

HANSTONE GOLD CORP.

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Vancouver, BC V6Z 1S4
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INFORMATION CIRCULAR

as at September 29, 2021
(except as otherwise indicated)

IN VIEW OF THE CURRENT AND RAPIDLY EVOLVING COVID-19 OUTBREAK, THE COMPANY REQUESTS THAT IF POSSIBLE ALL SHAREHOLDERS VOTE THEIR SHARES BY PROXY AND AVOID ATTENDING THE MEETING IN PERSON. HOWEVER, IF YOU CHOOSE TO ATTEND THE MEETING IN PERSON, SHAREHOLDERS ARE ASKED TO FOLLOW THE INSTRUCTIONS OF THE PUBLIC HEALTH AGENCY OF CANADA (canada.ca/en/public-health/services/diseases/2019-novel-coronavirus-infection.html)

THE COMPANY RESPECTFULLY ASKS SHAREHOLDERS NOT TO ATTEND THE MEETING IN PERSON IF EXPERIENCING ANY OF THE DESCRIBED COVID-19 SYMPTOMS OF FEVER, COUGH OR DIFFICULTY BREATHING, OR IF THEY HAVE BEEN EXPOSED TO ANYONE EXHIBITING COVID-19 SYMPTOMS WITHIN THE LAST 14 DAYS.

THE COMPANY MAY TAKE ADDITIONAL PRECAUTIONARY MEASURES IN RELATION TO THE MEETING IN RESPONSE TO FURTHER DEVELOPMENTS IN THE COVID-19 OUTBREAK. This Information Circular is furnished in connection with the solicitation of proxies by the management of **HANSTONE GOLD CORP.** for use at the annual general and special meeting (the “**Meeting**”) of its shareholders (the “**Shareholders**”) to be held on November 9, 2021, at the time and place and for the purposes set forth in the accompanying notice of the Meeting.

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

GENERAL PROXY INFORMATION

Solicitation of Proxies

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

Appointment of Proxyholders

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

Voting by Proxyholder

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

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

In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter.

Registered Shareholders

Registered Shareholders of the Company (the “**Registered Shareholders**”) may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders may choose one of the following options to submit their proxy:

- (d) complete, date and sign the Proxy and return it to the Company’s transfer agent, Computershare Investor Services Inc. (“**Computershare**”), by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail to the 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 or by hand delivery at 3rd Floor, 510 Burrard Street, Vancouver, British Columbia, Canada V6C 3B9;
- (e) use a touch-tone phone to transmit voting choices to a toll-free number. Registered Shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll-free number, the holder’s account number and the control number; or
- (f) use the internet through the website of the Company’s transfer agent at www.investorvote.com. Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder’s account number and the control number.

In all cases the Registered Shareholder must ensure the proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting, or the adjournment thereof, at which the proxy is to be used.

Beneficial Shareholders

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

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

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of meetings of Shareholders. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

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

The Company is taking advantage of the provisions of National Instrument 54-101 “*Communication with Beneficial Owners of Securities of a Reporting Issuer*” that permit it to directly deliver proxy-related materials to its NOBOs. As a result, NOBOs can expect to receive a scannable Voting Instruction Form (“**VIF**”) from our transfer agent. These VIFs are to be completed and returned to Computershare in the envelope provided or by facsimile. In addition, Computershare provides both telephone voting and internet voting as described on the VIF itself which contain complete instructions at the Meeting with respect to the shares represented by the VIFs they receive.

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

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

Beneficial Shareholders, who are OBOs, should follow the instructions of their intermediary carefully to ensure that their Common Shares are voted at the Meeting.

The form of proxy supplied to you by your broker will be similar to the proxy provided to Registered Shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in the United States and in Canada. Broadridge mails a VIF in lieu of a proxy provided by the Company. The VIF will name the same persons as the Company’s Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than any of the persons designated in the VIF, to represent your Common Shares at the Meeting, and that person may be you. To exercise this right, you should insert the name of the desired representative (which may be yourself) in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge’s instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting, and the appointment of any Shareholder’s representative.

If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Common Shares voted at the Meeting and to vote your Common Shares at the Meeting.

Notice to United States Shareholders

The solicitation of proxies is not subject to the requirements of Section 14(a) of the U.S. Exchange Act by virtue of an exemption applicable to proxy solicitations by foreign private issuers as defined in Rule 3b-4 of the U.S. Exchange Act. Accordingly, this Circular has been prepared in accordance with applicable Canadian disclosure requirements. Residents of the United States should be aware that such requirements differ from those of the United States applicable to proxy statements under the U.S. Exchange Act.

This document does not address any income tax consequences of the disposition of the Company’s shares by Shareholders. Shareholders in a jurisdiction outside of Canada should be aware that the disposition of shares by them may have tax consequences both in those jurisdictions and in Canada, and are urged to consult their tax advisors with respect to their particular circumstances and the tax considerations applicable to them.

Any information concerning any properties and operations of the Company has been prepared in accordance with Canadian standards under applicable Canadian securities laws, and may not be comparable to similar information for United States companies.

Financial statements included or incorporated by reference herein have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board, and are subject to auditing and auditor independence standards in Canada. Such consequences for the Shareholders who are resident in, or citizens of, the United States may not be described fully in this Information Circular.

The enforcement by the Company Shareholders of civil liabilities under the United States federal securities laws may be affected adversely by the fact that the Company is incorporated or organized under the laws of a foreign country, that some or all of their officers and directors and the experts named herein are residents of a foreign country and that the major assets of the Company are located outside the United States.

Revocation of Proxies

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

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder's authorized attorney in writing, or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare or to the address of the registered office of the Company at #600- 1090 West Georgia Street Vancouver BC V6E 3V7, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or
- (b) personally attending the Meeting and voting the Registered Shareholder's Common Shares. A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

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

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

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors (the “**Board**”) of the Company has fixed September 29, 2021, as the record date (the “**Record Date**”) for determination of persons entitled to receive notice of the Meeting. Only Shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Company is listed on the Canadian Securities Exchange under stock symbol “TSX-V” under stock symbol “HANS”. The Company also trades on the OTCQB based in the United States of America.

The authorized capital of the Company consists of an unlimited number of Common Shares. As of September 29, 2021, there were 30,989,025 Common Shares issued and outstanding, each carrying the right to one vote. No group of Shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

As of the date hereof, the directors, insiders, and executive officers of the Company, as a group, owned beneficially, directly or indirectly, or exercised control or direction over, approximately 7,768,500 Common Shares representing approximately 25% of the outstanding Common Shares.

To the knowledge of the directors and executive officers of the Company, as at September 29, 2021, no person or corporation beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company other than those noted below:

Name and Municipality of Residence	Type of Ownership	Number of Common Shares	Percentage owned
Bob Hans Surrey, BC	Direct	6,750,000 ⁽¹⁾	21.78%

PARTICULARS OF MATTERS TO BE ACTED UPON

1. FINANCIAL STATEMENTS

The consolidated audited financial statements of the Company for the year ended December 31, 2020, the report of the auditor thereon and the related management's discussion and analysis were filed on SEDAR at www.sedar.com on April 30, 2021 and will be tabled at the Meeting and will be available at the Meeting.

No approval or other action needs to be taken at the Meeting in respect of these documents.

2. APPOINTMENT AND REMUNERATION OF AUDITOR

At the Meeting, A Chan and Company LLP, Chartered Professional Accountants, located at Unit 114B- 8988 Frazer Court Burnaby, British Columbia, V5J 5H8 will be recommended by management and the Board of Directors for re-appointment as auditor of the Company. A Chan and Company LLP has been the Company's auditor since January 29, 2021.

The auditor was appointed after the year ended December 31, 2020. See Schedule "C" attached hereto for notice of change of auditor.

Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the appointment of A Chan and Company LLP, Chartered Professional Accountants, as auditor of the Company until the close of the next annual general meeting.

3. NUMBER OF DIRECTORS

Shareholders will be asked at the Meeting to approve an ordinary resolution to fix the number of directors of the Company at five (5). The Board of Directors recommends a vote "FOR" the approval of the resolution to fix the number of directors at five (5). **In the absence of instructions to the contrary, a properly executed and returned proxy will be voted "FOR" the approval of the resolution to fix the number of directors at five (5).**

4. ELECTION OF DIRECTORS

The Board presently consists of five directors. The Board has determined the number of directors to be elected for the ensuing year at five. The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director's office is vacated earlier in accordance with the provisions of the *Business Corporations Act* (British Columbia) ("BCA"), each director elected at the Meeting will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

The following Table sets out the names of management's five nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, the principal occupation, business or employment of each director nominee, the period of time during which each nominee has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at September 29, 2021.

Name of Nominee; Current Position with the Corporation and Province or State and Country of Residence	Principal Occupation ⁽¹⁾	Current Position(s) with the Corporation	Director Since	Number of Common Shares beneficially owned, directly, or indirectly, or controlled or directed ⁽²⁾
ROBERT QUINN ⁽²⁾ Houston, Texas	Independent businessman with over 40 years of diverse board, management, and legal international mining industry experience.	Director, Vice President	October 11, 2018	100,000 Common Shares 400,000 Options 0.32% undiluted 0.6% fully diluted
BOB HANS Surrey, BC	Businessman, entrepreneur. President of the Hans Group, which owns and operates businesses in commercial real estate, mining & quarry operations, sand & gravel supplies, and trucking & earth works.	Director, Executive Chairman	October 11, 2018	6,750,500 Common Shares 700,000 Options 21.78% undiluted 24% fully diluted
RAYMOND MARKS Mission, BC	Mineral exploration company (Tudor Gold Corp.) executive from 2016 to 2018. Self-employed businessman since 2018.	Director, CEO and President	October 11, 2018	918,000 Common Shares 625,000 Options 2.96% undiluted 5% fully diluted
ANDRE DOUCHANE ⁽²⁾ Tuscon, Arizona	Mining engineer with 40 years of experience operating, managing, building, and revitalizing mining operations worldwide. He has served on several mining industry boards including as CEO and subsequently as Chairman of North American Palladium Ltd. and is currently the CEO and Director for BBX Minerals Ltd.	Director	August 12, 2020	Nil Common Shares 250,000 Options 0% undiluted 0.8% fully diluted
JAMES ENGDAHL ⁽²⁾ Saskatoon, Saskatchewan	Officer and director of several public mining companies over the last 30 years. Currently Chairman of the Board of Aurex Energy Corp. and is currently Chairman of the Board of Aurex Energy Corp. and the CEO of MAS Gold Corp.	Director	August 12, 2020	Nil Common Shares 250,000 Options 0% undiluted 0.8% fully diluted

Notes:

1. The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees. Each nominee has held the same or a similar principal occupation with the organization indicated or a predecessor thereof for the last five years.
2. Member of Audit Committee

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

A Shareholder can vote for all of the above nominees, vote for some of the above nominees and withhold for other of the above nominees, or withhold for all of the above nominees. **Unless otherwise instructed, the named proxyholders will vote FOR the election of each of the proposed nominees set forth above as directors of the Company. At the Meeting the above persons will be nominated for election as director as well as any person nominated pursuant to the Advance Notice Provision (see below). Only persons nominated by management pursuant to this Information Circular or pursuant to the Advance Notice Provision will be considered valid director nominees eligible for election at the Meeting.**

Cease Trade Order, Bankruptcies, and Insolvency

Except as described herein, no director or proposed director:

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

Robert Quinn was a director of Mercator Minerals Ltd. (“**Mercator**”). On August 26, 2014, Mercator filed a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”). Mr. Quinn ceased to be a director of Mercator on September 4, 2014. Pursuant to section 50.4(8) of the BIA, Mercator was deemed to have filed an assignment in bankruptcy on September 5, 2014 as a result of allowing the ten-day period within which Mercator was required to submit a cash flow forecast to lapse.

Mr. Quinn and Mr. Engdahl were directors of Great Western Minerals Group Ltd. (“**GWMG**”). On April 30, 2015, GWMG was granted protection from its creditors under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) upon receiving an initial order from the Court. On May 11, 2015, an order was issued by the Financial and Consumer Affairs Authority of the Province of Saskatchewan that all trading in the securities of GWMG be ceased due to its failure to file financial statements for the year ended December 31, 2014.

Mr. Quinn and Mr. Douchane were directors of North American Palladium Ltd. (“**NAP**”) prior to the completion of the recapitalization transaction that was completed on August 6, 2015 and approved at a meeting of the convertible debenture holders of NAP and at an annual and special meeting of shareholders of NAP on July 30, 2015. The recapitalization was accomplished by way of plan of arrangement and resulted in the issuance of shares in exchange for debt, among other things.

Mr. Quinn was a director of Mercator. In early 1998, Mercator, through its then management, filed a registration statement under the *Securities and Exchange Act* of 1934 with the United States Securities and Exchange Commission (“**SEC**”), which became effective in 1998 without further action by Mercator. Mercator’s subsequent management and directors (including Mr. Quinn) were not aware that the registration statement had become effective and, accordingly, no further filings were made with the SEC by Mercator. On November 8, 2011, an order was issued by the SEC revoking the registration of Mercator’s common shares in the United States for failing to file periodic reports. On November 8, 2011, Mercator filed a Form 40-F registration to re-register Mercator’s common shares in the United States. The Form 40-F registration statement became effective on January 9, 2012.

Advance Notice Provision

At the Company's Articles include an advance notice provision (the "**Advance Notice Provision**"). The Advance Notice Provision provides for advance notice to the Company in circumstances where nominations of persons for election to the Board of directors of the Company are made by Shareholders of the Company other than pursuant to (i) a requisition of a meeting made pursuant to the provisions of the *Business Corporations Act* (British Columbia) or (ii) a Shareholder proposal made pursuant to the provisions of the *Business Corporations Act* (British Columbia).

The purpose of the Advance Notice Provision is to foster a variety of interests of the Shareholders and the Company by ensuring that all Shareholders - including those participating in a meeting by proxy rather than in person - receive adequate notice of the nominations to be considered at a meeting and can thereby exercise their voting rights in an informed manner. Among other things, the Advance Notice Provision fixes a deadline by which holders of Common Shares must submit director nominations to the Company prior to any annual or special meeting of Shareholders and sets forth the minimum information that a Shareholder must include in the notice to the Company for the notice to be in proper written form.

The Advance Notice Provision also requires all proposed director nominees to deliver a written representation and agreement that such candidate for nomination, if elected as a director of the Company, will comply with all applicable corporate governance, conflict of interest, confidentiality, share ownership, majority voting and insider trading policies and other policies and guidelines of the Company applicable to directors and in effect during such person's term in office as a director.

The foregoing is merely a summary of the Advance Notice Provision, is not comprehensive and is qualified by the full text of such provision in the Company's Altered Articles, which is available under the Company's profile on SEDAR at www.sedar.com.

ABOUT THE DIRECTORS

BOB HANS- Chairman - Mr. Hans is an entrepreneur and business leader with an investment background in real estate and industrial properties. Mr. Hans is the founder of 'The Hans Group' which houses a collection of businesses that have operated in British Columbia for the past 40 years. The Hans Group includes: mining and quarry extraction operations, sand & gravel supplies, gravel trucking, earth works, and commercial real estate holding companies as a part of its portfolio.

RAYMOND MARKS – CEO and President - Mr. Marks has over 50 years of experience as a businessman and operations manager. Mr. Marks has managed a variety of industrial real estate properties including: rock quarries, mining properties, industrial storage yards, log sorts, lumber mills and logging camps. Mr. Marks also has public company management experience and was previously the executive vice president and a director for Tudor Gold Corp.

BOB QUINN – Vice President and Director - Mr. Quinn is an independent businessman with over 40 years of diverse board, management, and legal international mining industry experience. He has extensive corporate governance, environmental, transactional, M&A, financing, contract, development, compliance and litigation experience with companies developing and operating numerous mines and conducting exploration programs. He is the former General Counsel of Battle Mountain Gold Company. He has acted as counsel for and has served on the boards of numerous mining companies including as the non-executive Chairman of the Board of Mercator Minerals Ltd., North American Palladium Ltd., Great Western Minerals Group Ltd. and eCobalt Solutions Inc. He was also formerly a director of Tudor Gold Corp. He is currently a director of Hansco Capital Corp. and Ocumetics Technology Corporation.

ANDRE DOUCHANE –Director Mr. Douchane is a mining engineer with 40 years of experience operating, managing, building, and revitalizing mining operations worldwide. After 14 years with ASARCO, Incorporated, including as Manager of the Coeur Mine near Wallace, Idaho, Mr. Douchane became VP and GM of Round Mountain Gold Corp in the late 1980s to see it through a major reconstruction - taking it from a 160,000 ounce gold producer to over 400,000 ounces produced in 1990. As Vice President of Operations for Battle Mountain Gold Company he was responsible for several operating mines and development projects worldwide. Mr. Douchane also directed the small team that permitted, engineered, and put the Midas Mine into production for Franco-Nevada Mining Corp. under budget and six months early. He has served on several mining industry boards including as CEO and subsequently as Chairman of North American Palladium Ltd. and is currently the CEO and Director for BBX Minerals Ltd.

JAMES ENGDAHL –Director Mr. Engdahl has been an officer and director of several public mining companies over the last 30 years. Over the last number of years, he has been heavily involved in developing mine-to-market strategies for strategic and critical metals. With a background in corporate finance, specializing in mergers and acquisitions, he has successfully financed many projects in Canada. Mr. Engdahl is currently Chairman of the Board of Aurex Energy Corp. and the CEO of MAS Gold Corp.

Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the election of the Nominees.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT EACH SHAREHOLDER VOTE “FOR” THE ELECTION OF THE ABOVE NOMINEES AS DIRECTORS.

5. RE-APPROVAL OF THE STOCK OPTION PLAN

The Company has a stock option plan (the “**Plan**”) previously approved by the Shareholders of the Company in December of 2018. A copy of the Plan is attached hereto as Schedule “B” and filed on SEDAR at www.sedar.com. The Plan is incorporated herein by reference.

The Plan shall be administered by the Board of Directors of the Company, or if appointed, by a special committee of directors appointed from time to time by the Board of Directors (the “**Board**”). The aggregate number of Common Shares which may be reserved for issuance under the Plan shall not exceed 10% of the Company’s issued and outstanding Common Shares. The number of Common Shares subject to an option to a participant shall be determined by the Board, but no participant shall be granted an option which exceeds the maximum number of shares permitted by any stock exchange on which the Common Shares are then listed, or other regulatory body having jurisdiction. The exercise price of the Common Shares covered by each option shall be determined by the Board, provided however, that the exercise price shall not be less than the price permitted by any stock exchange on which the Common Shares are then listed, or other regulatory body having jurisdiction. The maximum length any option shall be ten (10) years from the date the option is granted, provided that participant’s options expire ninety (90) days after a participant ceases to act for the Company, subject to extension at the discretion of the Board, except upon the death of a participant, in which case the participant’s estate shall have twelve (12) months in which to exercise the outstanding options. The Plan includes a provision that should an option expiration date fall within a blackout period or immediately following a blackout period, the expiration date will automatically be extended for ten (10) business days following the end of the blackout period. The Board of Directors have the absolute discretion to amend or terminate the Plan.

Policy 4.4 of the TSX Venture Exchange Inc. (the “**Exchange**”) requires that rolling stock option plans must receive shareholder approval yearly, at an issuer’s annual general meeting. In accordance with Policy 4.4, Shareholders will be asked to consider and if thought fit, approve an ordinary resolution re- approving, adopting, and ratifying the Plan as the Company’s stock option plan.

The text of the ordinary resolution to be considered at the Meeting will be substantially as follows:

“Be it resolved as an ordinary resolution of the Company that:

- 1. the stock option plan of the Company be approved substantially in the form attached as Schedule “B (the “Plan”) and the Plan be and is hereby ratified, approved and adopted as the stock option plan of the Company;**
- 2. the form of the Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of the Company;**
- 3. the issued and outstanding stock options previously granted shall be continued under and governed by the Plan;**
- 4. the shareholders of the Company hereby expressly authorize the board of directors to revoke this resolution before it is acted upon without requiring further approval of the shareholders in that regard; and**

5. any one (or more) director or officer of the Company is authorized and directed, on behalf of the Company, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal of the Company or otherwise) that may be necessary or desirable to give effect to this ordinary resolution.”

Unless otherwise directed, it is the intention of the Management Designees to vote proxies in favour of the resolution re-approving the Plan. In order to be effective, an ordinary resolution requires approval of a majority of the votes cast by Shareholders who vote in respect to the resolution.

6. OTHER BUSINESS

While there is no other business other than that business mentioned in the Notice of Meeting to be presented for action by the Shareholders at the Meeting, **it is intended that the proxies hereby solicited will be exercised upon any other matters and proposals that may properly come before the Meeting or any adjournment or adjournments thereof, in accordance with the discretion of the persons authorized to act thereunder.**

STATEMENT OF EXECUTIVE COMPENSATION

For the purposes of this Executive Compensation disclosure:

“**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the company or any of its subsidiaries;

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

- (a) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief executive officer (“**CEO**”), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer (“**CFO**”), including an individual performing functions similar to a CFO;
- (c) in respect of the company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, for that financial year;
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

During financial year ended December 31, 2020, based on the definition above, the NEOs of the Company were: Bob Hans, Executive Chairman and director, Raymond Marks, President, CEO and director, Bob Quinn VP and Director, and Dong Shim CFO and Corporate Secretary of the Company. The directors who were not NEOs during the financial year ended December 31, 2020, were Andre Douchane, and James Engdahl.

Table of Compensation, Excluding Compensation Securities in Financial Year ended December 31, 2020

The following table of compensation, excluding options and compensation securities, provides a summary of the compensation paid by the Company to NEOs and directors of the Company for the two completed financial years ended December 31, 2020. Options and compensation securities are disclosed under the heading “**Stock Options and Other Compensation Securities**” in this Information Circular.

<i>Table of compensation excluding compensation securities</i>							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Bob Hans Executive Chairman and Director	2020	\$17,600	Nil	Nil	Nil	\$61,950	\$79,550
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Raymond Marks CEO, President and Director	2020	\$61,600	Nil	Nil	Nil	\$30,975	\$92,575
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Bob Quinn Vice President and Director	2020	\$35,200	Nil	Nil	Nil	\$30,975	\$66,175
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Andre Douchane Director	2020	Nil	Nil	Nil	Nil	\$26,550	\$26,550
	2019	Nil	Nil	Nil	Nil	Nil	Nil
James Engdahl Director	2020	Nil	Nil	Nil	Nil	\$26,550	\$26,550
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Dong Shim CFO and Corp. Secretary	2020	\$6,500	Nil	Nil	Nil	Nil	\$6,500
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Aris Morfopoulos Former CFO, Corporate Secretary and Director	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil

(1) Mr. Hans was appointed Executive Chairman of the Company on 2018/8/19.

(2) Mr. Marks was appointed as the CEO and President on 2018/8/19.

(3) Mr. Quinn was appointed VP of the Company on 2018/8/11.

(4) Mr. Shim was appointed as the CFO and Corp. Secretary on 2020/8/19.

(5) Mr. Morfopoulos resigned as the CFO and Corp. Secretary on 2020/8/19.

Oversight and Description of Director and Named Executive Officer Compensation

Elements of the Compensation Program

Executive compensation is set to attract and retain the best available talent while efficiently utilizing available resources. The Company compensates executive management with a package typically including a base salary (“**Base Salary**”), an incentive compensation plan (“**Incentive Compensation**”) and equity compensation (the “**Equity Compensation**”) designed to be competitive with comparable employers. In considering executive management’s compensation, the Board takes into consideration the financial condition of the Company. The Base Salary is set in comparison to the comparable positions in the market and in the industry, the Incentive Compensation is used as a short-term incentive to achieve Company objectives, and the Equity Compensation is designed to allow the participants to enjoy the benefits of any increase in company valuation and share price, should such an increase occur. Executive compensation is designed to reward activities and achievements that are aligned with the long-term interests of the Company’s Shareholders.

The Base Salary, Incentive Compensation and Equity Compensation for the Company’s NEOs, including the CEO and the CFO is determined by the Board. The Board sets the compensation of the NEOs using generally available market data and their combined industry experience. The Board delegates to the NEOs the responsibility to set the compensation packages for all other senior management and staff.

The Board is responsible for executive and director compensation, including reviewing and recommending director compensation, overseeing the Company's base compensation structure and equity-based compensation program, recommending compensation of the Company's officers and employees, and evaluating the performance of officers generally and in light of annual goals and objectives.

The Board also assumes responsibility for reviewing and monitoring the long-range compensation strategy for the Company's senior management. The Board reviews the compensation of senior management on an annual basis taking into account compensation paid by other issuers of similar size and activity.

Philosophy and Objectives

The Company is a junior exploration company with limited resources. The compensation program for the senior management of the Company is designed within this context with a view that the level and form of compensation achieves certain objectives, including:

- (a) attracting and retaining qualified executives;
- (b) motivating the short and long-term performance of these executives; and
- (c) better aligning their interests with those of the Company's Shareholders.

In compensating its senior management, the Company has employed a combination of base salary and equity participation through its stock option plan (described below). Recommendations for senior management compensation are presented to the Board for review.

Base Salary or Consulting Fees

In the Board's view, paying base salaries which are reasonable in relation to the level of service expected while remaining competitive in the markets in which the Company operates is a first step to attracting and retaining qualified and effective executives.

Base salary ranges for the executive officers were initially determined upon a review of companies within the oil producing industry, which were of the same size as the Company, at the same stage of development as the Company and considered comparable to the Company.

In determining the base salary of an executive officer, the Board considers the following factors:

- (a) the particular responsibilities related to the position;
- (b) salaries paid by other companies in the oil producing industry which were similar in size as the Company;
- (c) the experience level of the executive officer;
- (d) the amount of time and commitment which the executive officer devotes to the Company; and
- (e) the executive officer's overall performance and performance in relation to the achievement of corporate milestones and objectives.

Bonus Incentive Compensation

The Company's objective is to achieve certain strategic objectives and milestones. The Board considers executive bonus compensation dependent upon the Company meeting those strategic objectives and milestones and sufficient cash resources being available for the granting of bonuses. The Board approves executive bonus compensation dependent upon compensation levels based on recommendations of the CEO. Such recommendations are generally based on information provided by issuers that are similar in size and scope to the Company's operations.

Equity Participation

The Company believes that encouraging its executives and employees to become Shareholders is the best way of aligning their interests with those of its Shareholders. Equity participation is accomplished through the Company's share option plan and its restricted share unit plan. Stock options are granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive factors. The amounts and terms of options granted are determined by the Board. Due to the Company's limited financial resources, the Company emphasizes the provisions of option grants to maintain executive motivation.

Compensation Review Process

Risks Associated with the Company's Compensation Program

The Company's directors have not considered the implications of any risks to the Company associated with decisions regarding the Company's compensation program. The Company intends to formalize its compensation policies and practices and will take into consideration the implications of the risks associated with the Company's compensation program and how it might mitigate those risks.

The Company did not retain a compensation consultant during financial year ending December 31, 2020.

Benefits and Perquisites

The Company does not, as of the date of this Information Circular, offer any benefits or perquisites to its NEOs other than potential grants of incentive stock options as otherwise disclosed and discussed herein.

Hedging by Directors or NEOs

The Company has not, to date, adopted a policy restricting its executive officers and directors from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, which are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by executive officers or directors. The Company is not, however, aware of any directors or officers having entered into this type of transaction.

As of the date of this Information Circular, entitlement to grants of incentive stock options under the Company's share option plan and restricted share unit awards under the Company's restricted share unit plan are the only equity security elements awarded by the Company to its executive officers and directors.

Stock Options and other Compensation Securities

The following table sets forth incentive stock options (option-based awards) pursuant to the Company's 2010 Share Option Plan that were outstanding to NEOs and directors of the Company as at December 31, 2020. There were no outstanding restricted share units awarded (share-based awards) pursuant to the Company's fixed restricted share unit plan to NEOs and directors of the Company during financial year ended December 31, 2020 and including the record date of September 29, 2021.

Compensation Securities								
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant (y/m/d)	Issue, conversion or exercise price (\$)⁽¹⁾	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date (y/m/d)	Restricted Share Units
Bob Hans Executive Chairman and Director	Options	250,000	2018/12/4	0.10	N/A	0.48	2029/4/29	N
		350,000	2020/8/19	0.20	0.20	0.48	2030/8/19	N
		100,000	2021/1/29	0.40	0.40		2026/1/29	N
Raymond Marks CEO, President and Director	Options	150,000	2018/12/4	0.10	N/A	0.48	2029/4/29	N/A
		175,000	2020/8/19	0.20	0.20	0.48	2030/8/19	N/A
		300,000	2021/1/29	0.40	0.40		2026/1/29	N/A
Bob Quinn Vice President and Director	Options	100,000	2018/12/4	0.10	N/A	0.48	2029/4/29	N/A
		175,000	2020/8/19	0.20	0.20	0.48	2030/8/19	N/A
		125,000	2021/1/29	0.40	0.40	0.48	2026/1/29	N/A

Compensation Securities								
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant (y/m/d)	Issue, conversion or exercise price (\$) ⁽¹⁾	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date (y/m/d)	Restricted Share Units
Andre Douchane Director	Options	150,000	2020/8/19	0.20	0.20	0.48	2030/8/19	N/A
		100,000	2021/1/29	0.40	0.40		2026/1/29	
James Engdahl Director	Options	150,000	2020/8/19	0.20	0.20	0.48	2030/8/19	N/A
		100,000	2021/1/29	0.40	0.40	0.48	2026/1/29	
Dong Shim CFO and Corp. Secretary	Options	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Employment, Consulting and Management Agreements

The Company is party to employment, consulting and management agreements or arrangements with certain of the Company's current directors and NEOs. Bob Hans receives consulting fees of \$4,000 per month as the Chairman of the Company, Raymond Marks receives consulting fees of \$12,000 per month as the CEO of the Company, Bob Quinn receives \$8,000 per month as the VP of the Company and Dong Shim receives \$3,000 per month as the CFO of the Company.

Pension Disclosure

The Company does not have a pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement.

Securities Authorized For Issuance Under Equity Compensation Plans

The Company has one equity compensation plan approved by Shareholders of the Company: i) the Company's 2018 Share Option Plan.

The following table sets out equity compensation plan information as at the date of this Information Circular

	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders Share Option Plan	2,784,800	\$0.28	542,612
Equity compensation plans not approved by securityholders	Nil	N/A	N/A
Total	2,784,800	\$0.28	542,612

Note: the 2018 Share Option Plan represents the limitation of 10% of the issued and outstanding Common Shares as at September 29, 2021, less issued options as listed in the second column of this table.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

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

The Audit Committee’s Charter

The Company’s Audit Committee is attached as Schedule “A” to this Information Circular.

General

The Audit Committee is responsible for reviewing the Company’s financial reporting procedures, internal controls and the performance of the financial management and external auditor of the Company. The Audit Committee also reviews the annual and interim financial statements and makes recommendations to the Board.

As the Company is a “venture issuer” (as defined in NI 52-110), it is relying on the exemptions provided to it under section 6.1 of NI 52-110 with respect to the composition of the Audit Committee and with respect to Audit Committee reporting obligations. At no time since the commencement of the Company’s most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis* Non-Audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the charter of the Audit Committee under the heading “Responsibilities”. 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 Hanstone Board.

The Audit Committee is comprised of Robert Quinn, Andres Douchane and James Engdahl, all of whom are “financially literate” and two of whom are “independent”, as those terms are defined in NI 52-110. Robert Quinn is not independent. The education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member, and in particular the education or experience that provides each member with (i) an understanding of the accounting principles used by the Company to prepare its financial statements, (ii) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions, (iii) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company’s financial statements, and (iv) an understanding of internal controls and procedures for financial reporting, is as follows:

Robert Quinn	Mr. Quinn has over 40 years of diverse board, management and legal international mining industry experience. He has acted as counsel for and has served on the boards of numerous mining companies.
Andre Douchane	Mr. Douchane is a mining engineer with 40 years of experience operating, managing, building, and revitalizing mining operations worldwide. He has served on several mining industry boards including as CEO and subsequently as Chairman of North American Palladium Ltd.
James Engdahl	Mr. Engdahl has been an officer and director of several public mining companies over the last 30 years. He is currently Chairman of the Board of Aurex Energy Corp.

Audit Committee Oversight

At December 31, 2020, the Audit Committee did not make any recommendations to the Board to nominate or compensate any auditor other than **Shim & Associates LLP, Chartered Professional Accountants**

Reliance on Certain Exemptions

At December 31, 2020 the Company's auditor, **Shim & Associates LLP, Chartered Professional Accountants**, did not provide any material non-audit services.

Pre-Approval Policies and Procedures

Refer to the Company's Audit Committee Charter attached as Schedule "A" to this Information Circular, for specific policies for the engagement of non-audit services.

External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audited services provided by **Shim & Associates LLP**, to ensure auditor independence. Fees incurred with **Shim & Associates LLP**, for audit and non-audit services in the last two fiscal years ended December 31 for audit fees are outlined in the following table:

Nature of services	Fees paid to A Chan & Company LLP, Chartered Professional Accountant for year ended December 31, 2020.	Fees paid to Shim & Associates LLP, Chartered Professional Accountants for year ended December 31, 2019
Audit fees ⁽¹⁾	\$15,300	4,000
Audit-related fees ⁽²⁾	\$Nil	\$Nil
Tax fees ⁽³⁾	\$Nil	\$Nil
All Other Fees ⁽⁴⁾	\$Nil	\$Nil
Total	\$15,300	\$4,000

Notes:

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

Exemption

The Company is relying on the exemption provided in section 6.1 of NI 52-110 *Audit Committees* as the Company is a "venture issuer" and is exempt from the requirements of Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*) of NI 52-110

CORPORATE GOVERNANCE

General

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

Board of Directors

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

There are no special structures or processes in place to facilitate the functioning of the directors of the Company independently of management. However, the independent directors are given full access to management so that they can develop an independent perspective and express their views and communicate their expectations of management.

The Board facilitates its independent supervision over management by ensuring a majority of the Board are not officers of the Company. During the financial year ended December 31, 2020, the independent members of the Board were Thomas G. Milne, David Stone and Robert Lambert and the non-independent directors of the Board were Michael Krzus (Executive Chairman) and Donald J. Currie (Chief Executive Officer) of the Company.

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

Directorships

The directors who are currently serving on boards of other reporting companies (or equivalent) are set out below:

Name of Director	Name of reporting company and Exchange listed
Bob Hans	Hansco Capital Corp. (TSX-V).
Raymond Marks	Hansco Capital Corp. (TSX-V).
Robert Quinn	Hansco Capital Corp. (TSX-V); Ocumetics Technology Corporation (TSX-V).
Andre Douchane	BBX Minerals Ltd.
James Engdahl	Aurex Energy Corp.(TSX-V)

Orientation and Continuing Education

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

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

Ethical Business Conduct

The Company has not adopted a policies or codes of business conduct and ethics at this time. Given the experience of the Board, and their prior dealings, the Company, at this point in time, is not taking any additional steps to encourage and promote a culture of ethical business conduct.

Nomination of Directors

In fulfilling its oversight responsibilities for the nominations to the Board, the Board shall: 1) establish criteria for selecting new directors which shall reflect, among other facts, a candidate’s integrity and business ethics, strength of character, judgment, experience, and independence, as well as factors relating to the composition of the Board, including its size and structure, the relative strengths and experience of current board members and principles of diversity; 2) consider and recruit candidates to fill new positions on the Board; 3) review any candidate recommended by the Shareholders of the Company; 4) be responsible for conducting appropriate inquiries to establish a candidate’s compliance with the independent and other qualification requirements established by the Board; 5) assess the contributions of current directors in connection with the annual recommendation of a slate of nominees and at that time

review the criteria for Board candidates in the context of the evaluation process and other perceived needs of the Board; and 6) recommend the director nominees for election by the Shareholders.

Compensation

The Board intends to: 1) review and approve on an annual basis the corporate goals and objectives relevant to the CEO's compensation; 2) evaluate at least once a year the CEO's performance in light of established goals and objectives and, based on such evaluation, shall, together with all other independent members of the Board, determine and approve the CEO's annual compensation, including, as appropriate, salary, bonus, incentive, and equity compensation; 3) review and approve on an annual basis the evaluation process and compensation structure for the Company's executive officers, including parameters for salary adjustments (at the discretion of the CEO) for officers are established; and 4) review and make recommendations to the Board with respect to the adoption, amendment, and termination of the Company's management incentive-compensation and equity-compensation plans, oversee their administration and discharge any duties imposed on this Committee by any of those plans

Other Board Committees

The Board has formally appointed one standing committee: the Audit Committee.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

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

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than set out in this Information Circular, no informed person of the Company, any proposed director of the Company, or any associate or affiliate of any informed person or proposed director, has 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 has materially affected or would materially affect the Company or any of its subsidiaries.

MANAGEMENT CONTRACTS

There are no management functions of the Company, which are to any substantial degree performed by a person or company other than the directors or executive officers of the Company.

ADDITIONAL INFORMATION

Additional information concerning the Company is available through the Internet on SEDAR which may be accessed under the Company's SEDAR profile at www.sedar.com, or may be obtained by a Shareholder upon request without charge from the Company; Vancouver office AUDIT of the Company, who requests a copy of any such document.

OTHER MATTERS

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

The contents of this Information Circular and its distribution to Shareholders have been approved by the Board.

DATED at Vancouver, British Columbia, September 29, 2021

BY ORDER OF THE BOARD

"Raymond Marks"

Chief Executive Officer

SCHEDULE “A” TO THE INFORMATION CIRCULAR OF HANSTONE GOLD CORP.

Hanstone Gold Corp. Audit Charter

PURPOSE

The primary function of the Audit Committee is to assist the Board of Directors of the Company (the “**Board**”) in fulfilling its oversight responsibilities by reviewing the financial information to be provided to the shareholders and others, the systems of internal controls and management information systems established by the senior officers of the Company (“**Management**”) and the Company’s internal and external audit process and monitoring compliance with the Company’s legal and regulatory requirements with respect to its financial statements.

The Audit Committee is accountable to the Board. In the course of fulfilling its specific responsibilities hereunder, the Audit Committee is expected to maintain an open communication between the Company’s external auditors and the Board.

The Audit Committee does not plan or perform audits or warrant the accuracy or completeness of the Company’s financial statements or financial disclosure or compliance with generally accepted accounting procedures as these are the responsibility of Management.

RESPONSIBILITIES

Subject to the powers and duties of the Board, the Board hereby delegates to the Audit Committee the following powers and duties to be performed by the Audit Committee on behalf of and for the Board. Nothing in this Charter is intended to or does confer on any member a higher standard of care or diligence than that which applies to the directors as a whole.

External Auditors

The Audit Committee has primary responsibility for the selection, appointment, dismissal, compensation and oversight of the external auditors, subject to the overall approval of the Board. For this purpose, the Audit Committee may consult with Management.

The external auditors shall report directly to the Audit Committee.

Also, the Audit Committee:

- a. recommends to the Board:
 - i. whether the current external auditors should be nominated for reappointment for the ensuing year and if applicable, select and recommend a suitable alternative for nomination; and
 - ii. the amount of compensation payable to the external auditors;
- b. resolves disagreements, if any, between Management and the external auditors regarding financial reporting;
- c. provides the Board with such recommendations and reports with respect to the financial statements of the Company as it deems advisable;
- d. takes reasonable steps to confirm the independence of the external auditors, including but not limited to pre-approving any non-audit related services provided by the external auditors to the Company or the Company’s subsidiaries, if any;
- e. confirms that the external auditors are a ‘participating audit’ firm for the purpose of National Instrument 52-108 *Auditor Oversight* and are in compliance with governing regulations;
- f. reviews the plan and scope of the audit to be conducted by the external auditors of the Company;
- g. reviews and evaluates the performance of the external auditors; and
- h. reviews and approves the Company’s hiring policy regarding partners, employees and former partners and employees of the Company’s present and former external auditors.

Audit and Review Process and Results

The Audit Committee has a duty to receive, review and make any inquiry regarding the completeness, accuracy and presentation of the Company’s financial statements to ensure that the financial statements fairly present the financial position and risks of the organization and that they are prepared in accordance with generally accepted accounting principles. To accomplish this, the Audit Committee:

- a. considers the scope and general extent of the external auditors’ review, including their engagement letter and major changes to the Company’s auditing and accounting principles and practices;
- b. consults with management regarding the sufficiency of the Company’s internal system of audit and financial controls, internal audit procedures and results of such audits;

- c. ensures the external auditors have full, unrestricted access to required information and have the cooperation of management;
- d. reviews with the external auditors the audit process and standards, as well as regulatory or Company-initiated changes in accounting practices and policies and the financial impact thereof, and selection or application of appropriate accounting principles;
- e. reviews with the external auditors and, if necessary, legal counsel, any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the financial statements;
- f. reviews the appropriateness and disclosure of any off-balance sheet matters;
- g. reviews disclosure of related-party transactions;
- h. receives and reviews with the external auditors, the external auditors' audit report and the audited financial statements;
- i. makes recommendations to the Board respecting approval of the audited financial statements;
- j. meets with the external auditors separately from management to review the integrity of the Company's financial reporting, including the clarity of financial disclosure and the degree of conservatism or aggressiveness of the accounting policies and estimates, any significant disagreements or difficulties in obtaining information, adequacy of internal controls over financial reporting, adequacy of disclosure controls and procedures, and the degree of compliance by the Company with prior recommendations of the external auditors;
- k. directs management to implement such changes as the Audit Committee considers appropriate, subject to any required approvals of the Board arising out of the review; and
- l. meets at least annually with the external auditors, independent of management, and reports to the Board on such meetings.

Interim Financial Statements

The Audit Committee:

- a. reviews and determines the Company's practice with respect to review of interim financial statements by the external auditors;
- b. conducts all such reviews and discussions with the external auditors and Management as it deems appropriate; and
- c. makes recommendations to the Board respecting approval of the interim financial statements.

Involvement with Management

The Audit Committee has primary responsibility for overseeing the actions of management in all aspects of financial management and reporting. The Audit Committee:

- a. reviews the Company's annual and interim financial statements, Management's Discussion and Analysis and earnings press releases, if any, before the Company publicly discloses this information;
- b. reviews all of the Company's public disclosure of financial information extracted from the Company's financial statements, if such financial statements have not previously been reviewed by the Committee, prior to such information being made public by the Company and for such purpose, the CFO assumes responsibility for providing the information to the Audit Committee for its review;
- c. reviews material financial risks with Management, the plan that Management has implemented to monitor and deal with such risks and the success of Management in following the plan;
- d. consults annually and otherwise as required with the Company's CEO and CFO respecting the adequacy of the internal controls over financial reporting and disclosure controls and procedures and reviews any breaches or deficiencies;
- e. obtains such certifications of annual and interim filings by the CEO and CFO attesting to internal controls over financial reporting and disclosure controls and procedures as deemed advisable;
- f. reviews Management's response to significant written reports and recommendations issued by the external auditors and the extent to which such recommendations have been implemented by Management;
- g. reviews with Management the Company's compliance with applicable laws and regulations respecting financial reporting matters, and any proposed regulatory changes and their impact on the Company; and
- h. reviews as required with Management and approves disclosure of the Audit Committee Charter, and Audit Committee disclosure required in the Company's Annual Information Form, Information Circular and on the Company's website.

PROCEDURAL MATTERS

The Audit Committee:

- a. invites the Company's external auditors, the CFO, and such other persons as deemed appropriate by the Audit Committee to attend meetings of the Audit Committee;
- b. reports material decisions and actions of the Audit Committee to the Board, together with such recommendations as the Audit Committee may deem appropriate;
- c. has the power to conduct or authorize investigations into any matter within the scope of its responsibilities;
- d. has the right to engage independent counsel and other advisors as it determines necessary to carry out its duties and the right to set the compensation for any advisors employed by the Audit Committee;
- e. has the right to communicate directly with the CFO and other members of Management who have responsibility for the internal and external audit process, as well as to communicate directly with the internal and external auditors; and
- f. pre-approves non-audit services to be performed by the external auditors in accordance with the provisions of National Instrument 52-110 - *Audit Committees* ("NI 52-110").

COMPOSITION

The Audit Committee is composed of a minimum of three directors, a majority of whom are independent, subject to any exemptions or relief that may be granted from such requirements under NI 52-110, and have relevant skills and/or experience in the Audit Committee's areas of responsibility as may be required by the securities laws applicable to the Company, including those of any stock exchange on which the Company's securities are traded.

Appointment of Committee Members and Vacancies

Members of the Audit Committee are appointed or confirmed by the Board annually and hold office at the pleasure of the Board. The Board fills any vacancy on, and may appoint any additional members to, the Audit Committee.

Committee Chair

The Board appoints a Chair for the Audit Committee.

STRUCTURE AND OPERATIONS

Meetings

The Chair of the Audit Committee or the Chair of the Board or any two of its members may call a meeting of the Audit Committee. The Audit Committee meets at least four times each fiscal year, and at such other times during each year as it deems appropriate.

Quorum

A majority of the members appointed to the Audit Committee constitutes a quorum.

Notice of Meetings

The Chair of the Audit Committee arranges to provide notice of the time and place of every meeting in writing (including by electronic means) to each member of the Audit Committee at least two (2) business days prior to the time fixed for such meeting, provided, however, that a member may in any manner waive a notice of a meeting. Attendance of a member at a meeting constitutes a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. The Chair also ensures that an agenda for the meeting and all required materials for review by the members of the Audit Committee are delivered to the members with sufficient time for their review, or that such requirement is waived.

Absence of Committee Chair

If the Chair of the Audit Committee is not present at any meeting of the Audit Committee, the other members of the Audit Committee will choose a Chair to preside at the meeting.

Secretary of Committee

At each meeting the Audit Committee appoints a secretary who need not be a director of the Company.

Attendance of the Company's Officers at Meetings

The Chair of the Audit Committee or any two members of the Audit Committee may invite one or more officers of the Company to attend any meeting of the Audit Committee.

Delegation

The Audit Committee may, in its discretion and where permitted by NI 52-110, delegate all or a portion of its duties and responsibilities to a subcommittee, management or, to the extent otherwise permitted by applicable plans, laws or regulations, to any other body or individual.

Procedure and Records

Subject to any statute or constating documents of the Company, the Audit Committee determines its own procedures at meetings and may conduct meetings by telephone and keeps records of its proceedings.

COMPLAINTS

The Audit Committee has established a whistle-blower policy as detailed in the Code of Business Conduct and Ethics and Whistle Blower Policy which sets out the procedures for:

- a. the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
- b. the confidential, anonymous submission to the Company of concerns regarding questionable accounting or auditing matters.

The Audit Committee reviews the whistle-blower policy annually.

REPORTING AND ASSESSMENT

The Audit Committee reports to the Board of Directors, and on an annual basis, presents to the Board a Committee Annual Report consisting of the Audit Committee's review of its charter, the Committee's and its Chair's performance over the past year, and any recommendations the Audit Committee makes in respect thereto.

SCHEDULE “B”
TO THE INFORMATION CIRCULAR OF
10% “ROLLING” SHARE OPTION PLAN

HANSTONE GOLD CORP.
2018 STOCK OPTION INCENTIVE PLAN

1. PURPOSE

The purpose of this Stock Option Incentive Plan is to provide an incentive to Eligible Persons to acquire a proprietary interest in the Company, to continue their participation in the affairs of the Company and to increase their efforts on behalf of the Company.

2. DEFINITIONS

In this Plan, the following words have the following meanings:

- (a) “Board” means the Board of Directors of the Company;
- (b) “Common Shares” means the common shares in the capital of the Company;
- (c) “Company” means Hanstone Gold Corp.;
- (d) “consultant” has the meaning set out in the policies of the TSX Venture Exchange;
- (e) “CPC” has the meaning set out in the policies of the TSX Venture Exchange;
- (f) “Effective Date” means the day following the date upon which the Plan has been approved by the last to approve of the Board, the Exchange and any other regulatory authority having jurisdiction over the Company’s securities;
- (g) “Eligible Person” means:
 - (i) if the Company is a CPC, any director, officer or technical consultant (where permitted by applicable securities laws) and their permitted assigns (as those terms are defined by the policies of the TSX Venture Exchange and National Instrument 45-106 – *Prospectus and Registration Exemptions* as amended from time to time) of the Company or any affiliate of the Company; or
 - (ii) if the Company is a Resulting Issuer, any director, executive officer, employee, consultant, investor relations person or management company employee and their permitted assigns (as those terms are defined by the policies of the TSX Venture Exchange and National Instrument 45-106 – *Prospectus and Registration Exemptions*, as amended from time to time) of the Company or any affiliate of the Company;
- (h) “Exchange” means the TSX Venture Exchange and any other stock exchange or stock quotation system on which the Common Shares trade;
- (i) “Fair Market Value” means, as of any date, the value of the Common Shares, determined as follows:
 - (i) if the Common Shares are listed on the TSX Venture Exchange, the Fair Market Value shall be the last closing sales price for such shares as quoted on such Exchange for the market trading day immediately prior to the date of grant of the Option, less any discount permitted by the TSX Venture Exchange;
 - (ii) if the Common Shares are listed on an Exchange other than the TSX Venture Exchange, the fair market value shall be the closing sales price of such shares (or the closing bid, if no sales were reported) as quoted on such Exchange for the market trading day immediately prior to the time of determination less any discount permitted by such Exchange; and
 - (iii) if the Common Shares are not listed on an Exchange, the Fair Market Value shall be determined in good faith by the Board;
- (j) “Investor Relations Activities” has the meaning set out in the policies of the TSX Venture Exchange;

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- (k) “IPO Share Price” means the price of the Common Shares offered to the public pursuant to the Company’s initial public offering;
 - (l) “Option” means the option granted to an Optionee under this Plan and the Option Agreement;
 - (m) “Option Agreement” means such option agreement or agreements as is approved from time to time by the Board and as is not inconsistent with the terms of this Plan;
 - (n) “Option Date” means the date of grant of an Option to an Optionee;
 - (o) “Option Price” is the price at which the Optionee is entitled pursuant to the Plan and the Option Agreement to acquire Option Shares;
 - (p) “Option Shares” means, subject to the provisions of Article 8 of this Plan, the Common Shares which the Optionee is entitled to acquire pursuant to this Plan and the applicable Option Agreement;
 - (q) “Optionee” means a person to whom an Option has been granted;
 - (r) “Plan” means this 2018 Stock Option Incentive Plan;
 - (s) “Qualifying Transaction” has the meaning set out in the policies of the TSX Venture Exchange;
 - (t) “Resulting Issuer” has the meaning set out in the policies of the TSX Venture Exchange; and
 - (u) “Vested” means that an Option has become exercisable in respect of a number of Option Shares by the Optionee pursuant to the terms of the Option Agreement.

3. **ADMINISTRATION**

The Plan shall be administered by the Board, and subject to the rules of the Exchange from time to time and except as provided for herein, the Board shall have full authority to:

- (a) determine and designate from time to time those Eligible Persons to whom Options are to be granted and the number of Option Shares to be optioned to each such Eligible Person;
- (b) determine the time or times when, and the manner in which, each Option shall be exercisable and the duration of the exercise period;
- (c) determine from time to time the Option Price, provided such determination is not inconsistent with this Plan; and
- (d) interpret the Plan and to make such rules and regulations and establish such procedures as it deems appropriate for the administration of the Plan, taking into consideration the recommendations of management.

4. **OPTIONEES**

Optionees must be Eligible Persons who, by the nature of their jobs or their participation in the affairs of the Company, in the opinion of the Board, are in a position to contribute to the success of the Company.

5. **EFFECTIVENESS AND TERMINATION OF PLAN**

The Plan shall be effective as of the Effective Date and shall terminate on the earlier of:

- (a) the date which is ten years from the Effective Date; and
- (b) such earlier date as the Board may determine.

Any Option outstanding under the Plan at the time of termination of the Plan shall remain in effect in accordance with the terms and conditions of the Plan and the Option Agreement.

6. **THE OPTION SHARES**

The aggregate number of Option Shares reserved for issuance under the Plan and Common Shares reserved for issuance

under any other share compensation arrangement granted or made available by the Company from time to time may not exceed in aggregate such number of Common Shares as is equal to 10% of the Common Shares issued and outstanding at the time of such grant; provided that, if the Company is a CPC, such number cannot exceed 10% of the aggregate number of Common Shares issued and outstanding upon completion of the Company's initial public offering.

7. GRANTS, TERMS AND CONDITIONS OF OPTIONS

Options may be granted by the Board at any time and from time to time prior to the termination of the Plan. Options granted pursuant to the Plan shall be contained in an Option Agreement and, except as hereinafter provided, shall be subject to the following terms and conditions:

(a) **Option Price**

The Option Price shall be determined by the Board, provided that such price shall not be lower than the Fair Market Value of the Option Shares on the date of grant of the Option, and provided that, if the Company is a CPC, the Option Price shall not be lower than the IPO Share Price.

(b) **Duration and Exercise of Options**

Except as otherwise provided elsewhere in this Plan, the Options shall be exercisable for a period, or in percentage installments over a period, to be determined in each instance by the Board, not exceeding ten years from the Option Date. The Options must be exercised in accordance with this Plan and the Option Agreement.

Except as contemplated in (c) below, no Option may be exercised by an Optionee who was an Eligible Person at the time of grant of such Option unless the Optionee shall have been an Eligible Person continuously since the Option Date. Absence on leave, with the approval of the Company, shall not be considered an interruption of employment for the purpose of the Plan.

(c) **Termination**

All rights to exercise Options shall terminate upon the earliest of:

(i) the expiration date of the Option;

(ii) the 90th day after the Optionee ceases to be an Eligible Person for any reason other than death, disability or cause (provided that if the Company is a CPC and the Optionee does not carry on as a director, officer, technical consultant or employee of the Company upon completion of the Company's Qualifying Transaction, the Options shall be exercisable until the later of 12 months after the completion of such Qualifying Transaction and the 90th day after the Optionee ceases to be a director, officer, technical consultant or employee for any reason other than death, disability or cause);

(iii) the 30th day after the Optionee who is engaged in Investor Relations Activities for the Company ceases to be employed to provide Investor Relations Activities;

(iv) the date on which the Optionee ceases to be an Eligible Person by reason or termination of the Optionee as an employee or consultant of the Company for cause (which, in the case of a consultant, includes any breach of an agreement between the Company and the consultant);

(v) the first anniversary of the date on which the Optionee ceases to be an Eligible Person by reason of termination of the Optionee as an employee or consultant on account of disability; or

(vi) the first anniversary of the date of death of the Optionee.

(d) **Re-issuance of Options**

Options which are cancelled or expire prior to exercise may be re-issued under the Plan without shareholder approval.

(e) **Transferability of Option**

Options are non-transferable and non-assignable.

(f) **Vesting of Option Shares**

The Directors may determine and impose terms upon which each Option shall become Vested in respect of Option

Shares.

(g) Other Terms and Conditions

The Option Agreement may contain such other provisions as the Board deems appropriate, provided such provisions are not inconsistent with the Plan and the requirements of the Exchange.

In addition, for as long as the Common Shares of the Company are listed on the TSX Venture Exchange, the Company shall comply with the following requirements:

- (i) so long as the Company is a CPC, Options to acquire more than 5% of the number of issued and outstanding Common Shares of the Company at the time of its initial public offering may not be granted to any individual director or officer, and Options to acquire more than 2% of the number of issued and outstanding Common Shares of the Company at the time of its initial public offering may not be granted to all technical consultants;
- (ii) so long as the Company is classified as a “Tier 2” issuer by the TSX Venture Exchange, Options to acquire more than 5% of the issued and outstanding Common Shares of the Company may not be granted to any one individual in any 12 month period;
- (iii) Options to acquire more than 2% of the issued and outstanding Common Shares of the Company may not be granted to any one consultant in any 12 month period;
- (iv) so long as the Company is a CPC, no Options may be granted to any person providing Investor Relations Activities;
- (v) Options to acquire more than an aggregate of 2% of the issued and outstanding Common Shares of the Company may not be granted to persons employed to provide Investor Relations Activities in any 12 month period;
- (vi) Options issued to consultants performing Investor Relations Activities must vest in stages over 12 months with no more than one-quarter of the Options vesting in any three month period;
- (vii) the approval of the disinterested shareholders of the Company shall be obtained for any amendment to or reduction in the exercise price of the Option if the Optionee is an insider of the Company at the time of the amendment. For the purposes of this subsection, the term “insider” has the meaning assigned in the securities legislation applicable to the Company;
- (viii) for Options granted to the employees, consultants or management company employees of the Company, the Company will represent that the Optionee is a *bona fide* employee, consultant or management company employee of the Company, as the case may be; and
- (ix) any Option Shares acquired pursuant the exercise of options prior to the completion of the Company’s Qualifying Transaction must be deposited in escrow in accordance with the policies of the Exchange.

8. ADJUSTMENT OF AND CHANGES IN THE OPTION SHARES

- (a) If the Common Shares are at any time to be listed or quoted on any stock exchange or stock quotation system other than the TSX Venture Exchange, to the extent that there are any Options which are outstanding and unexercised at the time of such application for listing, the Option Price, the aggregate number of Option Shares, the exercise period, and any other relevant terms of such Options, and the Option Agreements in relation thereto, shall be amended in accordance with the requirements of any applicable securities regulation or law or any applicable governmental or regulatory body (including the Exchange). Subject to the requirements of the Exchange, any such amendment shall be effective upon receipt of Board approval of it, and the approval of any of the shareholders of the Company or any of the Optionees is not required to give effect to such amendment.
- (b) If the Common Shares, as presently constituted, are changed into or exchanged for a different number or kind of shares or other securities of the Company or of another Company (whether by reason of merger, consolidation,

amalgamation, recapitalization, reclassification, split, reverse split, combination of shares, or otherwise) or if the number of such Common Shares are increased through the payment of a stock dividend, then there shall be substituted for or added to each Option Share subject to or which may become subject to an Option under this Plan, the number and kind of shares or other securities into which each outstanding Option Share is so changed, or for which each such Option Share is exchanged, or to which each such Option Share is entitled, as the case may be. Outstanding Options under the Option Agreements shall also be appropriately amended as to price and other terms as may be necessary to reflect the foregoing events. In the event that there is any other change in the number or kind of the outstanding Common Shares or of any shares or other securities into which such Option Shares are changed, or for which they have been exchanged, then, if the Board shall, in its sole discretion, determine that such change equitably requires an adjustment in any Option theretofore granted or which may be granted under the Plan, such adjustment shall be made in accordance with such determination.

- (c) Fractional shares resulting from any adjustment in Options pursuant to this Section 8 will be cancelled. Notice of any adjustment shall be given by the Company to each holder of an Option which has been so adjusted and such adjustment (whether or not such notice is given) shall be effective and binding for all purposes of the Plan.

9. **PAYMENT**

Subject as hereinafter provided, the full purchase price for each of the Option Shares shall be paid by certified cheque in favour of the Company upon exercise thereof. An Optionee shall have none of the rights of a shareholder in respect of the Option Shares until the shares are issued to such Optionee.

10. **WITHHOLDING TAX REQUIREMENTS**

Upon exercise of an Option, the Optionee shall, upon notification of the amount due and prior to or concurrently with the delivery of the certificates representing the Option Shares, pay to the Company amounts necessary to satisfy applicable withholding tax requirements or shall otherwise make arrangements satisfactory to the Company for such requirements. In order to implement this provision, the Company or any related corporation shall have the right to retain and withhold from any payment of cash or issuance of Option Shares under this Plan the amount of taxes required to be withheld or otherwise deducted and paid with respect to such payment. At its discretion, the Company may require an Optionee receiving Option Shares to reimburse the Company for any such taxes required to be withheld by the Company and withhold any distribution to the Optionee in whole or in part until the Company is so reimbursed. In lieu thereof, the Company shall have the right to withhold from any cash amount due or to become due from the Company to the Optionee an amount equal to such taxes. The Company may also retain and withhold or the Optionee may elect, subject to approval by the Company at its sole discretion, to have the Company retain and withhold a number of Option Shares having a market value not less than the amount of such taxes required to be withheld by the Company to reimburse the Company for any such taxes and cancel (in whole or in part) any such Option Shares so withheld.

11. **SECURITIES LAW REQUIREMENTS**

No Option shall be exercisable in whole or in part, nor shall the Company be obligated to issue any Option Shares pursuant to the exercise of any such Option, if such exercise and issuance would, in the opinion of counsel for the Company, constitute a breach of any applicable laws from time to time, or the rules from time to time of the Exchange. Each Option shall be subject to the further requirement that if at any time the Board determines that the listing or qualification of the Option Shares under any securities legislation or other applicable law, or the consent or approval of any governmental or other regulatory body (including the Exchange), is necessary as a condition of, or in connection with, the issue of the Option Shares hereunder, such Option may not be exercised in whole or in part unless such listing, qualification, consent or approval has been effected or obtained free of any conditions not acceptable to the Board.

12. **AMENDMENT OF THE PLAN**

- (a) The Board may amend, suspend or terminate the Plan or any portion thereof at any time, but an amendment may not be made without shareholder approval if such approval is necessary to comply with any applicable regulatory requirement.
- (b) The Board shall have the power, in the event of:
 - (i) any disposition of substantially all of the assets of the Company, dissolution or any merger, amalgamation or consolidation of the Company, with or into any other Company, or the merger, amalgamation or consolidation of any other Company with or into the Company; or

-
- (ii) any acquisition pursuant to a public tender offer of a majority of the then issued and outstanding Common Shares;

but subject to compliance with the rules of the Exchange, to amend any outstanding Options to permit the exercise of all such Options prior to the effectiveness of any such transaction, and to terminate such Options as of such effectiveness in the case of transactions referred to in subsection (i) above, and as of the effectiveness of such tender offer or such later date as the Board may determine in the case of any transaction described in subsection (ii) above. If the Board exercises such power, all Options then outstanding and subject to such requirements shall be deemed to have been amended to permit the exercise thereof in whole or in part by the Optionee at any time or from time to time as determined by the Board prior to the effectiveness of such transaction, and such Options shall also be deemed to have terminated as provided above.

13. **POWER TO TERMINATE OR AMEND PLAN**

Subject to the approval of any stock exchange on which the Company's securities are listed, the Board may terminate, suspend or amend the terms of the Plan, provided that the Board may not do any of the following without obtaining, within 12 months either before or after the Board's adoption of a resolution authorizing such action, shareholder approval, and, where required, disinterested shareholder approval, or by the written consent of the holders of a majority of the securities of the Company entitled to vote:

- (a) increase the aggregate number of Common Shares which may be issued under the Plan;
- (b) materially modify the requirements as to the eligibility for participation in the Plan which would have the potential of broadening or increasing Insider participation; and
- (c) materially increase the benefits accruing to participants under the Plan.

However, the Board may amend the terms of the Plan to comply with the requirements of any applicable regulatory authority without obtaining shareholder approval, including:

- (a) amendments of a housekeeping nature to the Plan;
- (b) a change to the vesting provisions of a security or the Plan; and
- (c) a change to the termination provisions of a security or the Plan which does not entail an extension beyond the original expiry date.

14. **SHAREHOLDER APPROVAL**

This Plan is subject to the approval of the shareholders of the Company if required pursuant to the policies of the Exchange. Any Options granted prior to such approval, if required, are conditional upon such approval being given, and no such Options may be exercised unless and until such approval, as required, is given. Once the Company completes its Qualifying Transaction, this Plan is subject to the approval of the shareholders of the Company yearly at each annual general meeting of the Company.

SCHEDULE “C”
Change of Auditor

HANSTONE GOLD CORP.

NOTICE OF CHANGE OF AUDITOR

**TO: British Columbia Securities Commission
 Alberta Securities Commission**

AND TO: SHIM & Associates LLP, Chartered Professional Accountants

AND TO: A Chan & Company LLP, Chartered Professional Accountants

In accordance with National Instrument 51-102, Hanstone Gold Corp. (the "Corporation") hereby provides notice as follows of a change of its auditors:

- (a) SHIM & Associates LLP, Chartered Professional Accountants, the former auditors (the "Former Auditor") have tendered their resignation as the auditor of the Corporation effective January 29, 2021 and the directors of the Corporation on January 29, 2021 appointed A Chan & Company LLP, Chartered Professional Accountants (the "Successor Auditor"), as the Corporation's successor auditor;
- (b) the Former Auditor resigned to allow Mr. Dong H. Shim to accept the appointment as the Chief Financial Officer of the Corporation;
- (c) the resignation of the Former Auditor and the appointment of the Successor Auditor has been approved by the audit committee and confirmed by the board of directors of the Corporation;
- (d) there were no modified opinions expressed in the reports of the Former Auditor on the Corporation's financial statements for the period commencing at the beginning of the Corporation's two most recently completed financial years and ending on the date of resignation; and
- (e) in the opinion of the Corporation, there are no reportable events as defined in NI 51-102.

DATED at Vancouver, British Columbia, Canada this 29th day of January, 2021.

BY ORDER OF THE BOARD



Robert J. Quinn, Vice President and Director

UNIT 114B – 8988 FRASERTON COURT
BURNABY, BC V5J 5H8

T: 604.239.0868
F: 604.239.0866



A CHAN AND COMPANY LLP
CHARTERED PROFESSIONAL ACCOUNTANT

January 29, 2021

British Columbia Securities Commission
Alberta Securities Commission

Dear Sirs/Mesdames:

**RE: Hanstone Gold Corp. (the “Company”)
Change of Auditors**

As required by Section 4.11 of National Instrument 51-102, we have reviewed the information contained in the Notice of Change of Auditor dated January 29, 2021 (the “**Notice**”) for the above company and have the following comments:

With exception to the paragraph (a) of the Notice, with which we agree, we have no basis on which to agree or disagree with the statements made in paragraphs (b), (c), (d) and (e) of the Notice.

We understand that the Notice of Change of Auditor, together with this letter and a similar letter from Shim & Associates LLP, Chartered Professional Accountants, the resigning auditors, will be provided to the Company’s registered shareholders with the meeting materials relating to the Company’s next annual general meeting of shareholders.

Yours truly,

A CHAN & COMPANY LLP, CHARTERED PROFESIONAL ACCOUNTANT

Per:

/s/ “Anthony Chan”,



SHIM & Associates LLP
Chartered Professional Accountants
Suite 970 – 777 Hornby Street
Vancouver, B.C. V6Z 1S4
T: 604 559 3511 | F: 604 559 3501

29 January 2021

British Columbia Securities Commission

701 West Georgia Street
P.O. Box 10142, Pacific Centre
Vancouver, BC V7Y 1L2

Alberta Securities Commission

Suite 600, 250–5th St. SW
Calgary, Alberta, T2P 0R4

RE: Hanstone Gold Corp. (the “Company”)
Notice Pursuant to National Instrument 51-102 - Change of Auditor (“Notice”)

Dear Sirs:

In accordance with National Instrument 51-102, we have read the information contained in the Notice, dated 29 January 2021, and agree with the information contained therein, based upon our knowledge of the information at this date.

Yours truly,

SHIM & Associates LLP

Chartered Professional Accountants