



## MANAGEMENT INFORMATION CIRCULAR

(As at May 2, 2024 (the “Record Date”)  
and in United States of America dollars, except where indicated)

### PERSONS MAKING THIS SOLICITATION OF PROXIES

**This Management Information Circular (“Circular” or “Information Circular”) is provided in connection with the solicitation by management of Atico Mining Corporation (the “Corporation”) of proxies (“Proxies”) from registered shareholders and voting instruction forms (“VIFs”) from the holders (“Shareholders”) of common shares of the Corporation (“Common Shares”) in respect of the annual general meeting of Shareholders (the “Meeting”) to be held at the time, location and place and for the purposes set out in the accompanying notice of meeting (the “Notice of Meeting”).**

Although it is expected that the solicitation of Proxies and VIFs will be primarily by mail pursuant to the notice-and-access procedures, Proxies and VIFs may also be solicited personally or by telephone, facsimile or other proxy solicitation services. In accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer of the Canadian securities administrators* (“**NI 54-101**”), arrangements have been made with intermediaries such as stockbrokers, securities dealers, banks, trust companies, trustees and their agents and nominees (“**Intermediaries**”) to forward the Notice of Meeting, Proxies and VIFs to the beneficial owners of the Common Shares 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 and VIFs will be borne by the Corporation.

The Corporation has given notice of the Meeting in accordance with NI 54-101, pursuant to which it has sent the Notice of Meeting and Proxy or VIF, but not this Circular, directly to its registered Shareholders and those non-registered (beneficial) Shareholders that have consented to allow their addresses to be provided to the Corporation (“**NOBOs**”) in accordance with NI 54-101. The Corporation does not intend to pay for Intermediaries to forward the Notice of Meeting and VIF to those Beneficial Shareholders (as defined below) that have refused to allow their address to be provided to the Corporation (“**OBOs**”). Accordingly, OBOs will not receive the Notice of Meeting and VIF unless their respective Intermediaries assume the cost of forwarding such documents to them.

Instead of mailing this Circular to Shareholders, the Corporation has posted the Circular on its website at: [www.aticomining.com](http://www.aticomining.com) pursuant to the ‘Notice-and-Access’ procedures of NI 54-101. Shareholders will not receive a paper copy of the Circular unless they contact the Corporation as set out under ‘Additional Information’ at the end of this Circular. Provided the request is made prior to the Meeting, Shareholders will be mailed the Circular within three business days. **Requests for paper copies of the Circular should be made no later than 12:00 noon (Vancouver time) on Tuesday, June 4<sup>th</sup>, 2024 in order for Shareholders to receive paper copies of the Circular and return their completed Proxies or VIFs, as applicable, by the deadline for submission of 10:00 a.m. (Vancouver time) on Friday, June 14<sup>th</sup>, 2024.**

### ATTENDING THE MEETING

The Meeting will be held by teleconference. To access the Meeting by teleconference, please use the following dial-in numbers as applicable and refer to the section “Voting of Proxies and VIFs” in this

Circular for details on how to vote at the Meeting. Shareholders are encouraged to vote their Common Shares prior to the Meeting by any of the means described in this Circular.

**Participant / Guest (Toll-Free):** **1-877-407-2991**

**Participant / Guest (Toll):** **1 201-389-0925**

### **APPOINTMENT OF PROXYHOLDERS AND COMPLETION AND REVOCATION OF PROXIES AND VIFS**

Only persons registered as Shareholders in the Corporation's central security register maintained by its registrar and transfer agent (the "**Central Security Register**") as at the Record Date or duly appointed proxyholders of registered Shareholders ("**Proxyholders**") will be recognized or may make motions or vote at the Meeting.

The persons named (the "**Management Designees**") in the enclosed Proxy or VIF have been selected by the directors of the Corporation and have agreed to represent, as Proxyholder, the Shareholders appointing them.

**A Shareholder has the right to designate a person or company (who need not be a Shareholder and, for a VIF, can be the appointing Shareholder) other than the Management Designees to represent them at the Meeting. Such right may be exercised by inserting in the space provided for that purpose on the enclosed Proxy or VIF the name of the person to be designated and by striking therefrom the names of the Management Designees or, if the Shareholder is a registered Shareholder, by completing another proper form of Proxy, and delivering the Proxy in accordance with its instructions. Such Shareholder should notify the nominee of the appointment, obtain the nominee's consent to act as Proxyholder and provide instructions on how the Shareholder's Common Shares are to be voted.**

A Shareholder may indicate the manner in which the Proxyholders are to vote on behalf of the Shareholder, if a poll is held, by marking an 'X' in the appropriate space of the Proxy. **If both spaces are left blank, the Proxy will be voted as recommended by management for any matter requiring a 'For' or 'Against' vote, and in favour of the matter for any matter requiring a 'For' or 'Withhold' vote.**

**The enclosed Proxy, when properly signed, confers discretionary authority with respect to amendments or variations to the matters identified in the Notice of Meeting.** As at the date of this Circular, the Corporation's management is not aware that any amendments or variations are to be presented at the Meeting. If any amendments or variations to such matters should properly come before the Meeting, it is the intent of the Management Designees to vote the Proxies hereby solicited as recommended by management.

To be valid, the Proxy or VIF must be dated and executed by the Shareholder or an attorney authorized in writing, with proof of such authorization attached (where an attorney executed the Proxy or VIF). The completed Proxy or VIF must then be returned in accordance with its instructions. Proxies (but not VIFs, unless the VIF has Computershare's name and address on the top right corner of the first page) and proof of authorization can also be delivered to the Corporation's transfer agent, Computershare Investor Services Inc. ("**Computershare**") by mail (Attention: Proxy Department), to 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1, Canada or by hand delivery to 3<sup>rd</sup> Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9 at least 48 hours, excluding Saturdays, Sundays and holidays, before the Meeting or any adjournment thereof.

A Proxy or VIF may be revoked by (a) attending the Meeting and voting by phone if you are a registered Shareholder or (b) by depositing an instrument in writing (which includes a Proxy or VIF bearing a later date) executed by the Shareholder or by their authorized attorney in writing, or, if the Shareholder is a company, under its corporate seal by an officer or attorney thereof duly authorized, at the office of the transfer agent at one of Computershare's addresses set out above, the Corporation's address at Suite 501, 543 Granville Street, Vancouver, British Columbia, V6C 1X8 (or by fax to (+1) 604-688-1157) or at the Corporation's registered office at Blake, Cassels & Graydon LLP (Attention: Spencer Wilkie), Suite 3500 - 1133 Melville Street, Vancouver, British Columbia V6E 4E5, Canada (or by fax to (+1) 604-631-3309) at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof. If you have already voted by proxy and you vote again during the Meeting, your vote by phone during the Meeting will revoke your previously submitted proxy. If you have already voted by proxy and do not wish to revoke your previously submitted proxy, do not vote again during the Meeting.

### **REGISTERED SHAREHOLDERS**

Only persons registered as Shareholders in the Corporation's Central Security Register maintained by its registrar and transfer agent or duly appointed Proxyholders will be recognized or may make motions or vote at the Meeting.

### **BENEFICIAL SHAREHOLDERS**

**The information set forth in this section is of significant importance as many Shareholders do not hold Common Shares in their own name.**

Shareholders holding their Common Shares through Intermediaries ("**Beneficial Shareholders**") should note that only Proxies deposited by registered Shareholders will be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those Common Shares, in all likelihood, will **not** be registered in the Shareholder's name. Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co., the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms. Common Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted (for, withhold or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate party well in advance of the Meeting.**

As provided for in NI 54-101, the Corporation has elected to obtain a list of its NOBOs from Intermediaries, and deliver proxy-related materials directly to its NOBOs. As a result, NOBOs can expect to receive a scannable VIF from Computershare instead of a Proxy. A VIF enables a Shareholder to provide instructions to the registered holder of its Common Shares as to how those shares are to be voted at the Meeting and allows the registered holder to provide a Proxy voting the Common Shares in accordance with those instructions. A VIF should be completed and returned in accordance with its instructions. As indicated in the VIF, both telephone voting and internet voting are allowed. The results of the VIFs received from NOBOs will be tabulated and appropriate instructions respecting voting of Common Shares to be represented at the Meeting will be provided to the registered Shareholders.

The securityholder materials are being sent to both registered and Beneficial Shareholders. If you are a Beneficial Shareholder, and the Corporation or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf. By choosing

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

Securities regulatory policies require Intermediaries to seek voting instructions from OBOs in advance of the Meeting. Every Intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by OBOs to ensure that their Common Shares are voted at the Meeting. Most brokers now delegate responsibility for obtaining voting instructions from clients to Broadridge Investor Communications (“**Broadridge**”), which mails the materials for the Meeting to OBOs and asks them to return a VIF to Broadridge. **An OBO receiving a VIF from Broadridge may use that VIF to vote Common Shares directly at the Meeting if the OBO inserts their name as the name of the person to represent them at the Meeting. Such Shareholder should notify its nominee of the appointment, obtain the nominee’s consent to act as representative and provide instructions on how the Shareholder’s Common Shares are to be voted. The VIF must be returned to Broadridge well in advance of the meeting in order to have the Common Shares voted.**

**Beneficial Shareholders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered. Shareholders with any questions respecting the voting of Common Shares held through a broker or other Intermediary should contact that broker or other Intermediary for assistance.**

#### **UNITED STATES SHAREHOLDERS**

This solicitation of Proxies and VIFs involves securities of a corporation located in Canada and is being effected in accordance with the corporate laws of the province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States Securities Exchange Act of 1934, as amended, are not applicable to the Corporation or this solicitation. Shareholders should be aware that disclosure and proxy solicitation requirements under the securities laws of the provinces of Canada differ from the disclosure and proxy solicitation requirements under United States securities laws.

The enforcement by Shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Corporation is incorporated under the *Business Corporations Act* (British Columbia) (the “**BCA**”), some of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign corporation or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign corporation and its officers and directors to subject themselves to a judgment by a United States court.

#### **VOTING OF PROXIES AND VIFS**

The Corporation is holding the Meeting as a virtual meeting, which will be conducted via teleconference. In order to attend, participate and vote at the Meeting, please use the following dial-in numbers as applicable:

<b>Participant / Guest (Toll-Free):</b>	<b>1-877-407-2991</b>
<b>Participant / Guest (Toll):</b>	<b>1 201-389-0925</b>

Each registered Shareholder and Proxyholder is entitled to one vote for each Common Share held or represented, respectively. Each Shareholder may instruct their Proxyholder how to vote their Common Shares by completing the blanks on the Proxy or VIF. All Common Shares represented at the Meeting by properly executed Proxies and VIFs will be voted or withheld from voting in accordance with the

instructions of the Shareholder and, where a choice with respect to any matter to be acted upon has been specified in the Proxy or VIF, such Common Shares will be voted in accordance with such specification. **In the absence of any such specification on the Proxy or VIF as to voting, the Management Designees, if named as Proxyholder or nominee, will vote in favour of the matters set out therein.**

**The Proxy or VIF confers discretionary authority upon the Management Designees, or other person named as Proxyholder, with respect to amendments to or variations of matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting. As of the date hereof, the Corporation is not aware of any amendments to, variations of or other matters which may come before the Meeting. If other matters come before the Meeting, then the Management Designees intend to vote in accordance with the judgment of the Corporation.**

In order to approve a motion proposed at the Meeting, a majority of greater than 50% of the votes cast will be required (an “**ordinary resolution**”) unless the motion requires a “special resolution” in which case a majority of 66 2/3% of the votes cast will be required.

### **QUORUM**

The Articles of the Corporation provide that a quorum for the transaction of business at any meeting of Shareholders shall be two Shareholders present or represented by Proxy who, in the aggregate, hold at least 5% of the issued Common Shares entitled to be voted at the Meeting.

### **VOTING SHARES AND PRINCIPAL HOLDERS THEREOF**

The Corporation is authorized to issue an unlimited number of Common Shares. As at the Record Date, the Corporation had 121,286,185 Common Shares issued and outstanding. There are no other shares issued or outstanding of any class. The Common Shares are the only shares entitled to be voted at the Meeting, and holders of Common Shares are entitled to one vote for each Common Share held.

To the knowledge of the directors and executive officers of the Corporation, no person, firm or company beneficially owned, or exercised control or direction over, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to the Common Shares as at the Record Date.

### **STATEMENT OF EXECUTIVE COMPENSATION**

The following information is presented in accordance with National Instrument 51-102 - *Continuous Disclosure Obligations* and Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers*, and sets forth the annual compensation for services in all capacities to the Corporation and its subsidiaries in respect of the individuals comprised of the Chief Executive Officer (the “**CEO**”), the Chief Financial Officer (the “**CFO**”) and the other executive officers, including its subsidiaries, whose individual total compensation for the most recently completed financial year exceeded \$150,000, and any individual who would have satisfied these criteria but for the fact that the individual was not serving as our officer or an officer of any of our subsidiaries at the end of the most recently completed financial year (together, the “**Executive Officers**” or “**NEOs**”).

## A. Compensation Discussion and Analysis

The Compensation Committee of the board of directors of the Corporation (the “**Board**”) is responsible for ensuring that the Corporation has appropriate procedures for executive compensation and making recommendations to the Board with respect to the compensation of the Corporation’s Executive Officers. The goal of the Corporation’s executive compensation philosophy is to attract, motivate, retain and reward an energetic, goal driven, highly qualified and experienced management team and to encourage them to meet and exceed performance expectations within a calculated risk framework. The Compensation Committee periodically reviews the adequacy and form of compensation to ensure it realistically reflects the responsibilities and risks involved in being an effective director or officer and that compensation allows the Corporation to attract qualified candidates.

The Compensation Committee is also responsible for recommending compensation for the directors and granting stock options (the “**Options**”) to the directors, officers and employees of, and consultants to, the Corporation pursuant to the Corporation’s Stock Option Plan (the “**Option Plan**”) and Restricted Share Unit Plan (the “**RSU Plan**”).

The Compensation Committee consists of three directors, two of whom are independent (outside, non-management directors – Mario Szotlender (Chairman) and Jonathan Goodman) and one of whom is not an independent director (Michael Winn). The Compensation Committee members have the necessary expertise to enable them to make decisions on the suitability of the Corporation’s policies or practices. Messrs. Szotlender, Winn and Goodman have direct experience relevant to their responsibilities on the Compensation Committee, including acting as officers and directors or in the past served, or currently serve on compensation committees of other publicly traded corporations so that they are familiar with remuneration in the Corporation’s industry. The Board is satisfied that the composition of the Compensation Committee ensures an objective process for determining compensation.

### Compensation Consultant

In 2022, the Corporation had retained Global Governance Advisors Inc. (“**GGA**”), an independent advisory firm that provides counsel to boards and directors on matters relating to executive compensation and governance, to assist the Compensation Committee in refining the Corporation’s executive compensation practices including the review and refinement of the Corporation’s peer group for executive compensation benchmarking. The Compensation Committee established GGA’s mandate and approved the fee associated with its execution. The Compensation Committee again retained GGA in the first quarter of 2023 to review and recommend updates to the market peer group and to review certain disclosures in the Management Information Circular.

<b>Fee Paid</b>	<b>2023</b>	<b>2022</b>
	<b>(\$)</b>	<b>(\$)</b>
Executive Compensation – related fees	\$5,699	\$21,969
All other fees	Nil	Nil
Total	\$5,699	\$21,969

### Oversight and description of Director and NEO Compensation

Compensation plays an important role in achieving short and long-term business objectives that ultimately drive business success. The Corporation’s compensation philosophy is to foster a high performance culture at all levels of the organization. The granting of Options and Restricted Share Units (“**RSUs**”) will be used

to retain and reward Executive Officers and directors for individual, business, and corporate results. These grants will be a significant component of executive compensation. This approach is based on the assumption that the performance of the Common Share price over the long term is an important indicator of long-term performance.

The Corporation's compensation philosophy is based on the following fundamental principles:

- *Executive compensation must align with shareholder interests* – the Corporation aligns the performance goals of executives with maximizing long-term shareholder value;
- *Strong pay-performance linkage* – executive compensation should be linked to corporate, individual and share performance and fluctuate with the performance achieved; and
- *Competitive is key to attract and retain key talent* – the compensation program structure and value should provide market competitive pay in order to retain existing employees who are performing according to their objectives and to attract new individuals of the highest calibre.

The Corporation believes that compensation principles outlined above will be achieved by:

- aligning the interests of our executives with shareholders' interests and with the execution of the Corporation's business strategy;
- evaluating executive performance on the basis of key measurements that focus performance on a balance between achieving the short-term business plan versus creating long-term shareholder value;
- tying executive compensation directly to key measurements and rewarding based on their achievement; and
- taking the Corporation's overall financial status into consideration when designing/delivering compensation.

The Corporation believes that clear, measurable corporate objectives, combined with selected, high impact individual performance goals, play an important role in creating and maintaining an effective compensation structure for the NEOs. The Corporation's objective is to establish performance benchmarks and targets for its NEOs that will enhance shareholder value if achieved.

Total compensation for each NEO is designed to be competitive. From time-to-time, the Compensation Committee reviews the market compensation practices of a selected peer group of companies when considering the Corporation's executive compensation practices. The Compensation Committee reviews each element of compensation for market competitiveness. While the Committee may weight a particular element more heavily based on the NEO's role within the Corporation, their target total compensation will be designed to be competitive in the market.

In addition, on an ad hoc basis, the Compensation Committee will review data related to compensation levels, elements and policies of their peer group in order to recalibrate, as required to stay competitive. The Compensation Committee also relies on the experience of its members as officers and/or directors at other companies in similar lines of business as the Corporation in assessing compensation levels.

#### *Compensation Components*

The compensation of the NEOs is comprised primarily of (i) base salary; (ii) short-term incentives (annual) in the form of cash bonuses; and (iii) long-term incentives in the form of Options and/or RSUs granted in accordance with the Option Plan, and RSU Plan.

## ***Compensation Governance***

The Compensation Committee is responsible for ensuring that the Corporation has in place an appropriate plan for executive compensation and for making recommendations to the Board with respect to the compensation of the Corporation's Executive Officers. The Compensation Committee ensures that total compensation paid to all NEOs is fair, reasonable, and consistent with the Corporation's compensation philosophy.

From time to time the Compensation Committee makes, and the Board reviews and may approve, recommendations regarding compensation to Executive Officers and directors. A combination of fixed and variable compensation are used to motivate Executive Officers to achieve overall corporate goals. The three basic components of the Corporation's executive officer compensation program are:

- Base salary;
- Short-term (annual) incentive payments (in the form of cash); and
- Long-term incentive compensation (in the form of Options and/or RSUs).

As part of their mandate, the Compensation Committee retained GGA along with input from the management of the Corporation to review and recommend updates to the market peer group for executive compensation benchmarking in the first quarter of 2023. As a result, the Compensation Committee approved the following companies, which are similar in size and scope to the Corporation. The benchmarking peer group used to establish executive compensation includes the following organizations:

<b>2023 Benchmarking Peer Group</b>			
Amerigo Resources Ltd.	Dynacor Gold Mines Inc.	Mandalay Resources Corporation	Sierra Metals Inc.
Signal Gold Inc.	Mako Mining Corp.	Orvana Minerals Corp.	Robex Resources Inc.
Avino Silver & Gold Mines Ltd.	Golconda Gold Ltd	Serabi Gold PLC.	

The peer group was selected based on organizations having a similar size to the Corporation in terms of market capitalization, production levels, revenue and total assets. In addition, the organizations were selected based on similar geographic locations to the Corporation.

The Compensation Committee also relies on the experience of its members as officers and directors of other publicly traded junior mining companies in assessing compensation levels. These other companies are identified under the heading "Corporate Governance – Directorships" of this Information Circular. The purpose of this process is to:

- understand the competitiveness of current pay levels for each executive position relative to companies with similar business characteristics;
- identify and understand any gaps that may exist between actual compensation levels and market compensation levels; and
- establish a basis for developing salary adjustments and short-term and long-term incentive awards for the Compensation Committee's approval.



### Alignment of Interest of Management with Interest of the Corporation's Shareholders

The compensation package meets the goal of aligning the interest of management with the interest of the Corporation's Shareholders through the grant of share-based compensation:

- If the price of the Common Shares increases, both executives and Shareholders will benefit; and
- By providing a vesting period on share-based grants, the Corporation ensures management has an interest in increasing the price of the Common Shares over time, rather than focusing on short-term increases.

### Leveraging Performance by Linking Compensation to Individual and Business Performance

By linking management's goals and objectives to the payment of annual incentive awards, the Corporation aims to motivate the executives to meet both their individual goals and objectives but also those of the Corporation in general.

### Elements of Executive Compensation

The executive compensation program for the fiscal year ended December 31, 2023 contained four basic elements, as depicted and described in more detail below:

The following table explains how each component supports our compensation philosophy. Each component is assessed separately, and together these are considered total compensation.

<b>Component</b>	<b>Objective/Rationale</b>
<b>Base Salary</b>	<ul style="list-style-type: none"><li>• Fixed cash salary</li><li>• Reviewed from time to time against market survey results</li><li>• Adjustments, if deemed appropriate, are determined in the first quarter of each year</li><li>• Used to determine other elements of compensation and benefits</li></ul>
<b>Annual Short-Term Incentive (STIP)</b>	<ul style="list-style-type: none"><li>• Paid at the discretion of the Board and upon the achievement of Board approved corporate and individual performance metrics</li><li>• Determined in the first quarter of each year with respect to the prior years' performance</li><li>• Target awards represent a percentage of base salary and based on a combination of corporate and individual performance</li><li>• Each executive has a target annual STIP, reflected as a percentage of base salary, relative to both the executive's position in the Corporation and the Corporation's peer group</li><li>• Established using balanced scorecards that contain metrics and weightings designed to closely align the NEO's overall compensation with achievement of both corporate and personal objectives</li></ul> <p><b>For the 2023 Fiscal year:</b></p> <ul style="list-style-type: none"><li>• Considered including only the most strategic metrics that are critical for the business over the next year in order to streamline its 2023 balanced scorecard to determine STIP payouts</li><li>• Short term incentive grant values are targeted between 25% and 45% of base salary</li></ul>

<b>Long-term Compensation (LTIP)</b>	<ul style="list-style-type: none"> <li>• Options: The Option Plan is a variable and discretionary component of compensation that provides that the board of directors may from time to time, in its discretion, grant Options to directors, senior officers, employees and consultants of the Corporation and its subsidiaries. Grants of Options seek to align the interests of management with the interests of the Corporation’s Shareholders through the possible increase in the price of the Common Shares of the Corporation over time</li> <li>• RSUs: The RSU Plan of the Corporation is a variable and discretionary component of compensation that provides that the Board may from time to time, in its discretion, grant RSUs to directors, senior officers, employees and consultants of the Corporation and its subsidiaries for accretively growing the Corporation and increasing the value of the Common Shares. Awards of RSUs seek to align the interests of management with the interests of the Corporation’s Shareholders through the possible increase in the price of the Common Shares over time</li> </ul>
<b>Other Compensation</b>	<ul style="list-style-type: none"> <li>• Employee benefits are necessary to maintain market competitiveness and to ensure employee well-being</li> <li>• Designed to be competitive overall with equivalent positions, to promote greater executive satisfaction through choice, and to manage program and administrative costs</li> <li>• Benefits include: <ul style="list-style-type: none"> <li>○ Optional participation in the Corporation’s comprehensive health insurance/group benefit plans, which are similar to broad-based plans made available to other employees in Canada</li> </ul> </li> </ul>

2023 Compensation Decisions

*Base Salary*

The Compensation Committee and the Board approve the salary ranges for the NEOs. The base salary review for each NEO is based on an assessment of factors such as current competitive market conditions, compensation levels within the peer group and particular skills, such as leadership ability and management effectiveness, experience, responsibility and proven or expected performance of the particular individual. The Compensation Committee, using this information, together with budgetary guidelines and other internally generated planning and forecasting tools, performs an annual assessment of the compensation of all executive and employee compensation levels.

*Short-Term Incentive Plan (STIP)*

Annual incentive awards (“**STIPs**”) are made by way of cash bonuses and are defined by the Corporation as an integral part of total compensation packages, in order to recognize and reward the contribution of NEOs in the achievement of various personal and organizational goals. The incentive is designed to provide transparency on compensation and to ensure compensation is competitive, sustainable and provides alignment with shareholder interests. Annual incentives include the following variables:

- STIP Target – represents an opportunity to earn an incentive based on personal and corporate goals and its value is based on a percentage of annual base salary which takes into account the NEOs level of expertise and responsibilities, as well as comparable levels of remuneration in other companies of similar size;

- STIP Award (scorecard result) – represents the proportion of the STIP Target that is awarded to the NEO based on the achievement of various personal and corporate objectives through the fiscal year. Corporate objectives are measured by total shareholder return versus the TSX Venture Exchange (“TSX-V”) index, operational cash flow, costs, reserve/resource growth, project-related milestones health, safety and environment and “other” performance metric categories. “Other” performance metrics include community and government relations, financing-related goals and market-related objectives.

The Board approves STIP targets for each NEO at the beginning of each financial year. The Compensation Committee establishes target amounts based on a number of factors, including comparable compensation of similar companies. Funding of the annual incentive awards is capped at the Corporation level and the distribution of funds to the Executive Officers is at the discretion of the Compensation Committee. Each NEO is eligible to an actual STIP payout based on the weighted performance results relative to the NEO’s predetermined performance goals set by the Compensation Committee at the beginning of each financial year and the assessment of such NEO’s overall performance by the Compensation Committee and the Board.

In order to develop a recommendation to the Board regarding annual incentive payments, the Compensation Committee assesses NEO performance, taking into consideration each NEO’s respective success in achieving his or her individual objectives, contributions to the achievement of the Corporation’s goals, and contributions to meeting the needs of the Corporation that arise on a day-to-day basis. For his/her direct reports, the CEO provides a recommended performance assessment to the Compensation Committee for their consideration.

The Board relies heavily on the recommendations of the Compensation Committee in granting the annual incentives. However, the Board reserves ultimate discretion in determining whether each NEO has met his or her targets, and has the right to make positive or negative adjustments to any annual incentive payment recommended by the Compensation Committee that it deems appropriate, and whether the organization has the funds to payout the awards.

For 2023, the NEO’s STIP Targets are summarized in the following table:

	CEO	Pres.	CFO/ VP Ops & Proj.	Sr. Expl. Mgr.
<b>Target STIP (% of Base Salary)</b>	45%	35%	30%	25%
<b>STIP Award Range (% of Base Salary)</b>	0-67.5%	0-67.5%	0-45%	0-45%
<b>Below Threshold</b>	0%	0%	0%	0%
<b>Threshold</b>	22.5%	25%	15%	12.5%
<b>Target</b>	45%	35%	30%	25%
<b>Maximum</b>	67.5%	67.5%	45%	37.5%

For the fiscal year ended December 31, 2023, the Corporation adopted the following performance measures and weightings for the CEO and other NEOs:

Corporate Objectives	Performance Criteria	Weight			
		CEO	Pres.	CFO/ VP Ops & Proj.	Sr. Expl. Mgr.
Operational Cash Flow	OCF >= USD \$18M	15%	20%	15%	15%
TSR vs S&P/TSX-V Index	> Median	20%	30%	20%	20%

### Stock Option Plan

As one component of the long-term incentive portion of the executive compensation package, the Corporation adopted an Option Plan to encourage share ownership and entrepreneurship on the part of the directors, senior management and other employees. The Compensation Committee believes that the Option Plan aligns the interests of the NEOs with the interests of Shareholders by linking a component of executive compensation to the long-term performance of the Common Shares.

Options are generally granted on an annual basis, subject to the imposition of trading black-out periods, in which case options scheduled for grant will be granted subsequent to the end of the black-out period. All options granted to NEOs are recommended by the Compensation Committee and approved by the Board. In monitoring Option grants, the Compensation Committee takes into account the level of options granted by comparable companies for similar levels of responsibility and considers each NEO or employee based on reports received from management, its own observations on individual performance (where possible) and its assessment of individual contribution to Shareholder value.

In addition to determining the number of options to be granted pursuant to the methodology outlined above, the Compensation Committee also makes the following determinations:

- the exercise price for each option granted;
- the date on which each option is granted;
- the vesting terms for each Option; and
- the other materials terms and conditions of each Option grant.

The Compensation Committee makes these determinations subject to and in accordance with the provision of the Option Plan.

Options were granted on April 21, 2023 to directors, officers, employees and consultants of the Corporation. Please see “Summary Compensation Table” below for details.

### Restricted Share Unit Plan

The Corporation also adopted an RSU Plan as a second component of its LTIP, to attract, retain and motivate officers and directors of the Corporation. The RSU Plan provides that RSUs may be granted by the Compensation Committee to directors and officers of the Corporation as a discretionary payment in

consideration for significant contributions to the long-term success of the Corporation. Please see “Description of RSU Plan” below for further details.

RSUs were granted on April 19, 2023 to NEOs of the Corporation for compensation related to 2023. Please see “Summary Compensation Table” below for details.

The Corporation may, subject to any regulatory and/or shareholder approvals that may be required, implement other long term incentive share bonus plans in the future.

#### *Compensation Risks*

The Compensation Committee is responsible for considering, establishing and reviewing executive compensation programs and devotes such time and resources as it believes to be necessary in the circumstances. The Committee considers whether the programs appropriately mitigate risk and discourage any excessive risk taking on the part of the NEOs. The Corporation anticipates that the compensation programs will be appropriately balanced between short-term results and long-term value creation and will not motivate unnecessary or excessive risk taking.

Base salaries are fixed in amount and do not encourage risk taking. While annual incentive awards will focus on the achievement of short-term or annual goals and short-term goals may encourage the taking of short-term risks at the expense of long-term results, the Corporation’s annual incentive award program is offset by the long-term incentive award program whose value could be diminished by risk short-term actions, thereby mitigating the risk.

Option and RSU awards are important to further align employees’ interests with those of the Shareholders. The ultimate value of the awards is tied to the price of the Common Shares and since awards are expected to be staggered and subject to long-term vesting schedules, they will help ensure that NEOs have significant potential compensation value tied in long-term stock price performance.

As at the date of this Circular, the Compensation Committee has not identified risks arising from the Corporation’s compensation programs that are reasonably likely to have a material adverse effect on the Corporation.

#### *Hedging by Named Executive Officers or Directors*

The Corporation has no policy with respect to NEOs or directors purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director. However, to the knowledge of the Corporation, as of the date of hereof, no director or NEO of the Corporation has participated in the purchase of such financial instruments.

#### *Diversity, Equity and Inclusion (DEI)*

The Corporation recognizes the importance of DEI, has analyzed their strengths and areas where improvements could be made and has undertaken to make enhancements in those areas. While the South

American-based staff are very representative of the area's demographics, the Corporation has undertaken to bring more diversity to their executive level roles.

### C. Summary Compensation Table

The following table contains a summary of the compensation earned by the NEOs during the Corporation's three most recently completed financial years.

Name and principal position	Year ended December 31	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation		Pension value (\$)	All other Compensation (\$)	Total Compensation (\$)
					Annual incentive plans (\$)	Long term incentive plans (\$)			
<b>Fernando Ganoza</b> <sup>(1)</sup> CEO & Director	2023	340,000	Nil	18,076 <sup>(4)</sup>	Nil <sup>(7)</sup>	111,686 <sup>(11)</sup>	Nil	Nil	469,762
	2022	340,000	Nil	21,834 <sup>(5)</sup>	112,838 <sup>(8)(9)</sup>	31,850 <sup>(12)</sup>	Nil	Nil	506,522
	2021	340,000	Nil	89,478 <sup>(6)</sup>	130,050 <sup>(10)</sup>	60,641 <sup>(13)</sup>	Nil	Nil	620,169
<b>Jorge R. Ganoza</b> <sup>(2)</sup> VP Operations and Projects & Director	2023	300,000	Nil	11,962 <sup>(4)</sup>	Nil <sup>(7)</sup>	73,910 <sup>(11)</sup>	Nil	Nil	385,872
	2022	300,000	Nil	14,449 <sup>(5)</sup>	65,250 <sup>(8)(9)</sup>	21,077 <sup>(12)</sup>	Nil	Nil	400,776
	2021	300,000	Nil	78,951 <sup>(6)</sup>	76,500 <sup>(10)</sup>	19,026 <sup>(13)</sup>	Nil	Nil	474,477
<b>Alain Bureau</b> President	2023	233,600	Nil	13,956 <sup>(4)</sup>	Nil <sup>(7)</sup>	86,228 <sup>(11)</sup>	Nil	72,000 <sup>(14)</sup>	405,784
	2022	233,600	Nil	16,857 <sup>(5)</sup>	69,794 <sup>(8)(9)</sup>	24,590 <sup>(12)</sup>	Nil	72,000 <sup>(14)</sup>	416,841
	2021	146,664	Nil	92,110 <sup>(6)</sup>	76,379 <sup>(10)</sup>	23,409 <sup>(13)</sup>	Nil	Nil	410,562
<b>Joseph Salas Tamayo</b> Senior Exploration Manager	2023	198,000	Nil	16,846 <sup>(4)</sup>	Nil <sup>(7)</sup>	Nil	Nil	Nil	214,846
	2022	198,000	Nil	16,500 <sup>(5)</sup>	\$23,125 <sup>(8)(9)</sup>	Nil	Nil	Nil	237,625
	2021	198,000	Nil	50,715 <sup>(6)</sup>	\$25,438 <sup>(10)</sup>	Nil	Nil	Nil	274,153
<b>Matias Herrero</b> CFO <sup>(3)</sup>	2023	275,000	Nil	10,965 <sup>(4)</sup>	Nil <sup>(7)</sup>	67,751 <sup>(11)</sup>	Nil	Nil	353,716
	2022	275,000	Nil	13,245 <sup>(5)</sup>	60,844 <sup>(8)(9)</sup>	19,321 <sup>(12)</sup>	Nil	Nil	368,410
	2021	137,500	Nil	81,196 <sup>(6)</sup>	35,063 <sup>(10)</sup>	Nil	Nil	Nil	253,759

- (1) Mr. Fernando Ganoza did not receive any compensation in consideration of the services he provided as a director.
- (2) Mr. Jorge Ganoza did not receive any compensation in consideration of the services he provided as a director.
- (3) Mr. Matias Herrero was appointed CFO of the Corporation on July 2, 2021.
- (4) The Option benefit is the grant date fair value using the Black-Scholes option pricing model (see discussion below) using the following weighted average assumptions: stock price of C\$0.205, exercise price of C\$0.205, an option life of 5 years, a risk-free interest rate of 3.10% and a volatility of 74%. See the table under "Incentive Plan Awards" for the "in-the-money" value of these options on December 31, 2023.
- (5) The Option benefit is the grant date fair value using the Black-Scholes option pricing model (see discussion below) using the following weighted average assumptions: stock price of C\$0.405, exercise price of C\$0.405, an option life of 5 years, a risk-free interest rate of 3.08% and a volatility of 69%. See the table under "Incentive Plan Awards" for the "in-the-money" value of these options on December 31, 2023.
- (6) The Option benefit is the grant date fair value using the Black-Scholes option pricing model (see discussion below) using the following weighted average assumptions: stock price of C\$0.65, exercise price of C\$0.65, an option life of 5 years, a risk-free interest rate of 0.78% and a volatility of 74%. See the table under "Incentive Plan Awards" for the "in-the-money" value of these options on December 31, 2023.
- (7) Discretionary cash bonuses that were granted to certain NEOs for 2023.
- (8) Discretionary cash bonuses that were granted to certain NEOs for 2022.
- (9) Earned but not yet paid.
- (10) Discretionary cash bonuses that were granted to certain NEOs for 2021.
- (11) Grant of RSUs on April 19, 2023 which vest over a 3-year period and are payable in cash.

- (12) Grant of RSUs on April 19, 2022 which vest over a 3-year period and are payable in cash.
- (13) Grant of RSUs on April 20, 2021 which vest over a 3-year period and are payable in cash.
- (14) Employment benefits.

The Corporation has calculated the “grant date fair value” amounts in the ‘Option-based Awards’ column using the Black-Scholes model, a mathematical valuation model that ascribes a value to an Option based on a number of factors in valuing the option-based awards, including the exercise price of the options, the price of the underlying security on the date the option was granted, and assumptions with respect to the volatility of the price of the underlying security and the risk-free rate of return. Calculating the value of Options using this methodology is very different from a simple “in-the-money” value calculation. Options that are well “out-of-the-money” can still have a significant “grant date fair value” based on a Black-Scholes valuation. Accordingly, caution must be exercised in comparing grant date fair value amounts with cash compensation or an in-the-money option value calculation. The total compensation shown in the last column is the total compensation of each NEO reported in the other columns. The value of the in-the-money options currently held by each NEO (based on Common Share price less option exercise price) is set forth in the ‘Value of Unexercised in-the-money Options’ column of the “Outstanding Share-Based and Option-Based Awards” table below. The Corporation used this model because it is the methodology used by most Canadian publicly traded companies in valuing and reporting Options.

## **Employment and Consulting Agreements**

### **Fernando Ganoza, CEO**

Pursuant to an Executive Employment Agreement dated April 23, 2012, the Corporation paid to Fernando Ganoza in 2023, \$340,000 per annum plus medical, travel, disability, and life insurance benefits. In addition to the remuneration payable under this agreement, the Corporation may pay bonuses and grant Options to Mr. Ganoza.

Mr. Ganoza may terminate his employment with the Corporation at any time by giving not less than six (6) months written notice of termination to the Board. The Board may, at its sole discretion, waive such notice in whole or in part by paying Mr. Ganoza’s salary to the effective date of resignation. Mr. Ganoza may also terminate his employment with the Corporation for Good Reason (as defined below) and, on providing written notice of such resignation to the Board, Mr. Ganoza will be entitled to be paid an amount equal to six months (6) salary, less applicable deductions required by law, and in addition all equity based grants shall vest immediately. “Good Reason” means one or more of the following changes in the circumstances of the Executive Officer’s employment without the Executive Officer’s express written consent:

- a) a reduction or diminution in the level of authority, responsibility, title or reporting relationship of the Executive Officer;
- b) a reduction in the Executive Officer’s compensation including, but not limited to, base salary, target annual bonus and benefits; or
- c) a requirement by the Board that the Executive Officer’s position and office be based and located in another geographic location.

The Board may authorize the termination of the agreement and Mr. Ganoza’s employment with the Corporation at any time, without cause, by the Corporation providing a lump sum payment equivalent to six (6) months salary.

**Alain Bureau, President**

Pursuant to an Executive Employment Agreement dated September 6<sup>th</sup>, 2019, the Corporation paid to Alain Bureau in 2023, \$233,600 per annum plus benefits for up to an aggregate monthly amount of \$6,000. In addition to the remuneration payable under this agreement, the Corporation may pay bonuses and grant RSUs and Options to Mr. Bureau.

Mr. Bureau may terminate his employment with the Corporation at any time by giving not less than six (6) months written notice of termination to the Board. The Board may, at its sole discretion, waive such notice in whole or in part by paying Mr. Bureau's salary to the effective date of resignation. Mr. Bureau may also terminate his employment with the Corporation for Good Reason (as defined below) and, on providing written notice of such resignation to the Board, the Executive Officer will be entitled to be paid an amount equal to twenty four (24) months Base Salary if the termination occurs before the first twelve (12) months of employment, or six (6) months Base Salary thereafter, less applicable deductions required by law, and in addition all equity based grants shall vest immediately, and all RSUs and Options held by the Executive Officer shall vest immediately. "Good Reason" means one or more of the following changes in the circumstances of the Executive Officer's employment without the Executive Officer's express written consent:

- a) a reduction or diminution in the level of authority, responsibility, title or reporting relationship of the Executive Officer;
- b) a reduction in the Executive Officer's compensation including, but not limited to, base salary, target annual bonus and benefits.

The Corporation may terminate this Agreement and the Executive Officer's employment with the Corporation at any time for just cause, without notice or pay in lieu of notice or any other form of compensation, severance pay or damages. For the purpose of the agreement, the term "Just Cause" will include (but not be limited to):

- a) the Executive Officer committing theft, embezzlement, fraud, obtaining funds or property under false pretences or similar acts of gross misconduct with respect to the property of the Corporation or its employees or the Corporation's customers or suppliers;
- b) the Executive Officer entering into a guilty plea or being convicted of any crime involving fraud, misrepresentation, breach of trust or felony offence;
- c) the Executive Officer becoming ineligible to act as a director or officer of the Corporation as a result of failing to meet requirements of the BCA, or the requirements of any Canadian securities regulators;
- d) any other act that would constitute just cause according to the common law of the Province of British Columbia.

The Corporation may also terminate the agreement and the Executive Officer's employment with the Corporation at any time, without cause, by the Corporation providing the Executive Officer with a lump sum payment equivalent to twenty four (24) months base salary if the termination occurs before the first twelve (12) months of employment, or six (6) months base salary thereafter.



**Jorge R. Ganoza, VP Operations and Projects**

During 2023, the Corporation agreed to pay Jorge R. Ganoza, the VP Operations and Projects, and former President of the Corporation, a consulting fee of \$300,000 per annum.

**Matias Herrero, CFO**

Pursuant to an Executive Employment Agreement dated June 28, 2021, the Corporation paid to Matias Herrero in 2023, \$275,000. Mr. Herrero is also entitled to medical, travel, disability, and life insurance benefits. In addition to the remuneration payable under this agreement, the Corporation may pay bonuses and grant RSUs and Options to Mr. Herrero.

Mr. Herrero may terminate his employment with the Corporation at any time by giving not less than six (6) months written notice of termination to the Board. The Board may, at its sole discretion, waive such notice in whole or in part by paying Mr. Herrero's base salary to the effective date of resignation. Mr. Herrero may terminate his employment with the Corporation for "Good Reason" (as defined below) and, on providing written notice of such resignation to the Board, the Executive Officer will be entitled to be paid an amount equal to one point two (1.2) times base salary plus one point two (1.2) times the average of the most recent three year annual bonus paid, less applicable deductions required by law. "Good Reason" means one or more of the following changes in the circumstances of the Executive Officer's employment without the Executive Officer's express written consent:

- a) a reduction or diminution in the level of authority, responsibility, title or reporting relationship of the Executive Officer;
- b) a reduction in the Executive Officer's compensation including, but not limited to, base salary, target annual bonus and benefits.

The Corporation may terminate the agreement and Mr. Herrero's employment with the Corporation at any time for just cause, without notice or pay in lieu of notice or any other form of compensation, severance pay or damages. For the purpose of the agreement, the term "just cause" will include (but not be limited to):

- a) the Executive Officer committing theft, embezzlement, fraud, obtaining funds or property under false pretences or similar acts of gross misconduct with respect to the property of the Corporation or its employees or the Corporation's customers or suppliers;
- b) the Executive Officer entering into a guilty plea or being convicted of any crime involving fraud, misrepresentation, breach of trust or felony offence;
- c) the Executive Officer becoming ineligible to act as a director or officer of the Corporation as a result of failing to meet requirements of the BCA, or the requirements of any Canadian securities regulators;
- d) any other act that would constitute just cause according to the common law of the Province of British Columbia.

The Corporation may terminate the agreement and Mr. Herrero's employment with the Corporation at any time, without cause, by the Corporation providing the Executive Officer with a lump sum payment equivalent to one point two (1.2) times base salary plus one point two (1.2) times the average of the most recent three year annual bonus paid, less applicable deductions required by law.

In the event of termination by the Executive Officer or the Corporation, RSUs and Options held by the Executive Officer shall vest immediately.

**Joseph Salas Tamayo, Senior Exploration Manager**

Pursuant to an Executive Employment Agreement dated March 1, 2011, amended on August 31, 2021, the Corporation paid to Joseph Salas Tamayo in 2023, \$198,000. Mr. Salas is also entitled to medical and life insurance benefits. In addition to the remuneration payable under this agreement, the Corporation may pay bonuses and grant RSUs and Options to Mr. Salas.

Mr. Salas may terminate his employment with the Corporation at any time by giving not less than six (6) months written notice of termination to the Board. The Board may, at its sole discretion, waive such notice in whole or in part by paying Mr. Salas' base salary to the effective date of resignation. Mr. Salas may terminate his employment with the Corporation for "Good Reason" (as defined below) and, on providing written notice of such resignation to the Board, the Executive Officer will be entitled to be paid an amount equal to one point two (1.2) times base salary plus one point two (1.2) times the average of the most recent three year annual bonus paid, less applicable deductions required by law. "Good Reason" means one or more of the following changes in the circumstances of the Executive Officer's employment without the Executive Officer's express written consent:

- a) a reduction or diminution in the level of authority, responsibility, title or reporting relationship of the Executive Officer;
- b) a reduction in the Executive Officer's compensation including, but not limited to, base salary, target annual bonus and benefits.

The Corporation may terminate the agreement and Mr. Salas' employment with the Corporation at any time for just cause, without notice or pay in lieu of notice or any other form of compensation, severance pay or damages. For the purpose of the agreement, the term "just cause" will include (but not be limited to):

- a) the Executive Officer committing theft, embezzlement, fraud, obtaining funds or property under false pretences or similar acts of gross misconduct with respect to the property of the Corporation or its employees or the Corporation's customers or suppliers;
- b) the Executive Officer entering into a guilty plea or being convicted of any crime involving fraud, misrepresentation, breach of trust or felony offence;
- c) the Executive Officer becoming ineligible to act as a director or officer of the Corporation as a result of failing to meet requirements of the BCA, or the requirements of any Canadian securities regulators;
- d) any other act that would constitute just cause according to the common law of the Province of British Columbia.

The Corporation may terminate the agreement and Mr. Salas' employment with the Corporation at any time, without cause, by the Corporation providing the Executive Officer with a lump sum payment equivalent to one point two (1.2) times base salary plus one point two (1.2) times the average of the most recent three year annual bonus paid, less applicable deductions required by law.

In the event of termination by the Executive Officer or the Corporation, RSUs and Options held by the Executive Officer shall vest immediately.

The Corporation has not entered into any other employment or consulting contracts with its other NEOs.

### ***Termination and Change of Control Payments***

In April 2021, the Corporation approved payments to NEOs in the event of a change of control. In the event of a change of control, each NEO, unless otherwise provided for in an award agreement, is entitled to compensation, based on his/her remuneration at the time, in the event of a termination without cause or resignation for good reason, that occurs within 12 months of the change of control event. The Corporation approved the following payments:

- CEO is entitled to payment of 1.8 times the current annual base salary plus 1.8 times the average of the most recent three years annual bonus paid if terminated without cause or if the CEO resigns with “good reason”;
- President is entitled to payment of 1.5 times the current annual base salary plus 1.5 times the average of the most recent three years annual bonus if terminated without cause or if the President resigns with “good reason”; and
- Other NEOs are entitled to a payment of 1.2 times the current annual base salary plus 1.2 times the average of the most recent three years annual bonus if terminated without cause or if the NEO resigns with “good reason”.

The NEOs will also get to continue participating in any group insured or other similar employee benefit schemes established by the Corporation in accordance with the following schedule: CEO for 18 months, President for 15 months and other NEOs for 12 months.

Further, all Options and RSUs held by such NEOs will immediately vest upon the effective date of the change of control.

As at December 31, 2023, the estimated amounts payable under various termination scenarios are outlined in the table below:

<b>Name and Principal Position</b>	<b>Termination without Cause (\$)</b>	<b>Change of Control with Termination (\$)<sup>(1)</sup></b>
<b>Fernando Ganoza</b> CEO & Director	241,444	829,177
<b>Alain Bureau</b> President	170,173	476,860
<b>Jorge R. Ganoza</b> Former President, VP, Operations and Projects & Director	Nil	462,369
<b>Matias Herrero</b> CFO	408,896	408,896
<b>Joseph Salas Tamayo</b> Senior Exploration Manager	257,025	257,025

As of the date of this Circular, the following NEOs would be entitled to the following change of control payments: Fernando Ganoza – \$895,913, Alain Bureau – \$526,717, Jorge R. Ganoza - \$505,030, Matias Herrero - \$446,759, and Joseph Salas Tamayo - \$257,025

## D. Incentive Plan Awards

### *Outstanding Share-Based and Option-Based Awards*

The following table sets out for each NEO, the incentive Options to purchase Common Shares (option-based awards) held as of December 31, 2023. The closing price of the Common Shares on the TSX-V on December 31, 2023, being the last trading day upon which the Common Shares traded prior to the Corporation's year end of December 31, 2023, was \$0.105.

Name & Position	Option-based Awards				Share-based Awards <sup>(3)</sup>		
	Number of securities underlying unexercised options (vested-unvested)	Option exercise price (C\$ per share)	Option expiration date (m/d/y)	Value of unexercised 'in-the-money' options (\$) <sup>(2)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of share-based awards that have vested but have not been paid out (\$)
Fernando Ganoza CEO							
	698,910 - 0	0.285	05/02/2024	Nil	901,333	71,444	23,214
	343,760 - 0	0.48	10/09/2025	Nil			
	144,020 – 144,020 <sup>(1)</sup>	0.65	04/20/2026	Nil			
	23,231 – 92,924 <sup>(1)</sup>	0.405	04/28/2027	Nil			
	0 – 191,513 <sup>(1)</sup>	0.205	04/21/2028	Nil			
Alain Bureau President							
	300,000 – 0	0.335	10/07/2024	Nil	673,355	53,373	9,933
	353,870 – 0	0.48	10/09/2025	Nil			
	148,256 – 148,256 <sup>(1)</sup>	0.65	04/20/2026	Nil			
	17,936 – 71,742 <sup>(1)</sup>	0.405	04/28/2027	Nil			
	0 – 147,859 <sup>(1)</sup>	0.205	04/21/2028	Nil			
Jorge R. Ganoza VP Operations and Projects							
	277,244 - 0	0.285	05/02/2024	Nil	576,161	45,669	44,265
	303,318 - 0	0.48	10/09/2025	Nil			
	127,076 – 127,077 <sup>(1)</sup>	0.65	04/20/2026	Nil			
	15,373 – 61,494 <sup>(1)</sup>	0.405	04/28/2027	Nil			
	0 – 126,737 <sup>(1)</sup>	0.205	04/21/2028	Nil			

Joseph Salas Tamayo Senior Exploration Manager							
	125,247 - 0	0.285	05/02/2024	Nil	Nil	Nil	Nil
	51,016 - 0	0.335	10/07/2024	Nil			
	210,637 - 0	0.48	10/09/2025	Nil			
	81,629 – 81,629 <sup>(1)</sup>	0.65	04/20/2026	Nil			
	17,556 – 70,224 <sup>(1)</sup>	0.405	04/28/2027	Nil			
	0 - 178,483 <sup>(1)</sup>	0.205	04/21/2028	Nil			
Matias Herrero CFO							
	150,000 – 150,000 <sup>(1)</sup>	0.57	07/02/2026	Nil	511,365	40,533	1,528
	14,092 – 56,369 <sup>(1)</sup>	0.405	04/28/2027	Nil			
	0 – 116,175 <sup>(1)</sup>	0.205	04/21/2028	Nil			

- (1) The option-based awards shall vest such that 20% vested twelve months from the date of grant, 30% shall vest 24 months from the date of grant, and the balance shall vest 36 months from the date of grant.
- (2) Options are “in the money” if the market price of the Common Shares is greater than the exercise price of the options. The value of such options is the product of the number of Common Shares multiplied by the difference between the exercise price and the closing market price of the Common Shares on the financial year end. Options which were not vested at the financial year end are not included in this value.
- (3) RSUs awards vest such that 20% shall vest twelve months from the date of grant, 30% shall vest 24 months from the date of grant, and the balance shall vest 36 months from the date of grant.

The Compensation Committee’s approach to recommending options to be granted is consistent with prevailing practice in the mineral exploration industry. Grants of options depend on the length of service of the NEO. Therefore, there are no formulae followed or performance goals or significant conditions which must be met before options will be granted. Options are always granted at the prevailing market price of the Common Shares.

### ***Value of Share-Based and Option-Based Awards Vested or Earned During the Year***

The following table sets forth, for each NEO, the values of all incentive plan awards which vested or were earned during the year ended December 31, 2023.

Name & Position	Value vested during the year		Value earned during the year - Non-equity incentive plan compensation (\$) <sup>(3)</sup>
	Option-based awards – Value vested during the year (\$) <sup>(1)</sup>	Share-based awards – Value vested during the year (\$) <sup>(2)</sup>	
Fernando Ganoza CEO	70,503	Nil	14,508
Alain Bureau President	71,452	Nil	6,573
Jorge R. Ganoza VP Operations and Projects	61,245	Nil	5,541
Joseph Salas Tamayo Senior Exploration Manager	42,591	N/A	N/A

Matias Herrero CFO	27,008	Nil	1,528
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- (1) The value of an option-based award is the product of the number of Common Shares issuable on the exercise of the option on the vesting date multiplied by the grant date fair value calculated using the Black-Scholes option pricing model, which is described above. Please see the table under “Outstanding Share-based and Option-based Awards to NEOs” for the “in-the-money” value of these options on December 31, 2023.
- (2) The value of a share-based award is the product of the number of Common Shares issuable on the vesting date multiplied by the closing market price on the vesting date.
- (3) RSUs that were payable in cash.

### ***Option-based Awards Exercised During the Year***

There were no option-based awards exercised during the Corporation’s last completed financial year by NEOs.

### **E. Pension Plan Benefits**

The Corporation does not have a pension plan or deferred compensation plan.

### **F. Termination and Change of Control Benefits**

Other than as described above under ‘Summary Compensation Table – Employment Agreements’, the Corporation has not provided or agreed to provide any compensation to any NEOs as a result of a change of control of the Corporation, its subsidiaries or affiliates.

### **G. Director Compensation**

The following table describes director compensation for non-executive directors for the year ended December 31, 2023.

Name	Fees earned (\$) <sup>(1)</sup>	Share-based awards (\$)	Option-based awards (\$) <sup>(2)</sup>	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other Compensation (\$)	Total (\$)
Luis D. Ganoza	28,000	Nil	19,123	Nil	Nil	Nil	47,123
Michael D. Winn	24,500	Nil	13,659	Nil	Nil	Nil	38,159
Mario Szotlender	30,500	Nil	13,659	Nil	Nil	Nil	44,159
Luis Sáenz	32,000	Nil	13,659	Nil	Nil	Nil	45,659
Jonathan Goodman	23,000	Nil	13,659	Nil	Nil	Nil	36,659

- (1) Compensation paid for board meeting stipend, and committee chairman fees.
- (2) The Option benefit is the grant date fair value using the Black-Scholes option pricing model (see discussion below) using the following weighted average assumptions: stock price of C\$0.205, exercise price of C\$0.205, an option life of 5 years, a risk-free interest rate of 3.10% and a volatility of 74%. See the table under “Incentive Plan Awards” for the “in-the-money” value of these options on December 31, 2023.

The Corporation has calculated the “grant date fair value” amounts in the ‘Option-based Awards’ column using the Black-Scholes model, a mathematical valuation model that ascribes a value to an Option based on a number of factors in valuing the option-based awards, including the exercise price of the options, the price of the underlying security on the date the option was granted, and assumptions with respect to the volatility of the price of the underlying security and the risk-free rate of return. Calculating the value of Options using this methodology is very different from a simple “in-the-money” value calculation. Options that are well “out-of-the-money” can still have a significant “grant date fair value” based on a Black-Scholes

valuation. Accordingly, caution must be exercised in comparing grant date fair value amounts with cash compensation or an in-the-money option value calculation. The total compensation shown in the last column is the total compensation of each director reported in the other columns. The value of the in-the-money options currently held by each director (based on Common Share price less option exercise price) is set forth in the ‘Value of Unexercised in-the-money Options’ column of the “Share-Based and Option-based Awards to Directors” table below. The Corporation used this model because it is the methodology used by most Canadian publicly traded companies in valuing and reporting Options.

The methodology used for determining the remuneration of the Board is similar to that used for the remuneration of NEOs. Remuneration of committee chairmen is determined based on their own merits and circumstances after being considered in light of prevailing economic conditions – both on a corporate level and on national and international levels – and industry norms for such remuneration. Levels of remuneration of directors, committee members and committee chairmen are usually first informally discussed among the members of the Compensation Committee before being formally considered and approved by the Board.

The annual fees payable to the independent directors of the Corporation for their services as directors, members, and the chairman of committees of the Board are as follows:

Board or Committee Name	Annual Retainer (\$)	Meeting Stipend (\$)
Board of Directors	17,000	1,200 per meeting (Members)
Chairman of the Board of Directors	5,000	N/A
Audit Committee	3,000 (Chairman)	1,200 per meeting (Members)
Compensation Committee	1,500 (Chairman)	1,200 per meeting (Members)
Corporate Governance Committee	1,500 (Chairman)	1,200 per meeting (Members)

### *Share-Based and Option-based Awards to Directors*

The following table sets out for each non-executive director the incentive Options to purchase Common Shares (option-based awards) held as of the end of the Corporation’s last completed financial year. The closing price of the Common Shares on the TSX-V on December 31, 2023, being the last trading day upon which the Common Shares traded prior to the Corporation’s year end of December 31, 2023, was C\$0.105.

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (vested-unvested)	Option exercise price (C\$ per share)	Option expiration date (m/d/y)	Value of unexercised ‘in-the-money’ options (\$) <sup>(2)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Luis D. Ganoza					N/A	N/A
	219,183 - 0	0.285	05/02/2024	Nil		
	92,091 - 0	0.335	10/07/2024	Nil		
	221,169 - 0	0.48	10/09/2025	Nil		
	92,660 – 92,660 <sup>(1)</sup>	0.65	04/20/2026	Nil		

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (vested-unvested)	Option exercise price (C\$ per share)	Option expiration date (m/d/y)	Value of unexercised 'in-the-money' options (\$) <sup>(2)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
	19,928 – 79,714 <sup>(1)</sup>	0.405	04/28/2027	Nil		
	0 – 202,602 <sup>(1)</sup>	0.205	04/21/2028	Nil		
Michael D. Winn					N/A	N/A
	156,559 - 0	0.285	05/02/2024	Nil		
	65,779 - 0	0.335	10/07/2024	Nil		
	157,978 - 0	0.48	10/09/2025	Nil		
	66,186 – 66,186 <sup>(1)</sup>	0.65	04/20/2026	Nil		
	14,235 – 56,938 <sup>(1)</sup>	0.405	04/28/2027	Nil		
	0 – 144,176 <sup>(1)</sup>	0.205	04/21/2028			
Mario Szotlender					N/A	N/A
	156,559 - 0	0.285	05/02/2024	Nil		
	65,779 - 0	0.335	10/07/2024	Nil		
	157,978 - 0	0.48	10/09/2025	Nil		
	66,186 – 66,186 <sup>(1)</sup>	0.65	04/20/2026	Nil		
	14,235 – 56,938 <sup>(1)</sup>	0.405	04/28/2027	Nil		
	0 – 144,176 <sup>(1)</sup>	0.205	04/21/2028	Nil		
Luis Sáenz					N/A	N/A
	156,559 - 0	0.285	05/02/2024	Nil		
	65,779 - 0	0.335	10/07/2024	Nil		
	157,978 - 0	0.48	10/09/2025	Nil		
	66,186 – 66,186 <sup>(1)</sup>	0.65	04/20/2026	Nil		
	14,235 – 56,938 <sup>(1)</sup>	0.405	04/28/2027	Nil		
	0 – 144,176 <sup>(1)</sup>	0.205	04/21/2028	Nil		
Jonathan Goodman					N/A	N/A
	37,345 - 0	0.40	03/22/2024	Nil		
	227,273 - 0	0.335	10/07/2024	Nil		
	157,978 - 0	0.48	10/09/2025	Nil		
	66,186 – 66,186 <sup>(1)</sup>	0.65	04/20/2026	Nil		
	14,235 – 56,938 <sup>(1)</sup>	0.405	04/28/2027	Nil		
	0 – 144,176 <sup>(1)</sup>	0.205	04/21/2028	Nil		

- (1) The option-based awards shall vest such that 20% vested twelve months from the date of grant, 30% shall vest 24 months from the date of grant, and the balance shall vest 36 months from the date of grant.
- (2) Options are “in the money” if the market price of the Common Shares is greater than the exercise price of the options. The value of such options is the product of the number of Common Shares multiplied by the difference between the exercise price and the closing market price of the Common Shares on the financial year end. Options which were not vested at the financial year end are not included in this value.

The Compensation Committee’s approach to recommending options to be granted is consistent with prevailing practice in the mineral exploration industry. Grants of options depend on the length of service of the directors. Therefore, there are no formulae followed or performance goals or significant conditions which must be met before options will be granted. Options are always granted at the prevailing market price of the Common Shares.



### *Value of Share-Based and Option-Based Awards Vested or Earned During the Year*

The following table sets forth, for each non-executive director, the values of all incentive plan awards which vested or were earned during the Corporation's last completed financial year.

Name	Value vested during the year		
	Option-based awards (\$) <sup>(1)</sup>	Share-based awards (\$) <sup>(2)</sup>	Non-equity incentive plan compensation (\$)
Luis D. Ganoza	46,297	Nil	Nil
Michael D. Winn	33,069	Nil	Nil
Mario Szotlender	33,069	Nil	Nil
Luis Sáenz	33,069	Nil	Nil
Jonathan Goodman	33,069	Nil	Nil

(1) The value of an option-based award is the product of the number of Common Shares issuable on the exercise of the option on the vesting date multiplied by the grant date fair value calculated using the Black-Scholes option pricing model, which is described above. Please see the table under "Outstanding Share-based and Option-based Awards to Directors" for the "in-the-money" value of these options on December 31, 2023.

(2) The value of a share-based award is the product of the number of Common Shares issuable on the vesting date multiplied by the closing market price on the vesting date.

### *Option-based Awards Exercised During the Year*

There were no option-based awards exercised during the Corporation's last completed financial year by non-executive directors.

### *Management Contracts*

Pursuant to a management service agreement dated July 1, 2011 (the "**Management Services Agreement**"), as amended September 1, 2020 between the Corporation and Seabord Services Corp. ("**Seabord**") of Suite 501, 543 Granville Street, Vancouver, British Columbia, since the commencement of the most recently completed financial year the Corporation paid C\$24,000 per month to Seabord until May 31, 2023 then C\$13,000 per month in consideration of Seabord providing office, reception, secretarial, accounting and corporate records services to the Corporation, including the services of the Corporate Secretary.

Seabord is a private company wholly-owned by a director of the Corporation, Michael D. Winn of Laguna Beach, California.

### **Description of the Option Plan**

The Board established the Option Plan to attract and motivate the directors, officers and employees of the Corporation (and any of its subsidiaries), employees of any management company and consultants to the Corporation (collectively the "**Optionees**") and thereby advance the Corporation's interests by providing them an opportunity to acquire an equity interest in the Corporation through the exercise of Options granted to them under the Option Plan.

Pursuant to the Option Plan, the Board, based on the recommendations of the Compensation Committee, may grant options to Optionees in consideration of them providing their services to the Corporation or a

subsidiary. The number of Common Shares subject to each option is determined by the Board or Compensation Committee within the guidelines established by the Option Plan. The options enable the Optionees to purchase Common Shares at a price fixed pursuant to such guidelines. The options are exercisable by the Optionee giving the Corporation notice and payment of the exercise price for the number of Common Shares to be acquired.

The Option Plan authorizes the Board to grant Options to the Optionees on the following terms:

1. The number of Common Shares subject to issuance pursuant to outstanding options, in the aggregate, cannot exceed 10% of the issued Common Shares.
2. In the event of any alteration to the number of Common Shares through or by means of a declaration of stock dividends of the Common Shares or consolidations, subdivisions or reclassifications of the Common Shares, or otherwise, the number of Common Shares available under the Option Plan shall be adjusted proportionately by the Board and, if required, approved by the TSX-V.
3. The number of Common Shares subject to issuance upon the exercise of options granted under the Option Plan is subject to the following limitations:
  - (a) no Optionee can be granted options during a 12-month period to purchase more than:
    - (i) 5% of the issued Common Shares unless disinterested shareholder approval has been obtained (such approval has not been sought); or
    - (ii) 2% of the issued Common Shares, if the Optionee is a consultant; and
  - (b) the aggregate number of granted options to all Optionees providing investor relations services during a 12-month period cannot exceed 2% of the issued Common Shares.
4. Approval by disinterested shareholders must be obtained (such approval has not been, nor is it intended to be, sought) if options granted under the Option Plan, together with all of the Corporation's previously established and outstanding stock option plans or grants, as applicable, could result at any time, in:
  - (a) the number of Common Shares reserved for issuance pursuant to Options granted to insiders exceeding 10% of the Common Shares outstanding at the time of granting; or
  - (b) the grant to insiders (as a group), within a one-year period, of options to purchase that number of Common Shares exceeding 10% of the outstanding Common Shares.
5. The Corporation must obtain approval by disinterested shareholders to decrease the exercise price of options or extending the term of an option. The exercise price of the options cannot be less than the last closing price of the Common Shares on the TSX-V on the day before the granting of such options, less any applicable discount.
6. The options may be exercisable for up to 5 years, unless earlier terminated in accordance with the Option Plan.
7. The Board, as applicable, has complete discretion to set the terms of any vesting schedule for the options granted, including, without limitation, discretion to:

- (a) permit partial vesting in stated percentage amounts based on the term of such option; and
- (b) permit full vesting after a stated period of time has passed from the grant date.

In the case of an Optionee providing investor relations services, the options must vest in stages over a period of not less than 12 months from grant date, such that: (i) no more than one quarter of the options vest no sooner than three months after the grant date; (ii) no more than another one quarter of the options vest no sooner than six months after the date of grant; (iii) no more than another one quarter of the options vest no sooner than nine months after the grant; and (iv) the remainder of the Options vest no sooner than 12 months after the grant date.

- 8. The Board has the right to accelerate the date of vesting of any option which remains unvested, subject to approval from the TSX-V. In addition, if there is a Change of Control of the Corporation (as defined in the Option Plan), all unvested options, subject to obtaining any required approval from the TSX-V, shall vest immediately.
- 9. Until the issuance of any share certificate or certificates, the Optionee does not have the right to vote or the right to receive dividends or any other rights as a shareholder with respect to the Common Shares, notwithstanding the exercise of the option.
- 10. The options can only be exercised by the Optionee (to the extent they have already vested) for so long as the Optionee is a director, senior officer or employee of, or consultant to, the Corporation or any Related Company (as defined in the Option Plan) or is an employee of the Corporation's management corporation and within a period thereafter not exceeding the earlier of:
  - (a) the original expiry date;
  - (c) not more than 30 days after ceasing to be a director, officer or employee of, or consultant to, the Corporation for a reason other than the Optionee's disability, death, or termination for just cause;
  - (d) in the case of an Optionee providing investor relations services, not more than 30 days after the termination of services;
  - (e) in the case of termination by reason of the Optionee's death, within one year from the Optionee's death; and
  - (f) in the case of termination by reason of the Optionee's disability, not more than 90 days following the termination of service of the Optionee, except where the Optionee was providing investor relations services, in which case, not more than 30 days following the termination of service of such Optionee.

The options shall terminate following the earlier of any of the above. If the Optionee is terminated "for cause" the options will terminate concurrently.

- 11. The options are not assignable, except to a person who is entitled to ownership of an option upon the death of an Optionee, pursuant to a will or the applicable laws of descent and distribution upon death.
- 12. No financial assistance is available to Optionees under the Option Plan.

13. Any amendments to outstanding Options are subject to the approval of the TSX-V and, if required by the TSX-V, of the shareholders of the Corporation, possibly with only ‘disinterested shareholders’ being entitled to vote. Disinterested shareholder approval must be obtained prior to the reduction of the exercise price (including the cancellation and re-issuance of options so as to effectively reduce the exercise price) of options held by insiders of the Corporation. The amendment to an outstanding Option will also require the consent of the Optionee.
14. Any adjustment, other than in connection with a security consolidation or security split, to options granted or issued under the Option Plan must be subject to the prior acceptance of the TSX-V.
15. A “net exercise” is permitted, whereby the Corporation receives no cash payment at exercise and the Optionee receives only a number of Common Shares equal to the in-the-money value of the Common Shares underlying the options (by reference to the volume weighted average trading price of the Common Shares for the five trading days immediately preceding exercise). “Net exercise” will not be available to investor relations service providers and the number of Common Shares delivered to the Optionee may be further reduced to satisfy applicable tax withholding obligations.

No options have been granted under the Option Plan which are subject to shareholder approval.

The Option Plan does not permit Options to be transformed into stock appreciation rights.

### **Repricing of Stock Options**

The Corporation did not make any downward repricing of Options during the year.

### **Description of RSU Plan**

On April 12, 2016, the Board adopted the RSU Plan. The RSU Plan was established as a vehicle by which equity-based incentives may be awarded to the employees, consultants and officers of the Corporation, to recognize and reward their significant contributions to the long-term success of the Corporation (“**Eligible Persons**”).

The RSU Plan provides that RSUs may be granted by the Compensation Committee of the Board to Eligible Persons. The Compensation Committee may determine the number of RSUs to be granted to each Eligible Person, and any vesting conditions, in the Compensation Committee’s sole discretion.

Unless redeemed earlier in accordance with the RSU Plan, the vested RSUs of each Eligible Person will be redeemed on the Redemption Date (as defined below) for cash in the amount equal to the Fair Market Value of the vested RSU, subject to any applicable deductions and withholdings. Fair Market Value means the arithmetic average of the closing price of the Common Shares on the TSX-V for the five (5) trading days on which a board lot was traded immediately prior to the Redemption Date, or if the Common Shares are not listed on the TSX-V, then on such other stock exchange or quotation system as may be selected by the Board or Compensation Committee, as applicable, provided that, if the Common Shares are not listed or quoted on any other stock exchange or quotation system, then the Fair Market Value will be the value determined by the Board or Compensation Committee, as applicable, in its sole discretion acting in good faith.

“Redemption Date” in respect of any RSU means the third anniversary of the grant date on which such RSU was granted to the Eligible Person, unless (i) an earlier date has been approved by the Compensation Committee as the Redemption Date in respect of such RSU or (ii) there is a Change of Control of the Corporation (as defined in the RSU Plan), the RSU Plan is terminated or upon an Eligible Person’s death

or termination of employment; provided that in no event will the Redemption Date (as defined in the RSU Plan) in respect of any RSU be after the end of the calendar year which is three years following the end of the year in which services to which the grant of such RSU relates were performed by the Eligible Person to whom such RSU was granted.

The Board may from time to time amend or suspend the RSU Plan in whole or in part and may at any time terminate the RSU Plan. No such amendment, suspension or termination shall adversely affect the rights of any Eligible Person at the time of such amendment, suspension or termination with respect to outstanding and unredeemed RSUs credited to such Eligible Person without the consent of the affected Eligible Person. If the Board terminates the RSU Plan, no new RSUs will be awarded to any Eligible Person, but outstanding and unredeemed previously credited RSUs shall remain outstanding, be entitled to payments as provided under Section 3.4, and be paid in accordance with the terms and conditions of the RSU Plan existing at the time of termination. The RSU Plan will finally cease to operate for all purposes when the last remaining Eligible Person receives a payment in satisfaction of all outstanding and unredeemed RSUs credited to such Eligible Person, or all outstanding and unredeemed RSUs credited to such Eligible Person are cancelled pursuant to the provisions thereof.

## **CORPORATE GOVERNANCE**

National Policy 58-101 - *Disclosure of Corporate Governance Practices* of the Canadian securities administrators requires the Corporation to annually disclose certain information regarding its corporate governance practices. That information is disclosed below.

### **Board of Directors**

The Board has responsibility for the stewardship of the Corporation including responsibility for strategic planning, identification of the principal risks of the Corporation's business and implementation of appropriate systems to manage these risks, succession planning (including appointing, training and monitoring senior management), communications with investors and the financial community and the integrity of the Corporation's internal control and management information systems.

The Board sets long term goals and objectives for the Corporation and formulates the plans and strategies necessary to achieve those objectives and to supervise senior management in their implementation. The Board delegates the responsibility for managing the day-to-day affairs of the Corporation to senior management but retains a supervisory role in respect of, and ultimate responsibility for, all matters relating to the Corporation and its business. The Board is responsible for protecting shareholders' interests and ensuring that the incentives of the shareholders and of management are aligned.

As part of its ongoing review of business operations, the Board reviews, as frequently as required, the principal risks inherent in the Corporation's business including financial risks, through periodic reports from management of such risks, and assesses the systems established to manage those risks. Directly and through the Audit Committee, the Board also assesses the integrity of internal control over financial reporting and management information systems.

In addition to those matters that must, by law, be approved by the Board, the Board is required to approve any material dispositions, acquisitions and investments outside the ordinary course of business, long-term strategy, and organizational development plans. Management of the Corporation is authorized to act without Board approval, on all ordinary course matters relating to the Corporation's business.

The Board also monitors the Corporation's compliance with timely disclosure obligations and reviews material disclosure documents prior to distribution.

The Board is responsible for selecting the President and appointing senior management and for monitoring their performance.

The Board considers a director to be “independent” if they are independent and free from any interest and any business or other relationship which could or could reasonably be perceived to materially interfere with the director’s ability to act with the best interests of the Corporation, other than interests and relationships arising from shareholding. Mario Szotlender, Luis Sáenz and Jonathan Goodman are each independent of the Corporation. The Board considers that Fernando E. Ganoza, the CEO of the Corporation, and Jorge R. Ganoza, the VP Operations and Projects and former President of the Corporation, are not independent because they are members of management. Luis D. Ganoza is not considered independent due to his familial relationship with Fernando E. Ganoza and Jorge R. Ganoza. Michael D. Winn is also not considered independent due to his relationship with Seabord – see “Management Contracts”.

### Directorships

Certain of the directors are presently a director of one or more other public companies, as follows:

Director	Other Issuer
Jorge R. Ganoza	Nil
Fernando E. Ganoza	Nil
Luis D. Ganoza	Nil
Michael D. Winn	EMX Royalty Corporation
Mario Szotlender	Endeavour Silver Corp. Fortuna Silver Mines Inc. Radius Gold Inc.
Luis Sáenz	Nil
Jonathan Goodman	Dundee Corporation Magna Mining Corporation

### Orientation and Continuing Education

The Board takes the following measures to ensure that all new directors receive a comprehensive orientation regarding their role as a member of the Board, its committees and its directors, and the nature and operation of the Corporation.

The first step is to assess a new director’s set of skills and professional background since each new director brings a different skill set and professional background. Once that assessment has been completed, the Board is able to determine what orientation to the nature and operations of the Corporation’s business will be necessary and relevant to each new director.

The second step is taken by one or more existing directors, who may be assisted by the Corporation’s management, to provide the new director with the appropriate orientation through a series of meetings, telephone calls and other correspondence.

The Corporation has a Board Policy Manual, which provides a comprehensive introduction to the Board and its committees.

The Board takes the following measures to provide continuing education for its directors to maintain the skill and knowledge necessary for them to meet their obligations as directors:

- the Board annually reviews the Corporation’s Charters, Policies and Mandate of the Board which comprise the Board Policy Manual, a copy of which is available to the directors; and
- there is a technical presentation at Board meetings, focusing on either a particular property or a summary of various properties. The ‘question and answer’ portions of these presentations are a valuable learning resource for the non-technical directors.

### **Ethical Business Conduct**

To comply with its legal mandate, the Board seeks to foster a culture of ethical conduct by striving to ensure the Corporation carries out its business in line with high business and moral standards and applicable legal and financial requirements. In that regard, the Board:

- has adopted a written Code of Business Conduct and Ethics for its directors, officers, employees and consultants.
- has established a Whistleblower Policy which details complaint procedures for financial concerns.
- encourages management to consult with legal and financial advisors to ensure the Corporation is meeting those requirements.
- is cognizant of the Corporation’s timely disclosure obligations and reviews material disclosure documents such as financial statements, Management’s Discussion & Analysis (“**MD&A**”) and press releases prior to distribution.
- relies on its Audit Committee to annually review the systems of internal financial control and discuss such matters with the Corporation’s external auditor.
- actively monitors the Corporation’s compliance with the Board’s directives and ensures that all material transactions are thoroughly reviewed and authorized by the Board before being undertaken by management.

The Board must also comply with the conflict of interest provisions of the BCA, as well as the relevant securities regulatory instruments, to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or Executive Officer has a material interest.

### **Nomination of Directors**

To identify new candidates for nomination for election as directors, the Board considers the advice and input of the Corporate Governance Committee, the members of which are listed under “Particulars of Matters to be Acted Upon – Election of Directors” and which is composed of a majority of independent directors, regarding:

- the appropriate size of the Board, the necessary competencies, skills and other qualities of the Board as a whole, the competencies, skills and other qualities of each existing director and the competencies, skills and other qualities each new nominee would bring to the Board; and
- the identification and recommendation of new individuals qualified to become new Board members. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Corporation, the ability to devote the time required and a willingness to serve.

### **Other Board Committees**

In addition to the Audit Committee, described in the next section, the Board has established the following committees. See “Particulars of Matters to be Acted Upon - Election of Directors” for the members of these committees. The functions of these committees are described below.

*Compensation Committee:* The Compensation Committee is responsible for the review of all compensation (including Options) paid by the Corporation to the Board, senior management and employees of the Corporation and any subsidiaries, to report to the Board on the results of those reviews and to make recommendations to the Board for adjustments to such compensation. See “Statement of Executive Compensation” for further disclosure on the process for determining compensation for directors and the CEO.

The Compensation Committee consists of three directors (Mario Szotlender (Chairman), Michael Winn, and Jonathan Goodman). Each member of the Committee has direct experience relevant to their responsibilities on the Committee, including acting as officers and directors of other publicly traded corporations so that they are familiar with remuneration in the Corporation’s industry.

*Corporate Governance Committee:* The Corporate Governance Committee is responsible for advising the Board of the appropriate corporate governance procedures that should be followed by the Corporation and the Board and monitoring whether they comply with such procedures. The Corporate Governance Committee consists of three directors (Michael Winn (Chairman), Luis Sáenz and Jonathan Goodman).

All committees are currently composed of a majority of independent directors.

### **Assessments**

The Board and the Corporate Governance Committee have not established a process to regularly assess the Board and its committees with respect to their effectiveness and contributions. Nevertheless, their effectiveness is subjectively measured on an ongoing basis by each director based on their assessment of the performance of the Board, its committees or the individual directors compared to their expectation of performance. In doing so, the contributions of an individual director are informally monitored by the other Board members, bearing in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

## **AUDIT COMMITTEE**

National Instrument 52-110 - *Audit Committees* (“**NI 52-110**”) of the Canadian securities administrators requires the Corporation’s Audit Committee to meet certain requirements. It also requires the Corporation to disclose in this Information Circular certain information regarding the Audit Committee. That information is disclosed below.



## Overview

The Audit Committee of the Board is principally responsible for:

- recommending to the Board the external auditor to be nominated for election by the Corporation’s shareholders at each annual general meeting and negotiating the compensation of such external auditor;
- overseeing the work of the external auditor, including the resolution of disagreements between the auditor and management regarding the Corporation’s financial reporting and review of all reportable events including unresolved issues and consultations;
- pre-approving all non-audit services to be provided to the Corporation, by the auditor;
- reviewing the Corporation’s annual and interim financial statements and MD&A before they are reviewed and approved by the Board and publicly disseminated by the Corporation;
- reviewing the Corporation’s financial reporting procedures and internal controls to ensure adequate procedures are in place for the Corporation’s public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph; and
- overseeing management’s identification and assessment of the principal risks to the operations of the Corporation and the establishment and management of appropriate systems to manage such risks.

The Corporation’s auditor reports directly to the Audit Committee.

### The Audit Committee’s Charter

The Board has adopted a Charter for the Audit Committee which sets out the Committee’s mandate, organization, powers and responsibilities. The complete Charter is attached as Schedule A to this Information Circular.

### Composition of the Audit Committee

The Audit Committee consists of three directors. Since the Corporation is a “Venture Issuer” (its securities are listed on the TSX-V, but are not listed or quoted on any other exchange or market) the Corporation’s governing corporate legislation requires the Corporation to have an Audit Committee composed of a minimum of three directors, a majority of whom are not executive officers, employees or control persons of the Corporation. The Audit Committee complies with this requirement. As a “Venture Issuer”, the Corporation is exempt from the requirement of NI 52-110 for each member of the Audit Committee to be financially literate, but all members are financially literate.

The following table sets out the names of the members of the Audit Committee and whether they are ‘independent’ and ‘financially literate’.

Name of Member	Independent <sup>(1)</sup>	Financially Literate <sup>(2)</sup>
Luis D. Ganoza	No	Yes
Luis Sáenz (Committee Chairman)	Yes	Yes

<b>Name of Member</b>	<b>Independent <sup>(1)</sup></b>	<b>Financially Literate <sup>(2)</sup></b>
Mario Szotlender	Yes	Yes

(1) To be considered independent, a member of the Committee must not have any direct or indirect 'material relationship' with the Corporation. A material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.

(2) To be considered financially literate, a member of the Committee must have 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.

### **Relevant Education and Experience**

The education and experience of each member of the Audit Committee relevant to the performance of his responsibilities as an Audit 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,

are as follows:

<b>Name of Member</b>	<b>Education</b>	<b>Experience</b>
Luis D. Ganoza	<p>B.Sc. – Mining Engineering Universidad Nacional de Ingenieria Peru</p> <p>MBA – ESAN</p> <p>M.Sc. – Accounting and Finance The London School of Economics</p>	<p>Mr. Ganoza has extensive experience in the financial management of mining companies and currently holds the position of Chief Financial Officer for Fortuna Silver Mines, Inc., a public company listed for trading on the Toronto Stock Exchange and the New York Stock Exchange.</p>

Name of Member	Education	Experience
Luis Sáenz (Committee Chairman)	B.A - Economics and International Affairs Franklin & Marshall College in Lancaster, PA	Mr. Sáenz is a finance executive with nearly 30 years of experience in corporate finance, strategic consulting, and metal trading with a focus on Latin America. He is currently a Director and Principal of BLB Advisory, a mining corporate finance boutique focused on Latin America and based in Lima, Peru. He was recently CEO of Compañía Minera Quiruvilca (Peru) and Director of Business Development for Latin America at the engineering multinational Ausenco (Australia). Luis is founder and former CEO of Li3 Energy and now Director of Bearing Lithium (TSX: BRZ), which has a stake in the Maricunga lithium project in Chile. Throughout his career, Mr. Sáenz has held senior executive positions at Standard Bank of South Africa, Merrill Lynch and Pechiney World Trade.
Mario Szotlender	Degree in international relations	Mr. Szotlender has successfully directed Latin American affairs for numerous private and public companies over the past 20 years and is currently a director and audit committee member of several other publicly-traded mineral exploration and mining companies.

## Complaints

The Audit Committee has established a “Whistleblower Policy” which outlines procedures for the confidential, anonymous submission by employees regarding the Corporation’s accounting, auditing and financial reporting obligations, without fear of retaliation of any kind. If an applicable individual has any concerns about accounting, audit, internal controls or financial reporting matters which they consider to be questionable, incorrect, misleading or fraudulent, the applicable individual is urged to come forward with any such information, complaints or concerns, without regard to the position of the person or persons responsible for the subject matter of the relevant complaint or concern.

The applicable individual may report their concern in writing and forward it to the Chairman of the Audit Committee in a sealed envelope labelled “*To be opened by the Audit Committee only*”. Further, if the applicable individual wishes to discuss any matter with the Audit Committee, this request should be indicated in the submission. Any such envelopes received by the Corporation will be forwarded promptly and unopened to the Chairman of the Audit Committee.

Promptly following the receipt of any complaints submitted to it, the Audit Committee will investigate each complaint and take appropriate corrective actions. It is expected that the Chairman of the Audit Committee will report to the Board any submission that they believe may be material to the Corporation, as well as on the results of the applicable investigation.

The Audit Committee will retain as part of its records, any complaints or concerns for a period of no less than seven years. The Audit Committee will keep a written record of all such reports or inquiries and make quarterly reports on any ongoing investigation which will include steps taken to satisfactorily address each complaint.

The Audit Committee did not receive any complaints during the last financial year.

The “Whistleblower Policy” is reviewed by the Audit Committee on an annual basis.

### **Audit Committee Oversight**

Since the commencement of the Corporation’s most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

### **Pre-Approval Policies and Procedures**

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in section III. B “Powers and Responsibilities – Performance & Completion by Auditor of its Work” of the Charter.

### **External Auditor Service Fees (By Category)**

The following table discloses the fees billed to the Corporation by its external auditor during the last two financial years.

<b>Financial Year Ending</b>	<b>Audit Fees <sup>(1)</sup></b>	<b>Audit Related Fees</b>	<b>Tax Fees <sup>(2)</sup></b>	<b>All Other Fees</b>
December 31, 2023	176,082	Nil	Nil	Nil
December 31, 2022	206,784	Nil	Nil	Nil

(1) The aggregate fees billed by the Corporation’s auditor for audit fees.

(2) The aggregate fees billed for professional services rendered by the Corporation’s auditor for tax compliance, tax advice and tax planning.

### **Reliance on Exemptions in NI 52-110 regarding Audit Committee Composition & Reporting Obligations**

Since the Corporation is a Venture Issuer, the Corporation has relied on the exemption contained in section 6.1 of NI 52-110 from the requirements of Part 3 *Composition of the Audit Committee* (as described in ‘Composition of the Audit Committee’ above) and Part 5 *Reporting Obligations* of NI 52-110 (which requires certain prescribed disclosure about the Audit Committee in the Corporation’s Annual Information Form, if any, and this Information Circular).

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No individual who is or who at any time during the last financial year was a current or former director, executive officer or employee of the Corporation, a proposed nominee for election as a director of the Corporation or an associate of any such director, executive officer or proposed nominee is, or at any time since the beginning of the last completed financial year has been, indebted to the Corporation or any of its subsidiaries and no indebtedness of any such individual to another entity is, or has at any time since the beginning of such year been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

**SECURITIES AUTHORIZED FOR ISSUANCE  
UNDER EQUITY COMPENSATION PLANS**

The following table sets out, as at the end of the Corporation’s last completed financial year, information regarding outstanding options, warrants and rights (other than those granted *pro rata* to all shareholders) granted by the Corporation under its equity compensation plans.

**Equity Compensation Plan Information**

<b>Plan Category</b>	<b>Number of shares issuable upon exercise of outstanding options, warrants and rights <sup>(1)</sup></b>	<b>Weighted average exercise price of outstanding options, warrants and rights</b>	<b>Number of shares remaining available for issuance under equity compensation plans <sup>(2)</sup></b>
Equity compensation plans <b>approved</b> by shareholders	12,055,582	C\$0.41	73,037
Equity compensation plans <b>not approved</b> by shareholders	N/A	N/A	N/A
<b>Total</b>	12,055,582	C\$0.41	73,037

(1) Assuming outstanding options, warrants and rights are fully vested.

(2) Excluding the number of Common Shares issuable upon exercise of outstanding options, warrants and rights shown in the second column.

**INTEREST OF CERTAIN PERSONS  
AND COMPANIES IN MATTERS TO BE ACTED UPON**

Other than as disclosed in this Information Circular, the Corporation is not aware of any material interest, direct or indirect, of any executive officer, director or proposed nominee for director, or anyone who has held office as such since the beginning of the Corporation’s last financial year, or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting other than the election of directors or the appointment of auditors except for the current and future directors and executive officers of the Corporation and its subsidiaries, if any, inasmuch as, in the following year, they may be granted options to purchase Common Shares pursuant to the Option Plan, approval of which will be sought at the Meeting.

**INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Other than as disclosed herein and in the Corporation’s MD&A for the last financial year, a copy of which is filed on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and which, upon request, the Corporation will promptly provide free of charge (see ‘Additional Information’ below), there are no material interests, direct or indirect, of current directors, Executive Officers, any persons nominated for election as directors, any shareholder who beneficially owns, directly or indirectly, more than 10 percent of the outstanding Common Shares, or any other informed person of the Corporation, or any known associates or affiliates of such persons, in any transaction since the commencement of the Corporation’s most recently completed last financial year or in any proposed transaction which has materially affected or would materially affect the Corporation.

## PARTICULARS OF MATTERS TO BE ACTED UPON

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.

### 1. Audit Report, Financial Statements & Management’s Discussion & Analysis

The Board has approved the financial statements of the Corporation, the auditor's report thereon, and the MD&A for the year ended December 31, 2023, all of which will be tabled at the Meeting. No approval or other action needs to be taken at the Meeting in respect of these documents.

### 2. Set Number of Directors to be Elected

Shareholders of the Corporation will be asked to consider and, if thought appropriate, to approve and adopt an ordinary resolution setting the number of directors to be elected at the Meeting.

At the Meeting, it will be proposed that seven (7) directors be elected to hold office until the next annual general meeting or until their successors are elected or appointed. **Unless otherwise directed, it is the intention of the Management Designees, if named as Proxyholder, to vote in favour of the ordinary resolution setting the number of directors to be elected at seven (7).**

### 3. Election of Directors

The Corporation currently has seven (7) directors and an equal number of directors are being nominated for election. The following table sets forth the name of each of the persons proposed to be nominated for election as a director, all positions and offices in the Corporation presently held by such nominee, the nominee's province or state and country of residence, principal occupation at the present and during the preceding five years (unless shown in a previous management information circular), the period during which the nominee has served as a director, and the number of Common Shares that the nominee has advised are beneficially owned by the nominee or over which control or direction is exercised, directly or indirectly, as of the Record Date.

**Unless otherwise directed, it is the intention of the Management Designees, if named as Proxyholder, to vote for the election of the persons named in the following table to the Board.** Management does not contemplate that any of such nominees will be unable to serve as directors. Each director elected will hold office until the next annual general meeting of shareholders or until their successor is duly elected, unless their office is earlier vacated in accordance with the Articles of the Corporation or the provisions of the corporate law to which the Corporation is subject.

Name and Province or State & Country of Residence	Present Office and Date First Appointed a Director	Principal Occupation During the Past Five Years	Number of Common Shares <sup>(4)</sup>
Jorge R. Ganoza Lima, Peru	VP Operations and Projects Director since March 11, 2011	Former President of the Corporation from March 2011-September 2019; VP Operations and Projects since September 2019-Present.	3,480,244
Fernando E. Ganoza Lima, Peru	CEO Director since March 24, 2017	CEO of the Corporation.	1,927,822

Name and Province or State & Country of Residence	Present Office and Date First Appointed a Director	Principal Occupation During the Past Five Years	Number of Common Shares <sup>(4)</sup>
<b>Luis D. Ganoza</b> <sup>(1)</sup> Lima, Peru	Director since April 15, 2010  Non-Executive Chairman since March 24, 2017	CFO of Fortuna Silver Mines Inc., a mineral resources company engaged in silver and gold mining.	2,895,912
<b>Michael D. Winn</b> <sup>(2)(3)</sup> California, USA	Director since March 11, 2011	President of Seabord Capital Corp. (private consulting company providing analysis of mining and energy companies) since January 2013. President of Seabord Services Corp. (a private company providing management, administrative, and regulatory services to private and public mining companies) since January 2007.	353,374
<b>Mario Szotlender</b> <sup>(1)(2)</sup> Venezuelan Capital District, Venezuela	Director since March 11, 2011	Independent Consultant; Director of public resource companies.	1,951,485
<b>Luis Sáenz</b> <sup>(1)(3)</sup> Lima, Peru	Director since May 29, 2014	Mr. Sáenz is a finance executive with nearly 30 years of experience in corporate finance, strategic consulting, and metal trading with a focus on Latin America. He is currently a Director and Principal of BLB Advisory, a mining corporate finance boutique focused on Latin America and based in Lima, Peru. He was recently CEO of Compañía Minera Quiruvilca (Peru) and Director of Business Development for Latin America at the engineering multinational Ausenco (Australia). Luis is founder and former CEO of Li3 Energy and now Director of Bearing Lithium (TSX: BRZ), which has a stake in the Maricunga lithium project in Chile. Throughout his career, Mr. Sáenz has held senior executive positions at Standard Bank of South Africa, Merrill Lynch and Pechiney World Trade.	153,374
<b>Jonathan Goodman</b> <sup>(2)(3)</sup> Ontario, Canada	Director since September 10, 2019	President & CEO of Dundee Corporation, a Toronto-based resources investment firm.	4,141,531

- (1) Member of the Audit Committee.
- (2) Member of the Compensation Committee.
- (3) Member of the Corporate Governance Committee.
- (4) Number of Common Shares beneficially owned or over which control or direction is exercised, directly or indirectly, as at the Record Date. No director, together with the director's associates and affiliates beneficially owns or exercises control or direction over, directly or indirectly, 10% or more of the Common Shares.
- (5) None of the proposed directors is to be elected under any arrangement or understanding between the proposed director and the Corporation or a third party (other than the directors and executive officers of the Corporation acting in that capacity).

Pursuant to the provisions of the BCA, the Corporation is required to have an Audit Committee whose members are indicated above. The Corporation does not have an Executive Committee.

No proposed director:

- (a) is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days that was issued
  - (i) while the proposed director was acting as a director, chief executive officer or chief financial officer of that company, or
  - (ii) after the proposed director ceased to be a director, chief executive officer or chief financial officer of that company but resulted from an event that occurred while acting in such capacity;
- (b) is, as at the date of this Information Circular, or has been, within the 10 years before the date of this Information Circular, a director or executive officer of any company (including the Corporation) that while acting in that capacity or within a year of ceasing to act in that capacity, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director;
- (c) has, within the 10 years before the date of this Information 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 their assets;
- (d) has entered into, at any time, a settlement agreement with a securities regulatory authority; or
- (e) has been subject to, at any time, any penalties or sanctions imposed by
  - (i) a court relating to securities legislation or a securities regulatory authority, or
  - (ii) a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director,

other than as follows:

Mario Szotlender is a director of a corporation that, in the past 10 years, had its registration under Section 12(g) of the Securities Exchange Act of 1934 (the “**U.S. Exchange Act**”) revoked by the United States Securities and Exchange Commission (“**SEC**”) for failure to keep its filings with the SEC up-to-date. Upon receipt of the SEC’s notice of proposed revocation, the corporation filed a settlement agreement with the SEC consenting to the revocation as the corporation was dormant at the time. This corporation filed a registration statement with the SEC in January 2015 to re-register its common shares under Section 12(g) of the U.S. Exchange Act, which became effective in March 10, 2015. The effectiveness of such registration statement removes the prior restrictions on market participants trading the corporation’s shares in United States markets.

Mario Szotlender, a director of the Corporation, was also a director of Fortuna Silver Mines Inc. (“**Fortuna**”), and Luis Ganoza, a director of the Corporation, was an executive officer of Fortuna when a management cease trade order was issued by the BCSC on April 3, 2017 against the CEO and CFO of



Fortuna in connection with Fortuna's failure to timely file financial statements, related management's discussion and analysis and an annual information form for its financial year ended December 31, 2016. Fortuna reported that the delay in the filing of these documents was due to pending resolution of a regulatory review of certain of the company's filings by the SEC. On May 25, 2017, the BCSC revoked this management cease trade order after Fortuna filed the required records.

#### **4. Appointment and Remuneration of Auditor**

The firm of Davidson & Company LLP, Chartered Professional Accountants, of Suite 1200, 609 Granville Street, Vancouver, British Columbia, is currently the auditor of the Corporation and has been the auditor since October 17, 2011. **Unless otherwise directed, it is the intention of the Management Designees to vote the Proxies in favour of an ordinary resolution to appoint the firm of Davidson & Company LLP, as the auditor. The ordinary resolution also authorizes the Board to approve the compensation of the auditor.**

#### **5. Re-Approval of the Stock Option Plan**

The Board has established the Option Plan as described under "Executive Compensation – Description of the Option Plan". A copy of the Option Plan will be available for Shareholder review at the Meeting.

The policies of the TSX-V require stock option plans which reserve for issuance up to 10% (instead of a fixed number) of a listed corporation's shares to be approved annually by its shareholders. That approval is being sought at the Meeting by way of an ordinary resolution. The persons named in the accompanying Proxy intend to vote in favour of this proposed resolution.

The Shareholders will be asked to approve an ordinary resolution set forth below (the "**Option Plan Resolution**") approving the Corporation's existing Option Plan. Subject to TSX-V approval of the Option Plan, and following approval of the Option Plan by the Shareholders, any options granted pursuant to the Option Plan will not require further shareholder or TSX-V approval unless the exercise price is reduced or the expiry date is extended for an option held by an insider of the Corporation. To be approved, the Option Plan Resolution must be passed by a majority of the votes cast by the holders of common shares at the Meeting.

"BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. The Option Plan is hereby approved and shall continue and remain in effect until such time as further ratification is required pursuant to the rules of the TSX Venture Exchange or other applicable regulatory requirements.
2. Any one director or officer of the Corporation is authorized and directed, on behalf of the Corporation, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things that may be necessary or desirable to give effect to this ordinary resolution."

**Unless otherwise directed, it is the intention of the Management Designees, if named as Proxyholder, to vote in favour of the ordinary resolution approving the Option Plan.**

## **OTHER BUSINESS**

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

## **ADDITIONAL INFORMATION**

Additional information relating to the Corporation is on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Shareholders may contact the Corporation at Suite 501, 543 Granville Street, Vancouver, British Columbia V6C 1X8, Canada by mail, telecopier (1-604-688-1157), telephone (1-604-633-9022) or e-mail ([kcasswell@seabordservices.com](mailto:kcasswell@seabordservices.com)) to request copies of the Corporation's financial statements and MD&A.

Financial information for the Corporation's most recently completed financial year is provided in its comparative annual financial statements and MD&A which are filed on SEDAR+.

**DATED** this 2<sup>nd</sup> day of May, 2024.

### **ON BEHALF OF THE BOARD OF DIRECTORS**

(signed) KIM C. CASSWELL

Secretary

## Appendix “A”

### CHARTER FOR THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS OF ATICO MINING CORPORATION

#### I. MANDATE

The Audit Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Atico Mining Corporation (the “**Company**”) shall assist the Board in fulfilling its financial oversight responsibilities. The Committee’s primary duties and responsibilities under this mandate are to serve as an independent and objective party to monitor:

1. The quality and integrity of the Company’s financial statements and other financial information;
2. The compliance of such statements and information with legal and regulatory requirements;
3. The qualifications and independence of the Company’s independent external auditor (the “**Auditor**”); and
4. The performance of the Company’s internal accounting procedures and Auditor.

#### II. STRUCTURE AND OPERATIONS

##### A. Composition

The Committee shall be comprised of three or more members.

##### B. Qualifications

Each member of the Committee must be a member of the Board.

A majority of the members of the Committee shall not be executive officers, employees or control persons of the Company or of an affiliate of the Company.

Each member of the Committee must be able to read and understand fundamental financial statements, including the Company’s balance sheet, income statement, and cash flow statement.

##### C. Appointment and Removal

In accordance with the Articles of the Company, the members of the Committee shall be appointed annually by the Board and shall serve until such member’s successor is duly elected and qualified or until such member’s earlier resignation or removal. Any member of the Committee may be removed, with or without cause, by a majority vote of the Board.

D. Chair

Unless the Board shall select a Chair, the members of the Committee shall designate a Chair by the majority vote of all of the members of the Committee. Notwithstanding any of the foregoing, the Chair must be a member of the Committee.

The Chair shall call, set the agendas for and chair all meetings of the Committee.

E. Sub-Committees

The Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, including the authority to grant pre-approvals of audit and permitted non-audit services, provided that a decision of such subcommittee to grant a pre-approval shall be presented to the full Committee at its next scheduled meeting.

F. Meetings

The Committee shall meet at least once in each fiscal year, or more frequently as circumstances dictate. The Auditor shall be given reasonable notice of, and be entitled to attend and speak at, each meeting of the Committee concerning the Company's annual financial statements and, if the Committee feels it is necessary or appropriate, at every other meeting. On request by the Auditor, the Chair shall call a meeting of the Committee to consider any matter that the Auditor believes should be brought to the attention of the Committee, the Board or the shareholders of the Company.

No business may be transacted by the Committee at a meeting unless a quorum of the Committee is present. At each meeting, a quorum shall consist of a majority of members that are not officers or employees of the Company or of an affiliate of the Company.

The Committee shall maintain minutes or other records of meetings and activities of the Committee in sufficient detail to convey the substance of all discussions held. Upon approval of the minutes by the Committee, the minutes shall be circulated to the members of the Board. However, the Committee Chair may report orally to the Board on any matter in their view requiring the immediate attention of the Board.

As part of its goal to foster open communication, the Committee may periodically meet separately with each of management and the Auditor to discuss any matters that the Committee believes would be appropriate to discuss privately. In addition, the Committee should meet with the Auditor and management annually to review the Company's financial statements in a manner consistent with Section III of this Charter.

The Committee may invite to its meetings any director, any manager of the Company, legal counsel, advisors and any other person whom it deems appropriate to consult in order to carry out its responsibilities. The Committee may also exclude from its meetings any person it deems appropriate to exclude in order to carry out its responsibilities.

The Committee shall have free and unrestricted access at all times, either directly or through its duly appointed representatives, to the Company's management and employees and the books and records of the Company.

### III. DUTIES

#### A. Introduction

The following functions shall be the common recurring duties of the Committee in carrying out its purposes outlined in Section I of this Charter. These duties should serve as a guide with the understanding that the Committee may fulfill additional duties and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee outlined in Section I of this Charter.

The Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern which the Committee in its sole discretion deems appropriate for study or investigation by the Committee.

The Committee shall be given full access to the Company's internal accounting staff, managers, other staff and Auditor as necessary to carry out these duties. While acting within the scope of its stated purpose, the Committee shall have all the authority of, but shall remain subject to, the Board.

#### B. Powers and Responsibilities

The Committee will have the responsibilities set out below as well as any other functions that are specifically delegated to the Committee by the Board and that the Board is authorized to delegate by applicable laws and regulations. In addition to these responsibilities, the Committee shall perform the responsibilities required of an audit committee by any exchange upon which securities of the Company are traded, or any governmental or regulatory body exercising authority over the Company, as are in effect from time to time (collectively, the "**Applicable Requirements**") or as the Board otherwise deems necessary or appropriate.

##### *Independence of Auditor*

1. At least annually, and before the auditors issue their report on the annual financial statement, review and discuss with the Auditor any disclosed relationships or services that may impact the objectivity and independence of the Auditor and, if necessary, obtain a formal written statement from the Auditor setting forth all relationships between the Auditor and the Company, consistent with Independence Standards Board Standard 1. The Committee shall take appropriate action to oversee the independence of the auditors.
2. Take, or recommend that the Board take, appropriate action to oversee the independence of the Auditor.
3. Require the Auditor to report directly to the Committee.
4. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the Auditor and former independent external auditor of the Company.

##### *Performance & Completion by Auditor of its Work*

5. Be directly responsible for the oversight of the work by the Auditor (including resolution of disagreements between management and the Auditor regarding financial reporting and review of

all reportable events including unresolved issues and consultations) for the purpose of preparing or issuing an audit report or related work.

6. Review annually the performance of the Auditor and recommend the appointment by the Board of a new, or re-election by the Company's shareholders of the existing, Auditor and shall approve the compensation of such external auditor. The Committee shall have ultimate authority to approve all audit engagement terms and fees, including the auditor's audit plan.
7. Pre-approve all auditing services and permitted non-audit services to be performed by the auditors for the Company or its subsidiary entities that it deems advisable in accordance with Applicable Requirements and Board approved policies and procedures, and adopt and implement policies for such pre-approval (including the fees and terms thereof) to be performed for the Company by the Auditor unless such non-audit services:
  - (a) which are not pre-approved, are reasonably expected not to constitute, in the aggregate, more than 5% of the total amount of revenues paid by the Company to the Auditor during the fiscal year in which the non-audit services are provided;
  - (b) were not recognized by the Company at the time of the engagement to be non-audit services; and
  - (c) are promptly brought to the attention of the Committee by Management and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Committee.
8. At least annually, the Committee shall review a summary of the auditors' annual audit plan. The Committee shall consider and review with the auditors any material changes to the scope of the plan.

#### *Internal Financial Controls & Operations of the Company*

Establish procedures for:

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

#### *Preparation of Financial Statements*

Oversee the Company's financial statements and financial disclosures.

9. Discuss with management and the Auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.
10. Discuss with management and the Auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Company's financial statements or accounting policies.

11. Discuss with management and the Auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.
12. Discuss with management, the auditors and legal counsel, as requested any litigation claim or other contingency that could have a material effect on the Company's financial statements.
13. Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.
14. Discuss with the Auditor the matters required to be discussed relating to the conduct of any audit, in particular:
  - (i) The adoption of, or changes to, the Company's significant auditing and accounting principles and practices as suggested by the Auditor or management.
  - (ii) Any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.
15. inquire at least annually of both the Company's management and auditors as to whether either has any concerns relative to the quality or aggressiveness of management's accounting policies.
16. review any other matters, related to the financial statements, that are brought forward by the auditors, management or which are required to be communicated to the Committee under accounting policies, auditing standards or Applicable Requirements.

#### *Public Disclosure by the Company*

17. Review the Company's audited annual financial statements, the auditor's report thereon, quarterly financial statements, the auditors' review report thereon, management discussion and analysis (MD&A), annual information form, and management information circular before the Board approves and the Company publicly discloses this information.
18. Review the Company's financial reporting procedures and internal controls to be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph, and periodically assessing the adequacy of those procedures.
19. Review any disclosures made to the Committee by the Company's Chief Executive Officer and Chief Financial Officer during their certification process of the Company's financial statements about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

#### *Risk Management*

The Committee shall be responsible for overseeing management's identification and assessment of the principal risks to the operations of the Company and the establishment and management of appropriate systems to manage such risks with a view to achieving a proper balance between risks incurred and potential return to holders of securities of the Company and to the long-term viability of the Company. In this regard,

the Committee shall require management to report on a quarterly basis to the Committee, and the Committee shall review such reports provided by management, on the risks inherent in the business of the Company (including appropriate crisis preparedness, business continuity, information system controls, cybersecurity and disaster recovery plans), the appropriate degree of risk mitigation and risk control, overall compliance with and the effectiveness of the Company's risk management policies, and residual risks remaining after implementation of risk controls. The Committee shall report to the Board on a quarterly basis, with respect to the principal risks faced by the Company and the steps implemented by management to manage these risks.

#### *Manner of Carrying Out its Mandate*

20. Request any officer or employee of the Company or the Company's outside counsel or Auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.
21. Meet, to the extent it deems necessary or appropriate, with management and the Auditor in separate executive sessions at least quarterly.
22. Have the authority, to the extent it deems necessary or appropriate, to retain and terminate, independent legal, accounting or other consultants to advise the Committee advisors and shall have the sole authority to approve such independent legal, accounting or other consultant's fees and other retention terms.
23. Make regular reports to the Board.
24. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
25. Annually review the Committee's own performance.
26. Provide an open avenue of communication among the Auditor and the Board.
27. Not delegate these responsibilities other than to one or more independent members of the Committee the authority to pre-approve, which the Committee must ratify at its next meeting, non-audit services to be provided by the Auditor.

#### *Compliance with Legal and Regulatory Requirements*

The Committee shall review reports from the Company's Corporate Secretary and other management members on: (a) legal or compliance matters that may have a material impact on the Company; (b) the effectiveness of the Company's compliance policies; and (c) any material communications received from regulators. The Committee shall review management's evaluation of and representations relating to compliance with specific applicable law and guidance, and management's plans to remediate any deficiencies identified.

#### *Whistleblower Procedures*

The Committee shall establish procedures for (a) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.



Any such complaints or concerns that are received shall be reviewed by the Committee and, if the Committee determines that the matter requires further investigation, it will direct the Chair of the Committee to engage outside advisors, as necessary or appropriate, to investigate the matter and will work with management and the general counsel to reach a satisfactory conclusion.

C. No Rights Created

This Charter is a statement of broad policies and is intended as a component of the flexible governance framework within which the committees of the Board assist the Board in directing the affairs of the Company. While it should be interpreted in the context of all Applicable Requirements, as well as in the context of the Company's Notice of Articles and Articles, it is not intended to establish any legally binding obligations.

D. Charter Review

The Committee shall review and update this Charter annually and, in conjunction with the review and recommendations of the Corporate Governance Committee regarding same, present the updated Charter to the Board for approval.

E. Limitation of Audit Committee's Role

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the Auditor.

Revised and Approved by the Board of Directors: April 20, 2021.