

# VANADIAN ENERGY CORP.

Suite 3123, 595 Burrard Street  
PO Box 49139, Three Bentall Centre  
Vancouver, British Columbia, V7X 1J1  
Phone: 604.609.6110  
Fax: 604.609.6145

## NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE is hereby given that the annual general meeting (the "Meeting") of the shareholders of **VANADIAN ENERGY CORP.** (the "Corporation"), will be held at Suite 3123, 595 Burrard Street, Vancouver, British Columbia, V7X 1J1, on Tuesday, December 14, 2021 at 11:00 AM. for the following purposes:

1. To receive and consider the audited financial statements of the Corporation for the fiscal year ended July 31, 2021, together with auditor's reports thereon.
2. To re-appoint Davidson & Company LLP as the auditor of the Corporation for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditor.
3. To fix the number of directors for the ensuing year at six (6).
4. To elect directors for the ensuing year.
5. To re-approve the Corporation's stock option plan.
6. To approve the creation of a new control person.
7. To transact such other business as may properly be transacted at such meeting or at any adjournment thereof.

An information circular, containing details of matters to be considered at the Meeting, accompanies this notice.

**A shareholder who is unable to attend the Meeting in person and who wishes to ensure that such shareholder's shares will be voted at the Meeting is requested to complete, date and sign the enclosed form of proxy and deliver it in accordance with the instructions set out in the form of proxy and in the information circular.** As set out in the notes, the enclosed proxy is solicited by management, but, you may amend it, if you so desire, by striking out the names listed therein and inserting in the space provided, the name of the person you wish to represent you at the Meeting.

DATED at Vancouver, British Columbia, this 9<sup>th</sup> day of November, 2021.

**BY ORDER OF THE BOARD OF DIRECTORS**

*"Marc Simpson"*

Marc Simpson  
Director, President and Chief Executive Officer

# VANADIAN ENERGY CORP.

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## INFORMATION CIRCULAR

(containing information as at November 9, 2021 unless indicated otherwise)

**For the Annual General Meeting  
to be held on Tuesday, December 14, 2021**

### SOLICITATION OF PROXIES

This information circular is furnished in connection with the solicitation of proxies by the management of **VANADIAN ENERGY CORP.** (the "**Corporation**") for use at the annual general meeting (the "**Meeting**"), of the shareholders (the "**Shareholders**") of the Corporation, to be held on **Tuesday, December 14, 2021** at the time and place and for the purposes set forth in the accompanying notice of meeting and at any adjournment thereof. The enclosed instrument of proxy is solicited by the management of the Corporation. The solicitation will be primarily by mail, however, proxies may be solicited personally or by telephone by the regular officers and employees of the Corporation. The cost of solicitation will be borne by the Corporation.

**The Corporation intends to hold the Meeting in person. However, due to the COVID-19 pandemic, to mitigate risk to the health and safety of our communities, shareholders and employees, the Corporation requests that shareholders not attend the Meeting in person. The Corporation encourages shareholders to instead vote their shares in advance of the Meeting via mail, facsimile or online. No management presentation will be made at the Meeting.**

If any shareholder does wish to attend the Meeting in person, please contact Michelle Borthwick, Corporate Secretary, at (604) 609-6118 or email [lle@fiorecorporation.com](mailto:lle@fiorecorporation.com) in order for arrangements to be made that comply with all recommendations, regulations and orders related to the COVID-19 pandemic. The Meeting can accommodate no more than four (4) shareholders in person. Attendance will be on a first come, first served basis. No shareholder who is experiencing any symptoms of COVID-19, including fever, cough or difficulty breathing will be permitted to attend the Meeting in person. The Corporation may take additional precautionary measures in relation to the Meeting as necessary in response to further developments related to the COVID-19 pandemic and shall comply with all applicable recommendations, regulations and orders related thereto. In the event it is not possible or advisable to hold the Meeting in person, the Corporation will announce alternative arrangements for the Meeting as promptly as practicable, which may include holding the Meeting entirely by electronic means.

### APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the accompanying form of proxy (the "**Proxy**") are directors and/or officers of the Corporation. **A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR HIM ON HIS BEHALF AT THE MEETING OTHER THAN THE PERSONS NAMED IN THE ENCLOSED INSTRUMENT OF PROXY. TO EXERCISE THIS RIGHT, A SHAREHOLDER SHALL STRIKE OUT THE NAMES OF THE PERSONS NAMED IN THE INSTRUMENT OF PROXY AND INSERT THE NAME OF HIS NOMINEE IN THE BLANK SPACE PROVIDED, OR COMPLETE ANOTHER INSTRUMENT OF PROXY. A PROXY WILL NOT BE VALID UNLESS IT IS DEPOSITED WITH THE CORPORATION'S REGISTRAR AND TRANSFER AGENT, COMPUTERSHARE TRUST COMPANY OF CANADA., 100 UNIVERSITY AVENUE, 9TH FLOOR, TORONTO, ONTARIO, M5J 2Y1, OR BY TOLL FREE FAX 1.866.249.7775 NOT LESS THAN 48 HOURS (EXCLUDING SATURDAYS, SUNDAYS AND HOLIDAYS) BEFORE THE TIME OF THE MEETING OR ADJOURNMENT THEREOF.**

The Proxy must be signed and dated by the Shareholder or by his attorney in writing, or, if the Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer.

A Shareholder who has given a Proxy may revoke it at any time before it is exercised. In addition to revocation in any other manner permitted by law, a Proxy may be revoked by instrument in writing executed by the Shareholder or by his attorney authorized in writing, or, if the Shareholder is a corporation, it must either be under its common seal, or signed by a duly authorized officer and deposited with the Corporation's registrar and transfer agent, **Computershare Trust Company of Canada., 100 University Avenue, 9th floor, Toronto, Ontario, M5J 2Y1**, at any time up to and including the last business day preceding the Meeting, or any adjournment of it, at which the Proxy is to be used, or to the Chairman of the Meeting on the day of the Meeting or any adjournment of it. A revocation of a Proxy does not affect any matter on which a vote has been taken prior to the revocation.

### **VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES**

On any poll, the persons named in the enclosed Proxy will vote the shares in respect of which they are appointed. Where directions are given by the Shareholder in respect of voting for or against any resolution, the proxyholder will do so in accordance with such direction.

IN THE ABSENCE OF ANY INSTRUCTION IN THE PROXY, IT IS INTENDED THAT SUCH SHARES WILL BE VOTED IN FAVOUR OF THE MOTIONS PROPOSED TO BE MADE AT THE MEETING AS STATED UNDER THE HEADINGS IN THIS INFORMATION CIRCULAR. The enclosed Proxy, when properly signed, confers discretionary authority with respect to amendments or variations to the matters which may properly be brought before the Meeting. At the time of printing this information circular, the management of the Corporation is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any other matters which are not now known to the management should properly come before the Meeting, the proxies hereby solicited will be voted on such matters in accordance with the best judgment of the nominee.

In order to approve a motion proposed at the Meeting, a majority greater than one-half of the votes cast will be required unless the motion requires a special resolution, in which case a majority of not less than two-thirds of the votes cast will be required. In the event a motion proposed at the Meeting requires disinterested shareholder approval, common shares held by shareholders of the Corporation who have an interest in the motion and common shares held by their "associates", as such term is defined under applicable securities laws, will be excluded from the count of votes cast on such motion.

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

#### *General*

The authorized capital of the Corporation consists of an unlimited number of common shares without par value and an unlimited number of preferred shares without par value. There were 42,261,150 common shares of the Corporation issued and outstanding as of the close of business on November 9, 2021, each share carrying the right to one vote. There were no preferred shares issued and outstanding as of the close of business on November 9, 2021.

Only Shareholders of record as at the close of business on November 9, 2021 (the "**Record Date**") who either personally attend the Meeting or who have completed and delivered a form of Proxy in the manner and subject to the provisions described under the heading "Appointment and Revocation of Proxies" shall be entitled to vote, or have their common shares voted, at the Meeting, or any adjournment thereof. On any poll, each Shareholder of record holding common shares of the Corporation on the Record Date is entitled to one vote for each common share registered in his or her name on the list of shareholders as at the Record Date.

#### *Advice to Beneficial Holders of Common Shares*

**The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold common shares in their own name.** Shareholders who do not hold their common shares in their own name (referred to in this information circular as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders of common shares can be recognized and acted upon at the Meeting. If common shares are listed in an account statement provided to a Shareholder by a broker, then, in almost all cases, those common shares will not be registered in the Shareholder's name on the records of the Corporation. 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 common shares

are registered under the name CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). The common shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, a broker and its agents are prohibited from voting shares for the broker's clients. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their common shares are communicated to the appropriate person.**

Applicable regulatory rules require intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their shares are voted at the Meeting. The purpose of the form of proxy or voting instruction form provided to a Beneficial Shareholder by its broker, agent or nominee is limited to instructing the registered holder of the common shares on how to vote such shares on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications ("**Broadridge**"). Broadridge typically supplies a voting instruction form, mails those forms to Beneficial Shareholders and asks those Beneficial Shareholders to return the forms to Broadridge or follow specific telephone or other voting procedures. Broadridge then tabulates the results of all instructions received by it and provides appropriate instructions respecting the voting of the shares to be represented at the Meeting. **A Beneficial Shareholder receiving a voting instruction form from Broadridge cannot use that form to vote common shares directly at the Meeting. Instead, the voting instruction form must be returned to Broadridge or the alternate voting procedures must be completed well in advance of the Meeting in order to ensure such common shares are voted.**

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purpose of voting common shares registered in the name of their broker, agent or nominee, a Beneficial Shareholder may attend the Meeting as a proxyholder for a shareholder and vote common shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their common shares as proxyholder for the registered shareholder should contact their broker, agent or nominee well in advance of the Meeting to determine the steps necessary to permit them to indirectly vote their common shares as a proxyholder.

The Corporation will not pay for an intermediary to deliver proxy related materials and voting instruction forms to objecting beneficial owners (called OBOs for Objecting Beneficial Owners). OBOs have objected to their intermediary disclosing ownership information about themselves to the Corporation. Accordingly, OBOs will not receive the materials unless their intermediary assumes the costs of delivery.

The Corporation is not relying on the "notice-and-access" delivery procedures outlined in National Instrument 54-101 to distribute copies of the proxy related materials in connection with the Meeting.

#### *Principal Holders of Voting Shares*

To the knowledge of the directors and senior officers of the Corporation, as of November 9, 2021 there are no persons or corporations that beneficially own, directly or indirectly, or exercise control or direction over, common shares carrying more than 10% of the voting rights attached to all outstanding common shares of the Corporation other than:

Name of Shareholder	Number of Shares	Percentage of Issued and Outstanding Shares
Clive T. Johnson	7,497,758	17.74%

#### **EXECUTIVE COMPENSATION**

**Definitions: For the purpose of this Information Circular:**

"**Chief Executive Officer**" or "**CEO**" of the Corporation means an individual who acted as chief executive officer of the Corporation or acted in a similar capacity for any part of the financial year ended July 31, 2021.

"**Chief Financial Officer**" or "**CFO**" of the Corporation means an individual who acted as chief financial officer of the Corporation or acted in a similar capacity for any part of the financial year ended July 31, 2021.

"**closing market price**" means the price at which the Corporation's security was last sold, on the applicable date, in the security's principal marketplace in Canada.

"**equity incentive plan**" means an incentive plan, or portion of an incentive plan, under which awards are granted and that falls within the scope of Section 3870 of the Handbook of the Canadian Institute of Chartered Accountants, as amended from time to time.

"**executive officer**" of the Corporation means an individual who at any time during the financial year ended July 31, 2021 was:

- (a) a chair, vice-chair or president of the Corporation;
- (b) a vice-president of the Corporation in charge of a principal business unit, division or function including sales, finance or production; or
- (c) performing a policy-making function in respect of the Corporation.

"**incentive plan**" means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period.

"**incentive plan award**" means compensation awarded, earned, paid or payable under an incentive plan.

"**Named Executive Officers**" or "**NEOs**" means the following individuals:

- (a) each CEO;
- (b) each CFO;
- (c) each of the Corporation's three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the financial year ended July 31, 2021 whose total compensation was, individually, more than \$150,000 for that financial year; and
- (d) each additional individual who would be a NEO under (c) above, but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of the financial year ended July 31, 2021.

"**non-equity incentive plan**" means an incentive plan or portion of an incentive plan that is not an equity incentive plan.

"**option-based award**" means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features.

"**plan**" includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, securities, similar instruments or any other property may be received, whether for one or more persons.

"**share-based award**" means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock.

## **STATEMENT OF EXECUTIVE COMPENSATION**

### **COMPENSATION DISCUSSION AND ANALYSIS**

The compensation of the Corporation's Named Executive Officers has been established with a view to attracting and retaining executives critical to the Corporation's short and long-term success and to continue providing executives with compensation that is in accordance with existing market standards generally and competitive within the mining industry, in particular.

Compensation of the Corporation's Named Executive Officers is comprised of a base salary and the grant of options to purchase common shares under the Corporation's stock option plan (as more particularly described below). Through its executive compensation practices, the Corporation seeks to provide value to its shareholders through a strong executive leadership. Specifically, the Corporation's executive compensation structure seeks to attract and retain talented and experienced executives necessary to achieve the Corporation's strategic objectives, motivate and reward executives whose knowledge, skills and performance are critical to the Corporation's success, align the interests of the Corporation's executives and shareholders by motivating executives to increase shareholder value.

Within the context of the overall objectives of the Corporation's compensation practices, the Corporation determined the specific amounts of compensation to be paid to each of its executives during the year ended July 31, 2021 based on a number of factors, including the Corporation's understanding of the amount of compensation generally paid by similarly situated companies to their executives with similar roles and responsibilities, the Corporation's executive performance during the fiscal year, the roles and responsibilities of the Corporation's executives, the individual experience and skills of, and expected contributions from, the Corporation's executives, the Corporation's executives' historical compensation and performance within the Corporation, and any contractual commitments the Corporation has made to its executives regarding compensation.

The board of directors of the Corporation (the "**Board of Directors**" or "**Board**") has not conducted a formal evaluation of the implications of the risks associated with the Corporation's compensation policies. Risk management is a consideration of the Board of Directors when implementing its compensation policies and the Board of Directors do not believe that the Corporation's compensation policies result in unnecessary or inappropriate risk taking including risks that are likely to have a material adverse effect on the Corporation.

### ***Base Salary***

The Corporation's approach is to pay its executives a base salary that is competitive with those of other executive officers in similar companies. The Corporation believes that a competitive base salary is a necessary element of any compensation program that is designed to attract and retain talented and experienced executives. The Corporation also believes that attractive base salaries can motivate and reward executives for their overall performance. The Corporation has not entered into any management agreements with its executive officers.

### ***Option Based Awards***

The Corporation has in effect a stock option plan (the "**Stock Option Plan**") in order to provide effective incentives to directors, officers, senior management personnel, employees and consultants of the Corporation and to enable the Corporation to attract and retain experienced and qualified individuals in those positions by permitting such individuals to directly participate in an increase in per share value created for the Corporation's Shareholders. The Corporation has no equity compensation plans other than the Stock Option Plan. The Stock Option Plan is an important part of the Corporation's long-term incentive strategy for its executive officers, permitting them to participate in any appreciation of the market value of the common shares over a stated period of time. The Stock Option Plan is intended to reinforce commitment to long-term growth in profitability and shareholder value. The size of stock option grants to officers is dependent on each officer's level of responsibility, authority and importance to the Corporation and the degree to which such executive officer's long term contribution to the Corporation will be key to its long-term success. Previous grants of stock options are taken into account when considering new grants. The Corporation also grants options to charitable organizations as part of its commitment to social responsibility.

The Corporation is seeking the approval of the Shareholders at the Meeting to re-approve the Stock Option Plan. The significant terms of the Corporation's Stock Option Plan are set out below under the heading "Particulars of Other Matters to be Acted Upon – Re-Approval of Rolling Stock Option Plan".

### ***Use of Financial Instruments***

The Corporation does not have a policy that would prohibit a Named Executive Officer or director from purchasing financial instruments, including 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 Named Executive Officer or director. However, management is not aware of any Named Executive or director purchasing such an instrument.

### ***Named Executive Officers Compensation***

In accordance with the provisions of applicable securities legislation, the Corporation had two (2) Named Executive Officers during the financial year ended July 31, 2021 namely Marc Simpson and Szascha Lim. Mr. Simpson has served as the President and Chief Executive Officer of the Corporation since January 25, 2013. Ms. Lim has served as Chief Financial Officer since January 31, 2020.

The following table sets out certain information respecting the compensation paid to the Named Executive Officers of the Corporation during the financial years ended July 31, 2021, 2020, and 2019. These individuals are referred to collectively as "**Named Executive Officers**" or "**NEOs**".

## SUMMARY COMPENSATION TABLE

NEO Name And Principal Position	Financial Year ended July 31	Salary (\$)	Share- based awards (\$)	Option- based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other comp- ensation (\$)	Total comp- ensation (\$)
					Annual incentive plans	Long- term incentive plans			
Marc Simpson <sup>(1)</sup> President, CEO & Director	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2020	20,378 <sup>(3)</sup>	Nil	Nil	Nil	Nil	Nil	Nil	20,378
	2019	40,688 <sup>(3)</sup>	Nil	16,154 <sup>(4)</sup>	Nil	Nil	Nil	Nil	56,842
Szascha Lim CFO <sup>(2)</sup>	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	2,154 <sup>(5)</sup>	Nil	Nil	Nil	Nil	2,154

## Notes:

- (1) Marc Simpson has served as the President and Chief Executive Officer of the Corporation since January 25, 2013.
- (2) Szascha Lim has served as the Chief Financial Officer of the Corporation since January 31, 2020.
- (3) Beginning July 1, 2017, the Company entered into a service agreement with B2Gold Corp. in which the Company will provide compensation to B2Gold Corp. for Marc Simpson's salary and costs incurred.
- (4) On April 1, 2019, Mr. Simpson was granted an option to purchase 375,000 common shares of the Corporation at a price of \$0.055 each for a period of ten years. This amount represents the estimated fair value of these options using the Black-Scholes option pricing model assuming a risk-free interest rate of 1.65%, an expected life of 10 years, a 75% annualized volatility rate, a 0.00% dividend rate, and a 0.00% forfeiture rate.
- (5) On April 1, 2019, Ms. Lim was granted an option to purchase 50,000 common shares of the Corporation at a price of \$0.055 each for a period of ten years. This amount represents the estimated fair value of these options using the Black-Scholes option pricing model assuming a risk-free interest rate of 1.65%, an expected life of 10 years, a 75% annualized volatility rate, a 0.00% dividend rate, and a 0.00% forfeiture rate.

## INCENTIVE PLAN AWARDS

The following table sets forth information concerning all awards outstanding at the end of the financial year ended July 31, 2021 for each Named Executive Officer.

## OUTSTANDING SHARE-BASED AWARDS AND OPTION-BASED AWARDS TABLE

NEO Name	Option-based Awards				Share-based Awards <sup>(1)</sup>		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Marc Simpson	375,000	\$0.055	Apr. 1/29	\$9,375 <sup>(2)</sup>	N/A	N/A	N/A
	250,000 <sup>(3)</sup>	\$0.36 <sup>(3)</sup>	Sept. 29/26	Nil			
	125,000 <sup>(3)</sup>	\$ 0.52 <sup>(3)</sup>	Mar. 3/24	Nil			
	10,000 <sup>(3)</sup>	\$ 0.52 <sup>(3)</sup>	Mar. 22/21	Nil			
	7,500 <sup>(3)</sup>	\$ 0.52 <sup>(3)</sup>	Mar. 23/20	Nil			
Szascha Lim	50,000	\$0.055	Apr. 1/29	\$1,250 <sup>(2)</sup>	N/A	N/A	N/A

NEO Name	Option-based Awards				Share-based Awards <sup>(1)</sup>		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)

Notes:

- (1) *The Corporation has not granted any share-based awards.*
- (2) *Based on the difference between the exercise price of the options and the closing price of the Corporation's common shares on the TSX Venture Exchange on July 31, 2021 of \$0.09.*
- (3) *These numbers have been adjusted to reflect the 4:1 share consolidation which occurred on October 5, 2018.*

#### ***Incentive Plan Awards – Value Vested or Earned During the Year Ended July 31, 2021***

No incentive plan awards that were previously granted to Named Executive Officers vested during the year ended July 31, 2021.

No stock options were granted to Named Executive Officers during the year ended July 31, 2021.

None of the Named Executive Officers exercised any stock options during the year ended July 31, 2021.

#### **PENSION PLAN BENEFITS**

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

#### **TERMINATION AND CHANGE OF CONTROL BENEFITS**

During the financial year ended July 31, 2021, the Corporation did not have any contracts or arrangements that provided for termination or change of control benefits to a NEO with respect to any termination, resignation, retirement, and change in NEO's responsibilities or on a change of control of the Corporation. There are no compensatory plan, contract or arrangement where a Named Executive Officer is entitled to receive payments from the Corporation or its subsidiaries in the event of (i) the resignation, retirement or any termination of the Named Executive Officer's employment with the Corporation and its subsidiaries (whether voluntary, involuntary or constructive), (ii) a change of control of the Corporation or any of its subsidiaries, or (iii) a change in the Named Executive Officer's responsibilities.

#### **DIRECTOR COMPENSATION**

During the financial year ended July 31, 2021, the Corporation had five directors, who were not also Named Executive Officers of the Corporation. The following table sets out the amounts of compensation paid to the directors of the Corporation during the financial year ended July 31, 2021.



**DIRECTORS COMPENSATION TABLE**

Name	Financial year ended July 31	Fees earned (\$)	Share-based awards <sup>(1)</sup> (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Clive T. Johnson	2021	Nil	N/A	Nil	Nil	Nil	Nil	Nil
Gordon Keep	2021	Nil	N/A	Nil	Nil	Nil	Nil	Nil
Jay Sujir	2021	Nil	N/A	Nil	Nil	Nil	Nil	Nil
Tom Garagan	2021	Nil	N/A	Nil	Nil	Nil	Nil	Nil
Mark Corra	2021	Nil	N/A	Nil	Nil	Nil	Nil	Nil

*Notes:*

(1) *The Corporation did not grant any share based awards during the financial year ended July 31, 2021.*

Except as stated above, the Corporation does not have any other arrangements pursuant to which directors are compensated by the Corporation or its subsidiaries for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultants or experts during the financial year ended July 31, 2021 or subsequently, up to and including the date of this Information Circular.

The Corporation has the Stock Option Plan for the granting of incentive stock options to the directors, officers, employees and consultants. The purpose of granting options pursuant to the Stock Option Plan is to assist the Corporation in compensating, attracting, retaining and motivating the directors, officers, employees and consultants of the Corporation and to closely align the personal interests of such persons to that of the shareholders. See "Particulars of Other Matters to be Acted Upon – Re-Approval of Rolling Stock Option Plan".

**SHARE-BASED AWARDS, OPTION-BASED AWARDS AND NON-EQUITY PLAN COMPENSATION**

The following table sets forth information concerning all awards outstanding at the end of the financial year ended July 31, 2021, for each Director of the Corporation.

**OUTSTANDING SHARE-BASED AWARDS AND OPTION-BASED AWARDS TABLE**

Name	Option-based Awards				Share-based Awards <sup>(1)</sup>		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Clive T. Johnson	150,000 375,000 250,000	\$ 0.52 \$0.36 \$0.055	Mar. 03/24 Sept. 29/26 Apr. 01/29	Nil <sup>(2)</sup> Nil <sup>(2)</sup> \$8,750 <sup>(2)</sup>	N/A	N/A	N/A

Name	Option-based Awards				Share-based Awards <sup>(1)</sup>		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Gordon Keep	75,000	\$ 0.52	Mar. 03/24	Nil <sup>(2)</sup>	N/A	N/A	N/A
	150,000	\$0.36	Sept. 29/26	Nil <sup>(2)</sup>			
	155,000	\$0.055	Apr. 01/29	\$5,425 <sup>(2)</sup>			
Jay Sujir	75,000	\$ 0.52	Mar. 03/24	Nil <sup>(2)</sup>	N/A	N/A	N/A
	175,000	\$0.36	Sept. 29/26	Nil <sup>(2)</sup>			
	155,000	\$0.055	Apr. 01/29	\$5,425 <sup>(2)</sup>			
Tom Garagan	87,500	\$ 0.52	Mar. 03/24	Nil <sup>(2)</sup>	N/A	N/A	N/A
	175,000	\$0.36	Sept. 29/26	Nil <sup>(2)</sup>			
	155,000	\$0.055	Apr. 01/29	\$5,425 <sup>(2)</sup>			
Mark Corra	75,000	\$ 0.64	Mar. 18/24	Nil <sup>(2)</sup>	N/A	N/A	N/A
	175,000	\$0.36	Sept. 29/26	Nil <sup>(2)</sup>			
	155,000	\$0.055	Apr. 01/29	\$5,425 <sup>(2)</sup>			

Notes:

- (1) *The Corporation has not granted any share-based awards.*
- (2) *Based on the difference between the exercise price of the options and the closing price of the Corporation's common shares on the TSX Venture Exchange on July 31, 2021 of \$0.09.*

#### ***Incentive Plan Awards – Value Vested or Earned During the Year Ended July 31, 2021***

No incentive plan awards were granted to the Directors who were not NEOs during the year ended July 31, 2021.

None of the Directors exercised any stock options during the year ended July 31, 2021.

#### **MANAGEMENT CONTRACTS**

Management functions of the Corporation or any of its subsidiaries are not to any substantial degree performed by a person other than the directors or executive officers of the Corporation.

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

The following table sets out particulars of the compensation plans under which equity securities of the Corporation are authorized for issuance as of July 31, 2021.

**EQUITY COMPENSATION PLAN INFORMATION**

<b>Plan Category</b>	<b>A</b> <b>Number of securities to be issued upon exercise of outstanding options, warrants and rights</b>	<b>B</b> <b>Weighted average exercise price of outstanding options, warrants and rights</b>	<b>C</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 <sup>(1)</sup>	3,470,000	\$ 0.269	756,115
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
<b>TOTALS:</b>	<b>3,470,000</b>	<b>\$ 0.269</b>	<b>756,115</b>

*Notes:*

(1) Represents the Stock Option Plan of the Corporation. As at July 31, 2021, the Stock Option Plan reserved shares equal to a maximum of 10% of the issued and outstanding common shares of the Corporation from time to time for issue pursuant to the Stock Option Plan.

**INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

Other than "routine indebtedness" as defined in applicable securities legislation, since August 1, 2020, being the beginning of the fiscal year of the Corporation ended July 31, 2021, none of:

- (a) the executive officers, directors, employees and former executive officers, directors and employees of the Corporation or any of its subsidiaries;
- (b) the proposed nominees for election as a director of the Corporation; or
- (c) any associates of the foregoing persons;

is or has been indebted to the Corporation or any of its subsidiaries or has been indebted to any other entity where that indebtedness was 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, and which was not entirely repaid on or before the date of this information circular.

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

No person who has been a director, senior officer or insider of the Corporation, no proposed nominee for director and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matters to be acted upon at the Meeting other than the election of directors or the approval of the new control person.

**INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

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

Except as disclosed elsewhere in this Information Circular or in the Notes to the Corporation's financial statements for the financial year ended July 31, 2021, none of:

- (a) the Informed Persons of the Corporation;
- (b) the proposed nominees for election as a director of the Corporation; or
- (c) any associate or affiliate of the foregoing persons,

has any material interest, direct or indirect, in any transaction since the commencement of the Corporation's financial year ended July 31, 2021 or in any proposed transaction which has materially affected or would materially affect the Corporation or any subsidiary of the Corporation.

### **FINANCIAL STATEMENTS**

The audited financial statements of the Corporation for the period ended July 31, 2021 (the "**Financial Statements**"), together with the Auditor's Reports thereon, will be presented to Shareholders at the Meeting. The Financial Statements, the Auditor's Reports thereon together with related Management's Discussion and Analysis for the financial year ended July 31, 2021 are available on SEDAR at [www.sedar.com](http://www.sedar.com). The Notice of Annual General Meeting of Shareholders, Information Circular, Request for Financial Statements and form of Proxy will be available from the Corporation's Registrar and Transfer Agent, Computershare Investor Services Inc., 510 Burrard Street, 2nd floor, Vancouver, British Columbia, V6C 3B9, or from the Corporation's head office located at Suite 3123, 595 Burrard Street, PO Box 49139, Bentall Three, Vancouver, British Columbia, V7X 1J1.

### **REQUEST FOR FINANCIAL STATEMENTS**

National Instrument 51-102 "Continuous Disclosure Obligations" sets out the procedures for a shareholder to receive financial statements. If you wish to receive financial statements, you may use the enclosed form or provide instructions in any other written format. Registered shareholders must also provide written instructions in order to receive the Financial Statements.

### **FIXING THE NUMBER OF DIRECTORS AND ELECTION OF DIRECTORS**

The persons named in the enclosed Proxy intend to vote in favour of fixing the number of directors at six (6). Management is nominating six (6) individuals to stand for election.

Each director of the Corporation is elected annually and holds office until the next annual general meeting of the Shareholders of the Corporation, until his successor is duly elected, or until his resignation as a director.

In the absence of instructions to the contrary, the shares represented by Proxy will be voted for the nominees herein listed. Management does not contemplate that any of the nominees will be unable to serve as a director.

### **Advance Notice Provisions**

At the Corporation's December 3, 2013 annual general and special meeting, the Corporation's shareholders voted to adopt amendments to the Corporation's Articles to include advance notice provisions (the "Advance Notice Provisions"). The Advance Notice Provisions include, among other things, a provision that requires advance notice be given to the Corporation in circumstances where nomination of persons for election to the Board are made by shareholders of the Corporation. The Advance Notice Provisions set a deadline by which shareholders must submit nominations (a "Notice") for the election of directors to the Corporation prior to any annual or special meeting of shareholders. The Advance Notice Provisions also set forth the information that a shareholder must include in the Notice to the Corporation, and establish the form in which the shareholder must submit the Notice for that notice to be in proper written form.

In the case of an annual meeting of shareholders, a Notice must be provided to the Corporation not less than 30 days and not more than 65 days prior to the date of the annual meeting.

As of the date of this Circular, the Corporation has not received notice of a nomination in compliance with the Advance Notice Provisions.

### **INFORMATION CONCERNING NOMINEES SUBMITTED BY MANAGEMENT**

The following table sets out the names of the persons proposed to be nominated by management for election as a director, the Province and Country in which each person is ordinarily resident, the positions and offices which each presently holds with the Corporation, the period of time for which each person has been a director of the Corporation,

the respective principal occupations or employment during the past five years if such nominee is not presently an elected director and the number of common shares of the Corporation which each beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of this Information Circular.

The nominees for the office of director and information concerning them as furnished by the individual nominees are as follows:

<b>Name, Province or State and Country of Residence, and Position with the Corporation <sup>(1)</sup></b>	<b>Present Principal Occupation, Business or Employment <sup>(1)</sup></b>	<b>Date Served as Director Since</b>	<b>No. of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly <sup>(1)</sup></b>
Mark Corra BC, Canada  Director	Non-Executive Director of Orsu Metals Corporation (a mining exploration company) from July 2008 to present;	March 14, 2014	252,500
Tom Garagan BC, Canada  Vice-President Exploration and a Director	Senior Vice-President, Exploration of B2Gold Corp., a Vancouver based gold producer	July 27, 2006	486,975
Clive T. Johnson BC, Canada  Chairman and a Director	President and Chief Executive Officer of B2Gold Corp., a Vancouver based gold producer	January 9, 2007	7,497,758
Gordon Keep BC, Canada  Director	Chief Executive Officer of Fiore Management and Advisory Corp., a private financial advisory firm	November 21, 2003	400,125
Jay Sujir BC, Canada  Director	Partner at the law firm of Farris LLP	November 21, 2003	10,375
Marc Simpson BC, Canada  President, CEO and a Director	President and Chief Executive Officer of the Corporation	December 18, 2018	80,275

*Note:*

- (1) *The information as to the Province and Country of residence, principal occupation and shares beneficially owned or over which a director exercises control or direction, not being within the knowledge of the Corporation, has been furnished by the respective directors individually as of November 9, 2021, being the Record Date of this information circular.*

The Corporation does not currently have an Executive Committee of its Board of Directors. Pursuant to National Instrument 52-110, the Corporation is required to have an Audit Committee of its Board of Directors. The current members of the Audit Committee are Mark Corra (Chairman), Gordon Keep and Clive T. Johnson. The Board of Directors of the Corporation has appointed a corporate governance and nominating committee (the "Committee"), the current members of which are Gordon Keep (Chairman), Mark Corra and Jay Sujir. The Committee is responsible for overseeing and assessing the functioning of the Board and the committees of the Board and for the development, recommendation to the Board, implementation and assessment of effective corporate governance principals.

Except as disclosed below, none of the proposed nominees for director have been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company that:

- (a) while that person was acting in that capacity, was the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days;
- (b) while that person was acting in that capacity, was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being 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; or
- (c) while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (d) has been subject to:
  - (i) 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 since December 31, 2000 or before December 31, 2000 the disclosure of which would likely be important to a reasonable security holder in deciding whether to vote for a proposed director; or
  - (ii) 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.

Gordon Keep is a director of Rusoro Mining Ltd. ("Rusoro"). On May 21, 2013, the British Columbia Securities Commission ("BCSC") issued a cease trade order against Rusoro for failure to file its audited financial statements for the year ended December 31, 2012 and related Management's Discussion and Analysis. On June 5, 2013 and June 7, 2013 respectively, similar cease trade orders were issued against Rusoro by the Ontario Securities Commission ("OSC") and the Autorité des Marchés Financiers ("AMF"). On August 19, 2013, Rusoro filed its December 31, 2012 financial statements and related Management's Discussion and Analysis. On August 21, 2013 (BCSC), August 28, 2013 (AMF) and on September 4, 2013 (OSC) granted full revocations of the cease trade order issued by each of them. Rusoro was unable to file its December 31, 2012 financial statements and Management's Discussion and Analysis by the required filing deadline because it experienced significant delays in preparing them due to the nationalization by the Venezuelan government of Rusoro's gold mining assets in Venezuela.

Jay Sujir was on the board of directors of Red Eagle Mining Corp. which is subject to a cease-trade order issued by the British Columbia Securities Commission on November 20, 2018 for failure to file interim financial statements, management's discussion and analysis, and certification of interim filings for the period ended September 30, 2018.

From January 2010 to November 2018 Jay Sujir was on the board of directors of Red Eagle Mining Corp. which owned and operated the Santa Rosa mine in Colombia. Due to start up issues Red Eagle had difficulty servicing its project debt and the mine was only able commence commercial production on the basis of forbearances from the secured lenders. In August 2018 Red Eagle obtained a firm commitment from a third party to refinance the debt with substantial concessions and co-operation from the secured lenders, but in October 2018 the third party defaulted on its commitment and as a result, the secured lenders withdrew their forbearances and appointed a receiver-manager over the assets of Red Eagle.

Mark Corra was a non-executive director of Energold Drilling Corp. ("Energold"). On September 13, 2019 Energold obtained an order from the Supreme Court of British Columbia granting creditor protection under the Companies' Creditors Arrangement Act. On October 3, 2019 the British Columbia Securities Commission issued a cease trade order against Energold for failure to file its interim financial statements for the three months ended June 30, 2019, concurrently the NEX Board of the TSX Venture Exchange suspended trading of the securities of Energold. Mr. Corra resigned as a director of Energold on October 9, 2019.

#### **AUDIT COMMITTEE DISCLOSURE**

The charter of the Corporation's audit committee and the other information required to be disclosed by Form 52-110F2 are attached as Schedule "A".

## **CORPORATE GOVERNANCE**

The information required to be disclosed by National Instrument 58-101 *Disclosure of Corporate Governance Practices* is attached to this information circular as Schedule "B".

## **APPOINTMENT AND REMUNERATION OF AUDITOR**

Shareholders will be asked to approve the re-appointment of Davidson & Company LLP, Chartered Accountants, of Vancouver, British Columbia, as the auditor of the Corporation to hold office until the next annual general meeting of the Shareholders at a remuneration to be fixed by the Board of Directors.

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

### **A. *Re-Approval of Rolling Stock Option Plan***

At the Corporation's December 10, 2020 annual general meeting of Shareholders, the Corporation proposed and its Shareholders re-approved a 10% "rolling" stock option plan (the "**Stock Option Plan**"). Under the policies of the TSX Venture Exchange, a rolling stock option plan must be re-approved on a yearly basis by shareholders. Shareholders will be asked to pass an ordinary resolution adopting and re-approving the Corporation's Stock Option Plan, details of which are set forth below

- (a) the Stock Option Plan reserves, for issuance pursuant to the exercise of stock options, a maximum number of common shares of the Corporation equal to up to a maximum of 10% of the issued common shares of the Corporation at the time of any stock option grant;
- (b) under Exchange policy, an optionee must either be an Eligible Charitable Organization or a Director, Employee or Consultant of the Corporation at the time the option is granted in order to be eligible for the grant of a stock option to the optionee;
- (c) the aggregate number of options granted to any one Person (and companies wholly owned by that Person) in a 12 month period must not exceed 5% of the issued common shares of the Corporation calculated on the date an option is granted to the Person (unless the Corporation has obtained the requisite Disinterested Shareholder Approval);
- (d) the aggregate number of options granted to any one Consultant in a 12 month period must not exceed 2% of the issued common shares of the Corporation, calculated at the date an option is granted to the Consultant;
- (e) the aggregate number of options granted to all Persons retained to provide Investor Relations Activities must not exceed 2% of the issued shares of the Corporation in any 12 month period, calculated at the date an option is granted to any such Person;
- (f) options issued to Persons retained to provide Investor Relations Activities must vest in stages over a period of not less than 12 months with no more than 1/4 of the options vesting in any 3 month period;
- (g) the minimum exercise price per common share of a stock option must not be less than the Market Price of the common shares of the Corporation, subject to a minimum exercise price of \$0.05;
- (h) options can be exercisable for a maximum of 10 years from the date of grant (subject to extension where the expiry date falls within a "blackout period" (see (o) below);
- (i) stock options (other than options held by a person involved in investor relations activities) will cease to be exercisable 90 days after the optionee ceases to be a Director (which term includes a senior officer), Employee, Consultant, Eligible Charitable Organization or Management Company Employee otherwise than by death, or for a "reasonable period" after the optionee ceases to serve in such capacity, as determined by the Board. Stock options granted to persons involved in Investor Relations Activities will cease to be exercisable 30 days after the optionee ceases to serve in such capacity otherwise than by death, or for a "reasonable period" after the optionee ceases to serve in such capacity, as determined by the Board;
- (j) all options are non-assignable and non-transferable;
- (k) Disinterested Shareholder Approval will be obtained for any reduction in the exercise price of a stock option if the optionee is an Insider of the Corporation at the time of the proposed amendment;

- (l) the Stock Option Plan contains provisions for adjustment in the number of common shares or other property issuable on exercise of a stock option in the event of a share consolidation, split, reclassification or other capital reorganization, or a stock dividend, amalgamation, merger or other relevant corporate transaction, or any other relevant change in or event affecting the common shares;
- (m) upon the occurrence of an Accelerated Vesting Event (as defined in the Stock Option Plan), the Board will have the power, at its sole discretion and without being required to obtain the approval of shareholders or the holder of any stock option, to make such changes to the terms of stock options as it considers fair and appropriate in the circumstances, including but not limited to: (a) accelerating the vesting of stock options, conditionally or unconditionally; (b) terminating every stock option if under the transaction giving rise to the Accelerated Vesting Event, options in replacement of the stock options are proposed to be granted to or exchanged with the holders of stock options, which replacement options treat the holders of stock options in a manner which the Board considers fair and appropriate in the circumstances having regard to the treatment of holders of common shares under such transaction; (c) otherwise modifying the terms of any stock option to assist the holder to tender into any take-over bid or other transaction constituting an Accelerated Vesting Event; or (d) following the successful completion of such Accelerated Vesting Event, terminating any stock option to the extent it has not been exercised prior to successful completion of the Accelerated Vesting Event. The determination of the Board in respect of any such Accelerated Vesting Event shall for the purposes of the Stock Option Plan be final, conclusive and binding;
- (n) in connection with the exercise of an option, as a condition to such exercise the Corporation shall require the optionee to pay to the Corporation an amount as necessary so as to ensure that the Corporation is in compliance with the applicable provisions of any federal, provincial or local laws relating to the withholding of tax or other required deductions relating to the exercise of such option; and
- (o) a stock option will be automatically extended past its expiry date if such expiry date falls within a blackout period during which the Corporation prohibits optionees from exercising their options, subject to the following requirements: (a) the blackout period must (i) be formally imposed by the Corporation pursuant to its internal trading policies; and (ii) must expire upon the general disclosure of undisclosed Material Information; and (b) the automatic extension of an optionee's stock option will not be permitted where the optionee or the Corporation is subject to a cease trade order (or similar order under Securities Laws) in respect of the Corporation's securities.

"Consultant", "Director", "Disinterested Shareholder Approval", "Eligible Charitable Organization", "Employee", "Investor Relations Activities", "Management Company Employee", "Market Price", "Material Information", "Person" and "Securities Laws" all have the same definition as in the policies of the TSX Venture Exchange.

Pursuant to the Board's authority to govern the implementation and administration of the Stock Option Plan, all previously granted and outstanding stock options shall be governed by the provisions of the Stock Option Plan.

Management recommends, and the persons named in the enclosed Proxy intend to vote in favour of, the adoption and approval of the Stock Option Plan.

The text of the resolution to be passed is as follows. In order to be passed, a majority of the votes cast at the Meeting in person or by Proxy must be voted in favour of the resolution.

**"BE IT RESOLVED THAT** the Corporation's Stock Option Plan dated October 23, 2013 be and is hereby ratified, confirmed and approved with such additional provisions and amendments, provided that such are not inconsistent with the policies of the TSX Venture Exchange, as the directors of the Corporation may deem necessary or advisable."

#### ***B. Approval of Creation of New Control Person***

##### **Background**

On December 18, 2018, the Corporation closed a private placement of common shares. As a result of the acquisition of securities in the private placement along with previously held securities and subsequent grant of stock options as applicable. Clive T. Johnson, the Chairman and a director of the Corporation, indirectly beneficially owns and/or controls in aggregate 7,497,758 Common Shares of the Corporation representing 17.74% of the issued and outstanding Common Shares of the Corporation and would own 8,287,758 Common Shares, representing 19.25% on a partially diluted basis, assuming the exercise of 790,000 options.



### **Creation of a New Control Person**

A Control Person is any person that holds or is one of a combination of persons that holds a sufficient number of any of the securities of the Corporation so as to affect materially the control of the Corporation, or that holds more than 20% of the outstanding voting shares of the Corporation, except where there is evidence showing that the holder of those securities does not materially affect the control of the Corporation. The TSX Venture Exchange's policies require that disinterested shareholder approval be obtained where securities issued pursuant to a private placement result, or could result following conversion of convertible securities, in the creation of a new "**Control Person**".

In the event that Clive T. Johnson exercises all of his 790,000 options, together in aggregate Mr. Johnson would own 8,287,758 Common Shares. Assuming no other Common Shares are issued by the Corporation, the Common Shares then held would represent 19.25% of the voting securities of the Corporation

In addition to his participation in the private placement, Mr. Johnson has been providing additional funding to the Corporation for a number of years, including through equity financings and by way of loans, and the Corporation anticipates that Mr. Johnson will continue to do so. In the event that Mr. Johnson participates in future equity financings of the Corporation, he may acquire additional shares and warrants so that he would end up holding over 20% of the issued and outstanding shares of the Corporation. Mr. Johnson may also convert his existing loan to the Corporation (in the principal amount of \$275,000) into common shares of the Corporation, which could also result in his owning over 20% of the outstanding shares of the Corporation. Any such future private placements or conversion of outstanding loans would be subject to the prior approval of the TSX Venture Exchange.

At this Meeting, the Corporation is seeking disinterested shareholder approval to ratify the issuance of securities to Clive T. Johnson, to the extent that such issuance could result in the creation of a new Control Person.

### **Disinterested Shareholder Approval**

Disinterested shareholder approval, as required by the policies of the TSX Venture Exchange, means shareholder approval obtained by ordinary resolution; provided that, in connection with the approval of the creation of a new Control Person, the votes attached to the Common Shares held by the new Control Person, and any associates or affiliates thereof, are excluded from the calculation of such approval.

Pursuant to the policies of the TSX Venture Exchange, disinterested shareholders will be asked at the Meeting to approve the following resolution:

**"BE IT RESOLVED THAT** the possibility of Clive T. Johnson becoming a new Control Person of the Corporation (as such term is defined in the TSX Venture Exchange Corporate Finance Manual) as a result of the issuance of securities by the Corporation to Clive T. Johnson as more particularly described in the management information circular of the Corporation dated November 9, 2021, be and the same is hereby ratified, authorized and approved and, for greater certainty, Clive T. Johnson shall hereafter be entitled to exercise warrants or options held by him and to purchase further securities of the Corporation notwithstanding that such exercise or purchase would, or could possibly, increase his ownership of Common Shares to 20% or more of the then issued and outstanding Common Shares."

In order to be passed, a majority of the votes cast by disinterested shareholders at the Meeting in person or by Proxy must be voted in favour of the resolution.

If disinterested shareholder approval is not obtained at the Meeting, Mr. Johnson will be precluded from exercising his warrants or options at any time when such exercise would increase his control of Common Shares to 20% or more of the then issued and outstanding Common Shares.

### **Directors' Recommendation**

The Board recommends to shareholders that they vote in favour of approval of the Creation of Control Person Resolution.

### **OTHER MATTERS**

As of the date of this information circular, management knows of no other matters to be acted upon at this Meeting. However, should any other matters properly come before the Meeting, the shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the shares represented by the Proxy.

**ADDITIONAL INFORMATION**

Additional information relating to the Corporation is on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information relating to the Corporation is provided in the Corporation's comparative financial statements and related Management's Discussion and Analysis for the financial year ended July 31, 2019. Shareholders may contact the Corporation to request copies of financial statements and related Management's Discussion and Analysis at its head office, Suite 3123, 595 Burrard Street, PO Box 49139, Bentall Three, Vancouver, British Columbia, V7X 1J1.

**APPROVAL OF THE DIRECTORS**

The directors of the Corporation have approved the content and the sending of this information circular.

DATED at Vancouver, British Columbia, this 9<sup>th</sup> day of November, 2021.

**VANADIAN ENERGY CORP.**

*"Marc Simpson"*

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Marc Simpson,  
President and Chief Executive Officer

**SCHEDULE "A"**  
**VANADIAN ENERGY CORP.**  
**FORM 52-110F2**  
**AUDIT COMMITTEE DISCLOSURE**

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**ITEM 1: THE AUDIT COMMITTEE'S CHARTER (the "Charter")**

**PURPOSE**

The overall purpose of the audit committee (the "**Audit Committee**") of **VANADIAN ENERGY CORP.** (the "Corporation") is to ensure that the Corporation's management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the financial statements and related financial disclosure of the Corporation, and to review the Corporation's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information. It is the intention of the Corporation's board of directors (the "**Board**") that through the involvement of the Audit Committee, the external audit will be conducted independently of the Corporation's management to ensure that the independent auditors serve the interests of shareholders rather than the interests of management of the Corporation. The Audit Committee will act as a liaison to provide better communication between the Board and the external auditors. The Audit Committee will monitor the independence and performance of the Corporation's independent auditors.

**COMPOSITION, PROCEDURES AND ORGANIZATION**

- (1) The Audit Committee shall consist of at least three members of the Board.
- (2) At least two (2) members of the Audit Committee shall be independent and the Audit Committee shall endeavour to appoint a majority of independent directors to the Audit Committee, who in the opinion of the Board, would be free from a relationship which would interfere with the exercise of the Audit Committee members' independent judgment. At least one (1) member of the Audit Committee shall have accounting or related financial management expertise. All members of the Audit Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices applicable to the Corporation. For the purposes of this Charter, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.
- (3) The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Audit Committee for the ensuing year. The Board may at any time remove or replace any member of the Audit Committee and may fill any vacancy in the Audit Committee.
- (4) Unless the Board shall have appointed a chair of the Audit Committee, the members of the Audit Committee shall elect a chair and a secretary from among their number.
- (5) The quorum for meetings shall be a majority of the members of the Audit Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.
- (6) The Audit Committee shall have access to such officers and employees of the Corporation and to the Corporation's external auditors, and to such information respecting the Corporation, as it considers to be necessary or advisable in order to perform its duties and responsibilities.
- (7) Meetings of the Audit Committee shall be conducted as follows:
  - (a) the Audit Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Audit Committee. The external auditors or any member of the Audit Committee may request a meeting of the Audit Committee;
  - (b) the external auditors shall receive notice of and have the right to attend all meetings of the Audit Committee; and
  - (c) management representatives may be invited to attend all meetings except private sessions with the external auditors.

- (8) The internal auditors and the external auditors shall have a direct line of communication to the Audit Committee through its chair and may bypass management if deemed necessary. The Audit Committee, through its chair, may contact directly any employee in the Corporation as it deems necessary, and any employee may bring before the Audit Committee any matter involving questionable, illegal or improper financial practices or transactions.

#### **ROLES AND RESPONSIBILITIES**

- (1) The overall duties and responsibilities of the Audit Committee shall be as follows:
- (a) to assist the Board in the discharge of its responsibilities relating to the Corporation's accounting principles, reporting practices and internal controls and its approval of the Corporation's annual and quarterly consolidated financial statements and related financial disclosure;
  - (b) to establish and maintain a direct line of communication with the Corporation's internal and external auditors and assess their performance;
  - (c) to ensure that the management of the Corporation has designed, implemented and is maintaining an effective system of internal financial controls; and
  - (d) to report regularly to the Board on the fulfilment of its duties and responsibilities.
- (2) The duties and responsibilities of the Audit Committee as they relate to the external auditors shall be as follows:
- (a) to recommend to the Board a firm of external auditors to be engaged by the Corporation, and to verify the independence of such external auditors;
  - (b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;
  - (c) review the audit plan of the external auditors prior to the commencement of the audit;
  - (d) to review with the external auditors, upon completion of their audit:
    - A. contents of their report;
    - B. scope and quality of the audit work performed;
    - C. adequacy of the Corporation's financial and auditing personnel;
    - D. co-operation received from the Corporation's personnel during the audit;
    - E. internal resources used;
    - F. significant transactions outside of the normal business of the Corporation;
    - G. significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
    - H. the non-audit services provided by the external auditors;
  - (e) to discuss with the external auditors the quality and not just the acceptability of the Corporation's accounting principles; and
  - (f) to implement structures and procedures to ensure that the Audit Committee meets the external auditors on a regular basis in the absence of management.
- (3) The duties and responsibilities of the Audit Committee as they relate to the internal control procedures of the Corporation are to:
- (a) review the appropriateness and effectiveness of the Corporation's policies and business practices which impact on the financial integrity of the Corporation, including those relating to internal auditing,

- insurance, accounting, information services and systems and financial controls, management reporting and risk management;
- (b) review compliance under the Corporation's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Audit Committee may deem appropriate;
  - (c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Corporation; and
  - (d) periodically review the Corporation's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.
- (4) The Audit Committee is also charged with the responsibility to:
- (a) review the Corporation's quarterly statements of earnings, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto;
  - (b) review and approve the financial sections of:
    - A. the annual report to shareholders;
    - B. the annual information form, if required;
    - C. annual and interim management's discussion and analysis;
    - D. prospectuses;
    - E. news releases discussing financial results of the Corporation; and
    - F. other public reports of a financial nature requiring approval by the Board,and report to the Board with respect thereto;
  - (c) review regulatory filings and decisions as they relate to the Corporation's consolidated financial statements;
  - (d) review the appropriateness of the policies and procedures used in the preparation of the Corporation's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;
  - (e) review and report on the integrity of the Corporation's consolidated financial statements;
  - (f) review the minutes of any audit committee meeting of subsidiary companies;
  - (g) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Corporation and the manner in which such matters have been disclosed in the consolidated financial statements;
  - (h) review the Corporation's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and
  - (i) develop a calendar of activities to be undertaken by the Audit Committee for each ensuing year and to submit the calendar in the appropriate format to the Board following each annual general meeting of shareholders.
- (5) The Audit Committee shall have the authority:
- (a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,
  - (b) to set and pay the compensation for any advisors employed by the Audit Committee; and
  - (c) to communicate directly with the internal and external auditors.

**ITEM 2: COMPOSITION OF THE AUDIT COMMITTEE**

The current members of the Audit Committee are Mark Corra, Gordon Keep and Clive T. Johnson. All of the members are financially literate and Mark Corra and Clive T. Johnson are each an independent member of the Audit Committee. Mark Corra is the Chairman of the Audit Committee. "Independent" and "financially literate" have the meaning used in National Instrument 52-110 ("**NI 52-110**") of the Canadian Securities Administrators.

**ITEM 3: RELEVANT EDUCATION AND EXPERIENCE**

NI 52-110 provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

All of the members of the Corporation's Audit Committee are financially literate as that term is defined in NI 52-110. All members have an understanding of the accounting principles used by the Corporation to prepare its financial statements and have an understanding of its internal controls and procedures for financial reporting. In addition to each member's general business experience, the education and experience of each Audit Committee member relevant to the performance of his or her responsibilities as an Audit Committee member is as follows:

Mark Corra is a Certified Management Accountant holding a Diploma in Financial Management from the British Columbia Institute of Technology. He has over 25 years of finance and accounting experience in the mining industry and has served in a senior financial capacity for several publicly listed mining companies. Mr. Corra also has extensive knowledge of the mining industry through holding the positions of Senior Vice President Finance and Chief Financial Officer of B2Gold Corp. (a gold production company) from 2007 to April 2014. In addition, he has knowledge of the role of an audit committee in the realm of reporting companies from his years of experience serving as a director of other public companies.

Gordon Keep has a MBA degree from the University of British Columbia and has many years' experience acting in the capacity of director, officer and audit committee member of numerous public companies operating in the resource sector.

Clive T. Johnson's experience as Chief Executive Officer of B2Gold Corp. and Bema Gold Corporation and a director of the Bema group of companies has given him the required experience to understand and assess the general application of the accounting principles used by the Corporation and to understand internal controls and procedures for financial reporting.

**ITEM 4: AUDIT COMMITTEE OVERSIGHT**

At no time since the commencement of the Corporation's financial year ended July 31, 2021 was a recommendation of the Audit Committee to nominate or compensate an external auditor (currently, Davidson & Company LLP, Chartered Accountants) not adopted by the Board.

**ITEM 5: RELIANCE ON CERTAIN EXEMPTIONS**

Since the effective date of NI 52-110, the Corporation has not relied on the exemptions contained in Section 2.4 or Part 8 of NI 52-110, in whole or in part. Section 2.4 provides an exemption from the requirement that the audit 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. 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.

**ITEM 6: PRE-APPROVAL POLICIES AND PROCEDURES**

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Board, and where applicable by the Audit Committee, on a case by case basis.

**ITEM 7: EXTERNAL AUDITOR SERVICE FEES (BY CATEGORY)**

The aggregate fees charged to the Corporation by the external auditor in each of the last two fiscal years are as follows:

	<u>FYE 2021</u>	<u>FYE 2020</u>
Audit fees for the year ended July 31	13,665	15,183
Audit related fees	Nil	Nil
Tax fees	Nil	Nil
All other fees (non-tax)	Nil	Nil
<b>Total Fees:</b>	<b>\$13,665</b>	<b>\$ 15,183</b>

**ITEM 8: EXEMPTION**

In respect of the most recently completed financial year, the Corporation is relying on the exemption set out in section 6.1 of NI 52-110.

**SCHEDULE "B"**  
**VANADIAN ENERGY CORP.**  
**FORM 58-101F2**  
**CORPORATE GOVERNANCE DISCLOSURE**

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Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices*, Vanadian Energy Corp. (the "Corporation") is required to and hereby discloses its corporate governance practices as follows.

**ITEM 1. BOARD OF DIRECTORS**

The Board of Directors of the Corporation facilitates its exercise of independent supervision over the Corporation's management through frequent meetings of the Board.

Five of the directors of the Corporation, are "independent" in that they are free from any direct or indirect material relationship with the Corporation. Marc Simpson is also the Chief Executive Officer and the President of the Corporation and is therefore not independent. A material relationship is a relationship which could, in the view of the Corporation's Board of Directors, be reasonably expected to interfere with the exercise of his independent judgment.

The Board of Directors of the Corporation has appointed a corporate governance and nominating committee (the "**Committee**"), the current members of which are Gordon Keep (Chairman), Mark Corra and Jay Sujir. The Committee is responsible for overseeing and assessing the functioning of the Board and the committees of the Board and for the development, recommendation to the Board, implementation and assessment of effective corporate governance principals.

**ITEM 2. DIRECTORSHIPS**

The directors of the Corporation are currently directors of the following other reporting issuers:

<b>Name</b>	<b>Name of Reporting Issuer</b>
Mark Corra	Orsu Metals Corporation
Tom Garagan	BeMetals Corp. Calibre Mining Corp.
Clive T. Johnson	B2Gold Corp. BeMetals Corp.
Gordon Keep	Klondike Gold Corp. NG Energy International Corp. Northern Dynasty Minerals Ltd. Oceanic Iron Ore Corp. Rusoro Mining Ltd. Total Helium Ltd.
Jay Sujir	Audrey Capital Corporation Baltic I Acquisition Corp. Carlin Gold Corporation Coast Copper Corp. Collingwood Resources Corp. Gotham Resource Corp. Golden Lake Exploration Inc. Helix Applications Inc. Kenorland Minerals Ltd. Kutcho Copper Corp.



	Libero Copper & Gold Corporation Outcrop Gold Corp. Voleo Trading Systems Inc.
Marc Simpson	Critical Elements Lithium Corporation

### **ITEM 3. ORIENTATION AND CONTINUING EDUCATION**

The Committee briefs all new directors with the policies of the Board of Directors, and other relevant corporate and business information. In particular, the Committee oversees an orientation program to familiarize new directors with the Corporation's business and operations, including the Corporation's reporting structure, strategic plans, significant financial, accounting and risk issues and compliance programs and policies, management and the external auditors. The Committee oversees ongoing education for all directors.

### **ITEM 4. ETHICAL BUSINESS CONDUCT**

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

Under the corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction. The director must then abstain from voting on the contract or transaction unless the contract or transaction (i) relates primarily to their remuneration as a director, officer, employee or agent of the Corporation or an affiliate of the Corporation, (ii) is for indemnity or insurance for the benefit of the director in connection with the Corporation, or (iii) is with an affiliate of the Corporation. If the director abstains from voting after disclosure of their interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the Corporation at the time it was entered into, the contract or transaction is not invalid and the director is not accountable to the Corporation for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have been reasonable and fair to the Corporation and the contract or transaction be approved by the shareholders by a special resolution after receiving full disclosure of its terms in order for the director to avoid such liability or the contract or transaction being invalid.

### **ITEM 5. NOMINATION OF DIRECTORS**

The Committee is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of the shareholders. The Committee shall recruit and consider candidates for directors, including any candidates recommended by shareholders, having regard for the background, employment and qualifications of possible candidates.

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, shown support for the Corporation's mission and strategic objectives, and a willingness to serve.

### **ITEM 6. COMPENSATION**

The Committee shall recommend to the Board the terms upon which directors shall be compensated, the Chair of the Board and those acting as committee chairs that adequately reflect the responsibilities they are assuming. To make its recommendation on directors' compensation, the Committee takes into account the types of compensation and the amounts paid to directors of comparable publicly traded Canadian companies.

### **ITEM 7. OTHER BOARD COMMITTEES**

The Board of Directors has no other committees other than the Committee and the Audit Committee.

### **ITEM 8. ASSESSMENTS**

The Committee assesses the needs of the Board and makes recommendations with respect to rules and guidelines governing and regulating the affairs of the Board including the frequency and location of Board and committee meetings, procedures for establishing meeting agendas and the conduct of meetings, the adequacy and quality of the information provided to the Board prior to and during its meetings, and the availability, relevance and timeliness of discussion papers, reports and other information required by the Board.

The Committee periodically reviews the competencies, skills and personal qualities of each existing director and the contributions made by each director to the effective operation of the Board and reviews any significant change in the primary occupation of the director.

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committees.