, the Company's policies for risk assessment and risk management (the identification, monitoring, and mitigation of risks).
2. To request the external auditor's opinion of management's assessment of significant risks facing the Company and how effectively they are being managed or controlled.
3. To assess the effectiveness of the over-all process for identifying principal business risks and report thereon to the Board.

Other

Review any related-party transactions.

