

**ALTAMIRA GOLD CORP.**  
1500 - 409 Granville Street  
Vancouver, BC V6C 1T2  
Tel: 604-676-5660

## **INFORMATION CIRCULAR**

**This management information circular (“Information Circular”) is furnished in connection with the solicitation of proxies by management of Altamira Gold Corp. for use at the annual general meeting (the “Meeting”) of shareholders of Altamira Gold Corp. to be held on Thursday, September 24, 2020 and any adjournment thereof, for the purposes set forth in the attached Notice of Meeting. Except where otherwise indicated, the information contained herein is stated as of August 14, 2020.**

In this Information Circular, references to the “Company” and “we” refer to Altamira Gold Corp. “Common Shares” means common shares without par value in the capital of the Company. “Registered Shareholders” means Shareholders whose names appear on the records of the Company as the registered holders of Common Shares. “Non-Registered Shareholders” means Shareholders who do not hold Common Shares in their own name. “Intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Non-Registered Shareholders.

## **INTRODUCTION**

This Information Circular is furnished in connection with the solicitation of proxies by or on behalf of the management of the Company for use at the Meeting to be held via teleconference and in person at 10:00 a.m. (*Vancouver time*), on **Thursday, September 24, 2020** and at any adjournment(s) or postponements(s) thereof for the purposes set forth in the accompanying Notice of Meeting. In order to comply with measures imposed by the federal and provincial governments related to the COVID-19 pandemic, and to mitigate risks to the health and safety of our communities, shareholders, and other stakeholders, unless we advise otherwise by way of news release, the Company is conducting a hybrid Meeting which allows participation both via teleconference and in person. Registered Shareholders and validly appointed proxyholders may attend the Meeting by calling 1-800-669-6180 (toll free in Canada and United States) or 1-604-484-1962.

**Due to the COVID-19 pandemic and issues related to the verification of Shareholder identity via teleconference, in person voting will not be permitted at the Meeting.** If you are a Registered Shareholder and wish to have your vote counted, you will be required to complete, date, sign and return, in the envelope provided for that purpose, the accompanying form of proxy (“Proxy”) for use at the Meeting or any adjournment thereof (or vote in one of the other manners described below under the heading “Appointment and Revocation of Proxies”).

If you are a Non-Registered Shareholder and have received this Notice of Meeting and accompanying materials through an Intermediary, please complete and return the voting instructions form (“Voting Instruction Form”) provided to you in accordance with the instructions provided therein.

## **GENERAL PROXY INFORMATION**

### **Solicitation of Proxies**

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged to send meeting materials directly to Registered Shareholders, as well as Non-Registered Shareholders who have consented to their ownership information being disclosed by the Intermediary holding the Common Shares on their behalf (non-objecting beneficial owners). We have not arranged for Intermediaries to forward the Meeting materials to Non-Registered Shareholders who have objected to their ownership information being disclosed by the Intermediary holding the Common Shares on their behalf (objecting beneficial owners). As a result, objecting beneficial owners will not receive the Meeting materials unless their Intermediary assumes the costs of delivery.

### **Appointment and Revocation of Proxies**

The individuals named in the accompanying Proxy are officers or directors of the Company. **If you are a Registered Shareholder, you have the right to attend the Meeting or vote by proxy and to appoint a person or company other than the person designated in the Proxy, who need not be a Shareholder, to attend and act for you and on your**

behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of Proxy.

If you are a Registered Shareholder and wish to have your shares voted at the Meeting, you will be required to submit your vote by proxy. **Due to the COVID-19 pandemic and issues related to the verification of shareholder identity via teleconference, in person voting will not be permitted at the Meeting.** Registered Shareholders electing to submit a proxy may do so by completing, dating and signing the enclosed Proxy and returning it to the Company's transfer agent, Computershare Investor Services Inc. ("Computershare"), in accordance with the instructions on the Proxy. Alternatively, Registered Shareholders may vote their shares via the internet or by telephone as per the instructions provided on the Proxy.

**In all cases you should ensure that the Proxy is received at least 48 hours before the Meeting or the adjournment thereof at which the Proxy is to be used.**

Registered Shareholders electing to submit a Proxy may do so by:

- (i) **Internet:** Vote online at [www.investorvote.com](http://www.investorvote.com) using the Proxy Control Number found in the enclosed Proxy;
- (ii) **Mail:** Completing, dating and signing the enclosed Proxy and returning it to the Company's transfer agent, Computershare, by fax within North America at 1-866-249-7775, or by mail or hand delivery at 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, Canada; or
- (iii) **Telephone:** Using a touch-tone phone to transmit voting choices to the toll-free number given in the Proxy. Registered Shareholders who choose this option must follow the instructions of the voice response system and refer to the enclosed Proxy for the toll-free number, the holder's account number and the Proxy Control Number.

Every Proxy may be revoked by an instrument in writing:

- (i) executed by the Shareholder or by his/her attorney authorized in writing or, where the Shareholder is a company, by a duly authorized officer or attorney of the company; and
- (ii) delivered either to the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof, at which the Proxy is to be used, or to the chairman of the Meeting on the day of the Meeting or any adjournment thereof,

or in any other manner provided by law.

**Only Registered Shareholders have the right to revoke a Proxy. Non-Registered Shareholders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective Intermediaries to revoke the Proxy on their behalf.** If you are a Non-Registered Shareholder, see "Voting by Non-Registered Shareholders" below for further information on how to vote your Common Shares.

#### **Exercise of Discretion by Proxyholder**

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

- (i) each matter or group of matters identified therein for which a choice is not specified,
- (ii) any amendment to or variation of any matter identified therein,
- (iii) any other matter that properly comes before the Meeting, and
- (iv) exercise of discretion of proxyholder.

**In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter.** Management is not currently aware of any other matters that could come before the Meeting.

**Given the fact that voting will only be permitted by proxy due to the COVID-19 pandemic, management does not intend to allow new matters not contemplated in the Notice of Meeting to be considered at the Meeting.**

### **Voting by Non-Registered Shareholders**

The following information is of significant importance to Shareholders who do not hold Common Shares in their own name. Non-Registered Shareholders should note that the only Proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders.

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

Every Intermediary has its own mailing procedures and provides its own return instructions to clients. However, most Intermediaries now delegate responsibility for obtaining voting instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada.

If you are a Non-Registered Shareholder, you should carefully follow the instructions on the Voting Instruction Form received from Computershare or Broadridge in order to ensure that your Common Shares are voted at the Meeting. The Voting Instruction Form supplied to you will be similar to the Proxy provided to the Registered Shareholders by the Company. However, its purpose is limited to instructing the Intermediary on how to vote on your behalf.

The Voting Instruction Form sent by Computershare or Broadridge will name the same persons as the Company's Proxy to represent you at the Meeting. As a Non-Registered Shareholder you may not be recognized directly at the Meeting. In order to attend the Meeting or appoint a proxyholder of your own choosing to attend the Meeting, you should insert your own name or the name of the desired representative in the blank space provided in the Voting Instruction Form. Alternatively, you may provide other written instructions requesting that you or your desired representative attend the Meeting as proxyholder for your Intermediary. The completed Voting Instruction Form should be returned in accordance with the instructions on the form.

**If you receive a Voting Instruction Form from Computershare or Broadridge, you cannot use it to vote Common Shares directly at the Meeting – the Voting Instruction Form must be completed and returned in accordance with its instructions well in advance of the voting deadline in order to have your Common Shares voted at the Meeting.**

### **Voting by Proxy Generally**

Proxyholders other than the individuals named in the accompanying Proxy will be required to identify themselves by notice in writing to the Company by 4:00 p.m. (*Vancouver time*) on Tuesday, September 22, 2020 so that the Company can confirm their identity prior to the Meeting and facilitate their voting of the Proxies that they hold at the Meeting. Notice may be provided by mail to Altamira Gold Corp., c/o Morton Law LLP, #1200 – 750 West Pender Street, Vancouver, British Columbia, Canada, V6C 2T8 or email to [info@altamiragold.com](mailto:info@altamiragold.com). Proxies will not be accepted at the Meeting. All Proxies must be submitted to Computershare by 10:00 a.m. (*Vancouver time*) on Tuesday, September 22, 2020 (the "**Proxy Deadline**").

As there will be no in person voting at the Meeting, votes received by the Proxy Deadline for each matter set out in the Notice will be tabulated in advance of the Meeting by Computershare and compiled in a Proxy report (the "**Proxy Report**"). The determination as to whether a particular matter has been approved, a particular individual has been appointed or a particular resolution has been passed will be made solely on the basis of the voting results set out in the

Proxy Report. Since no in person voting will be permitted due to the COVID-19 pandemic and voting results respecting matters set out in the Notice will be determined solely on the basis of the voting results set out in the Proxy Report, **no ballots will be permitted at the Meeting**. All results will be determined by reference to the Proxy Report. Management will advise at the Meeting, the voting results for each matter set out in the Proxy Report and Shareholders will be entitled to request a copy of the Proxy Report from management after the Meeting.

### **NOTICE AND ACCESS PROCESS**

The Company has decided to use the notice and access model (“**Notice and Access**”) provided for under amendments to National Instrument 54-101 for the delivery of the Information Circular, audited financial statements and Management’s Discussion and Analysis for the financial year ended February 29, 2020 (the “**Information Circular and Financials**”) to Shareholders for the Meeting. The Company has adopted this alternative means of delivery in order to further its commitment to environmental sustainability and to reduce its printing and mailing costs.

Under Notice and Access, instead of receiving printed copies of the Information Circular and Financials, Shareholders receive Notice with information on the Meeting date, location and purpose, as well as information on how they may access the Information Circular and Financials electronically.

Shareholders with existing instructions on their account to receive printed materials and those Shareholders with addresses outside of Canada and the United States will receive a printed copy of the Information Circular and Financials with the Notice.

### **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

Except as disclosed elsewhere in this Information Circular, no director or executive officer of the Company who was a director or executive officer since the beginning of the Company’s last financial year, each proposed nominee for election as a director of the Company, or any associate or affiliates of any such directors, executive officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors.

### **RECORD DATE AND QUORUM**

The board of directors (the “**Board**”) of the Company has fixed the record date for the Meeting as the close of business on August 14, 2020 (the “**Record Date**”). Shareholders of record as at the Record Date are entitled to receive notice of the Meeting and to vote their Common Shares at the Meeting, except to the extent that any such Shareholder transfers any Common Shares after the Record Date and the transferee of those Common Shares establishes that the transferee owns the Common Shares and demands, not less than ten (10) days before the Meeting, that the transferee’s name be included in the list of Shareholders entitled to vote at the Meeting, in which case, only such transferee shall be entitled to vote such Common Shares at the Meeting.

Under the Company’s articles (the “**Articles**”), subject to the special rights and restrictions attached to the shares of any affected class or series of shares, the quorum for the transaction of business at a meeting of Shareholders is one or more persons, present in person or by proxy.

### **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The Company is authorized to issue an unlimited number of Common Shares without par value. As of the Record Date there were 101,001,734 Common Shares issued and outstanding, with each Common Share carrying the right to one vote. Only Shareholders of record at the close of business on the Record Date will be entitled to vote at the Meeting or any adjournment thereof. Due to the COVID-19 pandemic and issues related to the verification of Shareholder identity via teleconference, in person voting will not be permitted at the Meeting. Shareholders who wish to vote their shares at the Meeting must do so by Proxy or Voting Instruction Form as set out in the preceding section titled “General Proxy Information”.

To the knowledge of the directors and executive officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, securities carrying more than 10% of the voting rights attached to any class of voting securities of the Company.

### **PARTICULARS OF MATTERS TO BE ACTED UPON**

To the knowledge of the Company’s directors, the only matters to be placed before the Meeting are those set forth in the accompanying Notice of Meeting and more particularly discussed below.

### Presentation of Financial Statements

The directors will place before the Meeting the audited consolidated financial statements for the financial year ended February 29, 2020 together with the auditors' report thereon. The Company's financial statements are available on the System of Electronic Document Analysis and Retrieval (SEDAR) website at [www.sedar.com](http://www.sedar.com).

### Election of Directors

The directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are elected or appointed, unless his or her office is earlier vacated in accordance with the Articles of the Company or with the provisions of applicable corporate legislation. In the absence of instructions to the contrary, the enclosed form of proxy will be voted for the nominees listed in the form of proxy, all of whom are presently members of the board of directors (the "**Board**").

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors for the ensuing year at six (6). The number of directors will be approved if the affirmative vote of the majority of Common Shares present or represented by proxy at the Meeting and entitled to vote are voted in favour to set the number of directors at six (6).

Management of the Company proposes to nominate the persons named in the table below for election by the Shareholders as directors of the Company. Information concerning such persons, as furnished by the individual nominees, is as follows:

<b>Name, Province or State, Country of Residence and Position(s) with the Company <sup>(1)</sup></b>	<b>Director Since</b>	<b>Present Principal Occupation, Business or Employment of each Director and Proposed Director</b>	<b>Number of Voting Securities of the Company Beneficially Owned or Controlled or Directed, Directly or Indirectly <sup>(1)</sup></b>
<b>Michael Bennett</b> Belo Horizonte, Brazil  <i>Director, President and CEO</i>	August 31, 2016	President, Chief Executive Officer and Director of the Company and a Director of Alta Floresta Gold Ltd. Mr. Bennett has worked for 25 years throughout the Americas, principally in Bolivia, Brazil, Argentina and Mexico in the following roles: Chief Exploration Geologist, Country Manager, and Vice-President of Exploration.	8,467,530
<b>Alan Carter<sup>(3)</sup></b> British Columbia, Canada  <i>Director and Chairman</i>	October 28, 2016	Director of the Company, Director and Chief Executive Officer of Cabral Gold Inc. and Director of Fremont Gold Ltd.	4,274,592
<b>Christopher Harris<sup>(2)(3)</sup></b> Surrey, United Kingdom  <i>Director</i>	April 27, 2016	Director of the Company, Director of Castara Resources Ltd. and Managing Director of Hexa Resources Ltd.	1,455,332
<b>Ian Talbot<sup>(2)</sup></b> British Columbia, Canada  <i>Director</i>	April 7, 2017	Director of the Company, President of Arcus Development Group Inc., and Chief Operating Officer of ATAC Resources Ltd., Strategic Metals Ltd., Silver Range Resources Ltd. and Rockhaven Resources Ltd.	Nil

Name, Province or State, Country of Residence and Position(s) with the Company <sup>(1)</sup>	Director Since	Present Principal Occupation, Business or Employment of each Director and Proposed Director	Number of Voting Securities of the Company Beneficially Owned or Controlled or Directed, Directly or Indirectly <sup>(1)</sup>
<b>Ioannis Tsitos</b> <sup>(2)</sup> British Columbia, Canada  <i>Director</i>	April 7, 2017	Director of the Company, President and Director of Goldsource Mines Inc.; and President of Laurium Mining Services Inc., a management consulting company; Director of several publicly listed mineral exploration companies.	Nil
<b>Andrei Giometti Sandoval Santos</b> <sup>(3)</sup> Cuiaba, Brazil  <i>Director</i>	July 2, 2019	Director of the Company, Executive Director of Salinas Gold Mineração Ltda, a gold producer in Brazil and Director of Fenix Metais do Brasil LTDA. responsible for gold sales.	Nil

**Notes**

- (1) The information as to country of residence and principal occupation, and Common Shares beneficially owned or over which a director exercises control or direction, not being within the knowledge of the Company, has been furnished by the respective nominees as at the date of this Information Circular.
- (2) Member of the Audit Committee.
- (3) Member of the Compensation Committee.

The term of office of those nominees set out above, who are presently directors, will expire as of the date of the Meeting. All of the directors who are elected at the Meeting will have their term of office expire at the next annual general meeting or at such time when their successors are duly elected or appointed in accordance with the Articles, or with the provisions of applicable corporate legislation or until such director's earlier death, resignation or removal.

**Management recommends the approval of each of the nominees listed above for election as directors of the Company for the ensuing year.**

Management does not contemplate that any of its nominees will be unable to serve as directors. If any vacancies occur in the slate of nominees listed above before the Meeting, then the Designated Persons intend to exercise discretionary authority to vote the Common Shares represented by proxy for the election of any other persons as directors.

No proposed director of the Company is, as at the date of the Information Circular, or has been, within 10 years before the date of the Information Circular, a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

For the purposes of the above, “**order**” means:

- (a) a cease trade order;
- (b) an order similar to a cease trade order; or
- (c) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days.

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

No proposed director of the Company 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 became 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.

The above information was provided by individual directors and officers of the Company.

No proposed director of the Company has been subject to:

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

The above information was provided by individual directors of the Company.

#### **Appointment of Auditor**

At the Meeting, Shareholders will be asked to vote for the appointment of De Visser Gray LLP to serve as auditor of the Company for the fiscal year, to hold such position until the next annual general meeting of the shareholders or until they are removed by the Board or resign as provided by law, and to authorize the Board to fix the remuneration to be paid to De Visser Gray LLP.

**Management recommends that Shareholders vote for the approval of the appointment of De Visser Gray LLP as the Company's auditor for the Company's fiscal year at remuneration to be fixed by the Board.**

#### **Approval of the Company's Amended 2017 Stock Option Plan**

At the Meeting, Shareholders of the Company will be asked to approve the Company's Amended 2017 Stock Option Plan (the "**Plan**"). The Plan is identical to the Company's 2017 Stock Option but now includes a provision requiring disinterested shareholder approval for (i) grants of stock options ("**Options**") to any one person within a 12 month period entitling the person to acquire more than 5% of the issued and outstanding Common Shares of the Company; (ii) grants of Options which will result in the number of Options granted to insiders (as a group), within a 12 month period exceeding 10% of the issued and outstanding Common Shares of the Company; and (iii) any amendment to or reduction in the exercise price of an Option if the Option Holder is an insider of the Company.

In accordance with the policies of the Exchange, the directors of the Company have adopted the Plan, subject to Shareholder and Exchange approval. The Plan complies with the requirements of the Exchange for Tier 2 issuers. Under the Plan, a maximum of 10% of the issued and outstanding Common Shares of the Company are proposed to be reserved at any time for issuance on the exercise of Options. As the number of Common Shares reserved for issuance under the Plan increases with the issue of additional Common Shares by the Company, the Plan is considered to be a "rolling" stock option plan.

A copy of the Plan will be available at the Meeting for review by the Shareholders at the Meeting.

#### **Summary of Terms of the Plan**

The Plan is in the form of a rolling stock option plan reserving for issuance upon the exercise of options granted pursuant to the Plan a maximum of 10% of the issued and outstanding shares of the Company at any time, less any shares required to be reserved with respect to options granted by the Company prior to the implementation of the Plan. The Plan is administered by the Administrator on the instructions of the Board. Subject to the provisions of the Plan, the Board in its sole discretion will determine all options to be granted pursuant to the Plan, the exercise price therefore and any special terms or vesting provisions applicable thereto. The Administrator will comply with all regulatory

requirements in granting options and otherwise administering the Plan. A summary of some of the additional provisions of the Plan follows below. Capitalized terms not otherwise defined are defined in the Plan.

- Options may be granted to bona fide Directors, Employees and Consultants;
- the Board in its sole discretion, will determine which Directors, Employees and Consultants, if any, may be awarded Options and may, in its sole discretion, grant the majority of the Options to insiders of the Company;
- Option Holders will not be granted Options if their total Option holdings will exceed 5% of the Company's issued and outstanding share capital and any Consultants will not be granted Options if their total Option holdings will exceed 2% of the Company's issued and outstanding share capital;
- the maximum number or percentage of Common Shares that may be reserved under the Plan for issuance pursuant to the exercise of Options is 10% of the issued and outstanding number of Common Shares and any Options which terminate unexercised will be available to grant under the Plan;
- the expiry date of an Option shall be fixed by the Board at the time the Option is granted and shall be no later than the five years, or such later date as allowed by the policies of the Exchange;
- Unexercised Options shall terminate on the Expiry Date or earlier as applicable:
  - if the Option Holder dies while he or she is still a Director, an Employee, or a Consultant, the Options will expire one year from the Option Holder's death;
  - if the Option Holder ceases to be a Director other than by reason of death, the Options will expire 90 days after the Option Holder ceases to be a Director;
  - if the Option Holder is removed as a Director by ceasing to meet the qualifications of the *Business Corporations Act* (British Columbia) or is removed pursuant to any Regulatory Authority, the Options will expire immediately;
  - if the Option Holder ceases to be an Employee other than by reason of death, the Options will expire 30 days after the Option Holder ceases to be an Employee;
  - if the Option Holder is removed as an Employee, or a Consultant by termination for cause or is removed pursuant to any Regulatory Authority, the Options will expire immediately;
  - if the Option Holder is performing Investor Relations activities the Options will expire 30 days following termination of the Investor Relations activities;
  - if the Option Holder performing Investor Relations activities is removed as an Employee, or a Consultant by termination for cause or is removed pursuant to any Regulatory Authority, the Options will expire immediately;
- the Option Price will not be less than the Discounted Market Price (as that term is defined under Exchange policies) of the Company's Common Shares on the date of grant;
- Options are not assignable or transferrable except in the event of death of the Option Holder to the executor or administrator of the deceased Option Holder or the person entitled by law to act on behalf of such Option Holder;
- Options may be subject to vesting provisions;
- Common Shares underlying the Options are subject to securities laws resale restrictions;
- the Board may amend the Stock Option Plan subject to applicable Exchange policies and securities laws; and
- amendments to the Exercise Price of Options held by insiders must have disinterested shareholder approval.

As at February 29, 2020, there were 6,895,000 Options issued and outstanding.

#### *Shareholder Approval*

In order to exercise Options granted under the Plan, the Plan must first be accepted by the Exchange. In order to obtain Exchange acceptance, the Exchange requires that "rolling" stock option plans receive shareholder approval at a company's annual general meeting. For these reasons and to approve the Amendment, and also to ensure that the Plan

is acceptable to the Company's Shareholders, the Board will ask the Shareholders to approve the Plan and the Amendment at the Meeting. Accordingly, the Shareholders will be asked to consider and, if thought fit, pass the following ordinary resolution.

"Resolved that, subject to TSX Venture Exchange Inc. (the "**Exchange**") approval:

1. The Company's Amended 2017 Stock Option Plan (the "**Stock Option Plan**"), including the reserving for issuance under the Stock Option Plan at any time a maximum of 10% of the issued Common Shares of the Company, be ratified, confirmed and approved;
2. The Company be and is hereby authorized to grant stock options under the Stock Option Plan, in accordance with its terms;
3. The Company be and is hereby authorized to prepare such disclosure documents and make such submissions and filings as the Company may be required to make with the Exchange to obtain Exchange acceptance of the Stock Option Plan; and
4. Authority be and is hereby granted to the Board of Directors of the Company to make such amendments to the Stock Option Plan as may be required by the Exchange to obtain Exchange acceptance of the Stock Option Plan."

**It is the intention of the persons named in the enclosed instrument of proxy, if not expressly directed otherwise in such instrument of proxy, to vote such proxies FOR the ordinary resolution to approve the Plan and the Amendment. An ordinary resolution is a resolution passed by the Shareholders of the Company at a general meeting by a simple majority of the votes cast in person or by proxy.**

**Management of the Company recommends that Shareholders vote in favour of the above ordinary resolution.**

#### **OTHER BUSINESS**

As of the date of this Information Circular, the management of the Company knows of no other matters to be acted upon at the Meeting. Given the fact that voting will only be permitted by Proxy due to the COVID-19 pandemic, management does not intend to allow new matters not contemplated in the Notice of Meeting to be considered at the Meeting. However, should any other matters properly come before the Meeting, the Common Shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the Common Shares represented by the Proxy.

#### **STATEMENT OF EXECUTIVE COMPENSATION**

##### **General**

For the purpose of this Information Circular:

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

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

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

"**Named Executive Officer**" or "**NEO**" means each of the following individuals:

- (a) each individual who served as CEO of the Company;
- (b) each individual who served as CFO of the Company;
- (c) the most highly compensated executive officer of the Company or any of its subsidiaries (if any) other than individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year; and

- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

### Director and NEO Compensation, Excluding Compensation Securities

The following table sets out details of all payments, grants, awards, gifts and benefits paid or awarded to each director and NEO in the two most recently completed financial years:

Name and Position	Year <sup>(1)</sup>	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites <sup>(2)</sup> (\$)	Value of All Other Compensation (\$)	Total Compensation (\$)
Michael Bennett <sup>(3)</sup> <i>President, CEO, and Director</i>	2020	\$156,000	\$Nil	\$Nil	\$Nil	\$Nil	\$156,000
	2019	\$156,000	\$Nil	\$Nil	\$Nil	\$Nil	\$156,000
Michael O'Brien <sup>(4)</sup> <i>Former CFO and Former Corporate Secretary</i>	2020	\$120,000	\$Nil	\$Nil	\$Nil	\$Nil	\$120,000
	2019	\$150,000	\$Nil	\$Nil	\$Nil	\$Nil	\$150,000
Alan Carter <sup>(5)</sup> <i>Director, Chairman, former President and former CEO</i>	2020	\$75,000	\$Nil	\$Nil	\$Nil	\$Nil	\$75,000
	2019	\$75,000	\$Nil	\$Nil	\$Nil	\$Nil	\$75,000
Christopher Harris <sup>(6)</sup> <i>Director</i>	2020	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
	2019	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
Ian Talbot <sup>(7)</sup> <i>Director</i>	2020	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
	2019	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
Ioannis Tsitos <sup>(8)</sup> <i>Director</i>	2020	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
	2019	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
Andrei Giometti Sandoval Santos <sup>(9)</sup> <i>Director</i>	2020	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil
	2019	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil

#### Notes

- (1) Year ended February 28, 2019 and February 29, 2020.
- (2) "Perquisites" include perquisites provided to an NEO or director that are not generally available to all employees and that, in aggregate, are: (a) \$15,000, if the NEO or director's total salary for the financial year is \$150,000 or less, (b) 10% of the NEO or director's salary for the financial year if the NEO or director's total salary for the financial year is greater than \$150,000 but less than \$500,000, or (c) \$50,000 if the NEO or director's total salary for the financial year is \$500,000 or greater.
- (3) Michael Bennett has been a director of the Company since August 31, 2016 and was appointed President and CEO of the Company on September 14, 2017. See the below section titled "Employment, Consulting and Management Agreements" for a breakdown of Mr. Bennett's compensation.
- (4) Michael O'Brien was appointed as the CFO and Corporate Secretary of the Company on November 17, 2016 and ceased to be the CFO and Corporate Secretary effective as of May 20, 2020. See the below section titled "Employment, Consulting and Management Agreements" for a breakdown of Mr. O'Brien's compensation.
- (5) Alan Carter served as a director of the Company from April 27, 2016 to August 31, 2016. On October 28, 2016, he was re-appointed as a director of the Company and served as the President and CEO for the period from October 28, 2016 until September 14, 2017. Mr. Carter received compensation for acting as the CEO of the Company. See the below section titled "Employment, Consulting and Management Agreements" for a breakdown of Mr. Carter's compensation for acting as Chairman.
- (6) Christopher Harris has been a director of the Company since April 27, 2016.
- (7) Ian Talbot has been a director of the Company since April 7, 2017.
- (8) Ioannis Tsitos has been a director of the Company since April 7, 2017.
- (9) Andrei Giometti Sandoval Santos has been a director of the Company since July 2, 2019.

## Stock Options and Other Compensation Securities

The Company granted the following compensation securities to each director and NEO in the financial year ended February 29, 2020 for services provided or to be provided, directly or indirectly, to the Company.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class <sup>(1)</sup>	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Michael Bennett <sup>(2)</sup> <i>President, CEO, and Director</i>	Stock Options	300,000	July 22, 2019	\$0.10	\$0.075	\$0.045	July 22, 2024
Michael O'Brien <sup>(3)</sup> <i>Former CFO and Former Corporate Secretary</i>	Stock Options	125,000	July 22, 2019	\$0.10	\$0.075	\$0.045	July 22, 2024
Alan Carter <sup>(4)</sup> <i>Director, Chairman, former President and former CEO</i>	Stock Options	250,000	July 22, 2019	\$0.10	\$0.075	\$0.045	July 22, 2024
Christopher Harris <sup>(5)</sup> <i>Director, former President and former CEO</i>	Stock Options	100,000	July 22, 2019	\$0.10	\$0.075	\$0.045	July 22, 2024
Ian Talbot <sup>(6)</sup> <i>Director</i>	Stock Options	50,000	July 22, 2019	\$0.10	\$0.075	\$0.045	July 22, 2024
Ioannis Tsitos <sup>(7)</sup> <i>Director</i>	Stock Options	50,000	July 22, 2019	\$0.10	\$0.075	\$0.045	July 22, 2024
Andrei Giometti Sandoval Santos <sup>(8)</sup> <i>Director</i>	Stock Options	50,000	July 22, 2019	\$0.10	\$0.075	\$0.045	July 22, 2024

### Notes

- (1) All options were fully vested on the date of granting.
- (2) Michael Bennett held an aggregate of 1,325,000 compensation securities on the last day of the most recently completed financial year end.
- (3) Michael O'Brien held an aggregate of 735,000 compensation securities on the last day of the most recently completed financial year end. Mr. O'Brien ceased to be a Director of the Company, as that term is defined in the Company's Plan, effective as of May 20, 2020 and his compensation securities will expire 90 days after ceasing to be an executive officer, in accordance with the terms of the Plan.
- (4) Alan Carter held an aggregate of 1,175,000 compensation securities on the last day of the most recently completed financial year end.
- (5) Christopher Harris held an aggregate of 650,000 compensation securities on the last day of the most recently completed financial year end.
- (6) Ian Talbot held an aggregate of 450,000 compensation securities on the last day of the most recently completed financial year.
- (7) Ioannis Tsitos held an aggregate of 450,000 compensation securities on the last day of the most recently completed financial year.
- (8) Andrei Giometti Sandoval Santos held an aggregate of 50,000 compensation securities on the last day of the most recently completed financial year.

No compensation securities were exercised by the directors or NEOs during the most recently completed financial year.

## Stock Option Plans and Other Incentive Plans

The Company's current stock option plan (the "Plan"), which it adopted in 2012, is a "rolling" stock option plan, whereby the aggregate number of Common Shares reserved for issuance, together with any other Common Shares reserved for issuance under any other plan or agreement of the Company, shall not exceed ten (10%) percent of the total number of issued Common Shares (calculated on a non-diluted basis) at the time an option is granted. The Plan provides that the Board may, from time to time, in its discretion, grant to directors, officers, employees, consultants and other personnel of the Company and its subsidiaries or affiliates, options to purchase Common Shares. The Company's Shareholders approved the Plan at the Company's annual general meeting held on September 27, 2019.

For additional details regarding the terms of the Plan, see below under the heading “Approval of the Company’s Amended 2017 Stock Option Plan”.

### **Employment, Consulting and Management Agreements**

On September 1, 2017, the Company entered into an agreement with Michael Bennett to fulfil the position of President and CEO. According to the agreement, Mr. Bennett is entitled to receive \$13,000 per month as well as stock options as determined by the Board. Mr. Bennett may also receive an annual bonus as determined by the Board and will be tied to key annual or strategic targets or exceptional performance. The agreement includes termination or change of control provisions whereby Mr. Bennett would receive a lump sum payment equal to 12 months fee and 90 days to exercise stock options granted to him.

On September 1, 2017, the Company entered into an agreement with Alan Carter to fulfil the position of Chairman. According to the agreement, Mr. Carter is entitled to receive \$6,250 per month as well as stock options as determined by the Board. Mr. Carter may also receive an annual bonus as determined by the Board and will be tied to key annual or strategic targets or exceptional performance. The agreement includes termination or change of control provisions whereby Mr. Carter would receive a lump sum payment equal to 12 months fee and 90 days to exercise stock options granted to him.

On November 1, 2016, the Company entered into an employment agreement with Michael O’Brien to provide full time services as its CFO at a salary of \$12,500 per month. Effective May 1, 2019 Mr. O’Brien agreed to a revised salary of \$10,000 per month and reduced his time commitment to Altamira to 80%. Effective January 1, 2020 Mr. O’Brien agreed to a revised salary of \$7,500 per month and reduced time commitment to Altamira to 50%. The agreement provides for Mr. O’Brien to be given 3 months’ notice of termination, which period will increase by one month for each completed year worked to a maximum of 12 months. Effective as of May 31, 2020 the employment agreement with Mr. O’Brien was terminated and Mr. O’Brien ceased to act as the CFO of the Company as of May 20, 2020.

### **Oversight and Description of Director and NEO Compensation**

The Board has appointed a compensation committee made up of two Directors, Christopher Harris and Andrei Giometti Sandoval Santos. Tasks related to developing and monitoring the Company’s approach to the compensation of the Company’s NEOs and directors are performed by the compensation committee and overseen by the members of the Board. The compensation of the NEOs, directors and the Company’s employees or consultants, if any, is reviewed, recommended and approved by the Board without reference to any specific formula or criteria. NEOs that are also directors of the Company are involved in discussion relating to compensation, and disclose their interest in and abstain from voting on compensation decision relating to them, as applicable, in accordance with the applicable corporate legislation.

The overall objective of the Company’s compensation strategy is to offer short, medium and long-term compensation components to ensure that the Company has in place programs to attract, retain and develop management of the highest caliber and has in place a process to provide for the orderly succession of management, including receipt on an annual basis of any recommendations of the compensation committee and the CEO, if any, in this regard. The Company currently has a short term compensation component in place, which includes the accrual and/or payment of management fees to certain NEOs, and a long-term compensation component in place, which may include the grant of stock options under the Plan. The Company intends to further develop these compensation components. Although it has not to date, the Board may in the future consider, on an annual basis, an award of bonuses to key executives and senior management. The amount and award of such bonuses is expected to be discretionary, depending on, among other factors, the financial performance of the Company and the position of the executive. The Board considers that the payment of such discretionary annual cash bonuses may satisfy the medium term compensation component.

The objectives of the Company’s compensation policies and procedures are to align the interests of the Company’s employees with the interests of the Shareholders. Therefore, a significant portion of total compensation granted by the Company, being the grant of stock options, is based upon overall corporate performance. The Company relies on the recommendations of the compensation committee as well as Board discussion without a formal agenda for objectives, criteria and analysis, when determining executive compensation. There are currently no formal performance goals or similar conditions that must be satisfied in connection with the payment of executive compensation.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information as of the end of the Company's most recently completed financial year with respect to compensation plans under which equity securities of the Company are authorized for issuance.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b>
Equity compensation plans approved by securityholders	6,895,000	\$0.20	2,203,816
Equity compensation plans not approved by securityholders	Nil	N/A	Nil
<b>Total</b>	6,895,000	\$0.20	2,203,816

A copy of the Plan is available for review at the office of the Company during normal business hours up to and including the date of the Meeting.

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

During the last completed fiscal year, no director, executive officer, senior officer or nominee for director of the Company or any of their associates has been indebted to the Company or any of its subsidiaries, nor has any of these individuals been indebted to another entity which indebtedness is the subject of a guarantee, support in agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

### INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed herein, no informed person of the Company nor any associate or affiliate of any informed person has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company.

“**Informed person**” means

- (a) a director or executive officer of the Company;
- (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;
- (c) any person or company who beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Company other than voting securities held by the person or company as underwriter in the course of a distribution of it; and
- (d) the Company has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

### MANAGEMENT CONTRACTS

Management functions of the Company are generally performed by directors and senior officers of the Company and not, to any substantial degree, by any other person to whom the Company has contracted. See “Employment Consulting and Management Agreements” above.

### STATEMENT OF CORPORATE GOVERNANCE

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the Shareholders, and takes into account the role of the individual members of management who are appointed by the Board and charged with the day to day management of the Company. Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices (NI 58-101)*, the Company is required to disclose its corporate

governance practices with respect to the corporate governance guidelines adopted in NI 58-101. These guidelines are not prescriptive, but have been used by the Company in adopting its corporate governance practices. The Company's approach to corporate governance is set out in this Information Circular attached as Schedule A.

#### **AUDIT COMMITTEE**

Under National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”), venture issuers are required to provide certain disclosure with respect to their audit committee, including the text of the audit committee's charter, the composition of the audit committee and the fees paid to the external auditor. This information with respect to the Company is provided in Schedule B.

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com) or on the Company's website at [www.Altamiraresources.com](http://www.Altamiraresources.com). To request copies of the Company's financial statements, Shareholders can contact the Company by telephone at (604) 676-5661.

#### **APPROVAL OF THE BOARD OF DIRECTORS**

The contents of this Information Circular have been approved and the delivery of it to each Shareholder of the Company entitled thereto and to the appropriate regulatory agencies has been authorized by the Company's Board of Directors.

DATED at Vancouver, British Columbia, this 14<sup>th</sup> day of August, 2020.

By Order of the Board of Directors

**ALTAMIRA GOLD CORP.**

**“Michael Bennett”**

**Michael Bennett**  
**President, Chief Executive Officer and Director**

**SCHEDULE A  
CORPORATE GOVERNANCE DISCLOSURE**

**Corporate Governance**

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the Shareholders, and takes into account the role of the individual members of management who are appointed by the Board and charged with the day to day management of the Company. The Canadian Securities Administrators (“CSA”) have adopted National Policy 58-201 Corporate Governance Guidelines, which provides non prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, the CSA have implemented National Instrument 58-101 Disclosure of Corporate Governance Practices (“NI 58-101”), which prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

**Board of Directors**

Michael Bennett is not an independent director as he is the President and CEO. Alan Carter is not an independent director as he provides fund raising and business development services to the Company. Ian Talbot, Christopher Harris, Ioannis Tsitos and Andrei Santos are independent directors of the Company.

**Other Directorships**

<b>Name of Director</b>	<b>Names of Other Reporting Issuer</b>
Alan Carter	Cabral Gold Inc. Fremont Gold Ltd.
Ian Talbot	Arcus Development Group Inc.
Ioannis Tsitos	Goldsource Mines Inc. Soma Gold Corporation Asia Base Metals Inc.

**Orientation and Continuing Education**

While the Company does not have formal orientation or training programs for new Board members, new Board members are provided with full access to the Company’s records, including all publicly filed documents of the Company, technical reports, internal financial information, management & technical experts and consultants and a summary of significant securities disclosure obligations. Board members are encouraged to communicate with management, auditors and technical consultants to keep themselves current with industry trends and developments and changes in legislation with management’s assistance and to attend related industry seminars.

**Ethical Business Conduct**

Corporate governance is the structure and process used to direct and manage the business and affairs of a corporation with the objective of enhancing shareholder value. The Board of Directors believes that the Company has in place corporate governance practices that are both effective and appropriate to the Company’s size and its business operations.

**Nomination of Directors**

The Board of Directors has the responsibility for identifying potential Board candidates. The Board assesses potential candidates to fill perceived needs on the Board for required skill, expertise, independence and other factors.

**Compensation**

Compensation is determined by the Board of Directors with recommendations from the compensation committee and is based on the compensation paid for directors and senior officers of companies of a similar size and stage of development. The appropriate compensation reflects the need to provide incentive and compensation for the time and effort expended by the directors and its management while taking into account the financial and other resources of the Company.

**Other Board Committees**

The Company has no other Board Committees, other than the audit committee and the compensation committee.

**Assessments**

The Board of Directors conducts informal annual assessments of the Board's effectiveness, its individual directors and its committees.

**SCHEDULE B**  
**AUDIT COMMITTEE INFORMATION**

Pursuant to National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”), the Company is required to include the following summary of the audit committee responsibilities, composition and authority. The Company’s Audit Committee is governed by an audit committee charter, the text of which follows:

*Mandate:* The primary function of the audit committee (the “**Committee**”) is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company’s systems of internal controls regarding finance and accounting and the Company’s auditing, accounting and financial reporting processes. The Committee’s primary duties and responsibilities are to serve as an independent and objective party to monitor the Company’s financial reporting and internal control system and review the Company’s financial statements, review and appraise the performance of the Company’s external auditor; and provide an open avenue of communication among the Company’s auditor, financial and senior management and the Board of Directors.

*Composition:* The Committee shall be comprised of a minimum three directors as determined by the Board of Directors. If the Company ceases to be a “venture issuer” (as that term is defined in NI 52-110), then all of the members of the Committee shall be free from any material relationship with the Company that, in the opinion of the Board of Directors, would interfere with the exercise of their independent judgment as a member of the Committee.

If the Company ceases to be a “venture issuer” then all members of the Committee shall also have accounting or related financial management expertise. For the purposes of the Company’s Audit Committee Charter, the definition of “financially literate” is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements. The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders’ meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

*Meetings:* The Committee shall meet a least once annually, or more frequently as circumstances dictate or as may be prescribed by securities regulatory requirements. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditor.

*Responsibilities and Duties:* To fulfill its responsibilities and duties, the Committee shall:

1. Documents/Reports Review: review and update the Audit Committee Charter annually and review the Company’s financial statements, management discussion and analysis and any annual and interim earnings press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditor.
2. External Auditor:
  - (a) review annually, the performance of the external auditor who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company;
  - (b) obtain annually, a formal written statement of external auditor setting forth all relationships between the external auditor and the Company and review and discuss with the external auditor any disclosed relationships or services that may impact the objectivity and independence of the external auditor;
  - (c) take, or recommend that the Board of Directors take, appropriate action to oversee the independence of the external auditor, including the resolution of disagreements between management and the external auditor regarding financial reporting;

- (d) recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditor nominated annually for shareholder approval and to recommend to the Board of Directors the compensation to be paid to the external auditor;
- (e) at each meeting, where desired, consult with the external auditor, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements;
- (f) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company;
- (g) review with management and the external auditor the audit plan for the year-end financial statements and review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditor. The pre-approval requirement is waived with respect to the provision of non-audit services if:
  - (i) the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditor during the fiscal year in which the non-audit services are provided,
  - (ii) such services were not recognized by the Company at the time of the engagement to be non-audit services, and
  - (iii) such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

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

### 3. Financial Reporting Processes:

- (a) in consultation with the external auditor, review with management the integrity of the Company's financial reporting process, both internal and external;
- (b) consider the external auditor's judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting;
- (c) consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditor and management;
- (d) review significant judgments made by management in the preparation of the financial statements and the view of the external auditor as to appropriateness of such judgments;
- (e) following completion of the annual audit, review separately with management and the external auditor any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;
- (f) review any significant disagreement among management and the external auditor in connection with the preparation of the financial statements;
- (g) review with the external auditor and management the extent to which changes and improvements in financial or accounting practices have been implemented;

- (h) review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters;
  - (i) review certification process;
  - (j) establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
  - (k) establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
4. Other - review any related-party transactions, engage independent counsel and other advisors as it determines necessary to carry out its duties and to set and pay compensation for any independent counsel and other advisors employed by the Committee.

*Composition of the Audit Committee:* The Company's audit committee is comprised of three directors, Ian Talbot, Ioannis Tsitos and Christopher Harris. All of the audit committee members are "independent" and "financially literate" as those terms are defined in NI 52-110.

*Relevant Education and Experience:*

Below are biographies of the Company's Audit Committee members:

Ian Talbot – Ian Talbot is currently the Chief Operating Officer of a group of Vancouver based junior mineral exploration companies. He has over 35 years of experience in the mineral exploration industry as both a lawyer and an exploration geologist. As a geologist, he has worked with both junior and major resource companies. As a lawyer, he has practiced exclusively in the areas of mining and securities law in private practice and as in-house counsel with BHP Billiton World Exploration Inc. Mr. Talbot is financially literate and is able to understand and evaluate the financial statements of the Company at the current level of complexity.

Ioannis Tsitos – Mr. Tsitos is currently the President and a Director of Goldsource Mines Inc. and has over 32 years of experience in the mining industry, having spent 19 years with the global resources company BHP Billiton. A physicist-geophysicist, while with BHP Billiton, he was instrumental in the identification, negotiation and execution of numerous exploration agreements with juniors, majors, as well as with state exploration and mining companies. Mr. Tsitos is financially literate and is able to evaluate and understand the financial statements of the Company at the current level of complexity. He sits on several Board of Directors of publicly listed companies.

Christopher Harris – Mr. Harris is a senior Chartered Accountant (FCA UK) who has over 30 years' experience working in energy, commodity trading & mining finance (Ernst & Young, CIBC, Enron UK, BHP Billiton, GMI Resources UK, Hexa Resources Limited). Mr. Harris is actively engaged in multiple principal investments & director roles. Mr. Harris is financially literate and is able to understand and evaluate the financial statements of the Company at the current level of complexity.

*Audit Committee oversight:* Since the commencement of the Company's most recently completed financial year, the Board has not failed to adopt a recommendation of the Committee to nominate or compensate an external auditor.

*Reliance on Certain Exemptions:* Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions contained in sections 2.4, 6.1.1(4), 6.1.1(5), 6.1.1(6) or Part 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 6.1.1(4), (5) and (6) provide exemptions in certain circumstances from the requirement that a majority of the members of the Committee must not be executive officers, employees or control persons of the venture issuer. Part 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

*Pre-approval Policies and Procedures:* The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services to the extent set forth in the Company’s Audit Committee Charter (see under the heading “External Auditor” in the Information Circular).

*External Auditor Service Fees:* In the following table, “audit fees” are fees billed by the Company’s external auditor for services provided in auditing the Company’s annual financial statements for the subject year. “Audit-related fees” are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company’s financial statements. “Tax fees” are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. “All other fees” are fees billed by the auditor for products and services not included in the foregoing categories.

The fees paid by the Company to its auditor in each of the last two fiscal years, by category, are as follows:

<b>Financial Year Ending</b>	<b>Audit Fees</b>	<b>Audit Related Fees</b>	<b>Tax Fees</b>	<b>All Other Fees</b>
2020	\$18,000	\$Nil	\$2,000	\$Nil
2019	\$19,000	\$Nil	\$1,900	\$Nil

*Exemption:* The Company is relying on the exemption provided by section 6.1 of NI 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.