

CARCETTI CAPITAL CORP.

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

TAKE NOTICE that the annual general meeting (the “**Meeting**”) of the shareholders of Carcetti Capital Corp. (the “**Company**”) will be held at Suite 1200, 750 West Pender Street, Vancouver, BC on September 29, 2023 at 10:00 a.m. (Vancouver time) for the following purposes:

1. to receive the annual financial statements of the Company for its fiscal year ended December 31, 2022, together with the report of the auditor thereon;
2. to fix the number of directors of the Company at three;
3. to elect directors of the Company for the ensuing year;
4. to re-appoint Davidson & Company, LLP as the auditor of the Company for the ensuing year and to authorize the directors to fix the remuneration of the auditor;
5. to approve the continuation of the Company’s stock option plan; and
6. to transact any other business which may properly come before the Meeting, or any adjournment or postponement thereof.

Accompanying this Notice is a management information circular (“**Information Circular**”), a form of proxy (the “**Proxy**”) or voting instruction form, and a request card for use by shareholders who wish to receive the Company’s interim and/or annual financial statements. The Information Circular provides additional information relating to the matters to be considered at the Meeting and forms part of this Notice.

The Board of Directors has fixed the close of business on August 25, 2023 as the record date for determining the shareholders who are entitled to receive notice of, and to vote at, the Meeting or any adjournment thereof. A shareholder entitled to vote at the Meeting is entitled to appoint a proxyholder to attend and vote in his/her stead. If you are unable to attend the Meeting, or any adjournment thereof, in person, please date, execute, and return the enclosed Proxy in accordance with the instructions set out in the notes to the Proxy and any accompanying information from your intermediary.

DATED at Vancouver, British Columbia, this 25th day of August, 2023.

ON BEHALF OF THE BOARD OF DIRECTORS

By: “Glenn Kumoi”
Glenn Kumoi, Chief Executive Officer

These securityholder materials are being sent to both registered and non-registered owners of the securities. 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. 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.

CARCETTI CAPITAL CORP.

MANAGEMENT INFORMATION CIRCULAR AS AT AUGUST 25, 2023

This management information circular (“Information Circular”) is furnished in connection with the solicitation of proxies by management of Carcetti Capital Corp. (the “Company”) for use at the annual general meeting (the “Meeting”) of the shareholders of the Company (“Shareholders”) to be held on September 29, 2023 and any adjournment or postponement thereof, for the purposes set forth in the attached Notice of Annual General Meeting. Except where otherwise indicated, the information contained herein is stated as of August 25, 2023.

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

GENERAL PROXY INFORMATION

Solicitation of Proxies

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

Appointment and Revocation of Proxies

The individuals named in the accompanying form of proxy (the “Proxy”) are officers of the Company or solicitors for the Company. **If you are a Registered Shareholder, you have the right to attend the Meeting, or vote by proxy and to appoint a person or company other than the person designated in the Proxy, who need not be a Shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of Proxy.**

If you are a Registered Shareholder you may wish to vote by proxy whether or not you are able to attend the Meeting in person. Registered Shareholders electing to submit a proxy may do so by completing, dating and signing the enclosed Proxy and returning it to the Company’s transfer agent, Odyssey Trust Company (“Odyssey”), in accordance with the instructions on the Proxy. Alternatively, Registered Shareholders may vote their shares via the internet or by telephone as per the instructions provided on the Proxy.

In all cases you should ensure that the Proxy is received at least two business days before the Meeting or the adjournment or postponement thereof at which the Proxy is to be used.

Every Proxy may be revoked by an instrument in writing:

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

or in any other manner provided by law.

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

Exercise of Discretion by Proxyholder

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

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

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

Voting by Non-Registered Shareholders

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

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

If you have consented to disclosure of your ownership information, you will receive a request for voting instructions from the Company (through Odyssey). If you have declined to disclose your ownership information, you may receive a request for voting instructions from your Intermediary if they have assumed the cost of delivering the Information Circular and associated Meeting materials. Every Intermediary has its own mailing procedures and provides its own return instructions to clients. However, most Intermediaries now delegate responsibility for obtaining voting instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in the United States and in Canada.

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

The voting instruction form sent by Odyssey or Broadridge will name the same persons as the Company’s proxy to represent you at the Meeting. **Although as a Non-Registered Shareholder you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your Intermediary, you, or a person designated by you (who need not be a Shareholder), may attend at the Meeting as Proxyholder for your Intermediary and vote your**

Common Shares in that capacity. To exercise this right to attend the Meeting or appoint a Proxyholder of your own choosing, you should insert your own name or the name of the desired representative in the blank space provided in the voting instruction form. Alternatively, you may provide other written instructions requesting that you or your desired representative attend the Meeting as Proxyholder for your Intermediary. The completed voting instruction form or other written instructions must then be returned in accordance with the instructions on the form.

If you receive a voting instruction form from Odyssey or Broadridge, you cannot use it to vote Common Shares directly at the Meeting. The voting instruction form must be completed as described above and returned in accordance with its instructions well in advance of the Meeting in order to have the Common Shares voted.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No person has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting other than the election of directors, the appointment of auditors or approval of the Company's stock option plan. For the purpose of this paragraph, "person" shall include each person: (a) who has been a director, senior officer or insider of the Company at any time since the commencement of the Company's last fiscal year; (b) who is a proposed nominee for election as a director of the Company; or (c) who is an associate or affiliate of a person as defined in (a) or (b).

RECORD DATE AND QUORUM

The board of directors (the "**Board**") of the Company has fixed the record date for the Meeting as the close of business on August 25, 2023 (the "**Record Date**"). Shareholders of record as at the Record Date are entitled to receive notice of the Meeting and to vote their Common Shares at the Meeting, except to the extent that any such Shareholder transfers any Common Shares after the Record Date and the transferee of those Common Shares establishes that the transferee owns the Common Shares and demands, not less than ten (10) days before the Meeting, that the transferee's name be included in the list of Shareholders entitled to vote at the Meeting, in which case, only such transferee shall be entitled to vote such Common Shares at the Meeting.

Pursuant to the Company's by-laws, the quorum for the transaction of business at a meeting of Shareholders is two persons present and holding or representing by proxy at least 25% of the shares entitled to vote at the meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

On the Record Date there were 5,214,050 Common Shares issued and outstanding, with each Common Share carrying the right to one vote. Only Shareholders of record at the close of business on the Record Date will be entitled to vote at the Meeting or any adjournment or postponement thereof.

To the knowledge of the directors and executive officers of the Company, as of the date of this Information Circular, the Shareholders who beneficially own, or exercise control or direction, directly or indirectly, Common Shares carrying 10% or more of the votes attached to Common Shares are:

Name	Number of Common Shares Owned, or Controlled or Directed, Directly or Indirectly ⁽¹⁾	Approximate Percentage of Total Outstanding Common Shares
GPO Holdings Corp.	675,000	12.95%
Universal Solutions Inc. ⁽²⁾	625,000	11.99%

Note:

- (1) The above information was derived from the shareholder list maintained by the Company's registrar and transfer agent, or from insider and beneficial ownership reports available at www.sedi.com.
- (2) Universal Solutions Inc. is a private company wholly-owned by Richard Silas.

PARTICULARS OF MATTERS TO BE ACTED UPON

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

Presentation of Financial Statements

The annual consolidated financial statements of the Company for the financial year ended December 31, 2022, together with the auditors' reports thereon, will be placed before the Meeting. The Company's financial statements are available on the System for Electronic Document Analysis and Retrieval (SEDAR) website at www.sedarplus.ca.

Election of Directors

The Company proposes to fix the number of directors of the Company at three and to nominate the persons listed below for election as directors. Each director will hold office until the next annual general meeting of the Company or until his successor is elected or appointed, unless his office is earlier vacated. Management does not contemplate that any of the nominees will be unable to serve as a director. If, prior to the Meeting, any vacancies occur in the slate of nominees herein listed, it is intended that discretionary authority shall be exercised by the person named in the Proxy as nominee to vote the Common Shares represented by Proxy for the election of any other person or persons as directors.

Majority Voting Requirement

Effective August 31, 2022, the *Canada Business Corporations Act* (the "CBCA") was amended to require majority voting for uncontested director elections. This amendment to the CBCA requires that any nominee for director who receives a greater number of votes "against" than votes "for" his or her election will not be elected as a director. However, if an incumbent director is not elected by a majority of "for" votes at the Meeting, he or she will still be permitted to remain as a director until the earlier of: (a) the 90th day after the day of the election; or (b) the day on which their successor is appointed or elected. This amendment applies only to uncontested elections, which are elections in which the number of nominees for director is equal to the number of positions available on the Board of Directors.

The following table sets out the names of the director nominees; their positions and offices in the Company; principal occupations; the period of time that they have been directors of the Company; and the number of Common Shares that each beneficially owns or over which control or direction is exercised.

Name, Residence and Present Position within the Company	Director Since	Number of Shares Beneficially Owned, Directly or Indirectly ⁽¹⁾	Principal Occupation ⁽¹⁾
Glenn Kumoi ⁽²⁾⁽³⁾ <i>CEO, CFO and Director</i> British Columbia, Canada	May 30, 2023	100,000	President, Chief Executive Officer and Chief Financial Officer and Board member of Carcetti Capital Corp. from June 2023 to present; President, Chief Executive Officer and Board member of JM Resources Corp. from October 2022 to present; Glenn Kumoi, Barrister & Solicitor, April 2021 to present; Vice President, General Counsel and Corporate Secretary of Gold Standard Ventures Corp. from June 2017 to March 2021; Board member, Chair of the Compensation and Governance Committee and Chair of the Audit Committee of Barksdale Resources Corp. October 2017 to December 2020.

Name, Residence and Present Position within the Company	Director Since	Number of Shares Beneficially Owned, Directly or Indirectly ⁽¹⁾	Principal Occupation ⁽¹⁾
Richard Silas ⁽²⁾⁽³⁾ <i>Director</i> British Columbia, Canada	May 30, 2023	625,000	Director, Vice-President, Corporate Development and Corporate Secretary, Guanajuato Silver Company Ltd., May 2021 to present; Director and Corporate Secretary, Northern Lion Gold Corp. (TSXV), September 2019 to present; Principal of Universal Solutions Inc., private company providing management and administration services to TSX Venture Exchange issuers, 1997 to present; Corporate Secretary, Barksdale Resources Corp. (TSXV) August 2016 to February 2021 (previously President and director of Barksdale from June 2015 to April 2019.
Kenneth Taylor ⁽²⁾⁽³⁾ <i>Director</i> British Columbia, Canada	April 19, 2023	Nil	Director of Lending of IFinance Canada Inc. from February 2004 to January of 2023.

- (1) The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the knowledge of management of the Company and has been furnished by the respective nominees. Unless otherwise stated above, any nominees named above have held the principal occupation or employment indicated for at least the five preceding years.
- (2) Member of the Audit Committee of the Company.
- (3) Member of the Compensation, Nominating and Governance Committee of the Company.

Other than as disclosed herein, to the knowledge of the Company, no proposed director of the Company is, or has been, within the 10 years prior to the date of this Information Circular, a director or executive officer of any company that:

- (a) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days, that was issued while that person was acting in that capacity;
- (b) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days, that was issued after the proposed director ceased to act in that capacity, and which resulted from an event that occurred while that person was acting in that capacity; 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.

Richard Silas is the Chief Executive Officer and a director of Sanibel Ventures Corp., a capital pool company that was suspended from trading by the TSX Venture Exchange (the “TSXV”) on July 30, 2020 for failure to complete a qualifying transaction within 24 months of its listing. Mr. Silas is also a former director of Spirit Bear Capital Corp., a capital pool company that was suspended from trading by the TSXV on May 15, 2014 for failure to complete a qualifying transaction within 24 months of its listing.

Other than as disclosed herein, no proposed director of the Company is, or has been, within the 10 years prior to the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Glenn Kumoi was an officer of Rubicon Minerals Corporation (“RMC”) when a restructuring transaction was commenced under the Companies’ Creditors Arrangement Act (“CCAA”) on October 20, 2016. RMC emerged from the CCAA

proceedings on December 20, 2016 after a successful implementation of the restructuring transaction.

No proposed director of the Company 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; or 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 of Auditor

At the Meeting, Shareholders will be asked to approve the appointment of the auditor of the Company. Management is recommending that Shareholders vote to appoint Davidson & Company LLP as the Company's auditor until the next annual meeting of the Shareholders, and to authorize the directors to fix the remuneration of the auditor.

Approval of Stock Option Plan

At the Meeting, Shareholders will be asked to approve the continuation of the Company's 2022 Stock Option Plan (the "**Stock Option Plan**"). The purpose of the Stock Option Plan is to provide an incentive to directors, employees and consultants of the Company or its subsidiary to acquire a proprietary interest in the Company, to continue their participation in the affairs of the Company and to increase their efforts on behalf of the Company. The Stock Option Plan was amended in order to facilitate compliance with recent amendments to TSX Venture Exchange (the "**Exchange**") Corporate Finance Policy 4.4 – *Security Based Compensation*.

The following summary of the material terms of the Stock Option Plan does not purport to be complete and is qualified in its entirety by reference to the Stock Option Plan. Shareholders may obtain a copy of the Stock Option Plan from the Company prior to the Meeting on written request.

Eligible Participants. Options may be granted under the Stock Option Plan to directors and senior officers of the Company or its subsidiaries, management company employees (collectively, the "**Directors**"), employees of the Company or its subsidiaries (collectively, the "**Employees**") or consultants of the Company or its subsidiaries (collectively, the "**Consultants**"). The Board, in its discretion, determines which of the Directors, Employees or Consultants will be awarded Options under the Stock Option Plan.

Number of Shares Reserved. The number of Common Shares which may be issued pursuant to options granted under the Stock Option Plan may not exceed 10% of the issued and outstanding Common Shares at the date of granting of Options. Options that are exercised, cancelled or expire prior to exercise continue to be issuable under the Stock Option Plan.

Limitations. Under the Stock Option Plan, the aggregate number of options granted to any one person (including companies wholly-owned by that person) in a 12-month period must not exceed 5% of the issued and outstanding Common Shares of the Company when combined with security based compensation grants to such person under any other security based compensation plan of the Company, calculated on the date the Option is granted. The aggregate number of Options granted to any one Consultant in a 12-month period must not exceed 2% of the issued and outstanding Common Shares of the Company when combined with security based compensation grants to such Consultant under any other security based compensation plan of the Company, calculated at the date the option is granted. The aggregate number of Options granted to all persons retained to provide investor relations services to the Company (including Consultants and Employees or Directors whose role and duties primarily consist of providing investor relations services) must not exceed 2% of the issued and outstanding Common Shares of the Company in any 12 month period, calculated at the date an Option is granted to any such person. Disinterested shareholder approval will be required for any grant of options which will result in the number of options granted to Insiders (as defined in the *Securities Act* (British Columbia)) as a group at any point in time or within a 12 month period exceeding 10% of the issued and outstanding Common Shares of the Company when combined with security based compensation grants to Insiders under any other security based compensation plan of the Company.

Exercise Price. The exercise price of Options granted under the Stock Option Plan is determined by the Board, provided that it is not less than the discounted market price, as that term is defined in the Exchange's Corporate Finance policy manual or such other minimum price as is permitted by the Exchange in accordance with the policies in effect at the time of the grant, or, if the Common Shares are no longer listed on the Exchange, then such other exchange or quotation system on which the Common Shares are listed or quoted for trading. The exercise price of Options granted to Insiders may not be decreased

without disinterested Shareholder approval at the time of the proposed amendment.

Term of Options. Subject to the termination and change of control provisions noted below, the term of any options granted under the Stock Option Plan is determined by the Board and may not exceed ten (10) years from the date of grant. Disinterested Shareholder approval will be required for any extension to stock options granted to individuals that are Insiders at the time of the proposed amendment.

Vesting. All Options granted pursuant to the Stock Option Plan will be subject to such vesting requirements as may be prescribed by the Exchange, if applicable, or as may be imposed by the Board. Options issued to persons retained to provide investor relations activities must vest in stages over 12 months with no more than one-quarter of the options vesting in any three-month period.

Dividend entitlement. The Stock Option Plan does not include any dividend entitlement to participants. If participants were entitled to receive options in lieu of dividends declared by the Company, and if the Company did not have sufficient unallocated options available to satisfy the obligation, then the Company may settle those entitlements with cash.

Termination. Any Options granted pursuant to the Stock Option Plan will terminate upon the earliest of:

- (a) the end of the term of the option;
- (b) on the date the holder ceases to be eligible to hold the option (the “**Cessation Date**”), if the Cessation Date is as a result of dismissal for cause;
- (c) one year from the date of death or disability, if the Cessation Date is as a result of death or disability;
- (d) 90 days from the Cessation Date, if the Cessation Date is as a result of a reason other than death, disability or cause; or
- (e) on such other date as fixed by the Board, provided that the date is no more than one year from the Cessation Date, if the Cessation Date is as a result of a reason other than death, disability or cause.

Adjustments. Any adjustment to Options granted or issued (except in relation to a consolidation or share split) will be subject to the prior acceptance of the Exchange.

Disinterested Shareholder approval will be sought in respect of any material amendment to the Stock Option Plan.

At the Meeting, Shareholders will be asked to approve, with or without variation, the following ordinary resolution:

“**BE IT RESOLVED** that:

1. the Company’s 2022 Stock Option Plan (the “**Plan**”) is hereby continued, confirmed and approved, and that in connection therewith a maximum of 10% of the Company’s issued and outstanding common shares at the time of each grant be approved for granting as options;
2. the Board of Directors of the Company be authorized in its absolute discretion to administer the Plan, and amend or modify the Plan in accordance with its terms and conditions and with the policies of the TSX Venture Exchange; and
3. any one or more director(s) or officer(s) of the Company be authorized and directed to do all acts and things and to execute and deliver all documents required, as in the opinion of such director or officer may be necessary or appropriate in order to give effect to this resolution.”

Shareholders may request a copy of the Stock Option Plan by mail to #1200 – 750 West Pender Street, Vancouver, BC, V6C 2T8 until the business day immediately preceding the date of the Meeting. Shareholders may obtain copies of the Stock Option Plan from the Company prior to the Meeting on written request.

OTHER BUSINESS

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

STATEMENT OF EXECUTIVE COMPENSATION

For the purposes set out below, a “**Named Executive Officer**” or “**NEO**” means each of the following individuals:

- (a) the chief executive officer of the Company (“**CEO**”) or each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;
- (b) the chief financial officer of the Company (“**CFO**”) or each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year, as determined in accordance with subsection 1.3(5) of Form 51-102F6V; and
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year.

As at the end of the Company’s most recently completed financial year ended December 31, 2022, the Company had two NEOs, whose names and positions held within the Company are set out in the summary compensation table below.

Director and Named Executive Officer Compensation

The following table is a summary of compensation (excluding 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 for services provided and for services to be provided, directly or indirectly, to the Company or a subsidiary of the Company, for each of the Company’s two most recently completed financial years ended December 31.

Table of compensation excluding compensation securities							
Name and position	Year Ended December 31	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Patrick McGrath ⁽²⁾ <i>Former CEO and Director</i>	2022	138,330	60,000	Nil	Nil	Nil	198,330
	2021	137,046	12,000	Nil	Nil	Nil	149,046
Eugene Chaban ⁽³⁾ <i>Former CFO and Director</i>	2022	98,285	110,900	Nil	Nil	Nil	209,185
	2021	109,405	Nil	Nil	Nil	Nil	109,405
Tim Marchant ⁽⁴⁾ <i>Former Chairman and Director</i>	2022	46,110	Nil	Nil	Nil	Nil	46,110
	2021	30,897	Nil	Nil	Nil	Nil	30,897
J. Frank Mermoud ⁽⁵⁾ <i>Former Director</i>	2022	38,425	Nil	Nil	Nil	Nil	38,425
	2021	43,225	Nil	Nil	Nil	Nil	43,225
Sergey Panchuk ⁽⁶⁾ <i>Former COO</i>	2022	90,632	80,000	Nil	Nil	Nil	170,632
	2021	148,211	Nil	Nil	Nil	Nil	148,211

Notes:

- (1) The Company's financial statements are presented in United States dollars ("US\$"). Where amounts were paid in Canadian dollars or Ukrainian hryvnia, they have been converted to US\$ for this table. Effective July 1, 2021, the Directors' compensation was an annual fee of CAD\$50,000 and CAD\$60,000 fee for the chairman.
- (2) Mr. McGrath served as CFO from 2013 to February 2, 2021, and served as CEO from February 2, 2021 to May 30, 2023. He is paid by the Company pursuant to a consulting agreement effective October 1, 2018. Mr. McGrath was appointed as a Director on April 21, 2020 and resigned on May 30, 2023. He received no compensation for his services as a Director. Mr. McGrath is paid in Canadian dollars and converted to US\$ for this table.
- (3) Mr. Chaban served as CFO on February 2, 2021 to May 30, 2023. Mr. Chaban was appointed as a Director of the Company on March 23, 2021 and resigned on May 30, 2023. He received no compensation for his services as a Director. Mr. Chaban is paid in Ukrainian hryvnia and US\$ and converted to US\$ for this table.
- (4) Mr. Marchant was appointed as a Director and Chairman of the Board of Directors, effective May 18, 2021. Mr. Marchant resigned on February 28, 2023.
- (5) Mr. Mermoud was appointed as a Director on July 5, 2012 and resigned on April 19, 2023.
- (6) Mr. Panchuk is paid in Ukrainian hryvnia and converted to US\$ for this table.

Stock Options and Other Compensation Securities

No compensation securities were granted or issued to each director and NEO by the Company or its subsidiaries in the Company's most recently completed financial year ended December 31, 2022 for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

No compensation securities were exercised by a director or NEO during the Company's most recently completed financial year ended December 31, 2022.

Stock Option Plans and Other Incentive Plans

See "Approval of Stock Option Plan" above for the material terms of the Company's Stock Option Plan. The Stock Option Plan will be placed before the Meeting for shareholder approval.

Employment, Consulting and Management Agreements

Other than disclosed herein, the Company does not have any agreement or arrangement under which compensation was provided during the Company's most recently completed financial year ended December 31, 2022 or is payable in respect of services provided to the Company or any of its subsidiaries that were performed by a director or NEO, or performed by any other party but are services typically provided by a director or a NEO.

Pursuant to his consulting agreement, Mr. McGrath was paid a monthly fee of CAD\$13,400 and an additional fee of CAD\$150/hour for every hour over 90 hours in a calendar month. The monthly fee was increased to CAD\$15,000 on July 1, 2021 in conjunction with the appointment as Chief Executive Officer. The Company may terminate the consulting agreement at any time, with or without cause, by providing him with a minimum of 90 days' notice.

Oversight and Description of Director and Named Executive Officer Compensation

Compensation Discussion and Analysis

During the year ended December 31, 2022, the Company's Compensation, Nominating and Governance Committee (the "**Compensation, Nominating and Governance Committee**") comprised of two directors, Frank Mermoud (Chair) and Timothy Marchant.

One of the mandates of the Compensation, Nominating and Governance Committee is to assist the Board in the review and approval of compensation matters. The Compensation, Nominating and Governance Committee makes specific recommendations regarding compensation of the Company's directors and the CEO and CFO ("**Executive Officers**").

Objectives of the Compensation Program

The Company's compensation program has been designed to attract, retain and inspire highly qualified and motivated individuals, and to provide fair and competitive compensation in accordance with industry standards and with the individual's expertise and experience.

Overview of the Compensation Philosophy

The following principles guide the Company's overall compensation philosophy with respect to its Executive Officers:

- (a) compensation is determined on an individual basis by the need to attract and retain talented, high-achievers;
- (b) calculating total compensation is set with reference to the market for similar jobs in similar locations;
- (c) an appropriate portion of total compensation is variable and linked to achievements, both individual and corporate;
- (d) internal equity is maintained such that individuals in similar jobs and locations are treated fairly; and
- (e) the Company supports reasonable expenses in order that employees continuously maintain and enhance their skills.

The Board is given discretion to determine and adjust, year to year, the relative weighting of each form of compensation discussed above in a manner which best measures the success of the Company and its Executive Officers.

Compensation of all Executive Officers is based primarily on corporate performance, which includes achievement of the Company's strategic objective of growth and the enhancement of Shareholder value.

The Compensation Review Process

The form and amount of compensation payable to Executive Officers and directors is evaluated by the Compensation, Nominating and Governance Committee and is guided by the following goals:

- (a) compensation should be commensurate with the time spent by the executive officers and directors in meeting their obligations and reflective of the compensation paid by companies similar in size and business to the Company;
- (b) the Company's compensation program should fairly compensate and motivate the executive officers and directors; and
- (c) the structure of the compensation should be simple, transparent and easy for Shareholders to understand.

To determine compensation payable, the Compensation, Nominating and Governance Committee reviews compensation paid to executive officers and directors of companies of similar business, size and stage of development and determines an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the executive officers and directors while taking into account the financial and other resources of the Company.

Base Salary

Salaries form the primary component of the Company's compensation program for its Executive Officers. Salary levels are determined with reference to market comparables for similar positions, as well as the performance of the executive, the individual experience and skills of, and expected contribution from, each executive, the roles and responsibilities of the executive and the financial resources of the Company.

Bonus Plan

For the year ended December 31, 2022, the Compensation, Nominating and Governance Committee agreed to award bonuses at the discretion of the Committee and the Board. A bonus plan was established in 2021 to incentivize and retain key executives and tied to the successful divestiture of the Company's assets in Ukraine.

Stock Option Plan

The Company has in effect a Stock Option Plan in order to provide effective incentives to directors, officers, senior management personnel, employees and consultants of the Company and to enable the Company 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 Company's Shareholders. The Company currently has no equity compensation plans other than the Stock Option Plan (discussed above). The Stock Option Plan is an important part of the Company'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 Company and the degree to which such executive officer's long-term contribution to the Company will be key to its long-term success. Previous grants of stock options are taken into account when considering new grants.

Other Compensation Matters

Other than as specifically set forth above, the Company, at present, does not propose to pay any other long-term incentive awards to its executive officers. The Company at present does not propose to establish any supplemental executive retirement plans, pension plans or disability benefits for the directors or the executive officers.

Director Compensation

During the year ended December 31, 2022, the Board was comprised of four directors. Effective July 1, 2021, the Directors' compensation was set to an annual retainer of CAD\$50,000 for independent directors and CAD\$60,000 fee for the chairman. From time to time, the Board, in its discretion, may also compensate directors with fees for their services on Board projects or special Committees of the Board. Board members are also eligible to participate in the Stock Option Plan and any other long-term compensation plans adopted by the Company from time to time. The Company will reimburse directors for all reasonable expenses incurred in order to attend meetings.

The Company maintained a director and officer liability insurance policy pursuant to which directors and officers are insured for liabilities which may arise from the conduct of their activities on behalf of the Company. The Company is considering renewing this policy in 2023.

Pension Plan Benefits

The Company does not have in place any pension plans that provide for payments or benefits at, following, or in connection with retirement.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information as of the end of the Company's most recently completed financial year ended December 31, 2022 with respect to compensation plans under which equity securities of the Company are authorized for issuance.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuances under equity compensation plan (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders (Stock Option Plan)	12,333	\$24.00	92,405
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Total	12,333	-	92,405

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Since the beginning of the Company's most recently completed financial year, none of the directors, executive officers, employees, proposed nominees for election as directors or their associates, or any former executive officers, directors and employees of the Company or any of its subsidiaries, have been indebted to the Company or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Since the beginning of the Company's most recently completed financial year, no informed person of the Company (a director, officer or holder of 10% or more of the Common Shares) or nominee for election as a director of the Company, or any associate or affiliate of any informed person or proposed director has had any interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

MANAGEMENT CONTRACTS

Management functions of the Company or any of its subsidiaries are not to any substantial degree performed by anyone other than the directors or executive officers of the Company or subsidiary.

STATEMENT OF CORPORATE GOVERNANCE

Corporate Governance

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

Board of Directors

The composition of the Board currently consists of three members: Glenn Kumoi, Richard Silas, and Kenneth Taylor. It is proposed that all three individuals be nominated for election at the Meeting.

Of the proposed nominees, one director, Glenn Kumoi, CEO and CFO of the Company, is not considered to be independent for purposes of membership on the Board. For this purpose, a director is 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 Board, be reasonably expected to interfere with the exercise of the director’s independent judgment.

Other Directorships

The following table sets forth the directors of the Company who are directors of other reporting issuers as of the date hereof:

<i>Name</i>	<i>Name of other reporting issuer</i>
Glenn Kumoi	None
Richard Silas	Guanajuato Silver Company Ltd. LDB Capital Corp Northern Lion Gold Corp. Sanibel Ventures Corp.
Kenneth Taylor	None

Orientation and Continuing Education

The Board has established the Compensation, Nominating and Governance Committee. The Compensation, Nominating and Governance Committee, with the assistance of the management of the Company, is responsible for providing orientation to new directors. Director orientation and ongoing training includes presentations by senior management to familiarize directors with the Company’s strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its principal officers and its independent auditors.

Ethical Business Conduct

In 2013, the Company implemented a Code of Business Conduct and Ethics Policy, as well as a Business Integrity Policy, including anti-retaliation provisions for whistleblowers. These policies provide guidance on the conduct of the Company’s business in accordance with high ethical standards and help mitigate the risks posed by exposure to foreign corrupt practices. Directors, officers, employees and consultants are asked annually to certify their review of, and compliance with, the policies. Also, these policies are posted on the Company’s website (in both English and Ukrainian languages). Currently, the management and staff of the Company have extensive experience with global operations and are aware of the requirements of the foreign corrupt practices regulations and how to operate within those regulations in laws in the jurisdictions relevant to the operations of the Company.

Additionally, the skill and knowledge of Board members and advice from counsel ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Directors and officers are required to disclose dealings in any of the geographic areas in which the Company operates. They are also subject to the general obligation under corporate law to disclose and not vote on any material contract or transaction with the Company in which the director or officer has an interest.

Nomination of Directors

When a Board vacancy occurs or is contemplated, any director or officer may make recommendations to the Compensation, Nominating and Governance Committee as to qualified individuals for nomination to the Board.

In identifying new candidates, the Compensation, Nominating and Governance Committee will take into account the mix of director qualifications and experiences, perspectives and skills appropriate for the Company at that time.

Compensation

The Compensation, Nominating and Governance Committee receives recommendations from the management of the Company and reviews and makes recommendations to the Board regarding directors' fees and the granting of stock options or RSUs to directors of the Company. Directors may be compensated in cash and/or equity for their expert advice and contribution towards the success of the Company. For further discussion on the director compensation review process.

Board Committees

The Board has no committees other than the Audit Committee and the Compensation, Nominating and Governance Committee.

Assessments

The Compensation, Nominating and Governance Committee is responsible for evaluating the effectiveness of the Board, committees of the Board and individual directors based on their individual competencies, skills, personal qualities and contributions made to the Board. The Compensation, Nominating and Governance Committee, with the participation of senior management of the Company, may recommend changes to enhance Board performance in light of the Company's circumstances, business strategies and applicable regulatory requirements.

AUDIT COMMITTEE

National Instrument 52-110 of the Canadian Securities Administrators ("NI 52-110") requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth in the following.

Audit Committee Disclosure

Pursuant to Section 171(1) of the *Canada Business Corporations Act* and NI 52-110, the Company is required to have an audit committee (the "**Audit Committee**") comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company. NI 52-110 requires the Company, as a venture issuer, to disclose annually in its information circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor.

The primary function of the Audit Committee is to assist the Board in fulfilling its financial oversight responsibilities by: (a) reviewing the financial reports and other financial information provided by the Company to regulatory authorities and Shareholders; (b) reviewing the systems for internal corporate controls which have been established by the Board and management; and (c) overseeing the Company's financial reporting processes generally. In meeting these responsibilities, the Audit Committee monitors the financial reporting process and internal control system; reviews and appraises the work of external auditors and provides an avenue of communication between the external auditors, senior management and the Board. The Audit Committee is also mandated to review and approve all material related party transactions.

The Audit Committee's Charter

The Company has adopted a Charter of the Audit Committee of the Board of Directors, a copy of which is attached as Schedule "A".

Composition of the Audit Committee

The Audit Committee is comprised of the following members: Glenn Kumoi, Richard Silas, and Kenneth Taylor. Mr. Kumoi, is an executive officer of the Company and is therefore not independent. Each member of the Audit Committee is considered to be financially literate as defined by NI 52-110 in that he 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 presumably be expected to be raised by the Company's financial statements. The members of the Audit Committee are elected by the Board at its first meeting following the annual Shareholders' meeting.

Relevant Education and Experience

Glenn Kumoi – Glenn Kumoi has been an officer of various public companies over the past 25 years, including MDSI Mobile Data Solutions, Ballard Power Systems, Battle North Gold, Gold Standard Ventures and Carcetti Capital Corp. He was a Board member and Chair of the Audit Committee of Barksdale Resources Corp. He has a part time practice as a Barrister and Solicitor and he obtained the 1CD.D designation in 2021.

Richard Silas - Mr. Silas has over 25 years of experience administrating junior resources companies. Mr. Silas has been a Director of Guanajuato Silver Company Ltd. (“GSilver” since October of 2019 and now also serves as VP of Corporate Development and Corporate Secretary. He has served as either corporate secretary or director for several public companies in Canada. Mr. Silas was President of Gold Standard Ventures Corp (“**Gold Standard**”) from April 2009 to August 2009, Corporate Secretary of Gold Standard from August 2009 to May 2017 and Director of Gold Standard from April 2009 to September 2017. He was President of Barksdale Resources Corp. (“**Barksdale**”), an Exchange listed company, from August 2016 to December 2017, was a Director of Barksdale from June 2015 to April 2019 and Corporate Secretary for Barksdale from August 2016 to January 2021. Mr. Silas was also Director and President of Lithoquest Diamonds Inc. (formerly Consolidated Westview Corp.) (“**Lithoquest**”) from March 2013 to November 2017. MR Silas is currently Director and VP of Corporate Development of Guanajuato Silver Company Ltd. Since December 1995, Mr. Silas has been President of Universal Solutions Inc. (“**Universal Solutions**”), a private management company.

Kenneth Taylor – Ken Taylor is currently the Chief Financial Officer of Burrell Resources Inc. and was formerly Director of Lending of IFinance Canada Inc. from February 2004 to January of 2023.

Audit Committee Oversight

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

Reliance on Certain Exemptions

Since the commencement of the Company’s most recently completed financial year, the Company has not relied on the exemptions contained in section 2.4 (De Minimis Non-Audit Services), subsection 6.1.1(4) (Circumstance Affecting the Business or Operations of the Venture Issuer), subsection 6.1.1(5) (Events Outside Control of Member), subsection 6.1.1(6) (Death, Incapacity or Resignation), or an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemption) of NI 52-110.

Pre-Approval Policies and Procedures

The Company’s Audit Committee charter requires Audit Committee pre-approval of all non-audit mandates for services the external auditors undertake for the Company or its subsidiaries.

External Auditor Service Fees

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

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

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
December 31, 2022	\$46,219.50	Nil	Nil	Nil
December 31, 2021	\$73,459.95	Nil	Nil	Nil

Exemption

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

DISCLOSURE RELATING TO DIVERSITY

For all annual meetings held on or after January 1, 2020, distributing corporations created under the CBCA must report on the representation of four designated groups on their board of directors and senior management teams, which includes the president, CEO, CFO, VPs in charge of a principal business unit and anyone who performs policymaking functions within the Company. The Designated Groups under the *Employment Equity Act of Canada* are women, indigenous peoples, persons with disabilities and members of visible minorities.

The diversity information disclosed in this document reflects the Company's situation as of the date of this Information Circular.

The Company currently has three Board members, none of whom is a woman (0 - 0%), indigenous person (0 - 0%) or a person with disabilities (0 - 0%). The Board has one member of a visible minority (1 – 33.33%). The Company currently has one executive officer (who is also a Board member), that is a member of a visible minority. Due to the size, resources, nature of business and difficulty in attracting directors and senior officers, the Company has not adopted term limits for directors, has not adopted a written policy relating to the identification and nomination of directors and officers that are women, indigenous peoples, persons with disabilities or members of visible minorities, and has not considered the level of representation of the designated groups in its executive officer positions or on its Board in previous nominations or appointments (including a targeted number or percentage). The Board of Directors seeks directors who represent a mix of backgrounds and business experiences that will enhance the quality of the Board's deliberations and decisions. The Board of Directors considers, among other factors, diversity with respect to viewpoint, skills, experience, character, and behavior qualities in its evaluation of candidates for Board membership.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on the SEDAR website at www.sedarplus.ca. Financial information is provided in the Company's comparative annual financial statements and management's discussion and analysis for its most recently completed financial year ended December 31, 2022, and available online at www.sedarplus.ca. Shareholders may request copies by mail to 205 5th Avenue SW, Suite 3300, Calgary, Alberta, T2P 2V7.

DIRECTORS' APPROVAL

The contents and the sending of the Notice of Meeting and this Information Circular have been approved by the Board.

ON BEHALF OF THE BOARD OF DIRECTORS

"Glenn Kumoi"

Glenn Kumoi
Chief Executive Officer

Schedule “A”

Charter of the Audit Committee

Name

There shall be a Committee of the Board of directors (the “**Board**”) of Carcetti Capital Corp. (the “**Company**”) known as the audit Committee (the “**Audit Committee**”).

General Purpose

The Audit Committee has been established to assist the Board in fulfilling its oversight responsibilities with respect to the following areas: (i) the Company’s external audit function; (ii) internal control and management information systems; (iii) the Company’s accounting and financial reporting requirements; (iv) the Company’s compliance with law and regulatory requirements; (v) the Company’s risks and risk management policies; and (vi) such other functions as are delegated to it by the Board. Specifically, with respect to the Company’s external audit function, the Audit Committee assists the Board in fulfilling its oversight responsibilities relating to: (i) the quality and integrity of the Company’s financial statements; (ii) the independent auditors’ qualifications; and (iii) the performance of the Company’s independent auditors.

The Audit Committee is intended to facilitate and provide a means of open communication between management, the external auditors and the Board.

Composition and Qualifications

The Audit Committee shall consist of as many members as the Board shall determine, but in any event not fewer than three members who are appointed by the Board. The composition of the Audit Committee shall meet all applicable regulatory requirements. More specifically, a majority of members of the Audit Committee shall be non-management as required by the rules of the TSX Venture Exchange.

Members of the Audit Committee may not receive any compensation from the Company other than director and Committee fees or fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service (provided such compensation is not contingent in any way on continued service).

The Board shall designate the chair (the “**Chair**”) of the Audit Committee and in so doing shall consider the recommendation of the Compensation, Nominating and Governance Committee of the Company (the “**Compensation and Nominating Committee**”). The Chair shall have responsibility for overseeing that the Audit Committee fulfills its mandate and duties effectively.

Each member of the Audit Committee shall continue to be a member until a successor is appointed, unless the member resigns, is removed or ceases to be a director. The Board, following consideration of the recommendation of the Compensation and Nominating Committee, may fill a vacancy which occurs in the Audit Committee at any time.

Meetings

The Chair of the Audit Committee, in consultation with the Audit Committee members, shall determine the schedule and frequency of the Audit Committee meetings provided that the Audit Committee will meet at least four times in each fiscal year and at least once in every fiscal quarter. The Audit Committee shall have the authority to convene additional meetings as circumstances require. An agenda for each meeting will be disseminated to Audit Committee members as far in advance of each meeting as is practicable. The quorum for a meeting of the Audit Committee shall be two-fifths of its members, provided that one of those present is the Chair of the Audit Committee.

The Audit Committee shall meet separately and periodically with management, counsel and the external auditors. The Audit Committee shall meet separately with the external auditors at every meeting of the Audit Committee at which external auditors are present.

Responsibilities

The Audit Committee is mandated to carry out the following responsibilities:

1. External Auditors

- a. Subject to applicable law, the Audit Committee shall be responsible for recommending to the Board the appointment, compensation and termination of the external auditor. The external auditor shall report directly to the Audit Committee and shall be accountable to the Board and Audit Committee as representatives of the Shareholders of the Company.
- b. The Audit Committee shall be directly responsible for overseeing the work of the external auditor, including overseeing the resolution of any disagreements between the external auditor and management regarding financial reporting.
- c. The Audit Committee shall pre-approve all non-audit mandates for services the external auditor shall undertake for the Company or its subsidiaries.
- d. The Audit Committee shall satisfy itself, on behalf of the Board, that the external auditor is independent of management. In assessing such independence, the Audit Committee shall discuss with the external auditors, and may require a letter from the external auditor outlining, any relationships between the external auditors and the Company or its affiliates.
- e. The Audit Committee shall review the terms of the external auditors' engagement, the audit plan of the external auditors, the integration of the external audit with the internal control program, and the results of the audit, which shall include reviewing the external auditor's letter to management and management's response thereto and other material written communications between management and the external auditors.
- f. The Audit Committee shall satisfy itself, annually or more frequently as the Audit Committee considers appropriate, as to the external auditors' internal quality control procedures and any material issues raised by the most recent internal quality control review or peer review of the external auditor or by any public enquiry, review, or investigation by governmental, professional or other regulatory authorities.
- g. The Audit Committee shall periodically review and discuss with management and the external auditors the quality and acceptability of the Company's accounting policies and practices, the materiality levels which the external auditors propose to employ, any significant changes in accounting policies and any proposed changes in accounting or financial reporting that may have a significant impact on the Company.
- h. The Audit Committee shall discuss with management and the external auditors all alternative treatments of financial information within international financial reporting standards that have been discussed with management by the external auditors, the ramifications of these alternative treatments and the treatment preferred by the external auditors.
- i. The Audit Committee shall review and approve the Company's policies for hiring partners, employees and former partners and employees of the external auditor or former external auditor.

2. Financial Information

- a. The Audit Committee shall discuss with management and the external auditors whether the audited annual financial statements present fairly (in accordance with international financial reporting standards) in all material respects the financial condition, results of operations and cash flows of the Company as of and for the periods presented and, where appropriate, recommend for approval to the Board the annual audited financial statements of the Company.
- b. The Audit Committee shall discuss with management and the external auditors whether the unaudited quarterly financial statements present fairly (in accordance with international financial reporting standards) in all material respects the financial condition, results of operations and cash flows of the Company as of and for the periods presented and, where appropriate, recommend for approval to the Board the unaudited quarterly financial statements of the Company.
- c. The Audit Committee shall review the Company's Annual Report to Shareholders and other financial information (including the Company's financial statements, annual and quarterly Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A"), Annual Information Form, annual and interim earnings press releases and any prospectus or offering circular) prepared by the Company before the Company discloses such information with management and, where appropriate, recommend for approval to the Board and recommend for filing with regulatory bodies.
- d. The Audit Committee shall review any news releases and reports to be issued by the Company containing earnings guidance or financial information for research, analysts and rating agencies. The Audit Committee shall also review the Company's policies relating to financial disclosure and the release of earnings guidance and the Company's compliance with financial disclosure rules and regulations.
- e. The Audit Committee shall discuss with management and the external auditors important trends and developments in financial reporting practices and requirements and their effect(s) on the Company's financial statements.

3. Internal Controls and Disclosure Controls

- a. The Audit Committee shall oversee the adequacy and effectiveness of the Company's disclosure control and internal control systems through discussions with the Company's external auditors and management and shall report to the Board with respect to such matters on an annual basis.
- b. The Audit Committee must be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements (other than the Company's MD&A and annual and interim earnings press releases) and must periodically assess the adequacy of those procedures.
- c. The Audit Committee shall review annually the Company's code of business conduct and its effectiveness and enforcement.

4. Risk Management

- a. The Audit Committee shall review with management the principal risks facing the Company and the policies, processes and procedures for management's monitoring and managing of such risks or exposures. If necessary, the Audit Committee will mandate, monitor and evaluate the steps management has taken to monitor and manage such exposures, including insuring against such risks, where appropriate.

5. Compliance with Legal and Regulatory Requirements

- a. The Audit Committee shall review with management, and any internal or external counsel as the Audit Committee considers appropriate, any legal matters (including the status of pending litigation) that may have a material impact on the Company and any material reports or inquiries from regulatory or governmental agencies.
- b. The Audit Committee shall review with counsel the adequacy and effectiveness of the Company's procedures to ensure compliance with the legal and regulatory responsibilities.
- c. The Audit Committee shall establish and review annually procedures for:
 - the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls, disclosure controls or auditing matters; and
 - the confidential, anonymous submission of concerns by employees of the Company regarding questionable accounting or auditing matters.

6. Hiring Policies

- a. The Audit Committee shall review and approve of the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor.

7. Other

- a. The Audit Committee shall also perform such other activities related to this charter as requested by the Board.
- b. The Audit Committee shall review and assess the adequacy of this charter annually and shall submit any proposed changes to the Board for approval.
- c. The Audit Committee may delegate its authority and duties to subCommittees or individual members of the Committee as it deems appropriate.

Reporting

The Audit Committee shall report its deliberations and discussions regularly to the Board and shall submit to the Board the minutes of its meetings.

Resources

The Audit Committee shall have the authority, in its sole discretion, to retain independent legal, accounting and other consultants to advise the Audit Committee and set and pay their compensation at the expense of the Company. The Audit Committee shall be provided with the necessary funding to compensate the external auditors and any other advisors they engage.

The Audit Committee may directly communicate with the external auditors and any officer or employee of the Company and may request any officer or employee of the Company or the Company's external counsel or external auditors to attend a meeting of the Audit Committee or to meet with any member of, or consultants to, the Audit Committee. The Audit Committee shall have full access to all of the Company's books, records, facilities and personnel.

Limitation on the Oversight Role of the Audit Committee

Nothing in this charter is intended, or may be construed, to impose on any member of the Audit Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all members of the Board are subject.

Each member of the Audit Committee shall be entitled, to the fullest extent permitted by law, to rely on the integrity of those persons and organizations within and outside the Company from whom he or she receives financial and other information and the accuracy of the information provided to the Company by such persons or organizations.

While the Audit Committee has the responsibilities and powers set forth in this charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and in accordance with international financial reporting standards and applicable rules and regulations. These are the responsibility of management and the external auditors.