



**NOTICE OF ANNUAL AND SPECIAL MEETING
OF SHAREHOLDERS OF**

AEX GOLD INC.

TO BE HELD ON JUNE 9, 2021

AND

MANAGEMENT INFORMATION CIRCULAR

**DATED
May 11, 2021**



AEX GOLD INC.

3400 One First Canadian Place, PO Box 130
Toronto, ON, M5X 1A4, Canada

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual and special meeting of shareholders (“**Shareholders**”) of AEX Gold Inc. (the “**Corporation**”) will be held as a virtual meeting at <https://web.lumiagm.com/244537771> on Wednesday, June 9, 2021 at 10:00 a.m. (Toronto time) (the “**Meeting**”) for the following purposes:

1. to receive and consider the audited financial statements of the Corporation for the financial year ended December 31, 2020 together with the report of the auditors thereon;
2. to elect the directors of the Corporation (the “**Directors**”) for the ensuing year;
3. to appoint PricewaterhouseCoopers LLP/s.r.l./s.e.n.c.r.l., Chartered Professional Accountants, as the auditor of the Corporation for the ensuing year and to authorize the board of directors to fix the auditor’s remuneration;
4. to consider and, if thought fit, to pass with or without variation, an ordinary resolution confirming, authorizing and approving the Corporation’s stock option plan (the “**Stock Option Plan**”);
5. to consider and, if thought fit, to pass, with or without variation, an ordinary resolution to confirm, ratify and approve the adoption of Amended By-Laws of the Corporation that were previously approved by the board of directors of the Corporation; and
6. to transact such other business as may properly come before the Meeting or any adjournments or postponements thereof.

The nature of the business to be transacted at the Meeting is described in further detail in the accompanying Management Information Circular (the “**Circular**”).

Due to the public health impact of the coronavirus disease 2019, also known as COVID-19, and to mitigate risks to the health and safety of our community, Shareholders, employees and other stakeholders, for a second year, the Corporation is conducting a virtual meeting of Shareholders. **Shareholders will not be able to attend the Meeting in person.** Instead, Registered Shareholders (as defined in the accompanying Circular under the heading “Voting at the Meeting”) and duly appointed proxyholders can virtually attend, participate, vote or submit questions at the Meeting online by accessing the following link: <https://web.lumiagm.com/244537771>.

Just as they would be at an in-person meeting, Registered Shareholders and duly appointed proxyholders will be able to attend the Meeting, participate, submit questions online and vote virtually, all in real time, provided they are connected to the internet and comply with all of the requirements set out in the accompanying Circular. Registered Shareholders who are unable to attend the Meeting are requested to complete, sign and date the accompanying form of proxy or voting instruction form in accordance with the instructions provided therein and in the Circular and return it in accordance with the instructions and timelines set forth in the Circular. Non-registered (or beneficial) shareholders who have not duly appointed themselves as proxyholder will be able to attend the Meeting as “guests”, but will not be able to participate, submit questions or vote at the Meeting.

A Shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must deposit their duly executed form of proxy with the Corporation’s transfer agent and registrar, Computershare Investor Services Inc. (“**Computershare**”), not later than 5:00 p.m. (Toronto time) on

June 7, 2021, or, if the Meeting is adjourned, not later than 48 hours (excluding Saturdays and holidays) preceding the time of such adjourned Meeting.

Shareholders who wish to appoint a third-party proxyholder to represent them at the Meeting must insert such person's name in the blank space provided in the form of proxy or voting instruction form and register such person with Computershare in accordance with the instructions below. Registering your proxyholder is an additional step once you have submitted your form of proxy or voting instruction form. Failure to register such proxyholder will result in the proxyholder not receiving a "Username" to participate or vote at the Meeting. To register a proxyholder, Shareholders MUST visit <https://www.computershare.com/AEXGold> by 5:00 p.m. (Toronto time) on June 7, 2021 and provide Computershare with such proxyholder's contact information, so that Computershare may provide the proxyholder with a "Username" via email.

If you are a holder of depositary interests, representing Common Shares, on the UK register, you can complete the enclosed Form of Instruction and return it to Computershare Investor Services PLC (the "**Depositary**"), The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom, in order for the Depositary to vote as per your instruction at the Meeting.

Holders of depositary interests, representing Common Shares, held in the United Kingdom through CREST desiring to be represented by proxy may submit their respective votes electronically through CREST Proxy Voting Service in accordance with the procedures set out in the CREST manual, by no later than 10:00am (UK time) on June 4, 2021 or, in the event that the Meeting is adjourned or postponed by no later than 72 hours, excluding Saturdays, Sundays and statutory holidays, before any adjourned or postponed meeting.

The record date for the determination of Shareholders entitled to receive notice of, and to vote at, the Meeting or any adjournments or postponements thereof is May 5, 2021 (the "**Record Date**"). Only Shareholders whose names have been entered in the register of Shareholders at the close of business on the Record Date will be entitled to receive notice of, and to vote at, the Meeting or any adjournments or postponements thereof.

DATED May 11, 2021

BY ORDER OF THE BOARD

(signed) "*Graham Stewart*"

Graham Stewart
Chairman of the Board

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AEX GOLD INC.

3400 One First Canadian Place, PO Box 130
Toronto, ON, M5X 1A4, Canada

MANAGEMENT INFORMATION CIRCULAR

This Management Information Circular dated May 11, 2021 (this “**Circular**”) is provided in connection with the solicitation of proxies by the management (“**Management**”) of AEX Gold Inc. (the “**Corporation**”) for use at the annual and special meeting (the “**Meeting**”) of the shareholders (the “**Shareholders**”) of common shares of the Corporation (“**Common Shares**”), to be held at the time and for the purposes set forth in the accompanying notice of the Meeting (the “**Notice of Meeting**”).

Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited by telephone, or other proxy solicitation services. In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), arrangements have been made with brokerage houses and clearing agencies, custodians, nominees, fiduciaries or other intermediaries to send the Corporation’s proxy solicitation materials (the “**Meeting Materials**”) to the beneficial owners of the Common Shares of the Corporation held of record by such parties. The Corporation may reimburse such parties for reasonable fees and disbursements incurred by them in doing so. The costs of the solicitation of proxies will be borne by the Corporation. The Corporation may also retain, and pay a fee to, one or more professional proxy solicitation firms to solicit proxies from Shareholders in favour of the matters set forth in the Notice of Meeting.

Due to the public health impact of the coronavirus disease 2019, also known as COVID-19, and to mitigate risks to the health and safety of our community, Shareholders, employees and other stakeholders, for a second year, the Corporation is conducting a virtual meeting of Shareholders. **Shareholders will not be able to attend the Meeting in person.** Instead, Registered Shareholders (as defined in the accompanying Circular under the heading “Voting at the Meeting”) and duly appointed proxyholders can virtually attend, participate, vote or submit questions at the Meeting online by accessing the following link: <https://web.lumiagm.com/244537771>.

If you are not able to attend the Meeting, please exercise your right to vote by completing the form of proxy, voting instruction form or form of instruction, and, in the case of Registered Shareholders (as defined below) depositing the enclosed form of proxy or voting instruction form at the offices of the Corporation’s transfer agent, Computershare Investor Services Inc. (“**Computershare**”), at:

**Computershare Investor Services Inc.
Proxy Department
8th Floor, 100 University Avenue
Toronto, Ontario, M5J 2Y1**

or via the internet at least 48 hours, excluding Saturdays, Sundays and holidays, before the Meeting or any adjournment or postponement thereof.

If you are a holder of depositary interests, representing Common Shares, on the UK register, you can complete the enclosed Form of Instruction and return it to Computershare Investor Services PLC (the “Depositary**”), The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom, in order for the Depositary to vote as per your instruction at the Meeting.**

Holders of depositary interests, representing Common Shares, held in the United Kingdom through CREST desiring to be represented by proxy may submit their vote electronically

through CREST Proxy Voting Service in accordance with the procedures set out in the CREST manual, by no later than 10:00am (UK time) on June 4, 2021 or, in the event that the Meeting is adjourned or postponed by no later than 72 hours, excluding Saturdays, Sundays and statutory holidays, before any adjourned or postponed meeting.

If you are a non-registered Shareholder, reference is made to the section below entitled “How can an Objecting Beneficial Owner vote?”

Unless otherwise indicated, all references in this Circular to “\$” refer to Canadian dollars.

GENERAL INFORMATION RESPECTING THE MEETING

To ensure representation of your Common Shares at the Meeting, please complete, sign and return, as soon as possible, your form of proxy (if you are a registered Shareholder or non-objecting beneficial owner), your form of instruction (if you are a Depository Interest holder) or the voting instruction form (if you are a non-registered Shareholder), as the case may be, that was sent to you. It is important that your Common Shares be represented at the Meeting and that your wishes be made known to the Corporation. This will be assured, whether or not you attend the Meeting, if you complete, sign and return the form of proxy or voting instruction form, as the case may be, that was sent to you.

How to Attend, Participate and Vote at the Meeting

While it is the Corporation’s intention to resume holding in-person meetings under normal circumstances, the Meeting will be a completely virtual meeting of Shareholders via webcast in order to deal with the impact of the COVID-19 pandemic and to mitigate risks to the health and safety of our community, Shareholders, employees and other stakeholders. **Shareholders will not be able to attend the Meeting in person.** Instead, registered shareholders and duly appointed proxyholders will be able to virtually attend, participate and vote at the Meeting on the date and time of the Meeting (being June 9, 2021 at 10:00 a.m. (Toronto time)) in accordance with the following instructions:

1. Log in online at <https://web.lumiagm.com/244537771>
2. Click on “I have a login”.
3. Enter the “Username” provided to you by Computershare. The 15-digit control number located on the form of proxy or in the email notification you received is your “Username”. Duly appointed proxyholders should ensure they receive a valid “Username” from Computershare. Without a valid “Username”, while duly appointed proxyholders will be able to attend the Meeting as a guest by clicking “I am a guest”, they will not be able to submit questions or vote.
4. Enter the password: “aexgold2021”.
5. Vote.

Shareholders who wish to appoint a third-party proxyholder to represent them at the Meeting must insert such person’s name in the blank space provided in the form of proxy or voting instruction form and register such person with Computershare in accordance with the instructions below. Registering your proxyholder is an additional step once you have submitted your form of proxy or voting instruction form. Failure to register such proxyholder will result in the proxyholder not receiving a “Username” to participate or vote at the Meeting. To register a proxyholder, Shareholders MUST visit <https://www.computershare.com/AEXGold> by 5:00 p.m. (Toronto time) on June 7, 2021 and provide Computershare with such proxyholder’s contact information, so that Computershare may provide the proxyholder with a “Username” via email.

Requests for registration by third-party proxyholders must be labeled as “Legal Proxy” and be received no later than June 7, 2021 by 5:00 p.m. (Toronto time). In addition, Shareholders may register a proxyholder online by following the instructions provided in the paragraph immediately above. You will receive a confirmation of your registration by email after Computershare receives your registration materials. By attending the Meeting online and accepting the terms and conditions, you will be revoking all previously submitted proxies. However, in such a case, you will be provided the opportunity to vote by ballot on the matters put forth at the Meeting. If you DO NOT wish to

revoke all previously submitted proxies, do not accept the terms and conditions, in which case you can only enter the Meeting as a guest.

If you are eligible to vote at the Meeting, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the Meeting. Therefore, even if you currently plan to access the Meeting and vote during the webcast, the Corporation encourages you to consider voting your Common Shares in advance by mail, telephone or internet (as further described below) so that your votes will be counted in the event you experience any technical difficulties or are otherwise unable to access the Meeting. Providing your voting instructions to the persons named in the form of proxy or appointing another person as your proxy will ensure your vote is counted at the Meeting even if you later decide not to attend the Meeting or are unable to access the Meeting in the event of technical difficulties.

The following questions and answers provide further guidance on how to vote your Common Shares.

VOTING AND PROXIES

Voting at the Meeting

A registered shareholder of Common Shares (a “**Registered Shareholder**”) or a non-registered Shareholder who has appointed themselves or a third-party proxyholder to represent them at the Meeting, will appear on a list of shareholders prepared by Computershare. To have their Common Shares voted at the Meeting, each Registered Shareholder or proxyholder must follow the instructions provided in the section “How to Attend, Participate and Vote at the Meeting” above. See also the instructions below under “How can a registered Shareholder or Non-Objecting Beneficial Owner vote?”

Who is soliciting my proxy?

This Circular is being furnished in connection with the solicitation by Management of proxies at the Meeting, including at any adjournment or postponement thereof. The solicitation of proxies will be primarily by mail, but may also be made by telephone, internet or other electronic means of communication. The cost of solicitation of proxies will be borne by the Corporation.

What will I be voting on?

Shareholders will be voting:

1. to receive and consider the financial statements of the Corporation for the financial year ended December 31, 2020 together with the report of the auditors thereon;
2. to elect the directors of the Corporation (the “**Directors**”) for the ensuing year;
3. to appoint PricewaterhouseCoopers LLP/s.r.l./s.e.n.c.r.l., Chartered Professional Accountants, as the auditor of the Corporation for the ensuing year and to authorize the board of directors to fix the auditor’s remuneration;
4. to consider and, if thought fit, to pass with or without variation, an ordinary resolution confirming, authorizing and approving the Corporation’s stock option plan (the “**Stock Option Plan**”);
5. to consider and, if thought fit, to pass, with or without variation, an ordinary resolution to confirm, ratify and approve the adoption of the Amended By-Laws (as defined below) of the Corporation that were previously approved by the board of directors of the Corporation; and
6. to transact such other business as may properly come before the Meeting or any adjournments or postponements thereof.

Common Shares may be voted for, or withheld from voting on, (i) the election of each of the Directors, (ii) the appointment of the auditors, (iii) confirmation and approval of the Stock Option Plan, (iv) the confirmation and approval of the amendments to the By-Law No. 1 and (v) on all other matters that Shareholders are entitled to vote on at the Meeting. **The Common Shares represented by proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and, if the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be**

voted accordingly. As indicated below in this Circular, Management recommends that Shareholders vote FOR each of the above resolutions.

How will these matters be decided at the Meeting?

All of the matters to be considered at the Meeting are ordinary resolutions requiring approval by more than 50% of the votes cast by or on behalf of Shareholders present in person or represented by proxy, except where stated to be a special resolution of the Shareholders, in which case a two-thirds (2/3) majority of affirmative votes is required to be cast at the Meeting in order to pass a special resolution.

Who can vote?

Shareholders who are registered as at the close of business on May 5, 2021 (the “**Record Date**”) will be entitled to receive notice and vote at the Meeting or at any adjournment or postponement thereof, either in person or by proxy. If a Shareholder did not hold a Common Share on the Record Date, the Shareholder is not entitled to receive notice and vote at the Meeting or at any adjournment or postponement thereof.

How many Common Shares are eligible to vote?

As at the close of business on the Record Date, 177,098,737 Common Shares were issued and outstanding. Each Common Share held at that date entitles its holder to one vote at the Meeting.

How do I vote?

If your Common Shares are registered on the Record Date directly in your name with Computershare, then you are a Registered Shareholder and you can vote your Common Shares at the Meeting by (i) following the instructions provided in the section “**How to Attend, Participate and Vote at the Meeting**” above; or (ii) completing your form of proxy or voting instruction form in accordance with the instructions provided therein and in this Circular and returning it in accordance with the instructions and timelines set forth in this Circular. **See also the instructions below under “How can a Registered Shareholder or Non-Objecting Beneficial Owner vote?”**

If your Common Shares are held in the name of an intermediary, then you are a non-registered Shareholder. There are two kinds of registered or “beneficial” owners: (i) those who object to their name being known to the Corporation (“**Objecting Beneficial Owners**”) and (ii) those who do not object (“**Non-Objecting Beneficial Owners**”). If you are an Objecting Beneficial Owner and have received your Meeting Materials through an intermediary, **see the instructions below under “How can an Objecting Beneficial Owner vote?”** If you are a Non-Objecting Beneficial Owner, you will have received your Meeting Materials directly from Computershare, and you are entitled to vote your Common Shares at the Meeting or by proxy in accordance with the instructions provided in the paragraph immediately above.

If you hold Depositary Interests you can vote by completing your form of instruction in accordance with the instructions provided therein. Alternatively, holders of Depositary Interests can vote using the CREST system in accordance with the procedures described in the CREST Manual. To be effective, the CREST Voting Instruction must be transmitted so as to be received by the Company’s agent (3RA50) no later than 10.00 a.m. (Toronto time) on June 4, 2021. For this purpose, the time of receipt will be taken to be the time determined by the timestamp applied to the CREST Voting Instruction. The Company may treat as invalid a CREST Voting Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

How can a Registered Shareholder or Non-Objecting Beneficial Owner vote?

If your Common Shares are registered on the Record Date directly in your name with Computershare, you are considered with respect to those Common Shares to be a Registered Shareholder, in which case the Circular and form of proxy have been sent directly to you by Computershare.

1. Voting at the Meeting

Registered Shareholders and duly appointed proxyholders may vote at the Meeting by following the instructions provided in the section “**How to Attend, Participate and Vote at the Meeting**” above.

2. Voting by Internet

Registered Shareholders may submit their proxy and vote via the internet by visiting www.investorvote.com and following the instructions on screen. You will be required to enter your 15-digit control number, which is indicated on your form of proxy.

3. Voting by Proxy

Complete and sign the form of proxy and return it to Computershare either in person or by mail or courier to 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1.

If your Common Shares are registered in your name, you may appoint someone else to vote for you as your proxyholder by using the enclosed form of proxy. The persons named in the enclosed form of proxy are officers and/or directors of the Corporation. You have the right to appoint another person or company, who need not be a Shareholder, to represent you at the Meeting, by inserting the person's name in the blank space provided in the enclosed form of proxy or by completing another proper form of proxy.

Shareholders who wish to appoint a third-party proxyholder to represent them at the Meeting must insert such person's name in the blank space provided in the form of proxy or voting instruction form and register such person with Computershare in accordance with the instructions below. Registering your proxyholder is an additional step once you have submitted your form of proxy or voting instruction form. Failure to register such proxyholder will result in the proxyholder not receiving a "Username" to participate or vote at the Meeting. To register a proxyholder, Shareholders MUST visit <https://www.computershare.com/AEXGold> by 5:00 p.m. (Toronto time) on June 7, 2021 and provide Computershare with such proxyholder's contact information, so that Computershare may provide the proxyholder with a "Username" via email. **Without a Username, proxyholders will not be able to vote at the Meeting.**

The proxy must be deposited with Computershare by no later than 5:00 p.m. (Toronto time) on June 7, 2021 or if the Meeting is adjourned or postponed, not less than 48 hours, excluding Saturdays, Sundays and statutory holidays, before the commencement of such adjourned or postponed meeting. If a Shareholder who has submitted a proxy attends the Meeting via the webcast and has accepted the terms and conditions when entering the Meeting online, any votes cast by such Shareholder on a ballot will be counted and any previously submitted proxy will be disregarded.

If you return your form of proxy in accordance with the instructions provided above, complete your voting instructions and date and sign the form. Make sure the person you appoint, if any, is aware that he or she has been appointed and virtually attends the Meeting in order for your Common Shares to be voted.

How will my Common Shares be voted if I give my proxy?

You may indicate the manner in which the person you appoint as your proxyholder is to vote your Common Shares with respect to any matter put to a vote at the Meeting and on any ballot, and your Common Shares will be voted accordingly. If you wish to confer a discretionary authority with respect to any item of business, then leave the space opposite the matter blank. The Common Shares represented by the completed form of proxy submitted by you will be voted in accordance with the directions, if any, given in the form of proxy. **In the absence of such direction, such Common Shares will be voted FOR each item identified in the Notice of Meeting. The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting.** At the time of printing of this Circular, Management knows of no such amendments, variations or other matters to come before the Meeting.

The form of proxy appointing a proxy must be in writing and must be executed by you or your authorized attorney or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized.

How can I revoke my proxy?

You can revoke your proxy at any time before it is exercised, by requesting, or having your authorized attorney request, in writing to revoke your proxy. The request must be deposited by mail to the office of Computershare at the above-mentioned address at any time up to and including 5:00 p.m. (Toronto time) on the last business day preceding the day of the Meeting, or any adjournment or postponement thereof. If you have returned a proxy and attend the Meeting and vote, any such votes will be counted and the proxy will be disregarded. A Shareholder may also revoke a proxy in any other manner permitted by law.

How can an Objecting Beneficial Owner vote?

If your Common Shares are not registered in your name and are held in the name of an intermediary such as a bank, trust company, securities dealer or broker or other financial institution (“**Intermediary**”), and you have objections to the Corporation obtaining your name, then you are an Objecting Beneficial Owner.

Registered Shareholders, or the persons they appoint as their proxies, are permitted to vote at the Meeting. However, while non-registered Shareholders are permitted to attend the Meeting as “Guests”, they may not submit questions or vote at the Meeting unless they have been appointed as a proxyholder. Without specific instructions, Intermediaries are prohibited from voting Common Shares for Shareholders.

If you are an Objecting Beneficial Owner, you can vote your Common Shares in the ways set forth below:

1. Giving your Voting Instructions

In accordance with the requirements of NI 54-101, the Corporation will have distributed copies of the Meeting Materials to either: (i) the Intermediary the non-registered Shareholder deals with respect of their Common Shares, or (ii) a clearing agency of which the Intermediary is a participant, for onward distribution to the non-registered Shareholders. The clearing agencies and Intermediaries are required to forward copies of the Meeting Materials to non-registered Shareholders. The clearing agencies and Intermediaries will also provide you with a voting instruction form, which must be completed and signed by you in accordance with the directions on the voting instruction form. This will allow you to direct the voting of the Common Shares you beneficially own.

Objecting Beneficial Owners should carefully follow the instructions of the clearing agency or Intermediary, including any instructions as to the time within which you will be required to return voting instruction forms to the clearing agency or Intermediary.

You may revoke a voting instruction form or a waiver of the right to receive Meeting Materials and to vote given to the clearing agency or Intermediary, at any time, by written notice to the clearing agency or Intermediary, except that the clearing agency or Intermediary is not required to act on a revocation of a voting instruction form or of a waiver of the right to receive Meeting Materials and to vote that is not received by the clearing agency or Intermediary at least seven days prior to the Meeting.

2. Voting at the Meeting

If you are an Objecting Beneficial Owner, you are permitted to attend the Meeting, but may not vote (or have another person attend and vote on behalf of the non-registered Shareholder) unless you advise the clearing agency or Intermediary in accordance with the instructions set forth on the voting instruction form. In doing so, you are instructing your clearing agency or Intermediary to appoint you as a proxyholder. **If you wish to attend the Meeting and indirectly vote your Common Shares as proxyholder for your clearing agency or Intermediary, or have a person designated by you to do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the voting instruction form provided to you and return the same to your clearing agency or Intermediary in accordance with the instructions provided by such clearing agency or Intermediary in advance of the Meeting.**

If you appoint yourself or another person (other than the persons named in the form of proxy or the voting instruction form), you must register with Computershare in accordance with the instructions below. Registering yourself (or the person you appoint) as proxyholder is an additional step once you have submitted your form of proxy or voting instruction form. Failure to register yourself or such proxyholder will result in the proxyholder not receiving a "Username" to participate or vote in the Meeting. To register, you or the person you appoint MUST visit <https://www.computershare.com/AEXGold> by 5:00 p.m. (Toronto time) on June 7, 2021 and follow the instructions provided therein in order to receive a "Username" from Computershare. **Without a Username, proxyholders will not be able to vote at the Meeting.**

How can a holder of depositary interests vote?

If you are a holder of depositary interests, representing Common Shares, on the UK register, you can complete the enclosed Form of Instruction and return it to Computershare Investor Services PLC (the "**Depositary**"), The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom, in order for the Depositary to vote as per your instruction at the Meeting.

Holders of depositary interests, representing Common Shares, held in the United Kingdom through CREST desiring to be represented by proxy may submit their respective votes electronically through CREST Proxy Voting Service in accordance with the procedures set out in the CREST manual, by no later than 10:00am (UK time) on June 4, 2021 or, in the event that the Meeting is adjourned or postponed by no later than 72 hours, excluding Saturdays, Sundays and statutory holidays, before any adjourned or postponed meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized share capital of the Corporation consists of an unlimited number of Common Shares without par value. As of May 5, 2021 (being the Record Date), there were a total of 177,098,737 Common Shares issued and outstanding. Each Common Share outstanding on the Record Date carries the right to one vote at the Meeting.

Only Registered Shareholders as of the Record Date are entitled to receive notice of, and to vote at, the Meeting or any adjournment or postponement of the Meeting. Each Shareholder and proxy holder will have one vote and, on a poll, each Shareholder present at the Meeting or represented by proxy will have one vote for each Common Share held.

To the knowledge of the of the board of directors (the "**Board**") and executive officers of the Corporation, as of the date hereof, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attached to the outstanding Common Shares.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON

No director or executive officer of the Corporation who was a director or executive officer at any time since the Corporation's last financial year, or any associate or affiliates of any such directors or officers, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

BUSINESS OF THE MEETING

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

PRESENTATION OF FINANCIAL STATEMENTS

The audited, consolidated financial statements of the Corporation for the year ended December 31, 2020 and the report of the auditors thereon shall be placed before the Shareholders at the Meeting. No vote will be taken on the financial statements. The financial statements and additional information concerning the Corporation are available under the Corporation's profile at www.sedar.com.

ELECTION OF DIRECTORS

The following table states the names of the persons nominated by Management and specifically, the Corporate Governance and Nomination Committee for election and re-election as directors, any offices with the Corporation currently held by them, their principal occupations or employment, the period or periods of service as directors of the Corporation and the approximate number of voting securities of the Corporation beneficially owned, directly or indirectly, or over which control or direction is exercised as of the date hereof. Other than Line Frederiksen and David Neuhauser, all of the persons nominated are currently Directors of the Corporation. Georgia Quenby has chosen not to stand for re-election at the forthcoming Meeting.

Name, Province (or State) and Country of Residence and Position with the Corporation	Principal Occupation for the Past Five Years⁽¹⁾	Served as director of the Corporation since	Number of Common Shares beneficially owned, directly or indirectly, or controlled or directed at present⁽²⁾	Percentage of voting shares owned or controlled⁽³⁾
Graham Stewart ⁽⁵⁾⁽⁷⁾⁽⁸⁾⁽⁹⁾ Aberdeen, United Kingdom <i>Chairman of the Board and Non-Executive Director</i>	Chief Executive Officer of Faroe Petroleum PLC from 2002 to April 2019; Chairman Longboat Energy PLC since July 2019.	April 14, 2017	1,843,058	1.04%
Eldur Ólafsson ⁽⁶⁾⁽⁹⁾ Reykjavik, Iceland <i>President, Chief Executive Officer and Director</i>	Co-founder of Iceland Petroleum in 2012, which was later reorganized into Arctic Resources Capital S.à r.l.; Founder and Chief Executive Officer of Orka Energy ehf from 2010 to 2012.	April 14, 2017	7,906,385	4.46%
George Fowlie ⁽¹²⁾ Pender Island, Canada <i>Non Executive Director</i>	Managing director of GRF Capital Advisors Inc. since 2008. CFO AEX Gold Inc. December 2019 to January 2021	February 22, 2017	244,000	0.13%
Jaco Crouse ⁽⁹⁾⁽¹⁰⁾ Toronto, Canada <i>Chief Financial Officer</i>	Founder of Quant Mining	N/A	6,250 ⁽⁴⁾	0.003%
Sigurbjorn Thorkelsson ⁽⁵⁾⁽⁷⁾⁽⁸⁾⁽¹¹⁾ Reykjavik, Iceland <i>Non-Executive Director</i>	Senior Managing Director at Nomura Group; Managing Director (Head of Equities EMA) at Barclays Capital London.	July 27, 2020	6,627,834	3.74%
Line Frederiksen Nuussuaq, Greenland <i>Non-Executive Director</i>	Chief Financial Officer of Tele Greenland A/S	N/A	N/A	N/A

<u>Name, Province (or State) and Country of Residence and Position with the Corporation</u>	<u>Principal Occupation for the Past Five Years⁽¹⁾</u>	<u>Served as director of the Corporation since</u>	<u>Number of Common Shares beneficially owned, directly or indirectly, or controlled or directed at present⁽²⁾</u>	<u>Percentage of voting shares owned or controlled⁽³⁾</u>
David Neuhauser <i>Chicago, USA</i> <i>Non-Executive Director</i>	Founder and Managing Director of Livermore Partners.	N/A	9,415,800	5.32%

Notes:

1. The information as to principal occupation, business or employment is not within the knowledge of the Corporation and has been furnished by the respective nominees.
2. The information as to the number of securities beneficially owned or over which control or direction is exercised has been obtained by the Corporation from publicly disclosed information and/or has been furnished by the respective nominees.
3. The percentage of voting rights calculations stated above is based on 177,098,737 Common Shares outstanding as at May 5, 2021.
4. Mr. Crouse purchased Common Shares on October 9, 2020 prior to joining the Corporation.
5. Member of the Audit and Risk Management Committee.
6. Member of the Safety and Environmental Committee.
7. Member of the Corporate Governance and Nomination Committee.
8. Member of the Compensation Committee.
9. Member of the Disclosure Committee.
10. Mr. Crouse joined the Corporation as Chief Financial Officer on January 25, 2021 and was appointed as a Director on April 28, 2021.
11. Mr. Thorkelsson became a Director of the Corporation on July 27, 2020.
12. On January 25, 2021, George Fowlie stepped down as the Chief Financial Officer of the Corporation but continues to serve as a non-executive director.

The term of office of each director will be from the date of the meeting at which he or she is elected until the next annual meeting of Shareholders, or until his or her successor is elected or appointed.

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

Corporate Cease Trade Orders or Bankruptcies

Except as disclosed below, no proposed director or executive officer of the Corporation is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that:

- (i) was the subject, while the proposed director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation (an “**Order**”); or
- (ii) was subject to an Order that was issued after the proposed director or executive officer ceased to be a director, chief executive officer or chief financial officer but which resulted from an event that occurred while the proposed director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer of such company.

Except as disclosed below, no proposed director, executive officer or Shareholder holding a sufficient number of securities of the Corporation to materially affect the control of the Corporation:

- (i) is, as at the date of this Circular, or has been within 10 years before the date of this Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act;

- (ii) in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (iii) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; or
- (iv) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority.

Mr. Fowlie was Chairman, interim Chief Executive Officer and Chief Financial Officer of Maudore Minerals Ltd. (“Maudore”) from July 2012 to March 2015. On February 27, 2015, an Order was issued by the Commercial Division of the Superior Court of Québec to protect Maudore from its creditors while it reorganized its business pursuant to a plan of arrangement under the Companies’ Creditors Arrangement Act (Canada). In addition, Maudore’s subsidiary, Aurbec Mines Inc., was placed into receivership on December 17, 2014 and declared bankruptcy on January 7, 2015 under the Bankruptcy and Insolvency Act (Canada) while Mr. Fowlie was a director and officer of such subsidiary. Mr. Fowlie was also a director of March Entertainment Inc., which was voluntarily placed into bankruptcy on July 15, 2013.

Joan Plant was an officer of Arctic Mining Ltd (United Kingdom) (“**Arctic Mining**”) and a director of Angel Mining (Gold) A/S (“**Angel Mining Subco**”) during the restructuring process of Angel Mining Subco and its affiliates initiated in 2014. As a result of such restructuring, Arctic Mining went into creditors’ voluntary liquidation on December 17, 2014 pursuant to the *Insolvency Act 1986* (United Kingdom) and Angel Mining Subco filed a petition for bankruptcy in 2015 pursuant to the *Bankruptcy Act* (Denmark).

Personal Bankruptcies

None of the directors has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

Penalties and Sanctions

None of the directors have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

APPOINTMENT OF AUDITORS

Proxies received in favour of Management will be voted in favour of the appointment of PricewaterhouseCoopers LLP/s.r.l./s.e.n.c.r.l. (“**PwC**”), a partnership of Chartered Professional Accountants, as auditors of the Corporation to hold office until the next annual meeting of Shareholders and the authorization of the directors to fix the auditor’s remuneration, unless the Shareholder has specified in the proxy that his or her Common Shares are to be withheld from voting in respect thereof. PwC was engaged on February 6, 2017 to assist the Corporation on statutory and regulatory deliverables in connection with the Corporation’s initial public offering, which completed on July 13, 2017.

APPROVAL OF STOCK OPTION PLAN

The Corporation has adopted the Stock Option Plan for executive officers, directors, employees and consultants of the Corporation. The Stock Option Plan provides for the issuance of stock options to acquire up to 10% of the Corporation’s issued and outstanding capital as at the date of grant, subject to standard anti-dilution adjustment. The Stock Option Plan is a “rolling plan” as the number of Common Shares reserved for issuance pursuant to the grant of stock options will increase as the

Corporation's issued and outstanding share capital increases. At no time will more than 10% of the outstanding Common Shares be subject to grant under the Stock Option Plan. If a stock option expires, is exercised or otherwise terminates for any reason, the number of Common Shares of the Corporation in respect of that expired, exercised or terminated stock option shall again be available for the purpose of the Stock Option Plan. The principal features of the Stock Option Plan are described in more detail below (see "*Executive Compensation – Long Term Compensation – Options*").

In June 2018, the Board approved minor amendments to its Stock Option Plan. The amendments made to the Stock Option Plan will now require the Corporation to seek disinterested shareholder approval for any reduction in the exercise price of a stock option, if that stock option is held by an insider of the Corporation, as of the time of the proposed amendments. The Corporation has also amended the Stock Option Plan to clarify that it is the responsibility of the Corporation and the individual being granted stock options to confirm that the stock options are being granted to a *bona fide* employee, consultant or management company employee (as the case may be). The TSX Venture Exchange ("**TSXV**") has reviewed and approved the amended Plan.

As the Stock Option Plan is a "rolling" stock option plan, under Policy 4.4 of the TSXV, a listed company on the TSXV is required to obtain the approval of its Shareholders for a "rolling" stock option plan at each annual meeting of Shareholders. The full text of the Stock Option Plan is attached as Schedule "B" to the management information circular of the Corporation dated May 18, 2020 (a copy of which is available under the Corporation's profile on SEDAR at www.sedar.com).

Accordingly, Shareholders will be asked to approve the following resolution:

"BE IT RESOLVED THAT:

1. the Stock Option Plan of the Corporation, substantially in the form attached as Schedule "B" to the management information circular of the Corporation dated May 11, 2021, be and it is hereby approved; and
2. any one director or officer of the Corporation be and is hereby authorized and directed to do such things and to execute and deliver all such instruments, deeds and documents, and any amendments thereto, as may be necessary or advisable in order to give effect to the foregoing resolution."

In accordance with the policies of the TSXV, the Stock Option Plan must be approved by the majority of votes cast at the Meeting on the resolution.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE STOCK OPTION PLAN UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER COMMON SHARES ARE TO BE VOTED AGAINST SUCH APPROVAL.

AMENDMENT TO BY-LAWS RE AIM LISTING MATTERS

As previously announced, the Corporation completed its listing on the AIM Market of the London Stock Exchange PLC (the "**Exchange**") ("**AIM**") on July 31, 2020. In order to comply with the AIM Rules for Companies (as published by the Exchange and amended from time to time) (the "**AIM Rules**") and recommendations under the Disclosure Rules and the Transparency Rules of the United Kingdom Financial Conduct Authority (the "**DTRs**"), the Board has approved certain amendments to By-Law No. 1 of the Corporation (the "**By-Laws**").

Under the AIM Rules, a "significant shareholder" means any person with a holding (as defined in the AIM Rules) of 3% or more of a corporation's issued share capital. Under Rule 17 and Schedule 5 of the AIM Rules, an AIM listed company must issue notification without delay of any change to the holding of a significant shareholder which increases or decreases such holding through any single percentage point (a "**Relevant Change**"). DTR 5 then places a requirement on significant shareholders to notify a corporation of any such Relevant Change. However, as a corporation incorporated under the *Canada Business Corporations Act* ("**CBCA**"), the Corporation is not subject to the DTRs and, consequently, Shareholders are not (prior to giving effect to the amendments to the By-Laws described below) subject to the same English law requirements. In such cases, the AIM Rules provide that a corporation whose local laws do not impose similar requirements to DTR 5 (as is the case in Canada) should enact such amendments to their constitution as to mirror the requirements of DTR 5 to enable and ensure compliance with the AIM Rules.

In addition, Rule 41 of the AIM Rules dictates that, should the Corporation wish to cancel the admission of its Common Shares to trading on AIM, it is required to obtain the consent of not less than 75% of votes cast by Shareholders at a duly called meeting thereof (unless the Exchange otherwise agrees in certain circumstances).

Furthermore, the Corporation wishes to increase the quorum requirements for the transaction of business at any meeting of the Board from two Directors to at least 50% of the number of Directors.

Accordingly, the Board approved certain amendments to the By-Laws in order to comply with the AIM Rules such that: (i) the Corporation may require a person who it has reasonable cause to believe is interested in Common Shares to disclose any such interests; (ii) all Shareholders and holders of depositary interests that represent Common Shares with interests in 3% or more of the Common Shares are required to notify the Corporation of their holdings and any Relevant Change; (iii) cancellation of the admission to trading of the Common Shares on the AIM shall be conditional upon the consent of not less than 75% of votes cast by its shareholders at a duly called meeting thereof; and (iv) the quorum requirements for the transaction of business at any meeting of the Board shall be at least 50% of the number of Directors. The foregoing amendments to the By-Laws are hereinafter collectively referred to as the "By-Law Amendments". A copy of the amended By-Laws is included at Schedule "B" of this Circular (hereinafter, the "**Amended By-Laws**").

Pursuant to the CBCA, a by-law, or an amendment or a repeal of a by-law, is effective from the date of the resolution of the directors under subsection (3) of Section 103 of the CBCA until it is confirmed, confirmed as amended or rejected by the shareholders or until it ceases to be effective under subsection (4) of Section 103 of the CBCA, and, if the by-law is confirmed or confirmed as amended, it continues in effect in the form in which it was so confirmed. Subsection (4) of Section 103 of the CBCA provides that if a by-law, or an amendment or a repeal of a by-law, is rejected by the shareholders, or if the directors do not submit a by-law, or an amendment or a repeal of a bylaw, to the shareholders, the by-law, amendment or repeal ceases to be effective and no subsequent resolution of the directors to make, amend or repeal a by-law having substantially the same purpose or effect is effective until it is confirmed or confirmed as amended by the shareholders.

Accordingly, at the Meeting, Shareholders will be asked to consider and, if deemed appropriate, to approve the following resolution:

"BE IT RESOLVED THAT:

1. the proposed By-Law Amendments, substantially in the form attached as Schedule "B" to the management information circular of the Corporation dated May 11, 2021, be and are hereby confirmed, ratified and approved and that the Amended By-Laws be and are hereby confirmed, ratified and approved and such Amended By-Laws be and are hereby accepted as the By-Laws of the Corporation; and
2. any one director or officer of the Corporation be and is hereby authorized and directed to do such things and to execute and deliver all such instruments, deeds and documents, and any amendments thereto, as may be necessary or advisable in order to give effect to the foregoing resolution."

As an ordinary resolution, the By-Law Amendments must be approved by the majority of votes cast at the Meeting on the resolution.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE BY-LAW AMENDMENTS UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER COMMON SHARES ARE TO BE VOTED AGAINST SUCH APPROVAL.

EXECUTIVE COMPENSATION

Under applicable securities legislation, the Corporation is required to disclose certain financial and other information relating to the compensation of its President and Chief Executive Officer, Chief Financial Officer and all of the other most highly compensated executive officers of the Corporation who meet the applicable disclosure threshold (collectively, the “**Named Executive Officers**” or “**NEOs**”). A summary of salary and other annual compensation earned by the Named Executive Officers for the most recently completed financial year ended December 31, 2020, is set out in the “**Summary Compensation Table**”. Other than the current President and Chief Executive Officer, being Eldur Ólafsson; the Chief Financial Officer, being Jaco Crouse; and the former Chief Financial Officer, being George Fowlie; the Chief Operating Officer, Martin Ménard and the Corporate Secretary, Joan Plant, there are no other Named Executive Officers, or individuals acting in similar capacity of the Corporation that would otherwise qualify for inclusion in the discussions below.

COMPENSATION DISCUSSION AND ANALYSIS

Introduction

The purpose of this Compensation Discussion and Analysis is to provide information about the Corporation’s philosophy, objectives and processes regarding compensation for its executives. It explains how decisions regarding compensation are made by the Board through the Compensation Committee and the reasoning behind such decisions. All members of the Compensation Committees have expertise and experience in compensation and other human resources areas through their involvement with a wide variety of companies, both public and private. Following the Corporation’s listing on AIM on July 31, 2020 (the “**Admission**”), the Corporation has developed a Compensation Policy. All compensation will be paid in accordance with the Corporation’s Compensation Policy.

Philosophy

In determining the compensation to be paid or awarded to the Named Executive Officers, the Compensation Committee will seek to encourage the advancement of the Corporation’s projects and the growth of its resource base, with a view to enhancing shareholder value. To achieve these objectives, the Corporation believes it is critical to maintain a compensation program that has the appropriate balance of fixed and variable elements to attract and retain committed, highly qualified NEOs that both align the interests of the executives with those of its shareholders.

The Corporation’s executive compensation program consists of a combination of base salary, short-term incentives in the form of bonuses and long-term incentives in the form of participation in the Corporation’s Stock Option Plan. Given the Corporation’s current status as an early stage mineral exploration company without any significant revenue, the Corporation is constrained by the amount of capital and other resources it has available to it. As a result, the long-term incentive component of the compensation mix for NEOs is given more emphasis than the base salary component.

Base Salary

The base salary for each executive is established based upon the position held, the related responsibilities and functions performed and the salary ranges for similar positions in comparable companies. Individual and corporate performance are also taken into account in determining base salary levels for the NEOs.

Short-Term Incentive Plan

The Corporation focuses on exploration, which will be followed eventually by mine development and ultimately full-scale production. As each of these stages requires different experiences and skills, the Corporation believes that short-term goal specific incentives will be effective in aligning efforts towards those phases of activity. The short-term incentive plan includes both cash and share-based compensation for performance.

Stock Options

The Corporation believes that encouraging its NEOs to become Shareholders is the best way of aligning their interests with those of its Shareholders and encouraging them to remain associated with the Corporation. Equity participation is accomplished through the Corporation’s Stock Option

Plan. Options are granted to the NEOs taking into account a number of factors, including base salary and bonuses and competitive factors. The number of outstanding options is also considered by the Board when determining the number of options to be granted in any particular year due to the limited number of options which are available for grant under the Stock Option Plan. See “Executive Compensation – Long Term Compensation – Options” for a summary of the terms of the Corporation’s Stock Option Plan and “Executive Compensation – Incentive Plan Awards – Outstanding Option-Based Awards” for a description of the options that the Board granted to the Named Executive Officers under the Stock Option Plan.

Other

In developing its compensation structure and philosophy, the Compensation Committee considers other factors, such as target share ownership guidelines, pension plans, specific target weightings and percentage of compensation at risk. However, the Compensation Committee determined that it would not be appropriate to incorporate any such components into the compensation structure of NEOs at this stage of the Corporation’s development.

Ongoing Review

On an ongoing basis, the Compensation Committee assesses the NEOs of the Corporation and the appropriateness of their compensation packages, having regard to their individual performance, experience and contribution to the operations and growth of the Corporation. All compensation will be paid in accordance with the Corporation’s Compensation Policy.

Compensation Risk Assessment and Mitigation

The Compensation Committee has considered the implications of the risks associated with the Corporation’s Compensation Policy and believes that none of its NEOs are encouraged to take inappropriate or excessive risks that are reasonably likely to have a material adverse effect on the Corporation.

LONG TERM COMPENSATION

Options

The purpose of the Corporation’s Stock Option Plan is to provide the Corporation with a share-related mechanism to attract, retain and motivate qualified directors, senior officers, employees and consultants of the Corporation (the “**Eligible Persons**”), to reward such participants from time to time for their contributions toward the long-term goals of the Corporation and to enable and encourage such participants to acquire Common Shares as long-term investments.

The Corporation’s Stock Option Plan has the following key features:

- The total number of Common Shares issuable pursuant to the Stock Option Plan is limited to a maximum of 10% of the number of issued and outstanding Common Shares at the time of the grant.
- Options may be granted from time to time to the Eligible Persons. All Eligible Persons shall be *bona fide* Eligible Persons.
- The maximum number of Common Shares that may be issued to any individual in any 12-month period under the Stock Option Plan may be no more than 5% of the number of issued and outstanding Common Shares. The foregoing restriction is reduced to 2% in the case of any consultant to the Corporation.
- The maximum number of Common Shares which may be reserved in any 12-month period for issuance to all persons engaged in investor relations activities may not exceed 2% of the number of issued and outstanding Common Shares.
- The exercise price for each option is fixed by the Board at the time of the grant in compliance with the Stock Option Plan, applicable law, and the policies of the TSXV, which state that the exercise price may not be less than the closing price of the Common Shares on the TSXV or any other exchange on the last trading day immediately preceding the grant of an option to an Eligible Person. If the shares have not traded during the 10 trading day period immediately preceding the award date, then the Board must wait until the shares have been traded for at least 10 days (which need not be consecutive days) before granting the stock option and

setting the exercise price of such option. Disinterested shareholder approval must be obtained for any reduction in the exercise price of any option if the optionee is an insider of the Corporation at the time of the proposed amendment to the exercise price.

- Options cannot be granted for a term exceeding 10 years.
- Options granted shall vest, and become exercisable, according to the terms in the Stock Option Plan. Options granted to consultants providing investor relations activities shall vest in stages over a 12 month period, with a maximum of one-quarter of the options vesting in any three-month period.
- Options granted pursuant to the Stock Option Plan are non-transferable and non-assignable, other than by will or by the laws of descent and distribution.
- Options are subject to early termination in the event that an optionee ceases to be an Eligible Person, in which case such optionee may exercise his or her vested options, but only within three months of the date on which the Eligible Person ceases to be eligible, but not beyond the normal expiry of the term of the options.
- In the event that an Eligible Person ceases to be an Eligible Person as a result of permanent disability, such optionee may exercise his or her vested options, but only within three months of the date on which the Eligible Person ceases to be eligible, but not beyond the normal expiry of the term of the options.
- In the event of the death of an Eligible Person, vested options held by such Eligible Person may continue to be exercised up to one year following the death, but not beyond the normal expiry of the term of the options.

SUMMARY COMPENSATION TABLE FOR DIRECTORS AND NAMED EXECUTIVE OFFICERS, EXCLUDING COMPENSATION SECURITIES

The following table sets forth the compensation paid during or payable to each of the Directors and Named Executive Officers, excluding compensation securities, for the services they have provided to the Corporation during the two most recently completed financial year:

Name Principal Position	Year	Salary, Consulting Fee, Retainer or Commission (\$) ⁽⁵⁾	Bonus (\$) ⁽¹⁾	Committee or Meeting Fees ⁽³⁾ (\$)	Value of Perquisites ⁽⁶⁾ (\$)	Value of All Other Compensation (\$)	Total Compensation (\$)
Eldur Ólafsson ⁽²⁾	2020	\$347,189 ⁽⁴⁾	\$28,000	—	—	\$31,076 ⁽⁴⁾	\$406,265
<i>Director, President and CEO</i>	2019	\$189,540 ⁽⁴⁾	—	—	—	\$19,660 ⁽⁴⁾	\$209,200
George Fowlie ⁽²⁾⁽⁷⁾	2020	\$250,640	\$20,000	—	—	\$248	\$270,888
<i>Director, Former CFO</i>	2019	\$69,420	—	—	—	—	\$69,420
Martin Ménard ⁽⁹⁾	2020	\$304,464	\$20,000	—	—	—	\$324,464
<i>COO</i>							
Joan Plant ⁽⁹⁾	2020	\$174,880	\$12,000	—	—	—	\$186,880
<i>Corporate Secretary</i>							
Graham Stewart	2020	—	—	\$110,000	—	—	\$110,000
<i>Chairman of the Board and Non-Executive Director</i>	2019	—	—	18,750	—	—	18,750
Robert Ménard ⁽¹⁰⁾	2020	—	—	\$45,000	—	—	\$45,000
<i>Non-Executive Director</i>	2019	—	—	18,750	—	—	18,750
Georgia Quenby ⁽¹¹⁾	2020	—	—	\$55,833	—	—	\$55,833
<i>Non-Executive Director</i>	2019	—	—	18,750	—	—	18,750
Sigurbjorn	2020	—	—	\$41,250	—	—	\$41,250
Thorkelsson ⁽⁸⁾	2019	—	—	—	—	—	—
<i>Non-Executive Director</i>							

Notes:

- Bonuses were paid in 2020 at the discretion of the Board based on the delivery of operational and financial targets during 2019 which were agreed by the Board at the beginning of the performance period. Key performance metrics in the period included the successful closing of a non-brokered private placement of C\$5,000,000 on July 2, 2019 and a successful 2019 field season, with the planned operations outlined in the September 17, 2019 press release being completed and rewarded.
- Mr. Ólafsson and Mr. Fowlie were Directors throughout the year and the compensation shown is for the period from January 1 to December 31, 2020.
- Mr. Stewart, Ms. Quenby and Mr. Menard were Directors throughout the year and the fees shown are for the period from January 1 to December 31, 2020. The fees were increased from C\$25,000 following the Admission.
- Mr. Ólafsson receives his compensation through Vatnar ehf., a company controlled by him.
- Directors may choose to receive their fees in Common Shares in lieu of cash, which decision is made annually and remains in force for the following 12-month period.
- Value of perquisites is indicated only if such perquisites are not generally available to all employees and are, in the aggregate, greater than: (a) \$15,000, if the NEO's total salary for the financial year is \$150,000 or less, (b) 10% of the NEO's salary for the financial year, if such NEO's total salary for the financial year is greater than \$150,000 but less than \$500,000, or (c) \$50,000, if the NEO's total salary for the financial year is \$500,000 or greater.
- Mr. Fowlie received his compensation through GRF Capital Advisors Inc., a company controlled by him. He ceased acting as CFO of the Corporation on January 25, 2021.
- Mr. Thorkelsson was appointed a Director on July 27, 2020 and the fees shown are for the period from such date to December 31, 2020.
- 2020 is the first year that Mr. Ménard and Ms. Plant, Named Executive Officers, have total compensation more than \$150,000.
- Mr. R Ménard stepped down from the Board on April 28, 2021.
- Ms. Quenby has chosen not to stand for re-election at the forthcoming Meeting.

INCENTIVE PLAN AWARDS

Compensation Securities

The following table sets forth all compensation securities granted or issued to each Named Executive Officer and Director by the Corporation or its subsidiaries during the most recently completed financial year ended December 31, 2020 for services provided or to be provided, directly or indirectly, to the Corporation or its subsidiaries.

Name and Position	Type of compensation security ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	Compensation Securities					
		Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Option Exercise Price ⁽⁵⁾ (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
Eldur Ólafsson <i>Director, President and CEO</i>	Stock Options	450,000	2020-06-17	\$0.70	\$0.70	\$0.86	2026-12-31
George Fowlie ⁽⁶⁾ <i>Director and Former CFO</i>	Stock Options	250,000	2020-06-17	\$0.70	\$0.70	\$0.86	2026-12-31
Martin Ménard <i>COO</i>	Stock Options	500,000	2020-06-17	\$0.70	\$0.70	\$0.86	2026-12-31
Joan Plant <i>Corporate Secretary</i>	Stock Options	150,000	2020-06-17	\$0.70	\$0.70	\$0.86	2026-12-31
Graham Stewart <i>Chairman of the Board and Non- Executive Director</i>	Stock Options	400,000	2020-06-17	\$0.70	\$0.70	\$0.86	2026-12-31
Robert Ménard ⁽⁷⁾ <i>Non-Executive Director</i>	Stock Options	100,000	2020-06-17	\$0.70	\$0.70	\$0.86	2026-12-31
Georgia Quenby ⁽⁸⁾ <i>Non-Executive Director</i>	Stock Options	100,000	2020-06-17	\$0.70	\$0.70	\$0.86	2026-12-31
Sigurbjorn Thorkelsson <i>Non-Executive Director</i>	Stock Options	—	—	—	—	—	—

Notes:

- As at December 31, 2020, the following persons held the following number of stock options to acquire an equal number of Common Shares: Mr. Ólafsson, 3,000,000; Mr. Fowlie, 850,000; Mr M Ménard, 1,000,000; Ms. Plant, 400,000; Mr. R Ménard, 450,000; Ms. Quenby, 450,000; and Mr. Stewart, 750,000.
- The stock options have been granted pursuant to the Stock Option Plan of the Corporation.
- None of the compensation securities have been re-priced, cancelled and replaced, had its term extended, or otherwise been materially modified, in the most recently completed financial year.
- As at December 31, 2020, of the 7,745,000 total outstanding stock options, 7,745,000 were convertible, exercisable and exchangeable without restrictions or conditions.
- The stock option exercise price shall be fixed by the Board within the parameters set by the policies of the TSXV, but in any event shall not be less than the closing trading price of the Common Shares on the last trading day immediately preceding the date of grant.
- Mr. Fowlie ceased acting as CFO of the Corporation on January 25, 2021.
- Mr. R Ménard stepped down from the Board on April 28, 2021.
- Ms. Quenby has chosen not to stand for re-election at the forthcoming Meeting.

Exercise of Compensation Securities by Directors and Named Executive Officers

The following table sets forth each exercise of compensation securities by a Named Executive Officer or Director of the Corporation during the most recently completed financial year ended December 31, 2020:

Name and Position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date⁽¹⁾ (\$)
Eldur Ólafsson <i>Director, President and CEO</i>	Stock Option	—	—	—	—	—	—
George Fowlie <i>Director and Former CFO</i>	Stock Option	—	—	—	—	—	—
Martin Ménard <i>COO</i>	Stock Option	—	—	—	—	—	—
Joan Plant <i>Corporate Secretary</i>	Stock Option	—	—	—	—	—	—
Graham Stewart <i>Chairman of the Board and Non-Executive Director</i>	Stock Option	—	—	—	—	—	—
Robert Ménard ⁽¹⁾ <i>Non-Executive Director</i>	Stock Option	—	—	—	—	—	—
Georgia Quenby ⁽²⁾ <i>Non-Executive Director</i>	Stock Option	—	—	—	—	—	—
Sigurbjorn Thorkelsson <i>Non-Executive Director</i>	Stock Option	—	—	—	—	—	—

1. Mr. R Ménard stepped down from the Board on April 28, 2021.

2. Ms. Quenby has chosen not to stand for re-election at the forthcoming Meeting.

Employment and Consulting Agreements

On July 27, 2020, the Corporation entered into an employment agreement to employ Eldur Ólafsson as Chief Executive Officer. In the event the Corporation terminates his employment without cause or he resigns for Good Reason (as defined therein), he will be entitled to the following: (i) all regular wages accrued and owing up to and including the effective termination date as well as any reimbursable expenses, (ii) all outstanding vacation pay (including vacation pay that accrues over the minimum statutory notice period prescribed by Applicable Employment Standards Legislation (as defined therein)), (iii) the greater of his entitlements under Applicable Employment Standards Legislation and 12 months' working notice (or pay in lieu of notice), (iv) any minimum statutory severance pay as prescribed by Applicable Employment Standards Legislation at the end of such working notice period in order for the Corporation to be compliant with the minimum statutory standards of Applicable Employment Standards Legislation, and (v) continued participation in the Corporation's benefit programs for 12 months, except for short-term disability, long-term disability and life insurance which are only continued for the statutory notice period prescribed by the Applicable Employment Standards Legislation. In the event that his employment is terminated without cause following a Change of Control (as defined there) of the Corporation, Mr. Olafsson shall be entitled to the same rights as in the event of termination without cause by the Corporation, except that pay in lieu of notice must be provided as a lump sum payment and he is entitled to acceleration and vesting of any outstanding stock options.

On or about January 25, 2021, the Corporation entered into the consulting agreement with GRF pursuant to which Mr. Fowlie provided services related to corporate development and investor relations in North America. The fee payable to GRF is \$9,166 per month. The agreement may be terminated on 30 days of notice. The GRF agreement does not contemplate any compensation with respect to change of control.

On January 25, 2021, the Corporation entered into an employment agreement to employ Jaco Crouse as Chief Financial Officer. This employment agreement was amended pursuant to a letter dated March 25, 2021. Based on the amendment, in the event the Corporation terminates his employment without cause, he will be entitled to the following: (i) all their regular wages accrued and owing up to and including the effective termination date as well as any reimbursable expenses,

(ii) all outstanding vacation pay (including vacation pay that accrues over the minimum statutory notice period prescribed by Applicable Employment Standards Legislation (as defined therein)), (iii) the greater of his entitlements under Applicable Employment Standards Legislation and eight weeks' notice (or pay in lieu of notice), (iv) any minimum statutory severance pay as prescribed by Applicable Employment Standards Legislation at the end of such working notice period in order for the Corporation to be compliant with the minimum statutory standards of Applicable Employment Standards Legislation, (iv) continued participation in the Corporation's benefit programs for 8 weeks, except for short-term disability, long-term disability and life insurance which are only continued for the statutory notice period prescribed by the Applicable Employment Standards Legislation, and (v) any other minimum statutory entitlements that may be owing to the him under Applicable Employment Standards Legislation, without duplication. In the event that his employment is terminated without cause or by him for Good Reason (as defined therein) following a Change of Control (as defined there) of the Corporation, Mr. Crouse shall be entitled to the same rights as in the event of termination without cause by the Corporation, except that pay in lieu of notice must be provided as a lump sum payment and he is entitled to acceleration and vesting of any outstanding stock options.

PENSION PLAN BENEFITS

The Corporation does not operate a pension scheme but does, at the Directors' preference, contribute to the personal pension plans of each executive Director or pays cash in lieu of such contributions. Additionally, the Corporation may make statutory contributions to mandatory pension arrangements in the country in which they are based in line with local requirements.

TERMINATION AND CHANGE OF CONTROL BENEFITS

Compensation plans with Named Executive Officers resulting from the termination of employment of such Named Executive Officer or a change of control of the Corporation are described under "Executive Compensation – Employment and Consulting Agreements".

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth, as at the date hereof, information concerning securities authorized for issuance under equity compensation plans.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (#)	Weighted-average exercise price of outstanding options (\$)	Number of Common Shares remaining available for future issuance under equity compensation plans (#)
Equity compensation plans approved by securityholders ⁽¹⁾	7,745,000	0.51	9,964,874
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	7,745,000		9,964,874

Note:

1. The Stock Option Plan is a "rolling" stock option plan whereby the maximum number of Common Shares that may be reserved for issuance pursuant to the Stock Option Plan will not exceed 10% of the issued and outstanding Common Shares at the time of the stock option grant. As at the date of this Circular, 17,709,874 Common Shares may be reserved for issuance pursuant to the Stock Option Plan.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed in this Circular, no director or officer of the Corporation, no proposed nominee for election to the Board, no person who owns, or controls or directs, directly or indirectly, more than 10% of the Corporation's issued and outstanding shares, and no associate or affiliate of any such person, has had a material interest, direct or indirect, in any material transaction involving the Corporation since the commencement of its most recently completed financial year.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director or officer of the Corporation or person who acted in such capacity in the last financial year of the Corporation, or any other individual who at any time during the most recently completed financial year of the Corporation was a director of the Corporation or any associate of the Corporation, is indebted to the Corporation, nor is any indebtedness of any such person to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation.

AUDIT AND RISK COMMITTEE INFORMATION REQUIRED IN THE INFORMATION CIRCULAR OF A VENTURE ISSUER

National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”) requires that certain information regarding the Audit and Risk Management Committee of a “**venture issuer**” (as that term is defined in NI 52-110) be included in the management information circular sent to Shareholders in connection with the issuer's annual meeting.

AUDIT AND RISK MANAGEMENT COMMITTEE CHARTER

The Audit and Risk Management Committee has a charter, a copy which is attached hereto Schedule “A”.

COMPOSITION OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

The members of the Audit and Risk Management Committee are Sigurbjorn Thorkelsson (Chair), Georgia Quenby and Graham Stewart, who are all directors of the Corporation. Mr. Thorkelsson and Ms. Quenby are not executive officers, employees or control persons of the issuer or of an affiliate of the issuer. Each of Mr. Stewart, Mr. Thorkelsson and Ms. Quenby are considered “financially literate” within the meaning of NI 52-110. For the purposes of NI 52-110, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements. All members of the Audit and Risk Management Committee have experience reviewing financial statements and dealing with related accounting and auditing issues.

Ms. Quenby has chosen not to stand for re-election at the forthcoming Meeting and will be replaced by a suitable candidate who is considered financially literate.

RELEVANT EDUCATION AND EXPERIENCE

The following is a description of the education and experience of each member of the Audit and Risk Management Committee that is relevant to the performance of his responsibilities as an Audit and Risk Management Committee member and, in particular, any education or experience that would provide the member with:

1. an understanding of the accounting principles used by the Corporation to prepare its financial statements;
2. the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;

3. 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 Corporation's financial statements, or experience actively supervising one or more persons engaged in such activities; and
4. an understanding of internal controls and procedures for financial reporting.

Sigurbjorn ("Siggi") Thorkelsson, 54, Director

Siggi has over 25 years' experience in the banking and securities industry across New York, London, Tokyo, Hong Kong and his native Iceland. Mr. Thorkelsson has previously served as Managing Director at Nomura International (Hong Kong) Limited and as Head of Asia-Pacific Equities before becoming Senior Managing Director of the Nomura Group. In 2010, Mr. Thorkelsson moved to Barclays Capital (Hong Kong) as Managing Director and Head of Asia-Pacific Equities before becoming Managing Director (Head of Equities EMEA) at Barclays Capital in London in 2011. More recently, Mr. Thorkelsson has co-founded investment and securities companies in Iceland and in the UK.

Graham Stewart, 60, Chairman and Director

Graham has worked in the international oil and gas industry for over 30 years. Throughout his career, Mr. Stewart has created a reputation for generating significant shareholder value for the companies he acts for. Most recently, he founded Faroe Petroleum, which he became the CEO of in 2002 and listed on the AIM in 2003. He proceeded to grow Faroe Petroleum into a highly successful independent full-cycle exploration and production company with portfolios in the UK and Norway. The company was sold in January 2019 for US\$800 million to DNO. He is Chairman of Longboat Energy PLC. Graham has engineering and business degrees from Heriot Watt and Edinburgh University.

Georgia Quenby, 50, Director

Georgia is a highly experienced commercial lawyer, who is qualified in both London and New York. Throughout her career, Ms. Quenby has worked on a number of cross-border transactions, both in financings and M&A, in many industries including natural resources and the defence sector. Ms. Quenby is regulated by the Institute of Chartered Accountants of England and Wales as a non-appointment taking Insolvency Practitioner. She is a holder of the FT Non-Executive Director Diploma and is currently a member of the advisory council of the Centre for Commercial Law Studies. Ms. Quenby has a degree in Jurisprudence from Oxford University.

AUDIT AND RISK MANAGEMENT COMMITTEE

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

RELIANCE ON EXEMPTIONS IN NI 52-110 REGARDING DE MINIMIS NON-AUDIT SERVICES OR ON A REGULATORY ORDER GENERALLY

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation 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 Corporation is relying upon the exemption in Section 6.1 (Venture Issuers) of NI 52-110, which states that the Corporation, as an "IPO venture issuer", is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

PRE-APPROVAL POLICIES AND PROCEDURES

As at the date of this Circular, the Audit and Risk Management Committee has not adopted any specific policies or procedures for the engagement of non-audit services.

AUDIT FEES

The following table provides details in respect of audit, audit related, tax and other fees billed by the external auditor of the Corporation for professional services rendered to the Corporation for the last two fiscal years.

	Audit Fees ⁽¹⁾ (\$)	Audit- Related Fees ⁽²⁾ (\$)	Tax Fees ⁽³⁾ (\$)	All Other Fees ⁽⁴⁾ (\$)
Year ended December 31, 2020	78,500	7,625	15,000	929
Year ended December 31, 2019	37,299	—	3,675	—

Notes:

1. **Audit Fees** – aggregate fees billed for professional services rendered by the auditor for the audit of the Corporation's annual financial statements as well as services provided in connection with statutory and regulatory filings.
2. **Audit-Related Fees** – aggregate fees billed for professional services rendered by the auditor and were comprised primarily of audit procedures performed related to the review of quarterly financial statements and related documents.
3. **Tax Fees** – aggregate fees billed for tax compliance, tax advice and tax planning professional services. These services included reviewing tax returns and assisting in responses to government tax authorities.
4. **All Other Fees** – aggregate fees billed for professional services which included accounting advice and CPAB.

REPORT ON GOVERNANCE

The Corporation is subject, among other laws and regulations, to instruments published by relevant Canadian securities regulators. In particular, National Instrument 58-101 – *Disclosure of Corporate Governance Practices* prescribes certain disclosure by the Corporation of its corporate governance practices and National Policy 58-201 – *Corporate Governance Guidelines* provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Corporation.

As a result of the Corporation's listing on the TSX-V and being a reporting issuer in the Canadian province of Ontario, the Corporation has established corporate governance practices and procedures appropriate for a publicly listed company in Canada. The Corporation complies with Canadian corporate governance standards appropriate for publicly listed companies.

Since listing on the AIM on July 31, 2020, the Board further complies with the recommendations set out in the corporate governance guidelines for smaller quoted companies published by the Quoted Companies Alliance ("**QCA**") Corporate Governance Code, as amended from time to time.

BOARD OF DIRECTORS

The Board is responsible for the supervision of the Management of the Corporation and must act in the best interests of the Corporation. The Board acts in accordance with the laws of Canada, the articles and by-laws of the Corporation, and the specific terms of reference as laid out for each committee and the Board as a whole. The Board has responsibility for adopting a strategic planning process and reviewing and approving the Corporation's strategic plan developed and proposed by Management and monitoring performance against such strategic plan. The Board is responsible for developing and adopting policies and procedures to identify the principal business risks of the Corporation and ensure that appropriate systems are implemented to manage these risks. The Board is also responsible for developing and adopting policies and procedures to ensure the integrity of the internal controls and management information systems of the Corporation. Matters that require Board approval include, among other things: (i) the approval of the quarterly and annual financial statements and management discussion and analysis; (ii) the issuance of securities; (iii) significant acquisitions; (iv) annual capital and operating plans and budgets; and (v) the compensation of members of the senior executive team.

The Board facilitates its exercise of independent supervision over the Corporation's management through frequent meetings of the Board. The Board shall review its procedures on an ongoing basis to ensure it is functioning independently of Management. As circumstances require, the Board will meet without Management present, and convene meetings, as deemed necessary, of the independent directors, at which meetings, non-independent directors and members of Management

will not be in attendance. When conflicts arise, interested parties are precluded from voting on matters in which they may have an interest.

The Board is currently comprised of three Directors who also serve as executive officers and three non-executive directors. Of the non-executive Directors, the Board considers that Georgia Quenby and Sigurbjorn Thorkelsson are “independent” in accordance with Canadian corporate governance standards, but Graham Stewart is not (as a result of being the chairman of the Corporation). The Board considers that Graham Stewart, Georgia Quenby and Sigurbjorn Thorkelsson are “independent” from a UK corporate governance perspective, notwithstanding the interests in Common Shares held by Graham Stewart and Sigurbjorn Thorkelsson (through Fossar Ltd and Fossar ehf).

DIRECTORSHIPS

The following table sets forth the names of other reporting issuers for which any of the Corporation’s current directors also serve as a director:

Director	Reporting Issuer
Graham Stewart	Longboat Energy PLC

ORIENTATION AND CONTINUING EDUCATION

The Corporation provides new directors with details and information about the Corporation upon their joining the Board that includes copies of relevant financial, technical, geological and other information regarding its properties and meetings with Management.

Board members are encouraged to communicate with Management and auditors, to keep themselves current with industry trends and developments, and to attend related industry seminars. Board members have full access to the Corporation’s records.

ETHICAL BUSINESS CONDUCT

The Board encourages and promotes an overall culture of ethical business conduct by:

- promoting compliance with applicable laws, rules and regulations;
- providing guidance to directors, officers and other employees to help them recognize and deal with ethical issues;
- promoting a culture of open communication, honesty and accountability; and
- ensuring awareness of disciplinary action for violations of ethical business conduct.

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

NOMINATION OF DIRECTORS

The Corporate Governance and Nomination Committee is responsible for reviewing the structure, size and composition of the Board and identifying and nominating, for the approval of Board, candidates to fill vacancies on the Board as and when they arise.

DIVERSITY AND INCLUSION

The Corporation has adopted a written diversity and inclusion policy mandating the Board to consider diverse candidates for all roles and to operate an inclusive working environment. Due to the size and stage of the Corporation and its operations, the Corporation has not currently adopted a written policy or targets relating to the representation of individuals from the “designated groups” (as such term is defined under the *Employment Standards Act (Canada)*). However, in accordance with its policies, the Board is required to consider diversity and inclusion matters in both hiring and day-to-day operations of the Corporation.

As of the date hereof, the Corporation has one woman director, representing 17% of the Board and one woman serving in a senior management role, representing 25% of senior management of the Corporation. Additionally, the corporate secretary of the Corporation is a woman. Furthermore, Line Frederickson is being proposed as an additional director of the Corporation.

COMPENSATION

Compensation matters are currently determined in accordance with the Compensation Policy and agreed by the Board upon recommendation of the Compensation Committee. The role of the Compensation Committee is to determine executive remuneration packages and to ensure that the Compensation Policy is followed. The Compensation Committee is responsible for reviewing the compensation plans and any severance arrangements for Management, to ensure they are commensurate with Compensation Policy. This committee ensures that the Corporation has a plan for continuity of its officers and an executive compensation plan that is motivational and competitive. See “Executive Compensation – Compensation Discussion and Analysis” for additional information on the Compensation Committee.

The members of the Compensation Committee are Georgia Quenby (Chair), Graham Stewart and Sigurbjorn Thorkelsson. The Compensation Committee members have experience in top leadership roles, strong knowledge of industry and finance, and a mix of experience, as well as tenure as directors of various large and public companies. For a description of the education and experience of each member of the Corporate Governance and Compensation Committee, see the section entitled “RELEVANT EDUCATION AND EXPERIENCE” above.

OTHER BOARD COMMITTEES

In addition to the Audit and Risk Management Committee and Compensation Committee, the Board has a Corporate Governance and Nomination Committee which is responsible for reviewing the structure, size and composition of the Board and identifying and nominating, for the approval of Board, candidates to fill vacancies on the Board as and when they arise; a Safety and Environmental Committee which provides oversight and guidance to the Corporation in achieving best practices in safety, security and compliance oversight as regards its operations and monitoring the impact these will have on the environment; and a Disclosure Committee assists the Board in fulfilling its responsibilities in respect of (i) the requirement to make timely and accurate disclosure of all information that is required to be disclosed to meet legal and regulatory obligations and requirements, and (ii) the requirement to take reasonable steps to establish and maintain adequate procedures, systems and controls to enable compliance with these obligations.

ASSESSMENTS

The Board and each individual director are regularly assessed regarding their effectiveness and contribution. The assessment considers and takes into account:

- in the case of the Board, its mandate and charter; and
- in the case of an individual director, the applicable position description(s), as well as the competencies and skills each individual director is expected to possess.

OTHER MATTERS WHICH MAY COME BEFORE THE MEETING

The Management knows of no matters to come before the Meeting other than as set forth in the Notice of Meeting. However, if other matters which are not known to the Management should properly come before the Meeting, the accompanying proxy will be voted on such matters in accordance with the best judgment of the persons voting the proxy.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Shareholders may contact the Corporation in order to request copies of the Corporation’s consolidated financial statements at the offices of the Corporation at 3400, One First Canadian Place, P.O. Box 130, Toronto, Ontario, M5X 1A4. Financial information about the Corporation may

be found in the Corporation's consolidated financial statements and Management's Discussion and Analysis for its most recently completed financial year.

GENERAL

The contents and the sending of the Notice of Meeting and this Circular to each Shareholder entitled thereto, each director of the Corporation, the auditor of the Corporation and, where required, all applicable securities regulatory authorities have been approved by the Board.

DATED at Toronto, Ontario, May 11, 2021.

(signed) "*Graham Stewart*"

Graham Stewart
Chairman of the Board

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SCHEDULE “A”

AUDIT AND RISK MANAGEMENT COMMITTEE CHARTER

AEX GOLD INC. (the “Corporation”)

The following charter is adopted in compliance with Regulation 52-110 respecting Audit Committees (“52-110”).

1. COMPOSITION

- 1.1 The Committee shall be comprised of at least three directors, appointed by the Board, on the recommendation of the Corporate Governance and Nomination Committee. At least two of the members of the Committee shall be independent, within the meaning of 52-110 and the UK Corporate Governance Code 2018 (published by the Financial Reporting Council).
- 1.2 At least one member of the Committee shall have recent accounting or related financial management expertise. All members of the Committee shall be financially literate.
- 1.3 The Committee should have an adequate balance of skills and ideally include members who, between them, have not only recent and relevant financial experience but also overall:
 - (i) extensive business experience particularly in relation to the sector in which the Corporation operates;
 - (ii) knowledge of financial markets;
 - (iii) an understanding of management practices including risk management activities, both generally and in the Corporation’s industry sector; and
 - (iv) knowledge of any relevant specialist regulatory or legal requirements.
- 1.4 For the purposes of this charter, the definition of “financially literate” is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Corporation’s financial statements.
- 1.5 The appointment of members to the Committee shall take place annually at the first meeting of the Board after a meeting of shareholders at which directors are elected. If the appointment of members of the Committee is not so made, the directors who are then serving as members of the Committee shall continue to serve as members until their successors are validly appointed. The Board may appoint a member to fill a vacancy that occurs in the Committee between annual elections of directors.
- 1.6 Provided the member of the Committee continues to meet the criteria for membership of the Committee, a member of the Committee may serve for up to six years.
- 1.7 The chair of the Committee (the “Chair”) who shall be an independent non-executive director shall be appointed by the Board on the recommendation of the Corporate Governance and Nomination Committee. The Chair of the Board may be a member of (but may not chair) the Committee provided that he or she was considered independent on appointment as chairman of the Board.
- 1.8 In the absence of the Chair of the Committee (or any deputy appointed by the Board) from any meeting of the Committee, the members of the Committee participating in the meeting shall elect one of their number (being a member who would qualify under these terms of reference to be appointed as the chairman of the Committee by the Board) to chair the meeting.
- 1.9 The secretary of the Corporation (or such other person as the Committee may appoint) shall act as the secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

2. MEETINGS AND PROCEDURES

- 2.1 The Committee shall meet at least three times a year, at appropriate times in the financial reporting and audit calendar, or more frequently if required.
- 2.2 At all meetings of the Committee, every item brought to resolution shall be decided by a majority of the votes cast. In the case of an equality of votes, the Chair shall not be entitled to a second vote.
- 2.3 Quorum for meetings of the Committee shall be a majority of its members (being a minimum of two members) and the rules for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those governing meetings of the Board.
- 2.4 The powers of the Committee may be exercised at a meeting at which a quorum of the Committee is present in person or by telephone or other electronic means (including by video conference) or by a resolution signed by all members entitled to vote on that resolution at a meeting of the Committee.
- 2.5 Each member (including the Chair) is entitled to one vote in Committee proceedings.
- 2.6 The Committee may meet separately with senior management and may request that any member of the Corporation's senior management or the Corporation's outside counsel or independent auditors to attend meetings of the Committee or other meetings with any members of, or advisors to, the Committee. At least once per year the Committee should have the opportunity to have an independent, objective discussion and debate, without the presence of management and assurance providers.
- 2.7 Furthermore, the Committee has the authority to hire the services of outside advisors, from time to time, when it is necessary to do so for carrying out its mandate.
- 2.8 The Committee shall, at the meeting of the Board following its own meeting, report to the directors on its work, activities and recommendations.
- 2.9 Each member of the Committee must, at or prior to the commencement of each meeting of the Committee, disclose to the Committee any interest that he has in any matter to be considered at the meeting. A member of the Committee must not participate in any discussions concerning, and is not entitled to vote in relation to, any matter to be considered at a meeting of the Committee in which he has a direct or indirect interest unless that interest cannot reasonably be regarded as likely to give rise to a conflict of interest.

3. DUTIES AND RESPONSIBILITIES

The following are the general duties and responsibilities of the Committee:

3.1 Financial Statements and Disclosure Matters

- 3.1.1 review the Corporation's financial statements, management's discussion and analysis and any press releases regarding annual and interim (as required by the Board) profit or loss, before the Corporation publicly discloses such information, and any reports or other financial information which are submitted to any governmental body or to the public. In particular, and without limitation, the Committee shall:
- 3.1.2 review and, where necessary, challenge:
 - (i) the consistency of, and any changes to, significant accounting policies or practices on a year-on-year basis across the Corporation and its subsidiaries and ensure that such policies or practices remain appropriate;
 - (ii) the methods used to account for significant or unusual transactions where different approaches are possible;
 - (iii) whether appropriate accounting standards, and whose relevant, best industry practice, have/has been complied with and appropriate estimates and judgements made, taking into account the views of the external auditor. Where accounting standards provide a choice, discuss that choice with management to ensure the policy selected is appropriate;

- (iv) the clarity and completeness of disclosure in the Corporation's financial reporting and the context in which statements are made;
- (v) all material information presented with the financial statements, such as the strategic report/operating and financial review and any corporate governance statement;
- (vi) the appropriateness of any qualifications or assumptions and methods to deliver the financial results;
- (vii) significant adjustments resulting from audit in the financial statements; and
- (viii) the payment of any dividend. The Committee should consider the legality of any proposed dividend and the ability to pay such dividend and remain a going concern;

3.1.3 Where requested by the Board, the Committee should review the content of the annual report and accounts and advise the Board on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the company's performance, business model and strategy;

3.2 Internal Controls & Risk Management Systems

3.2.1 regularly review and report to the Board on the adequacy and effectiveness of the Corporation's internal financial controls and internal control and risk management systems;

3.2.2 provide support and oversight on the effectiveness of the risk management and internal control systems put in place by the Board;

3.2.3 work with management to determine how the Corporation's information, training and monitoring processes are used to provide assurance that the Corporation's systems of risk management and internal control are functioning as intended;

3.2.4 review and approve the statements to be included in the annual financial statements concerning internal controls and risk management;

3.2.5 review any internal reports on risk management;

3.2.6 where requested by the Board, review the approach to the identification and assessment of the emerging and principal risks of the Corporation, including the management and mitigation of those risks and the consideration of acceptable risk and tolerance levels for the Corporation; and

3.2.7 where requested by the Board, provide advice on how, taking into account the Corporation's financial position and principal risks, the Corporation's prospects have been assessed, over what period and why the period is regarded as appropriate. The Committee will also advise on whether there is a reasonable expectation that the Corporation will be able to continue in operation and meet its liabilities as they fall due over that period, drawing attention to any qualifications or assumptions as necessary.

3.3 Independent Auditors

3.3.1 recommend to the Board the selection and, where applicable, the replacement of the independent auditors to be appointed annually as well the compensation of such independent auditors;

3.3.2 determine that the independent auditors appointed are a Public Accounting Firm that has entered into a Participation Agreement as such terms are defined in Regulation 52-108 respecting Auditor Oversight and that at the time of their report on the annual financial statements of the Corporation, they are in compliance with any restrictions or sanctions imposed by the Canadian Public Accountability Board;

3.3.3 oversee the work and review annually the performance and independence of the independent auditors taking into account relevant professional and regulatory requirements and the group's relationship with the independent auditor as a whole, including any threats to the independent auditor's independence and the safeguards applied to mitigate those threats including the provision of any non-audit services;

- 3.3.4 satisfy itself that there are no relationships between the independent auditor and the Corporation (other than in the ordinary course of business) which could adversely affect the auditor's independence and objectivity;
- 3.3.5 consult with the independent auditors about the quality of the Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial statements;
- 3.3.6 review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former independent auditors of the Corporation;
- 3.3.7 monitor the independent auditor's compliance with relevant legislation and ethical and professional guidance on the rotation of audit partners and the level of fees paid by the Corporation compared to the overall fee income of the firm and other related requirements;
- 3.3.8 assess annually the qualifications, expertise and resources of the independent auditor and the effectiveness of the external audit process, which shall include a report from the external auditor on their own internal quality procedures;
- 3.3.9 evaluate the risks to the quality and effectiveness of the financial reporting process and consideration of the need to include the risk of withdrawal of their auditor from the market in that evaluation;
- 3.3.10 ensure that at least once every 10 years the audit services contract is put out to tender so as to enable the Committee to compare the quality and effectiveness of the services provided by the incumbent auditor with those of other audit firms;
- 3.3.11 in respect of the tender referred to in 3.3.7 above, oversee the selection process and ensure that all tendering firms have such access as is necessary to information and individuals during the duration of the tendering process;
- 3.3.12 if an independent auditor resigns, investigate the issues leading to this and decide whether any action is required;
- 3.3.13 meet regularly with the independent auditor (including once at the planning stage before the audit and once after the audit at the reporting stage) and, at least once a year, without management being present, to discuss the auditor's remit and any issues arising from the audit;
- 3.3.14 discuss with the independent auditor the factors that could affect audit quality and review and approve the audit plan for the year-end financial statements and intended template for such statements, ensuring it is consistent with the scope of the audit engagement, having regard to the seniority, expertise and experience of the audit team;
- 3.3.15 review the findings of the audit with the independent auditor. This review shall include (without limitation):
 - 3.3.15.1. a discussion of any major issues which arose during the audit;
 - 3.3.15.2. key accounting and audit judgements;
 - 3.3.15.3. the auditor's view of their interactions with senior management;
 - 3.3.15.4. the auditor's explanation of how the risks to audit quality were addressed;
 - 3.3.15.5. levels of errors identified during the audit; and
 - 3.3.15.6. the effectiveness of the audit;
- 3.3.16 review any representation letter(s) requested by the independent auditor before they are signed by management;
- 3.3.17 review the management letter and management's response to the independent auditor's findings and recommendations;

- 3.3.18 review the effectiveness of the audit process, including an assessment of the quality of the audit, the handling of key judgements by the independent auditor, and the independent auditor's response to questions from the Committee;
 - 3.3.19 review and pre-approve all audit and audit-related services and the fees and other compensation related thereto (ensuring that the level of fees is appropriate to enable an effective and high-quality audit to be conducted), as well as any non-audit services provided by the independent auditors to the Corporation or its subsidiary entities. The pre-approval requirement is satisfied with respect to the provision of non-audit services if:
 - 3.3.19.1. the aggregate amount of all such non-audit services provided to the Corporation constitutes no more than 5% of the total amount of fees paid by the Corporation and its subsidiary entities to its independent auditors during the fiscal year in which the non-audit services are provided; and
 - 3.3.19.2. such services were not recognized by the Corporation or its subsidiary entities as non-audited services at the time of the engagement; and
 - 3.3.19.3. such services are promptly brought to the attention of the Committee by the Corporation and approved, prior to the completion of the audit, by the Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee.
 - 3.3.20 The Committee may delegate to one or more independent members of the Committee the aforementioned authority to pre-approve non-audited services, provided the pre-approval of the non-audit services is presented to the Committee at its first scheduled meeting following such approval;
- 3.4 Financial Reporting Processes
- 3.4.1 review with management, in consultation with the independent auditors, the integrity of the Corporation's financial reporting process, both internal and external;
 - 3.4.2 consider the independent auditor's judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting;
 - 3.4.3 consider and report to the Board changes to the Corporation's auditing and accounting principles and practices as suggested by the independent auditors and management;
 - 3.4.4 review any significant disagreement among management and the independent auditors in connection with the preparation of the financial statements;
 - 3.4.5 review, with the independent auditors and management, the extent to which changes and improvements in financial or accounting practices have been implemented; and
 - 3.4.6 establish procedures for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters and the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters;
- 3.5 Risk Management
- 3.5.1 regularly review and report to the Board on the adequacy and effectiveness of the Corporation's internal financial controls and internal control and risk management systems;
 - 3.5.2 oversee the identification, prioritisation and management of the risks faced by the Corporation;
 - 3.5.3 direct the facilitation of risk assessments and measurement to determine the material risks to which the Corporation may be exposed and to evaluate the strategy for managing those risks;
 - 3.5.4 monitor the changes in the internal and external environment and the emergence of new risks;
 - 3.5.5 review the adequacy of insurance coverage;

- 3.5.6 review and approve the statements to be included in the annual report concerning internal controls and risk management;
 - 3.5.7 monitor the procedures to deal with and review disclosure of information to third parties insofar as these disclosure represent a risk for the Corporation;
 - 3.5.8 where requested by the Board, review the approach to the identification and assessment of the emerging and principal risks of the Corporation, including the management and mitigation of those risks and the consideration of acceptable risk and tolerance levels for the Corporation; and
 - 3.5.9 where requested by the Board, provide advice on how, taking into account the Corporation's financial position and principal risks, the Corporation's prospects have been assessed, over what period and why the period is regarded as appropriate. The Committee will also advise on whether there is a reasonable expectation that the Corporation will be able to continue in operation and meet its liabilities as they fall due over that period, drawing attention to any qualifications or assumptions as necessary;
- 3.6 Compliance, whistleblowing and fraud
- 3.6.1 monitor the adequacy of, and review compliance with, the Corporation's Whistleblowing Policy;
 - 3.6.2 establish a procedure for the receipt and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters;
 - 3.6.3 review the Corporation's procedures for detecting fraud;
 - 3.6.4 review the Corporation's systems, processes and controls for ensuring compliance with applicable laws and standards including, without limitation, for the prevention of bribery, money-laundering, corporate criminal offences and data protection and receive reports on any instances of non-compliance; and
 - 3.6.5 review the Corporation's processes for preparing co-ordinated plans for business continuity;
- 3.7 Reporting Responsibilities
- 3.7.1 the Committee chairman shall report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities. The report shall include:
 - 3.7.1.1. the significant issues that the Committee considered in relation to the financial statements, and how these issues were addressed;
 - 3.7.1.2. the assessment of the effectiveness of the independent audit process and its recommendations on the appointment or reappointment of the independent auditor; and
 - 3.7.1.3. any other issues on which the Board has requested the Committee's opinion;
 - 3.7.2 the Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed;
 - 3.7.3 in addition, the Committee shall report to the Board on a regular basis, and in any event:
 - 3.7.3.1. at least annually, with an assessment of the performance of management in the preparation of financial statements and Auditors in conducting the annual audit of the Corporation and discuss the report with the full Board following the end of each fiscal year;
 - 3.7.3.2. before the public disclosure by the Corporation of its financial statements, management's discussion and analysis and any press releases regarding annual and interim profit or loss and any reports or other financial information which are submitted to any governmental body or to the public; and
 - 3.7.3.3. as required by applicable legislation, regulatory requirements and policies of the Canadian Securities Administrators, the London Stock Exchange and the United Kingdom Financial Conduct Authority;

- 3.7.4 the Chair should attend the Corporation's annual general meeting to answer any shareholder questions on the Committee's activities; and
 - 3.7.5 where the Committee is not satisfied with any aspect of the proposed financial reporting by the Corporation, it shall report its views to the Board.
- 3.8 Annual Evaluation
- 3.8.1 annually, the Committee shall, in a manner it determines to be appropriate:
 - 3.8.1.1. conduct a review and evaluation of the performance of the Committee and its members, including the compliance of the Committee with this charter; and
 - 3.8.1.2. review and assess the adequacy of this charter and the position description for the chairman of the Committee and recommend to the Board any improvements to this charter or the position description that the Committee determines to be appropriate, except for minor technical amendments to this charter, authority for which is delegated to the Corporate Secretary, who will report any such amendments to the Board at its next regular meeting.

4. OTHER MATTERS

- 4.1 The Committee shall be provided with:
 - 4.1.1 access to sufficient resources in order to carry out its duties (including access to the secretary of the Corporation for assistance as required); and
 - 4.1.2 appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.
- 4.2 The Committee shall:
 - 4.2.1 work and liaise as necessary with all other committees of the Board;
 - 4.2.2 give due consideration to laws and regulations, the provisions of the QCA Code, the requirements of the AIM Rules for Companies and any other applicable rules, as appropriate;
 - 4.2.3 carry out such other duties shall consider such other matters as may be referred to it by the Board from time to time; and
 - 4.2.4 arrange for periodic reviews of its own performance and shall, at least once a year, review its own performance, constitution and the terms of this charter to ensure that it is operating at maximum effectiveness and recommend any changes that it considers necessary to the Board for approval.
 - 4.2.5 Outside of the formal meeting programme, the Chair, and to a lesser extent the other members of the Committee, will maintain a dialogue with key individuals involved in the company's governance, including the Board chair, the chief executive, the finance director, the external audit lead partner and the head of internal audit.

5. AUTHORITY OF THE COMMITTEE

- 5.1 The Committee is authorised by the Board:
 - 5.1.1 to examine any activity and undertake such investigations and research as it considers necessary or appropriate for the purpose of carrying out its duties;
 - 5.1.2 to have unrestricted access to the Corporation's external auditors;
 - 5.1.3 to obtain, at the Corporation's expense, independent legal, accounting or other professional advice on any matter within its remit where the Committee considers it necessary or appropriate to do so;
 - 5.1.4 to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee;
 - 5.1.5 to seek any information it requires from any employee or director, and all such employees or directors will be directed to co-operate with any request made by the Committee; and

5.1.6 to call any employee or director to be questioned at a meeting of the Committee as and when required.

APPROVED BY THE BOARD ON 23 July 2020

BY-LAW NO. 1

A by-law relating generally to
the transaction of the business
and affairs of

AEX GOLD INC.

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BE IT ENACTED as a by-law of the Corporation as follows:

SECTION ONE

INTERPRETATION

1.1 Definitions. In the By-Laws, unless the context otherwise requires:

“Act” means the *Canada Business Corporations Act*, or any statute that may be substituted for it, and the regulations to it, as from time to time amended.

“AIM” means the AIM Market of the London Stock Exchange plc.

“AIM Rules” means the AIM Rules for Companies published by the London Stock Exchange plc (as amended from time to time).

“Applicable Securities Laws” means the applicable securities legislation of each province and territory of Canada, as amended from time to time, the rules and regulations made or promulgated under any such statute, and the national instruments, multilateral instruments, policies, bulletins and notices of the securities commissions and similar regulatory authorities of each province and territory of Canada.

“Affiliates” means, in respect of any person, any other person that, directly or indirectly, controls, is controlled by or is under common control with the first mentioned person; and **“control”** means, with respect to the definition of **“Affiliate”**, the possession, directly or indirectly, by a person or group of persons acting in concert of the power to direct or cause the direction of the management and policies of another person, whether through the ownership of voting securities, contract, as a partner or general partner, or otherwise.

“Articles” means the articles attached to the certificate of incorporation of the Corporation, as from time to time amended or restated.

“Board” means the board of directors of the Corporation.

“Business Day” means any day except Saturday, Sunday, any statutory holiday in the Province of Ontario, or any other day on which the principal chartered banks in the City of Toronto are closed for business.

“By-Laws” means this By-Law and all other by-laws of the Corporation from time to time in force and effect.

“Corporation” means the corporation incorporated under the Act by the said certificate to which the Articles are attached, and named **“AEX Gold Inc.”**.

“Default Share” has the meaning given in Section 9.5.

“Depository” means a person appointed by the Corporation under a contractual arrangement whereby such person holds shares, rights or interests of the Corporation and issues Depository Interests to DI Holders.

“Depository Interests” means securities or other documents of title evidencing an entitlement to, or to receive, shares, rights or interests in the Corporation held by the Depository.

“DI Holder” means a holder of Depository Interests.

“Director” means a member of the Board.

“Disclosure Notice” has the meaning given in Section 9.1.

“Meeting of Shareholders” includes an annual meeting of shareholders and a Special Meeting of Shareholders; and **“Special Meeting of Shareholders”** includes a meeting of any class or classes of shareholders and a special meeting of all shareholders entitled to vote at an annual meeting of shareholders.

“NI 54-101” means National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators, as amended, supplemented, restated or replaced from time to time.

“Notice Date” means the date the Public Announcement of Meeting of Shareholders is made.

“Public Announcement” means the filing under the Corporation’s profile on the System for Electronic Document Analysis and Retrieval at www.sedar.com of the notification of meeting and record date required by Section 2.2 of NI 54-101.

“Qualifying Financial Instruments” means any financial instruments which:

- (a) on maturity, gives the holder, under a formal agreement, either the unconditional right to acquire or the discretion as to the holder’s right to acquire, already issued shares to which voting rights are attached; or
- (b) are not included in (a) but which are referenced to shares of the Corporation referred to in (a) and with economic effect similar to that of the financial instruments referred to in (a), whether or not they confer a right to a physical settlement.

“Recorded Address” means: in the case of a shareholder, the address as recorded in the securities register; in the case of joint shareholders, the address appearing in the securities register in respect of such joint holding or the first address so appearing if there are more than one; and in the case of a Director, officer, auditor or member of a committee of the Board, the latest address as recorded in the records of the Corporation.

“Relevant Person” has the meaning in Section 9.11.

“this By-Law” means this By-Law No. 1 of the Corporation.

Except as provided above, words and expressions defined in the Act, including **“resident Canadian”** and **“unanimous shareholder agreement”**, have the same meanings when used herein. Words importing the singular number include the plural and vice versa; and words importing a person include an individual, partnership, association, body corporate, trustee, executor, administrator and legal representative.

- 1.2 Unanimous Shareholder Agreement.** The provisions of the By-Laws shall be subject to any unanimous shareholder agreement entered into from time to time. In the event of any conflict between any provision of the By-Laws and any provision of any unanimous shareholder agreement, the provision of the unanimous shareholder agreement shall prevail to the extent of the conflict, and the Directors and the shareholders shall amend the By-Laws accordingly.

SECTION TWO

BUSINESS OF THE CORPORATION

- 2.1 Registered Office.** The registered office of the Corporation shall be in the province in Canada from time to time specified in the Articles, and at such location within such province initially as is specified in the notice thereof filed with the Articles and thereafter as the Board may from time to time determine.
- 2.2 Corporate Seal.** The Corporation may, but need not, adopt a corporate seal and if one is adopted it shall be in a form approved from time to time by the Board.
- 2.3 Financial Year.** Until changed by the Board, the financial year of the Corporation shall end on December 31st in each year.
- 2.4 Execution of Instruments.** Deeds, transfers, assignments, contracts, obligations, certificates and other instruments may be signed on behalf of the Corporation by two persons, one of whom holds the office of chair of the Board, president, vice-president or is a Director and the other of whom is a Director or holds one of the said offices or the office of secretary, chief financial officer, treasurer, assistant secretary or assistant treasurer or any other office created by this By-Law or by the Board or who is a Director. In addition, the Board or the said two persons may from time to time direct the manner in which and the person or persons by whom any particular instrument or class of instruments may or shall be signed, provided that in the case of share certificates at all times at least two Directors or officers of the Corporation are required to sign. Any signing officer may affix the corporate seal to any instrument requiring it.
- 2.5 Banking Arrangements.** The banking business of the Corporation including without limitation, the borrowing of money and the giving of security for it, shall be transacted with such banks, trust companies or other bodies corporate or organizations as may from time to time be designated by or under the authority of the Board. Such banking business or any part of it shall be transacted under such agreements, instructions and delegations of powers as the Board may from time to time prescribe.
- 2.6 Voting Rights in Other Bodies Corporate.** The signing officers of the Corporation under Section 2.4 may execute and deliver proxies and arrange for the issuance of voting certificates or other evidence of the right to exercise the voting rights attaching to any securities held by the Corporation. Such instruments shall be in favour of such persons as may be determined by the officers executing or arranging for them. In addition, the Board may from time to time direct the manner in which and the persons by whom any particular voting rights or class of voting rights may or shall be exercised.
- 2.7 Divisions.** The Board may cause the business and operations of the Corporation or any part of them to be divided into one or more divisions upon such basis, including without limitation, types of business or operations, geographical territories, product lines or goods or services, as may be considered appropriate in each case. In connection with any such division, the Board or subject to any direction by the Board, the chief executive officer may authorize from time to time, upon such basis as may be considered appropriate in each case:
- (a) *Subdivision and Consolidation.* the further division of the business and operations of any such division into sub-units and the consolidation of the business and operations of any such divisions and sub-units;
 - (b) *Name.* the designation of any such division or sub-unit by, and the carrying on of the business and operations of, any such division or sub-unit under, a name other than the name of the Corporation, provided that the Corporation shall set out its name in legible characters in all places required by law; and
 - (c) *Officers.* the appointment of officers for any such division or sub-unit, the determination of their powers and duties, and the removal of any of such officers so appointed, provided that any such officers shall not, as such, be officers of the Corporation.

SECTION THREE

DIRECTORS

- 3.1 Number of Directors.** Until changed in accordance with the Act, the Board shall consist of not fewer than the minimum number and not more than the maximum number of Directors provided in the Articles.
- 3.2 Qualification.** No person shall be qualified for election as a Director if such person is less than 18 years of age, is of unsound mind and has been so found by a court in Canada or elsewhere, is not an individual, or has the status of a bankrupt. A Director need not be a shareholder. Subject to the Act, at least 25 per cent of the Directors shall be resident Canadians, or if the number of Directors is fewer than four, at least one Director shall be a resident Canadian.
- 3.3 Election and Term.** The election of Directors shall take place at each annual meeting of shareholders and all the Directors then in office shall retire but, if qualified, shall be eligible for re-election. The number of Directors to be elected at any such Meeting of Shareholders shall be the number of Directors then in office unless the Directors otherwise determine. If the shareholders adopt an amendment to the Articles to increase the number or maximum number of Directors, the shareholders may, at the Meeting of Shareholders at which they adopt the amendment, elect the additional number of Directors authorized by the amendment. The election shall be by resolution. If an election of Directors is not held at the proper time, the incumbent Directors shall continue in office until their successors are elected.
- 3.4 Removal of Directors.** Subject to the Act, the shareholders may by resolution passed at a Meeting of Shareholders specially called for such purpose remove any Director from office and the vacancy created by such removal may be filled at such Meeting of Shareholders, failing which it may be filled by the Board.
- 3.5 Vacation of Office.** A Director ceases to hold office on death, on removal from office by the shareholders, on ceasing to be qualified for election as a Director, on receipt by the Corporation of a written resignation of such Director, or, if a time is specified in such resignation, at the time so specified, whichever is later. Subject to the Act, a quorum of the Board may appoint a qualified individual to fill a vacancy in the Board.
- 3.6 Appointment of Additional Directors.** If the Articles of the Corporation so provide, the Directors may, within the maximum number permitted by the Articles, appoint one or more additional Directors, who shall hold office for a term expiring not later than the close of the next annual meeting of the shareholders, but the total number of Directors so appointed may not exceed one third of the number of Directors elected at the previous annual meeting of shareholders.
- 3.7 Action by the Board.** Subject to any unanimous shareholder agreement, the Board shall manage, or supervise the management of, the business and affairs of the Corporation. The powers of the Board may be exercised at a meeting of the Board (subject to Sections 3.8 and 3.9) at which a quorum is present or by resolution in writing signed by all the Directors entitled to vote on that resolution at a meeting of the Board. If there is a vacancy in the Board, the remaining Directors may exercise all the powers of the Board so long as a quorum remains in office. If the Corporation has a Board consisting of only one Director, that Director may constitute a meeting.
- 3.8 Canadian Directors Present at Meetings.** Subject to the Act, the Board shall not transact business at a meeting, other than filling a vacancy in the Board, unless at least 25 per cent of the Directors present are resident Canadians, or if the Corporation has fewer than four Directors, at least one of the Directors present is a resident Canadian, except where:
- (a) a resident Canadian Director who is unable to be present approves in writing, or by telephonic, electronic or other communication facility, the business transacted at the meeting; and
 - (b) the required number of resident Canadians would have been present had that Director been present at the meeting.

- 3.9 Meeting by Telephone.** Subject to the Act, if all the Directors consent generally or in respect of a particular meeting, a Director may participate in a meeting of the Board or of a committee of the Board by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting, and a Director participating in such a meeting by such means is deemed to be present at the meeting. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the Board and of committees of the Board. Provided that at least one Director participating in such a meeting is physically present in Canada, the meeting shall be deemed to be held in Canada.
- 3.10 Place of Meetings.** Meetings of the Board may be held at any place in or outside Canada.
- 3.11 Calling of Meetings.** Meetings of the Board shall be held from time to time at such time and at such place as the Board, the chair of the Board, the president or any two Directors may determine.
- 3.12 Notice of Meeting.** Notice of the time and place of each meeting of the Board shall be given in the manner provided in Section 10 to each Director (a) not less than seven days before the time when the meeting is to be held if the notice is mailed, or (b) not less than 48 hours before the time the meeting is to be held if the notice is given personally, or is delivered or is communicated by any means of transmitted or recorded communication. A notice of a meeting of the Board need not specify the purpose of or the business to be transacted at the meeting except where the Act requires such purpose or business to be specified.
- 3.13 First Meeting of New Board.** Provided a quorum of Directors is present, each newly elected Board may without notice hold its first meeting immediately following the Meeting of Shareholders at which such Board is elected.
- 3.14 Adjourned Meeting.** Notice of an adjourned meeting of the Board is not required if the time and place of the adjourned meeting is announced at the original meeting.
- 3.15 Regular Meetings.** The Board may appoint a day or days in any month or months for regular meetings of the Board at a place and hour to be named. A copy of any resolution of the Board fixing the place and time of such regular meetings shall be sent to each Director promptly after being passed, but no other notice shall be required for any such regular meeting except where the Act requires the purpose of the regular meeting or the business to be transacted at it to be specified.
- 3.16 Chair.** The chair of any meeting of the Board shall be the first mentioned of the following officers as have been appointed and who is a Director and is present at the meeting: chair of the Board or president. If no such officer is present, the Directors present shall choose one of their number to be chair.
- 3.17 Quorum.** Subject to Sections 3.7 and 3.8, the quorum for the transaction of business at any meeting of the Board shall consist of 50 per cent. of the Directors from time to time, or such greater number of Directors as the Board may from time to time determine. Notwithstanding the foregoing, if only one Director is elected at any given time, the quorum for the transaction of business at any meeting of the Board shall than consist of one Director.
- 3.18 Votes to Govern.** At all meetings of the Board every question shall be decided by a majority of the votes cast on the question. Subject to any unanimous shareholder agreement, in case of an equality of votes the chair of the meeting shall not be entitled to a second or casting vote.
- 3.19 Conflict of Interest.** A Director shall disclose to the Corporation, in the manner and to the extent provided by the Act, any interest that such Director has in a material contract or transaction, whether made or proposed, with the Corporation, if such Director (a) is a party to the contract or transaction, (b) is a director or an officer, or an individual acting in a similar capacity, of a party to the contract or transaction, or (c) has a material interest in a party to the contract or transaction. Such a Director shall not vote on any resolution to approve the same except as provided by the Act.

3.20 Remuneration and Expenses. Subject to any unanimous shareholder agreement, the Directors shall be paid such remuneration for their services as the Board may from time to time determine. The Directors shall also be entitled to be reimbursed for travelling and other expenses properly incurred by them in attending meetings of the Board or any committee of the Board. Nothing in this By-Law shall preclude any Director from serving the Corporation in any other capacity and receiving remuneration therefor.

SECTION FOUR

COMMITTEES

- 4.1 Committees of the Board.** The Board may appoint one or more committees of the Board, however designated, and delegate to any such committee any of the powers of the Board except those which pertain to items which, under the Act, a committee of the Board has no authority to exercise.
- 4.2 Transaction of Business.** The powers of a committee of the Board may be exercised by a meeting at which a quorum (as referenced in Section 4.4) is present or by resolution in writing signed by all members of such committee who would have been entitled to vote on that resolution at a meeting of the committee. Meetings of such committee may be held at any place in or outside Canada.
- 4.3 Advisory Bodies.** The Board may from time to time appoint such advisory bodies as it may deem advisable.
- 4.4 Quorum and Procedure.** Unless otherwise determined by the Board, each committee and advisory body shall fix its quorum at not less than a majority of its members, elect its chair and regulate its procedure.

SECTION FIVE

OFFICERS

- 5.1 Appointment.** Subject to any unanimous shareholder agreement, the Board may from time to time appoint a president, one or more vice-presidents (to which title may be added words indicating seniority or function), a secretary, a treasurer and such other officers as the Board may determine, including one or more assistants to any of the officers so appointed. A person may hold more than one office. The Board may specify the duties of and, in accordance with this By-Law and subject to the Act, delegate to such officers powers to manage the business and affairs of the Corporation. Subject to Section 5.2, an officer may but need not be a Director.
- 5.2 Chair of the Board.** The Board may from time to time also appoint a chair of the Board who shall be a Director. If appointed, the Board may assign to the chair any of the powers and duties that are by any provisions of this By-Law assigned to the president. The chair shall have such other powers and duties as the Board may specify.
- 5.3 President.** The president shall be the chief operating officer and, subject to the authority of the Board, shall have general supervision of the business of the Corporation and such other powers and duties as the Board may specify.
- 5.4 Secretary.** The secretary shall attend and be the secretary of all meetings of the Board, Meeting of Shareholders and committees of the Board and shall enter or cause to be entered in records kept for that purpose minutes of all proceedings at such meetings. The secretary shall give or cause to be given, as and when instructed, all notices to shareholders, Directors, officers, auditors and members of committees of the Board. The secretary shall be the custodian of the stamp or mechanical device generally used for affixing the corporate seal of the Corporation and of all books, records and instruments belonging to the Corporation, except when some other officer or agent has been appointed for that purpose, and have such other powers and duties as the Board may specify.
- 5.5 Treasurer.** The treasurer shall keep proper accounting records in compliance with the Act and shall be responsible for the deposit of money, the safekeeping of securities and the disbursement of the funds of the Corporation. The treasurer shall render to the Board whenever required an account of all transactions as treasurer and of the financial position of the Corporation and shall have such other powers and duties as the Board may specify.
- 5.6 Powers and Duties of Officers.** The powers and duties of all officers shall be in accordance with the terms of their engagement or as the Board or (except for those whose powers and duties are to be specified only by the Board) the chief executive officer may specify. The Board and (except as provided above) the chief executive officer may, from time to time and subject to the provisions of the Act, vary, add to or limit the powers and duties of any officer. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the Board or the chief executive officer otherwise directs.
- 5.7 Term of Office.** The Board, in its discretion, may remove any officer of the Corporation. Otherwise each officer appointed by the Board shall hold office until a successor is appointed or until the officer resigns.
- 5.8 Agents and Attorneys.** The Corporation, by or under the authority of the Board, shall have power from time to time to appoint agents or attorneys for the Corporation in or outside Canada with such powers (including the power to subdelegate) of management, administration or otherwise as the Board thinks fit.
- 5.9 Conflict of Interest.** An officer who is a party to, or who is a director or officer of or has a material interest in any person who is a party to, a material contract or material transaction, whether made or proposed, with the Corporation shall disclose to the Corporation the nature and extent of that interest at the time and in the manner provided by the Act.

SECTION SIX

PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

- 6.1 Limitation of Liability.** All Directors and officers of the Corporation in exercising their powers and discharging their duties shall act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Subject to the foregoing, and provided that nothing herein shall relieve any Director or officer from the duty to act in accordance with the Act or from liability for any breach of it, no Director or officer shall be liable:
- (a) for the acts, omissions, failures, neglects or defaults of any other Director, officer or employee;
 - (b) for any loss, damage or expense incurred by the Corporation through the insufficiency or deficiency of title to any property acquired for or on behalf of the Corporation;
 - (c) for the insufficiency or deficiency of any security in or upon which any of the moneys of the Corporation shall be invested;
 - (d) for any loss, damage or expense arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the money, securities or effects of the Corporation shall be deposited;
 - (e) for any loss, damage or expense arising from any error of judgment or oversight on the part of such Director or officer; or
 - (f) for any other loss, damage or expense arising from the execution of the duties of office or in relation thereto.
- 6.2 Indemnity.** Subject to the Act and Section 6.4, the Corporation shall indemnify a Director or an officer, a former Director or officer, or another individual who acts or acted at the Corporation's request as a director or officer (or any individual acting in a similar capacity) of another entity, and their heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by such individual in respect of any civil, criminal, administrative, investigative or other proceeding in which the individual is involved because of his/her association with the Corporation or such other entity.
- 6.3 Advance of Costs.** The Corporation shall advance money to a Director, officer or other individual for the costs, charges and expenses of a proceeding referred to in Section 6.2. The individual shall repay the money if the individual does not fulfil the conditions of Section 6.4.
- 6.4 Limitation.** The Corporation shall not indemnify an individual under Section 6.2 unless the individual:
- (a) acted honestly and in good faith with a view to the best interests of the Corporation, or, as the case may be, to the best interests of the other entity for which the individual acted as director or officer (or in a similar capacity) at the Corporation's request; and
 - (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, had reasonable grounds for believing that the individual's conduct was lawful.
- 6.5 Additional Circumstances.** The Corporation shall also indemnify any individual referred to in Section 6.2 in such other circumstances as the Act or law permits or requires. Nothing in this By-Law shall limit the right of any individual entitled to indemnity to claim indemnity apart from the provisions of this By-Law.
- 6.6 Insurance.** Subject to the Act, the Corporation may purchase and maintain such insurance for the benefit of any individual referred to in Section 6.2 as the Board may from time to time determine.

SECTION SEVEN

SHARES

- 7.1 Issuances of Shares.** Subject to the Act, the Articles and any unanimous shareholder agreement, the Board may issue or grant options to purchase the whole or any part of the authorized and unissued shares of the Corporation at such times and to such persons and for such consideration as the Board shall determine, provided that no share shall be issued until it is fully paid as provided by the Act.
- 7.2 Registration of Transfers.** Subject to the Act, no transfer of a share of the Corporation shall be registered in a securities register except upon compliance with the reasonable requirements of the Corporation and with such restrictions on issues, transfer or ownership as are authorized by the Articles or any unanimous shareholder agreement.
- 7.3 Dealing with Registered Holders.** Subject to the Act, the Corporation may treat the registered holder of any share of the Corporation as the person exclusively entitled to vote, to receive notices, to receive any dividend or other payment in respect of the share, and otherwise to exercise all the rights and powers of an owner of the share.
- 7.4 Share Certificates.** Every holder of one or more shares of the Corporation shall be entitled, at the holder's option, to a share certificate, or to a non-transferable written certificate of acknowledgement of such right to obtain a share certificate, stating the number and class or series of shares held by such holder as shown in the securities register. Such certificates shall be in such form as the Board may from time to time approve and need not be under corporate seal. Any such certificate shall be signed in accordance with Section 2.4.
- 7.5 Replacement of Share Certificates.** The Board, or any officer or agent designated by the Board, may direct the issue of a new share or other such certificate in lieu of and upon cancellation of a certificate that has been mutilated or in substitution for a certificate claimed to have been lost, apparently destroyed or wrongfully taken, on payment of such reasonable fee and on such terms as to indemnity, reimbursement of expenses and evidence of loss and of title as the Board may from time to time prescribe, whether generally or in any particular case.
- 7.6 Joint Shareholders.** If two or more persons are registered as joint holders of any share of the Corporation, the Corporation shall not be bound to issue more than one certificate in respect of such share, and delivery of such certificate to one of such persons shall be sufficient delivery to all of them. Any one of such persons may give effectual receipts for the certificate issued in respect of such share or for any dividend, bonus, return of capital or other money payable or warrant issuable in respect of such share.
- 7.7 Deceased Shareholders.** In the event of the death of a holder, or of one of the joint holders, of any share of the Corporation, the Corporation shall not be required to make any entry in the securities register in respect of the death or to make any dividend or other payments in respect of the share except upon production of all such documents as may be required by law and upon compliance with the reasonable requirements of the Corporation.

SECTION EIGHT

DIVIDENDS

- 8.1 Dividends.** Subject to the Act, the Board may from time to time declare dividends payable to the shareholders according to their respective rights and interests in the Corporation. Dividends may be paid in money or property or by issuing fully paid shares of the Corporation. Any dividend unclaimed after a period of six years from the date on which it has been declared to be payable shall be forfeited and shall revert to the Corporation.
- 8.2 Record Date for Dividends.** The Board may, within the period prescribed by the Act, fix in advance a date as the record date for the purpose of determining shareholders entitled to receive payment of a dividend. Notice of the record date shall be given within the period prescribed by the Act in the manner provided by the Act. If no record date is so fixed, the record date for the determination of the shareholders entitled to receive payment of any dividend shall be at the close of business on the day on which the Board passes the resolution relating to such dividend.

SECTION NINE

DISCLOSURE OF INTERESTS IN SHARES

- 9.1 Disclosure Notice.** The Board may by notice in writing require any person whom the Board knows, or has reasonable cause to believe, to be interested in shares of the Corporation, or to have been so interested at any time during the three years immediately preceding the date on which such notice is served, requiring such person to indicate whether or not it is the case and, where that person holds, or has during that time held, any interest in any such shares, to give such further information as may be required by the Board (a “**Disclosure Notice**”). If a Disclosure Notice is given by the Corporation to a person appearing to be interested in any share, a copy shall at the same time be given to the holder, but the accidental omission to do so or the non-receipt of the copy by the holder shall not prejudice the operation of the following provisions of this Section 9.
- 9.2 Contents of a Disclosure Notice.** The Disclosure Notice may require the person to whom it is addressed:
- (a) to give particulars of his own present or past interest in shares held by him at any time during the three year period referred to in Section 9.1;
 - (b) to give (so far as lies within his knowledge):
 - (i) where his interest is a present interest and any other interest in the shares subsists; or
 - (ii) where another interest in the shares subsisted during that three year period at a time when his own interest subsisted,
such particulars with respect to that other interest as may be requested by the notice including the identity of persons interested in the shares in question; and
 - (c) where his interest is a past interest, to give (so far as lies within knowledge) particulars of the identity of the person who held that interest immediately upon his ceasing to hold it.
- 9.3 Disclosure Response.** A Disclosure Notice shall require any information given in response to the Disclosure Notice to be given in writing within such reasonable time as may be specified in the Disclosure Notice.
- 9.4 Disclosure Notice Term.** A Disclosure Notice shall remain in effect in accordance with its terms following a transfer of the shares to which it relates unless and until the Board determines otherwise and notifies the shareholder accordingly.
- 9.5 Significant Shareholder Disclosure.** Any person (other than a Depositary) (a “**Relevant Person**”) must notify the Board of its direct or indirect holding as a shareholder or DI Holder or holder of Qualifying Financial Interests (or a combination of such interests) when:
- (a) such interests reach 3% or more in any class of shares of the Corporation; and
 - (b) any change thereafter results in an increase or decrease to any significant shareholder interest by a single percentage point, 4%, 5%, 6%, 7%, 8%, 9%, 10% and each 1% threshold thereafter up to 100%,
- (each a “**relevant change**”).
- 9.6 Significant Shareholder Notification Requirements.** The notification to the Corporation under Section 9.5 shall be effected as soon as possible, but in any event no later than two trading days after the date on which the relevant person learns of a relevant change. The notification shall include the following information and any such other further information required under the AIM Rules:
- (a) the identity of the person making the notification of the relevant change;
 - (b) the percentage of its holding, and the resulting situation in terms of its holding, and the date on which the relevant change occurred;

- (c) if applicable, the chain of controlled undertakings through which the shares or Depositary Interests are effectively held;
- (d) the price, amount and class of shares or Depositary Interests concerned;
- (e) the nature of the transaction giving rise to the notification;
- (f) in the case of a holding of Qualifying Financial Instruments:
 - (i) for Qualifying Financial Instruments with an exercise period, an indication of the date or time period where shares will or can be acquired, if applicable;
 - (ii) the date of maturity or expiration of the Qualifying Financial Instruments; and
 - (iii) the detailed nature of the Qualifying Financial Instruments, including full details of the exposure to shares of the Corporation; and
- (g) any other information required by the Corporation.

9.7 Calculation of Holdings. For the purposes of this Section 9:

- (a) the percentage of the issued shares of a class represented by a particular holding shall be calculated by reference to the shares in issue at the time when the Disclosure Notice is given;
- (b) a person shall be treated as appearing to be interested in any share if the Corporation has given to the shareholder or Depositary holding such share, or DI Holder holding a Depositary Interest in such share, a Disclosure Notice and either (i) the shareholder, Depositary or DI Holder has named the person as being interested in the share or (ii) (after taking into account any response to any disclosure notice and any other relevant information) the Corporation knows or has reasonable cause to believe that the person in question is or may be interested in the share;
- (c) a person who is interested in a right to subscribe for or convert into shares shall be deemed to be interested in the shares and references to interests in shares shall include any interest whatsoever in such shares including, without limitation, a right to control directly or indirectly the exercise of any right conferred by the holding of shares alone or in conjunction with any person and the interest of any person shall be deemed to include the interest of any other person deemed to be acting in conjunction as aforesaid.

9.8 No Prejudice. The provisions of this Section 9 are without prejudice to the provisions of the *Canada Business Corporations Act*.

SECTION TEN

MEETINGS OF SHAREHOLDERS

- 10.1 Annual Meetings.** Subject to the Act, the Board shall call an annual meeting of shareholders (a) not later than 18 months after the Corporation comes into existence, and (b) subsequently, not later than 15 months after holding the last preceding annual meeting but no later than six months after the end of the Corporation's preceding financial year. The annual meeting of shareholders shall be held for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting of shareholders, electing Directors, appointing auditors and for the transaction of such other business as may properly be brought before the annual meeting of shareholders.
- 10.2 Special Meetings.** The Board shall have power to call a Special Meeting of Shareholders at any time.
- 10.3 Place of Meetings.** Meetings of Shareholders shall be held at the registered office of the Corporation or elsewhere in Canada if the Board shall so determine. A Meeting of Shareholders may be held at a place outside Canada if the place is specified in the Articles or all the shareholders entitled to vote at the Meeting of Shareholders agree that the Meeting of Shareholders is to be held at that place. A shareholder who attends a Meeting of Shareholders held outside Canada is deemed to have agreed to it being held outside Canada except when the shareholder attends the Meeting of Shareholders for the express purpose of objecting to the transaction of any business on the grounds that the Meeting of Shareholders is not lawfully held.
- 10.4 Participation in Meeting by Electronic Means.** Any person entitled to attend a Meeting of Shareholders may participate in it, in accordance with the Act, by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the Meeting of Shareholders, if the Corporation makes available such a communication facility. A person participating in a Meeting of Shareholders by such means is deemed for the purposes of the Act to be present at the Meeting of Shareholders.
- 10.5 Meeting held by Electronic Means.** If the Directors or the shareholders of the Corporation call a Meeting of Shareholders pursuant to the Act, those Directors or shareholders, as the case may be, may determine that the Meeting of Shareholders shall be held, in accordance with the Act, entirely by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the Meeting of Shareholders.
- 10.6 Notice of Meetings.** Subject to the Act, notice of the time and place of each Meeting of Shareholders shall be given in the manner provided in Section 10 not less than 10 nor more than 50 days before the date of the Meeting of Shareholders to each Director, to the auditor, and to each shareholder who at the close of business on the record date for notice is entered in the securities register as the holder of one or more shares carrying the right to vote at the Meeting of Shareholders. Notice of a Meeting of Shareholders called for any purpose other than consideration of the financial statements and auditor's report, election of Directors and reappointment of the incumbent auditor shall state the nature of such business in sufficient detail to permit the shareholder to form a reasoned judgment thereon and shall state the text of any special resolution to be submitted to the Meeting of Shareholders.
- 10.7 List of Shareholders Entitled to Notice.** For every Meeting of Shareholders, the Corporation shall prepare a list of shareholders entitled to receive notice of the Meeting of Shareholders, arranged in alphabetical order and showing the number of shares held by each shareholder entitled to vote at the Meeting of Shareholders. If a record date for the Meeting of Shareholders is fixed pursuant to Section 10.8, the shareholders listed shall be those registered at the close of business on such record date. If no record date is fixed, the shareholders listed shall be those registered at the close of business on the day immediately preceding the day on which notice of the Meeting of Shareholders is given or, if no such notice is given, on the day on which the Meeting of Shareholders is held. The list shall be available for examination by any shareholder during usual business hours at the registered office of the Corporation or at the place where the central securities register is maintained,

and at the Meeting of Shareholders for which the list was prepared. If a separate list of shareholders has not been prepared, the names of persons appearing in the securities register at the requisite time as the holder of one or more shares carrying the right to vote at such Meeting of Shareholders shall be deemed to be a list of shareholders.

- 10.8 Record Date for Notice.** The Board may, within the period prescribed by the Act, fix in advance a date as the record date for determination of the shareholders (a) entitled to receive notice of a Meeting of Shareholders and (b) entitled to vote at a Meeting of Shareholders. Unless waived in accordance with the Act, notice of any such record date shall be given within the period prescribed by the Act before such record date, by newspaper advertisement in the manner provided in the Act. If no record date is fixed, then such record date for the determination of the shareholders entitled to receive notice of the Meeting of Shareholders shall be at the close of business on the day immediately preceding the day on which the notice is given or, if no notice is given, the day on which the Meeting of Shareholders is held.
- 10.9 Meetings Without Notice.** A Meeting of Shareholders may be held without notice at any time and place permitted by the Act (a) if all the shareholders entitled to vote at the Meeting of Shareholders are present in person or duly represented or if those not present or represented waive notice of or otherwise consent to such Meeting of Shareholders being held, and (b) if the auditors and the Directors are present or waive notice of or otherwise consent to such Meeting of Shareholders being held, provided that such shareholders, auditors or Directors present are not attending for the express purpose of objecting to the transaction of any business on the grounds that the Meeting of Shareholders is not lawfully called. At such Meeting of Shareholders any business may be transacted which the Corporation may transact at a Meeting of Shareholders. If the Meeting of Shareholders is held at a place outside Canada, shareholders not present or duly represented, but who have waived notice of or otherwise consented to such Meeting of Shareholders, shall also be deemed to have consented to the Meeting of Shareholders being held at such place.
- 10.10 Chair, Secretary and Scrutineers.** The chair of any Meeting of Shareholders shall be the first mentioned of such of the following officers as have been appointed and who is present at the Meeting of Shareholders: chair of the Board, president or a vice president who is a shareholder. If no such officer is present within 15 minutes from the time fixed for holding the Meeting of Shareholders, the persons present and entitled to vote shall choose one of their number to be chair. If the secretary of the Corporation is absent, the chair shall appoint some person, who need not be a shareholder, to act as secretary of the Meeting of Shareholders. If desired, one or more scrutineers, who need not be shareholders, may be appointed by a resolution or by the chair with the consent of the Meeting of Shareholders.
- 10.11 Persons Entitled to be Present.** The only persons entitled to be present at a Meeting of Shareholders shall be those entitled to vote at the Meeting of Shareholders, the Directors and auditors of the Corporation and others who, although not entitled to vote, are entitled or required under any provision of the Act, the Articles, the By-Laws or any unanimous shareholder agreement to be present at the Meeting of Shareholders. Any other person may be admitted only on the invitation of the chair of the Meeting of Shareholders or with the approval of the majority of shareholders at the Meeting of Shareholders.
- 10.12 Quorum.** Subject to the Act in respect of a majority shareholder and Section 10.22, a quorum for the transaction of business at any Meeting of Shareholders shall be two persons present in person, each being a shareholder entitled to vote at the Meeting of Shareholders or a duly appointed proxyholder or representative for a shareholder so entitled, where holders of shares carrying not less than ten percent (10%) of the total number of votes attached to all the shares that carry the right to vote at such Meeting of Shareholders are present in person or by proxy. If a quorum is present at the opening of any Meeting of Shareholders, the shareholders present or represented may proceed with the business of the Meeting of Shareholders notwithstanding that a quorum is not present throughout the Meeting of Shareholders. If a quorum is not present at the opening of any Meeting of Shareholders, the shareholders present or represented may adjourn the Meeting of Shareholders to a fixed time and place but may not transact any other business.

- 10.13 Right to Vote.** Every person named in the list referred to in Section 10.7 shall be entitled to vote the shares shown thereon opposite such person's name at the Meeting of Shareholders to which such list relates.
- 10.14 Proxyholders and Representatives.** Every shareholder entitled to vote at a Meeting of Shareholders may appoint a proxyholder, or one or more alternate proxyholders, to attend and act as the shareholder's representative at the Meeting of Shareholders in the manner and to the extent authorized and with the authority conferred by the proxy. A proxy shall be in writing executed by the shareholder or the shareholder's attorney authorized in writing and shall conform with the requirements of the Act. Alternatively, every such shareholder which is a body corporate or association may authorize by resolution of its directors or governing body an individual to represent it at a Meeting of Shareholders and such individual may exercise on the shareholder's behalf all the powers it could exercise if it were an individual shareholder. The authority of such an individual shall be established by depositing with the Corporation a certified copy of such resolution, or in such other manner as may be satisfactory to the secretary of the Corporation or the chair of the Meeting of Shareholders. Any such proxyholder or representative need not be a shareholder.
- 10.15 Time for Deposit of Proxies.** The Board may specify in a notice calling a Meeting of Shareholders a time not exceeding the time of such Meeting of Shareholders by more than 48 hours, excluding Saturdays and holidays, preceding any Meeting of Shareholders or adjournment of it before which time proxies to be used at such Meeting of Shareholders must be deposited with the Corporation or its agent. A proxy shall be acted upon only if, prior to the time so specified, it shall have been deposited with the Corporation or an agent of it specified in such notice or if, no such time having been specified in such notice, it has been received by the secretary of the Corporation or by the chair of the Meeting of Shareholders or any adjournment of it prior to the time of voting.
- 10.16 Joint Shareholders.** If two or more persons hold shares jointly, any one of them present in person or duly represented at a Meeting of Shareholders may, in the absence of the other or others, vote the shares, but if two or more of those persons are present in person or represented and vote, they shall vote as one the shares jointly held by them.
- 10.17 Votes to Govern.** At any Meeting of Shareholders every question shall, unless otherwise required by the Articles, the By-Laws or any unanimous shareholder agreement, be determined by a majority of the votes cast on the question. Subject to any unanimous shareholder agreement, in case of an equality of votes, either upon a show of hands or upon a poll, the chair of the Meeting of Shareholders shall not be entitled to a second or casting vote.
- 10.18 Special Resolution.** Any resolution proposing the cancellation of the Corporation's admission to AIM shall be passed only by a majority of not less than 75% of the votes cast at the Meeting of Shareholders.
- 10.19 Show of Hands.** Subject to the Act, any question at a Meeting of Shareholders shall be decided by a show of hands, unless a ballot is required or demanded for such question as provided in this By-Law, and upon a show of hands every person who is present and entitled to vote shall have one vote. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot is required or demanded for such question, a declaration by the chair of the Meeting of Shareholders that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the Meeting of Shareholders shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of such question, and the result of the vote so taken shall be the decision of the shareholders upon such question. Any vote referred to in this Section 10.18 may be held, in accordance with the Act, partly or entirely by means of a telephonic, electronic or other communication facility, if the Corporation makes available such a communication facility. Any person participating in a Meeting of Shareholders under Sections 10.4 or 10.5 and entitled to vote at that Meeting of Shareholders may vote by means of the telephonic, electronic or other communication facility that the Corporation has made available for that purpose.

10.20 Ballots. On any question proposed for consideration at a Meeting of Shareholders, and whether or not a show of hands has been taken upon such question, the chair may require a ballot or any person who is present and entitled to vote on such question at the Meeting of Shareholders may demand a ballot. A ballot so required or demanded shall be taken in such manner as the chair shall direct. A requirement or demand for a ballot may be withdrawn at any time prior to the taking of the ballot. If a ballot is taken, each person present shall be entitled, in respect of the shares which such person is entitled to vote at the Meeting of Shareholders upon the question, to that number of votes provided by the Act or the Articles, and the result of the ballot so taken shall be the decision of the shareholders upon such question.

10.21 Adjournment. The chair at a Meeting of Shareholders may, with the consent of the Meeting of Shareholders and subject to such conditions as the Meeting of Shareholders may decide, adjourn the Meeting of Shareholders from time to time and from place to place. If a Meeting of Shareholders is adjourned for less than 30 days, it shall not be necessary to give notice of the adjourned Meeting of Shareholders, other than by announcement at the earliest Meeting of Shareholders that is adjourned. Subject to the Act, if a Meeting of Shareholders is adjourned by one or more adjournments for an aggregate of 30 days or more, notice of the adjourned Meeting of Shareholders shall be given as for an original Meeting of Shareholders.

10.22 Action in Writing by Shareholders. A resolution in writing signed by all the shareholders entitled to vote on that resolution at a Meeting of Shareholders is as valid as if it had been passed at a Meeting of Shareholders, unless a written statement with respect to the subject matter of the resolution is submitted by a Director or the auditor, in each case in accordance with the Act.

10.23 Only One Shareholder. If the Corporation has only one shareholder, or only one holder of any class or series of shares, the shareholder present in person or duly represented constitutes a Meeting of Shareholders.

10.24 Advance Notice.

- (a) In order to ensure that Meetings of Shareholders are conducted in an orderly and efficient manner and that all shareholders have access to the same information pertaining to all directors nominated for election so they may cast an informed vote, this Section imposes certain deadlines by which shareholders submitting a nominee must provide the required information for such nomination to be eligible for election at a Meeting of Shareholders or Special Meeting of Shareholders.
- (b) Subject only to the Act, the Articles and any other by-law of the Corporation, only persons who are nominated in accordance with this Section 10.23 shall be eligible for election as directors of the Corporation.
- (c) At any annual meeting of shareholders or any Special Meeting of Shareholders (where one of the purposes for which such Special Meeting of Shareholders was called was the election of directors), nominations of persons for election to the Board may be made:
 - (i) by or at the direction of the Board or an authorized officer of the Corporation;
 - (ii) by one or more shareholders pursuant to a "proposal" (as defined in Section 137(1) of the Act) made in accordance with the provisions of Section 137 of the Act, or a requisition by one or more of the shareholders made in accordance with the provisions of Section 143 of the Act; or
 - (iii) by any person (a "**Nominating Shareholder**") who at the close of business on the date of the giving of the notice provided for in this Section 10.23 and at the close of business on the record date for notice of such Meeting of Shareholders, is a registered or beneficial holder of one or more shares carrying the right to vote at such Meeting of Shareholders, and who complies with the timing and notice procedures set forth below in this Section 9.23.

- (d) In addition to any other requirements under applicable law, the Articles and any other by-law of the Corporation, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given notice thereof that is both timely (in accordance with subsection 9.23 (5), and in proper written form (in accordance with subsection 10.23 (6), to the Secretary of the Corporation.
- (e) To be timely, a Nominating Shareholder's notice to the Secretary of the Corporation must be made:
 - (i) in the case of an annual meeting of shareholders, not fewer than 30 days nor more than 65 days prior to the date of the annual meeting of shareholders (but in any event, not prior to the Notice Date); provided, however, that in the event such Meeting of Shareholders is called for a date that is fewer than 45 days after the Notice Date, notice by the Nominating Shareholder must be made not later than the close of business on the 10th day following the Notice Date; or
 - (ii) in the case of a Special Meeting of Shareholders (which is not also an annual meeting of shareholders) called for the purpose of electing directors (whether or not also called for other purposes), not later than the close of business on the 15th day following the Notice Date.
- (f) To be in proper written form, a Nominating Shareholder's notice to the Secretary of the Corporation must set forth:
 - (i) as to each person whom the Nominating Shareholder proposes to nominate for election as a director: (i) the name, age, citizenship, business address and residential address of the person; (ii) the principal occupation or employment of the person; (iii) the class or series and number of shares in the capital of the Corporation which are controlled or directed or which are owned beneficially, directly or indirectly, or of record by the person as of the record date for notice of the Meeting of Shareholders (if such date shall have occurred) and as of the date of such notice; and (iv) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws; and
 - (ii) as to the Nominating Shareholder (which, for the purpose of this subsection 10.23 (6)(b), includes the Nominating Shareholder's Affiliates): (i) the class or series and number of shares in the capital of the Corporation which are controlled or directed or which are owned beneficially, directly or indirectly, or of record by the Nominating Shareholder as of the record date for notice of the Meeting of Shareholders (if such date shall have occurred) and as of the date of such notice; (ii) full particulars regarding any proxy, contract, agreement, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Corporation; (iii) full particulars of any derivatives, hedges or other economic or voting interests (including short positions) relating to the Nominating Shareholder's interest in shares in the capital of the Corporation; and (iv) any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws.

The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as a director of the Corporation or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee. The Corporation may also require any proposed nominee to provide the Corporation with a written consent to be named as a nominee and to act as a director, if elected.

- (g) No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the provisions of this Section 10.23; provided, however, that nothing in this Section 10.23 shall be deemed to preclude discussion by a

shareholder (as distinct from nominating directors) at a Meeting of Shareholders of any matter that is properly before such Meeting of Shareholders pursuant to the provisions of the Act or the discretion of the chairman of the meeting.

- (h) The chairman of the Meeting of Shareholders shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in this Section 9.23 and, if any proposed nomination is not in compliance with the procedures set forth in this Section 10.23, to declare that such defective nomination shall be disregarded.
- (i) Notice given to the Secretary of the Corporation pursuant to this Section 10.23 may only be given by personal delivery, facsimile or email (at such fax number or email address as set forth on the Corporation's profile on the System for Electronic Document Analysis and Retrieval at www.sedar.com), and shall be deemed to have been given and made (i) if personally delivered, only at the time it is served by personal delivery to the Secretary of the Corporation at the principal executive office of the Corporation or (ii) if transmitted by facsimile or email, if sent before 5:00 p.m. (Toronto time) on a Business Day, on such Business Day, and otherwise on the next Business Day.
- (j) Notwithstanding the foregoing, the Board may, in its sole discretion, waive any requirement in this Section 10.23.

SECTION ELEVEN

NOTICES

- 11.1 Method of Giving Notices.** Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served) pursuant to the Act, the Articles, the By-Laws or otherwise to a shareholder, Director, officer, auditor or member of a committee of the Board shall be sufficiently given: (a) if delivered personally to the person to whom it is to be given; (b) if mailed to such person at the person's Recorded Address by prepaid mail, or (c) if transmitted by electronic means in accordance with the Act. A notice so delivered shall be deemed to have been given and received when it is delivered personally or to the Recorded Address; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box and deemed received at the time it would be delivered in the ordinary course of mail; and a notice so sent by any means of transmitted or recorded communication shall be considered given and received at the times prescribed by the Act. The secretary may change or cause to be changed the Recorded Address of any shareholder, Director, officer, auditor or member of a committee of the Board in accordance with any information believed by the secretary to be reliable.
- 11.2 Notice to Joint Shareholders.** If two or more persons are registered as joint holders of any share, any notice may be addressed to all such joint holders, but notice addressed to one of such persons shall be sufficient notice to all of them.
- 11.3 Computation of Time.** In computing the date when notice must be given under any provision requiring a specified number of days' notice of any meeting or other event, the day of giving the notice shall be excluded and the day of the meeting or other event shall be included.
- 11.4 Undelivered Notices.** If any notice given to a shareholder pursuant to Section 11.1 is returned on two consecutive occasions because the shareholder cannot be found, the Corporation shall not be required to give any further notices to such shareholder until informed in writing by the shareholder of a new address.
- 11.5 Omissions and Errors.** The accidental omission to give any notice to any shareholder, Director, officer, auditor or member of a committee of the Board or the non-receipt of any notice by any such person or any error in any notice not affecting the substance of the notice shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded on the notice.
- 11.6 Persons Entitled by Death or Operation of Law.** Every person who, by operation of law, transfer, death of a shareholder or any other means whatsoever becomes entitled to any share, shall be bound by every notice in respect of such share which shall have been duly given to the shareholder from whom such person derives title to such share prior to the name and address of such person being entered on the securities register (whether such notice was given before or after the happening of the event upon which such person became so entitled) and prior to such person furnishing to the Corporation the proof of authority or evidence of entitlement prescribed by the Act.
- 11.7 Waiver of Notice.** Any shareholder, proxyholder, Director, officer, auditor or member of a committee of the Board, or any other person entitled to receive notice of a Meeting of Shareholders or of the Board or a committee of the Board or any other notice from the Corporation, may at any time waive any notice, or waive or abridge the time for any notice, required to be given to such person under the Act, the Articles, the By-Laws or otherwise. Any such waiver or abridgement, whether given before or after the meeting or other event of which notice is required to be given, shall cure any default in the giving or in the time of such notice, as the case may be. Any such waiver or abridgement shall be in writing, except a waiver of notice of a Meeting of Shareholders or of the Board or a committee of the Board may be given in any manner.

SECTION TWELVE

EFFECTIVE DATE

- 12.1 Effective Date.** This By-Law shall come into force when made by the Board in accordance with the Act.

This By-Law was made by the Directors on May 6, 2021, and was confirmed without variation by the shareholders of the Corporation on [June 9], 2021.

Joan Plant, Secretary

