

# **UNIVERSAL COPPER LTD.**

## **NOTICE OF ANNUAL GENERAL & SPECIAL MEETING**

NOTICE IS HEREBY GIVEN that the Annual General and Special Meeting of the Shareholders of **UNIVERSAL COPPER LTD.**, (hereinafter called the "Company") will be held on **Thursday, October 27<sup>th</sup>, 2022** at **#830 – 1100 Melville Street, Vancouver, BC** at **11:00 a.m.** (Vancouver time) for the following purposes:

1. To receive and consider the audited financial statements of the Company for the fiscal year ended December 31, 2021 and the Auditor's Report thereon;
2. To fix the number of Directors for the ensuing year at five (5);
3. To elect Directors for the ensuing year;
4. To appoint **Dale, Matheson Carr-Hilton LaBonte LLP** as the Company's Auditor for the ensuing year and to authorize the Directors to fix their remuneration;
5. To approve and ratify the Company's "Rolling" 10% Stock Option Plan dated August 23, 2016 as more particularly set out in the accompanying information circular; and
6. To transact such other business as may properly come before the Meeting.

Accompanying this Notice is an Information Circular and Proxy with notes to Proxy.

The enclosed Proxy is solicited by Management, and 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.

**All shareholders are entitled to attend and vote at the Meeting in person or by proxy; however, the Board is requesting that due to the current COVID-19 pandemic that all shareholders vote their shares by proxy and not attend in person. Shareholders should read, date and sign the accompanying proxy and deliver it to Computershare Trust Company.**

The board of directors of the Company (the "**Board**") has fixed the record date for the Meeting at the close of business on September 22, 2022 (the "**Record Date**") for determining shareholders entitled to receive notice of, and to vote at the Meeting and any postponement or adjournment of the Meeting, unless any such shareholder transfers such Common Shares after the Record Date and the transferee of those Common Shares establishes that the transferee owns the Common Shares and demands, not later than ten 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 such transferee shall be entitled to vote such Common Shares at the Meeting.

DATED at Vancouver, British Columbia, this 22<sup>nd</sup> day of September, 2022.

BY ORDER OF THE BOARD,

*"Clive Massey"*

\_\_\_\_\_  
Clive Massey  
President and Director



## UNIVERSAL COPPER LTD.

Suite 830, 1100 Melville Street  
Vancouver, BC, V6E 4A6  
Telephone: (604) 341-6870

### INFORMATION CIRCULAR

(containing information as at September 22, 2022, unless otherwise stated)

#### SOLICITATION OF PROXIES

This Information Circular (this "Circular") is furnished in connection with the solicitation of proxies by the Management of UNIVERSAL COPPER LTD. (the "Company"), for use at the Annual General and Special Meeting (the "Meeting") of the Shareholders of the Company to be held on Thursday, the 27<sup>th</sup> day of October, 2022, at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof. The solicitation will be primarily by mail; however, proxies may be solicited personally or by telephone by the regular officers and employees of the Company. The cost of solicitation will be borne by the Company.

#### APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the accompanying form of Proxy are Directors and/or Officers of the Company. **A Shareholder has the right to appoint a person (who need not be a Shareholder) to attend and act on the Shareholder's behalf at the Meeting other than the persons named in the accompanying form of proxy. To exercise this right, a Shareholder shall strike out the names of the persons named in the accompanying form of proxy and insert the name of the Shareholder's nominee in the blank space provided or complete another instrument of proxy.** A proxy will not be valid unless it is duly completed, signed and deposited with the Company's registrar and transfer agent, Computershare Trust Company of Canada ("Computershare") by hand or mail at 100 University Avenue, 9th floor, Toronto, Ontario, M5J 2Y1, or by fax within North America at 1-866-249-7775 or outside North America at 1-416-263-9524, and not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of any adjournment thereof. A proxy must be signed 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 by hand or mail with Computershare at 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, or by fax within North America at 1-866-249-7775 or outside North America at 1-416-263-9524, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment of it, at which the proxy is to be used, or to the Chairperson 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 accompanying form of 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 proxy holder will do so in accordance with such direction. **In the absence of any instruction in a 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 Circular.**

The accompanying form of 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 Circular, the Management of the Company 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 exercised on such matters in accordance with the best judgment of the nominee.

In order to approve a motion proposed at the Meeting, a majority of greater than 50% of the votes cast will be required (an "Ordinary Resolution") unless the motion requires a Special Resolution, in which case a majority of 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,

shares held by Shareholders who are also "insiders", as such term is defined under applicable securities laws, will be excluded from the count of votes cast on such motion.

### **ADVICE TO BENEFICIAL SHAREHOLDERS**

**The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold shares in their own name.** Shareholders who do not hold their shares in their own name (referred to in this Circular as "Beneficial Shareholders") should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of shares can be recognized and acted upon at the Meeting.

If shares are listed in an account statement provided to a Shareholder by a broker, then, in almost all cases, those shares will not be registered in the Shareholder's name on the records of the Company. Such shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name CDS & Co. (the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). The 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 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 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 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 shares are voted.**

There are two kinds of Beneficial Shareholders, those who object to their name being made known to the issuers of securities which they own ("OBOs" for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are ("NOBOs" for Non-Objecting Beneficial Owners). Pursuant to National Instrument 54-101 issuers can obtain a list of their NOBOs from intermediaries for distribution of proxy related materials directly to NOBOs. This year, the Company has decided to take advantage of those provisions of National Instrument 54-101 that permit it to directly deliver proxy-related materials to its NOBOs. As a result, NOBOs can expect to receive a scannable Voting Instruction Form (VIF) from our Transfer Agent, Computershare Trust Company of Canada ("Computershare"). These VIFs are to be completed and returned to Computershare in the envelope provided or by facsimile. In addition, Computershare provides both telephone voting and internet voting as described on the VIF itself which contains complete instructions. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

These security holder materials are being sent to both registered and non-registered owners of the shares of the Company. If you are a non-registered owner and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. In this event, by choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you; and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purpose of voting 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 their shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly

vote their 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 shares as a proxyholder.

All references to shareholders in this Circular and the accompanying form of proxy are to registered shareholders unless specifically stated otherwise.

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

Except as otherwise disclosed herein, none of:

- (a) the directors or executive officers of the Company at any time since the beginning of the last financial year of the Company;
- (b) the proposed nominees for election as a Director of the Company; or
- (c) any associate or affiliate 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 exclusive of the election of directors or the appointment of auditors.

### **RECORD DATE, VOTING SHARES AND PRINCIPAL HOLDERS THEREOF**

A Shareholder of record at the close of business on **September 22, 2022** (the "**Record Date**") who either personally attends the Meeting or who has completed and delivered a proxy in the manner and subject to the provisions described above, shall be entitled to vote or to have such Shareholder's shares voted at the Meeting.

The Company's authorized capital consists of an unlimited number of common shares ("Common Shares") without par value and an unlimited number of preferred shares ("Preferred Shares") without par value. As at the Record Date, the Company has **89,188,678** Common Shares issued and outstanding, each share carrying the right to one vote, and no Preferred Shares outstanding.

To the knowledge of the directors and senior officers of the Company, as of the Record Date, there are no persons or corporations who beneficially own, or control or direct, directly, or indirectly, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company.

### **EXECUTIVE COMPENSATION**

In accordance with the provisions of applicable securities legislation, the Company had two "Named Executive Officers" during the financial year ended December 31, 2021, namely (i) Alexander Helm, CFO, and (ii) Mr. Clive Massey, President, CEO, and director.

### **Definitions**

For the purpose of this Circular:

"**CEO**" means an 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**" means an 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.

"**closing market price**" means the price at which the company's security was last sold, on the applicable date,

- (a) in the security's principal marketplace in Canada, or
- (b) if the security is not listed or quoted on a marketplace in Canada, in the security's principal marketplace.

"**company**" includes other types of business organizations such as partnerships, trusts and other unincorporated business entities;

"**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;

"**external management company**" includes a subsidiary, affiliate, or associate of the external management company;

"**grant date**" means a date determined for financial statement reporting purposes under Section 3870 of the Handbook;

"**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;

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

- (a) a CEO;
- (b) a CFO;
- (c) each of the 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 most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of National Instrument 51-102, 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, nor acting in a similar capacity, at the end of that financial year;

"**NI 52-107**" means National Instrument 52-107 Acceptable Accounting Principles, Auditing Standards and Reporting Currency;

"**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;

"**replacement grant**" means an option that a reasonable person would consider to be granted in relation to a prior or potential cancellation of an option;

"**repricing**" means, in relation to an option, adjusting or amending the exercise or base price of the option, but excludes any adjustment or amendment that equally affects all holders of the class of securities underlying the option and occurs through the operation of a formula or mechanism in, or applicable to, the option;

"**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**

### **Director and NEO compensation, excluding compensation securities**

For the purposes hereof, a named executive officer ("**NEO**") of the Company means each of the following individuals:

- (a) the Chief Executive Officer ("**CEO**") of the Company;
- (b) the Chief Financial Officer ("**CFO**") of the Company;

- (c) each of the 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 most recently completed financial year whose total compensation was, individually, more than \$150,000. "Executive Officer" means the chairman, and any vice-chairman, president, secretary or any vice-president and any officer of the Company or a subsidiary who performs a policymaking function in respect of the Company; 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, nor acting in a similar capacity, at the end of that financial year.

Each of Clive Massey, CEO, and Alexander Helm, CFO, is an NEO of the Company for purposes of this disclosure.

The following table sets forth, for the year ended December 31, 2021, all compensation (other than stock options and other compensation securities) paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company, or a subsidiary of the Company, to each NEO and director, in any capacity.

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES							
Name and Principal Position	Year Ended	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$) <sup>(1)(2)</sup>	Value of All Other Compensation (\$)	Total Compensation (\$)
Clive Massey CEO and Director	2021	110,000	Nil	Nil	Nil	Nil	110,000
	2020	68,000	Nil	Nil	Nil	Nil	68,000
Alexander Helm CFO <sup>(3)</sup>	2021	60,000	Nil	Nil	Nil	Nil	60,000
	2020	45,000	Nil	Nil	Nil	Nil	45,000
James Hyland Director	2021	22,500	Nil	Nil	Nil	Nil	22,500
	2020	10,000	Nil	Nil	Nil	Nil	10,000
Wesley Pomeroy Director <sup>(4)</sup>	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Wesley C. Hanson Director	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil
Brandon Rook Director <sup>(5)</sup>	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	N/A	N/A	N/A	N/A	N/A	N/A
Ian Harris <sup>(6)</sup> Director	2021	Nil	Nil	Nil	Nil	Nil	Nil
	2020	N/A	N/A	N/A	N/A	N/A	N/A

- (1) Includes perquisites provided to an NEO or director that are not generally available to all employees. An item is generally a perquisite if it is not integrally and directly related to the performance of the director's or NEO's duties. If something is necessary for a person to do his or her job, it is integrally and directly related to the job and is not a perquisite, even if it also provides some amount of personal benefit. For the purposes of the table, perquisites are valued on the basis of the aggregate incremental cost to the Company and its subsidiaries.
- (2) NEOs and directors whose total salary for the applicable financial year was \$150,000 or less did not receive perquisites that, in aggregate, were greater than \$15,000. NEOs and directors whose total salary for the applicable financial year was greater than \$150,000 but less than \$500,000 did not receive perquisites that, in aggregate, were greater than 10% of the NEO's or director's salary for the applicable financial year.
- (3) Mr. Helm resigned as a director on March 1, 2021.
- (4) Mr. Pomeroy resigned as a director on June 15, 2021.
- (5) Mr. Rook was appointed as a director on March 1, 2021.
- (6) Mr. Harris was appointed as a director on June 15, 2021.

### External Management Companies

None of the NEOs or directors of the Company have been retained or employed by an external management company which has entered into an understanding, arrangement, or agreement with the Company to provide executive management services to the Company, director or indirectly, other than those set out below under "*Employment Contracts, Termination Benefits and Change of Control Benefits*".

## Stock Options and Other Compensation Securities

The following table discloses all compensation securities granted or issued to each director and NEO by the Company or one of its subsidiaries as at the year ended December 31, 2021 for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

Name and position	Type of compensation security <sup>(1)</sup>	Number of compensation securities, number of underlying securities, and percentage of class <sup>(2)</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
Clive Massey CEO and Director	Stock Options	33,333	2017-11-20	0.10	0.10	\$0.10	2022-11-19
		7,917	2018-06-01	0.10	0.10		2023-05-31
		100,000	2019-05-06	0.10	0.10		2024-05-05
		230,000	2021-03-18	0.13	0.13		2026-03-18
		400,000	2021-09-03	0.10	0.10		2026-09-03
Alexander Helmelm CFO <sup>(3)</sup>	Stock Options	33,333	2017-11-20	0.10	0.10	\$0.10	2022-11-19
		7,917	2018-06-01	0.10	0.10		2023-05-31
		100,000	2019-05-06	0.10	0.10		2024-05-05
		230,000	2021-03-18	0.13	0.13		2026-03-18
		400,000	2021-09-03	0.10	0.10		2026-09-03
James Hyland Director	Stock Options	20,833	2017-11-20	0.10	0.10	\$0.10	2022-11-19
		100,000	2021-03-18	0.13	0.13		2026-03-18
		200,000	2021-09-03	0.10	0.10		2026-09-03
Wesley C. Hanson Director	Stock Options	66,667	2019-05-06	0.10	0.10	\$0.10	2024-05-05
		225,000	2021-09-03	0.10	0.10		2026-09-03
Brandon Rook <sup>(4)</sup> Director	Stock Options	200,000	2021-01-21	0.10	0.10	\$0.10	2026-01-21
		100,000	2021-03-18	0.13	0.13		2026-03-18
		200,000	2021-09-03	0.10	0.10		2026-09-03
Ian Harris <sup>(5)</sup> Director	Stock Options	300,000	2021-09-03	0.10	0.10	\$0.10	2026-09-03
Wesley Pomeroy <sup>(6)</sup> Former Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A

- (1) "Compensation Securities" includes stock options, convertible securities, exchangeable securities, and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries. The details of the grant date calculations and used method at the date of Option Grant (the Black-Scholes pricing model) is disclosed in the Company's financial statements Note as at December 31, 2021. There was no cash compensation actually paid to any of the NEOs and directors disclosed in the above table in connection with the granting of the incentive stock options in respect of which these "option-based awards" were calculated. During the year ended December 31, 2021 the Company incurred share-based compensation costs (from the grant of stock options) totalling \$233,194 (2020: \$NIL) to key management of the Company
- (2) As of December 31, 2021, the NEOs and directors held the following number of Options (each one Option being exercisable to acquire one (1) common share of the Company): Clive Massey – 771,250 Options; Alexander Helmelm – 771,250; Options; James Hyland – 320,833 Options; Wesley C. Hanson – 291,667 Options; Brandon Rook - 500,000 Options; and Ian Harris – 300,000 Options.
- (3) Mr. Helmelm resigned as a director on March 1, 2021.
- (4) Mr. Rook was appointed as a director on March 1, 2021.
- (5) Mr. Harris was appointed as a director on June 15, 2021.
- (6) Mr. Pomeroy resigned as a director on June 15, 2021.

The following table discloses details regarding each exercise of Compensation Securities by a director or NEO during the year ended December 31, 2021. *No Compensation Securities were exercised by directors or a NEO during the year ended December 31, 2021.*



Exercise of Compensation Securities by Directors and NEOs							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Clive Massey CEO and Director	N/A	Nil	Nil	N/A	N/A	N/A	Nil
Alexander Helmel CFO	N/A	Nil	Nil	N/A	N/A	N/A	Nil
James Hyland, Director	N/A	Nil	Nil	N/A	N/A	N/A	Nil
Wesley Pomeroy <sup>(1)</sup> Director	N/A	Nil	Nil	N/A	N/A	N/A	Nil
Wesley C. Hanson Director	N/A	Nil	Nil	N/A	N/A	N/A	Nil
Brandon Rook Director	N/A	Nil	Nil	N/A	N/A	N/A	Nil
Ian Harris Director	N/A	Nil	Nil	N/A	N/A	N/A	Nil

(1) Mr. Pomeroy resigned as a director on June 15, 2021.

### Stock Option Plans and Other Incentive Plans

Other than the Company's current stock option plan (the "**Option Plan**"), the Company has no equity compensation plans other than the Stock Option Plan.

The Option Plan is used to attract, retain, and incentivize qualified and experienced personnel. The Option Plan is an important part of the Company's long-term incentive strategy for its NEO's, as well as for its other directors, officers, other management, employees, and consultants (collectively, "eligible persons"), permitting them to participate in any appreciation of the market value of the Company's common shares over a stated period of time. The Option Plan is designed to foster a proprietary interest in stock ownership, and to reinforce a commitment to the Company's long-term growth, performance, and success as well as increasing shareholder value.

The Option Plan is administered by the Board, which shall, without limitation, have full and final authority in its discretion, but subject to the express provisions of the Option Plan, to interpret the Option Plan, to prescribe, amend and rescind rules and regulations relating to it and to make all other determinations deemed necessary or advisable for the administration of the Option Plan, subject to any necessary shareholder or regulatory approval. The Board may delegate any or all of its authority with respect to the administration of the Option Plan. The Board shall determine to whom Options shall be granted, the terms and provisions of the respective option agreements, the time or times at which such Options shall be granted and vested, and the number of Common Shares to be subject to each Option.

The material terms of the Option Plan are qualified in their entirety by the full text of the Option Plan. Under the Option Plan, Options will be exercisable over periods of up to 10 years as determined by the Board. The exercise price of any Option may not be less than the greater of the closing market price of the Common Shares on: (i) the trading day prior to the date of grant of the Option; and (ii) the grant date of the Option, less any applicable discount allowed by the TSX Venture Exchange (the "**TSXV**") or any other stock exchange on which the Common Shares are listed for trading.

The maximum number of Common Shares which may be issued pursuant to Options granted under the Option Plan is 10% of the issued and outstanding Common Shares at the time of the grant, provided that the Common Shares are listed on the TSXV or any other stock exchange at the time of grant. In addition, the number of shares which may be issuable under the Option Plan and all of the Company's other previously established or proposed share compensation arrangements, within a one-year period:

to any one Optionee may not exceed (without the requisite disinterested shareholder approval) 5% of the issued Common Shares on a non-diluted basis;

to insiders as a group shall not exceed 10% of the total number of issued and outstanding Common Shares, on a non-diluted basis, at the time of the grant.

### **Pension Plan Benefits**

The Company does not have any pension arrangements in place for the NEO's.

### **NEO Termination and Change of Control Benefits**

There are no provisions in any contract, agreement, plan, or arrangement, that provides for payments to a NEO at, following or in connection with any termination (whether voluntary, involuntary, or constructive), resignation, retirement, a change of control in the Company or a change in the NEO's responsibilities, other than as follows:

- Mr. Alexander Helmel receives consulting fees for his services on a month-to-month basis as CFO of the Company and does not have a management services agreement in place.
- Mr. Clive Massey receives consulting fees for his services on a month-to-month basis as President and CEO of the Company and does not have a management services agreement in place.

### **AUDIT COMMITTEE DISCLOSURE**

The Charter of the Company's audit committee and other information required to be disclosed by National Instrument 52-110 Audit Committees is attached to this Circular as Schedule "A".

### **CORPORATE GOVERNANCE DISCLOSURE**

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

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

The following table sets forth information with respect to all compensation plans under which equity securities are authorized for issuance as of **December 31, 2021**.

#### **Equity Compensation Plan Information**

<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>
	(a)	(b)	(c)
<b>Equity compensation plans approved by securityholders</b>	5,359,167	\$0.11	859,745
<b>Equity compensation plans not approved by securityholders</b>	Nil	N/A	Nil
<b>TOTAL</b>	5,359,167	\$0.11	859,745 <sup>(1)</sup>

*The foregoing information is presented as of December 31, 2021*

- (1) *Represents securities remaining for future issuance pursuant to the 2016 Rolling Stock Option Plan of the Company which reserves 10% of the issued and outstanding common shares on a "rolling" basis.*

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

As at the date hereof, other than indebtedness that has been entirely repaid on or before the date of this Circular or "routine indebtedness" (as defined in Form 51-102F5 of NI 51-102), and except as otherwise disclosed herein, none of (i) the individuals who are, or at any time since the beginning of the last financial year were, a director or executive officer of the Company, (ii) the proposed nominees for election as director, or (iii) any associate of the foregoing, is or at any time during the most recently completed financial year has been indebted to the Company or a subsidiary thereof or is a person whose indebtedness to another entity is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or subsidiary thereof.

### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

For purposes of the following discussion, "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 a 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 the voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company 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 herein or in the Notes to the Company's financial statements for the financial year ended December 31, 2021, none of:

- (a) the Informed Persons of the Company;
- (b) the proposed nominees for election as a Director of the Company; 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 last financial year of the Company or in a proposed transaction which has materially affected or would materially affect the Company or any subsidiary of the Company.

### **MANAGEMENT CONTRACTS**

Management functions of the Company and any subsidiary thereof are not, to any substantial degree, performed other than by directors or executive officers of the Company or any subsidiary thereof.

### **FINANCIAL STATEMENTS AND COPIES OF MEETING MATERIALS**

The audited financial statements of the Company as at and for the period ended December 31, 2021 (the "Financial Statements"), together with the Auditor's Report thereon, will be presented to Shareholders at the Meeting. The Financial Statements, together with the Auditor's Report thereon and the Company's Management Discussion and Analysis, are being mailed only to those Shareholders who are on the supplemental mailing list maintained by the Company's registrar and transfer agent. Copies of the Financial Statements, together with the Auditor's Report thereon and the Company's Management Discussion and Analysis, Notice of Meeting, Circular and Proxy will be available on the SEDAR website at [www.sedar.com](http://www.sedar.com) and at the Company's office at #830 – 1100 Melville Street, Vancouver, BC Canada V6E 4A6.

### **ELECTION OF DIRECTORS**

The persons named in the accompanying form of proxy intend to vote in favour of fixing the number of Directors at five (5). Although Management is nominating five (5) individuals to stand for election, the names of further nominees for Directors may come from the floor at the Meeting.

Each Director of the Company is elected annually and holds office until the next Annual General Meeting of Shareholders or until his successor is duly elected, unless his office is earlier vacated in accordance with the Articles of the Company.

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.

**Information Concerning Nominees Submitted By Management**

The following table sets out required information regarding the persons nominated by Management for election as a Director. The nominees are all currently Directors of the Company. No proposed director is to be elected under any arrangement or understanding between the proposed director and any other person or company, except the directors and executive officers of the Company acting solely in such capacity.

Name, Province and Country of ordinary residence <sup>(1)</sup> , and positions held with the Company <sup>(2)</sup>	Principal occupation and, IF NOT an elected Director, principal occupation during the past five years <sup>(1)</sup>	Date(s) serving as a Director	No. of shares beneficially owned or controlled <sup>(1)</sup>
<b>Clive Massey</b> British Columbia, Canada  Director, President & CEO	Business Executive.  Director of Atomic Minerals Corp. and Silver Valley Metals Corp.	September 29, 2016 to present	Nil
<b>Brandon Rook</b> British Columbia, Canada  Director (Independent)	President, CEO and a director of Silver Valley Metals Corp., and a director of Nexco Resources and Cliffmont Resources. Mr. Rook has had an extensive career in the mining industry with over 25 years' experience working as an exploration geologist, an executive in the roles of President, CEO, director, and advisory roles for multiple TSX-V listed companies. Mr. Rook holds a Bachelor of Science (B.Sc.) degree in geology and a Bachelor of Arts (B.A.) degree in economics and sociology.	March 1, 2021 to present	150,000
<b>Ian Harris</b> Florida, USA  Director & Audit Committee Member, (Independent)	Mr. Harris is a mining engineer with over 20 years' experience in advancing and managing mining projects worldwide including over 10 years working and living in South America. Previously, he served as Chief Executive Officer of AMAK Mining and Para Resources. Mr. Harris was also Senior Vice President and Country Manager of Corriente Resources through feasibility, initial engineering, and commencement of construction at the Mirador mine in Ecuador. Currently Mr. Harris is a director of Emperor Metals Inc., StrikePoint Gold Inc. and Pezm Gold. In addition, he serves in the capacity as President, CEO and director of Libero Copper & Gold Corporation	June 15, 2021 to present	700,000
<b>James Hyland</b> British Columbia, Canada  Director & Audit Committee Member, (Independent)	President of Tribeca Capital Partners, a private business consulting firm and serves as director or consultant of various public companies. Director of Atomic Minerals Corp., and Xplore Resources Corp.	November 20, 2017 to present	1,050,000
<b>Wesley C. Hanson</b> Ontario, Canada  Director & Audit Committee Member, (Independent)	COO and technical advisor for Unigold Inc. since March 2013. Director of Goldseek Resources Inc. since February 2020. President, CEO and director of Xplore Resources Corp. Mr. Hanson is a Professional Geologist and received a Bachelor of Science degree in Geology from Mount Allison University in 1982.	May 1, 2019 to present	Nil

<sup>(1)</sup> The information as to ordinary residence, principal occupation, and number of common shares of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised, not being within the knowledge of the Company, has been furnished by the respective nominees.

<sup>(2)</sup> All of the Nominees were elected at the Company's last Annual General Meeting.

The Company does not currently have an Executive Committee of its Board of Directors. The Audit Committee is currently comprised of Messrs. Harris, Hyland, and Hanson.

**Cease Trade Orders, Corporate and Personal Bankruptcies, Penalties and Sanctions**

For purposes of the disclosure in this section, an "order" means a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect

for a period of more than 30 consecutive days; and for purposes of item (a)(i) below, specifically includes a management cease trade order which applies to the directors or executive officers of the relevant company that was in effect for a period of more than 30 consecutive days.

None of the proposed nominees for director, including any personal holding company of a proposed nominee for director:

- (a) is, as at the date of this Circular, or has been, within the 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:
  - (i) was subject to an order that was issued while the proposed director was acting in the capacity as a director, chief executive officer or chief financial officer of the company; or
  - (ii) 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 a director, chief executive officer or chief financial officer of the company; or
- (b) is, as at the date of this Circular, or has been, within the 10 years before the date of this Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets;
- (c) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director;
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority since December 31, 2000, or before December 31, 2000 if the disclosure of which would likely be important to a reasonable securityholder in deciding whether to vote for a proposed director, or
- (e) has been subject to 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.

#### **APPOINTMENT AND REMUNERATION OF AUDITORS**

Management recommends the appointment of **Dale, Matheson Carr-Hilton LaBonte LLP (“DMCL”)**, of 1500 - 1140 W. Pender Street, Vancouver, BC V6E 4G1, as the Auditor of the Company to hold office until the next Annual General Meeting of the Shareholders at remuneration to be fixed by the Board of Directors. DMCL were initially appointed as auditor of the Company on February 28, 2018. The persons named in the accompanying form of proxy intend to vote in favour of such re-appointment.

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

##### **1. Approval and Ratification of 2016 Stock Option Plan**

At the Meeting, the Company will propose the approval of the Company’s 2016 Stock Option Plan (the "2016 Plan"), which reserves for issue pursuant to stock options granted under the 2016 Plan, a maximum number of common shares equal to 10% of the number of issued and outstanding common shares from time to time. Accordingly, Shareholders will be asked to pass an ordinary resolution to approve and ratify the Company's 2016 Plan to accommodate the Exchange's policies governing stock option plans. The details of the 2016 Plan are set forth below.

- the 2016 Plan reserves, for issue pursuant to stock options, a maximum number of common shares equal to 10% of the outstanding common shares of the Company from time to time, with no mandatory vesting provisions except in the case of Consultants (as defined by the Exchange) performing Investor Relations Activities (as defined by the

Exchange), in which case the options must vest in stages over a period of at least twelve months with not more than one quarter of the options vesting any three month period;

- the number of common shares reserved for issue to any one person in any 12-month period under the 2016 Plan may not exceed 5% of the outstanding common shares at the time of grant without Disinterested Shareholder Approval (as defined in Policy 4.4 of the Exchange);
- the number of common shares reserved for issue to any one Consultant (as defined by the Exchange) in any 12-month period under the 2016 Plan may not exceed 2% of the outstanding common shares at the time of grant;
- the aggregate number of common shares reserved for issue to any persons conducting Investor Relations Activities in any 12-month period under the 2016 Plan may not exceed 2% of the outstanding common shares at the time of grant;
- the number of common shares issued to any one person within a 12-month period on the exercise of stock options may not exceed 5% of the outstanding common shares at the time of exercise without Disinterested Shareholder Approval;
- the exercise price per common share for a stock option may not be less than the Discounted Market Price (as calculated pursuant to the policies of the Exchange);
- stock options may have a term not exceeding ten years;
- there is no longer any requirement that stock options terminate within specified periods of the optionee ceasing to be a director, officer, employee, or consultant of the Company except that all options must expire within a reasonable time period following the date the optionee ceases to be director, officer, employee or consultant of the Company;
- stock options are non-assignable and non-transferable; and
- the 2016 Plan contains provisions for adjustment in the number of common shares or other property issuable on exercise of stock options in the event of a share consolidation, split, reclassification or other relevant change in the common shares, or an amalgamation, merger or other relevant change in the Company's corporate structure, or any other relevant change in the Company's capitalization.

The text of the ordinary resolution shareholders will be asked to approve is as follows:

**"BE IT RESOLVED THAT** the Company's 2016 Plan be and is hereby ratified and approved, and that in connection therewith a maximum of 10% of the issued and outstanding common shares at the time of each grant be approved for granting as options and that the board of directors be and are hereby authorized, without further shareholder approval, to make such changes to the 2016 Plan as may be required or approved by regulatory authorities."

Management recommends, and the persons named in the enclosed form of proxy intend to vote in favour of the approval of the 2016 Plan.

Pursuant to the Board's authority to govern the implementation and administration of the 2016 Plan, all previously granted and outstanding stock options shall be governed by the provisions of the 2016 Plan.

As of the date of this circular, management knows of no other matters to be acted upon at this Annual General & Special 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 Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Copies of the Company's Financial Statements and Management Discussion and Analysis may be obtained without charge upon request from the

Company at Suite 830 – 1100 Melville Street, Vancouver, BC, and such documents will be sent by mail or electronically by email as may be specified at the time of the request.

**DIRECTOR APPROVAL**

The contents of this Circular and the sending thereof to the Shareholders of the Company have been approved by the Board of Directors.

DATED at Vancouver, British Columbia, this 22<sup>nd</sup> day of September 2022.

*"Clive Massey"*

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Clive Massey  
President and CEO

## SCHEDULE "A"

### FORM 52-110F2 AUDIT COMMITTEE DISCLOSURE

#### **Item 1: The Audit Committee Charter**

##### ***Purpose***

The overall purpose of the Audit Committee (the "Committee") of Universal Copper Ltd. (the "Company") is to ensure that the Company'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 Company, and to review the Company'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 Board that through the involvement of the Committee, the external audit will be conducted independently of the Company's Management to ensure that the independent auditors serve the interests of Shareholders rather than the interests of Management of the Company. The Committee will act as a liaison to provide better communication between the Board and the external auditors. The Committee will monitor the independence and performance of the Company's independent auditors.

##### ***Composition, Procedures and Organization***

1. The Committee shall consist of at least three members of the Board of Directors (the "Board").
2. At least two (2) members of the Committee shall be independent, and the Committee shall endeavour to appoint a majority of independent directors to the Committee, who in the opinion of the Board, would be free from a relationship which would interfere with the exercise of the Committee members' independent judgment. At least one (1) member of the Committee shall have accounting or related financial management expertise. All members of the 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 Company. 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 Company'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 Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
4. Unless the Board shall have appointed a chair of the Committee, the members of the 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 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 Committee shall have access to such officers and employees of the Company and to the Company's external auditors, and to such information respecting the Company, as it considers to be necessary or advisable in order to perform its duties and responsibilities.
7. Meetings of the Committee shall be conducted as follows:
  - (a) the Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;
  - (b) the external auditors shall receive notice of and have the right to attend all meetings of the 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 Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may directly contact



any employee in the Company as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

***Roles and Responsibilities***

1. The overall duties and responsibilities of the Committee shall be as follows:
  - (a) to assist the Board in the discharge of its responsibilities relating to the Company's accounting principles, reporting practices and internal controls and its approval of the Company's annual and quarterly financial statements and related financial disclosure;
  - (b) to establish and maintain a direct line of communication with the Company's internal and external auditors and assess their performance;
  - (c) to ensure that the management of the Company 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 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 Company, 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:
    - (i) contents of their report;
    - (ii) scope and quality of the audit work performed;
    - (iii) adequacy of the Company's financial and auditing personnel;
    - (iv) co-operation received from the Company's personnel during the audit;
    - (v) internal resources used;
    - (vi) significant transactions outside of the normal business of the Company;
    - (vii) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
    - (viii) 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 Company's accounting principles; and
  - (f) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management.

3. The duties and responsibilities of the Committee as they relate to the internal control procedures of the Company are to:
  - (a) review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, 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 Company's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the 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 Company; and
  - (d) periodically review the Company'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 Committee is also charged with the responsibility to:
  - (a) review the Company'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:
    - (i) the annual report to Shareholders;
    - (ii) the annual information form, if required;
    - (iii) annual and interim MD&A;
    - (iv) prospectuses;
    - (v) news releases discussing financial results of the Company; and
    - (vi) 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 Company's financial statements;
  - (d) review the appropriateness of the policies and procedures used in the preparation of the Company's 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 Company's financial statements;
  - (f) review the minutes of any audit committee meeting of subsidiary companies, if any;
  - (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 Company and the manner in which such matters have been disclosed in the Company's financial statements;
  - (h) review the Company'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 Committee for each ensuing year and to submit the calendar in the appropriate format to the Board of Directors following each annual general meeting of shareholders.
5. The 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 Committee; and
  - (c) to communicate directly with the internal and external auditors.

#### **Item 2: Composition Of The Audit Committee**

The current members of the Committee are Messrs. Wesley C. Hanson, James Hyland, and Ian Harris. A member of the audit committee is considered financially literate if the member 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 Company. A member of the audit committee is considered independent if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the view of the Company's board of the directors, reasonably interfere with the exercise of a member's independent judgment.

All of the current members are considered financially literate. In the Board's view, all the current member(s), of the Committee, namely Mr. James Hyland, Mr. Ian Harris, and Mr. Wesley C. Hanson, are considered to be independent,

#### **Item 3: Relevant Education And Experience**

Certain members of the Audit Committee have acted as directors or officers of various public companies which has provided them with the experience relevant to their performance of their responsibilities as Audit Committee members. All members have an understanding of the accounting principles used by the Issuer to prepare its financial statements and have an understanding of its internal controls and procedures for financial reporting.

All of the members of the Company's audit committee are financially literate as that term is defined in the Instrument.

All members have an understanding of the accounting principles used by the Company to prepare its financial statements and have an understanding of its internal controls and procedures for financial reporting.

Mr. Wesley C. Hanson was appointed to the Company's Board of Directors on May 1, 2019 and in addition accepted his appointment as a member of the Company's audit committee member concurrently with his appointment as a director. Mr. Hanson has served on the audit committees of various private and public companies.

James Hyland was appointed to the Company's Board of Directors and Audit Committee on November 20, 2017. In addition to the Company's audit committee, Mr. Hyland sits on the audit committee of one other public company.

Mr. Ian Harris was appointed to the Company's Board of Directors on June 15, 2021 and in addition accepted his appointment as a member of the Company's audit committee member concurrently with his appointment as a director. Mr. Harris has sat on the boards of various private and public reporting issuers in the past and currently is a member of the Board of Directors of various reporting issuers.

#### **Item 4: Audit Committee Oversight**

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Committee to nominate or compensate an external auditor (currently, DMCL, Chartered Accountants) not adopted by the Board.

**Item 5: Reliance On Certain Exemptions**

During the most recently completed financial year, the Company has not relied on the exemptions contained in sections 2.4 or 8 of the Instrument. 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 all the non-audit services not pre-approved is reasonably expected to be no more than 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided, the Company did not recognize the services as non-audit services at the time of engagement, and the services are promptly brought to the attention of the audit committee and approved prior to the completion of the audit by the audit committee. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of the Instrument, 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 the Instrument, the engagement of non-audit services is considered by, as applicable, the Board and the Audit Committee, on a case-by-case basis.

**Item 7: External Auditor Service Fees (By Category)**

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

	<b>FYE 2021 (\$)</b>	<b>FYE 2020 (\$)</b>
Audit fees for the year ended	25,305	21,762
Audit related fees	Nil	Nil
Tax fees	4,200	1,260
All other fees (non-tax)	Nil	Nil
Total Fees:	29,505	23,022

**Item 8: Exemption**

In respect of the most recently completed financial year, the Company is relying on the exemption set out in section 6.1 of the Instrument with respect to compliance with the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of the Instrument.

**SCHEDULE "B"**  
**FORM 58-101F2**  
**CORPORATE GOVERNANCE DISCLOSURE**  
**(VENTURE ISSUERS)**

Pursuant to National Instrument 58-101 Disclosure of Corporate Governance Practices the Company is required to and hereby discloses its corporate governance practices as follows.

**Item 1: Board Of Directors**

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

- Mr. Ian Harris is considered "independent".
- Mr. James Hyland is considered "independent".
- Mr. Wesley C. Hanson is considered "independent".
- Mr. Clive Massey is the Chief Executive Officer, President, and a Director of the Company and is therefore not considered "independent".
- Mr. Brandon Rook is considered "independent".

A director is considered to be independent if he has no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Company's board of directors, be reasonably expected to interfere with the exercise of a member's independent judgment.

**Item 2: Directorships**

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

Name of Director	Name of Reporting Issuer
James Hyland	Atomic Minerals Corp. Xplore Resources Corp.
Clive Massey	Atomic Minerals Corp. Silver Valley Metals Corp. Kiplin Metals Inc.
Ian Harris	Libero Copper and Gold Corporation. Emperor Metals Inc. StrikePoint Gold Inc. Gladiator Metals Corp. (formerly Cairo Resources Inc.) PEZM Gold Inc.
Wesley C. Hanson	Xplore Resources Corp. Satori Resources Inc. Goldseek Resources Inc. Thunder Gold Corp. (formerly White Metal Resources Corp.)
Brandon Rook	Silver Valley Metals Corp. Nexco Resources Inc. Cliffmont Resources Ltd.

### **Item 3. Orientation And Continuing Education**

The Board of Directors of the Company does not currently have formal procedures or a program for the orientation of new board members, or for the continuing education of board members. Inquiries are handled by the Board on a case-by-case basis with outside consultation, if required.

### **Item 4: Ethical Business Conduct**

The Board has found that the fiduciary duties placed on individual directors by the Company'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 Company.

Under the corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company 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 Company or an affiliate of the Company, (ii) is for indemnity or insurance for the benefit of the director in connection with the Company, or (iii) is with an affiliate of the Company. 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 Company at the time it was entered into, the contract or transaction is not invalid, and the director is not accountable to the Company 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 Company 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 Board of Directors 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.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required, shown support for the Company's mission and strategic objectives, and a willingness to serve.

### **Item 6: Compensation**

The Board of Directors intends to conduct a review with regard to directors' compensation and thereafter review such compensation once a year. To make its recommendation on directors' compensation, the Board of Directors will take 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 Audit Committee.

### **Item 8: Assessments**

The Board of Directors 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.

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