



**MANAGEMENT INFORMATION CIRCULAR**

**FOR THE  
ANNUAL GENERAL AND SPECIAL MEETING OF  
THE SHAREHOLDERS**

**to be held on June 15, 2023**  
at 9:30 a.m. (Pacific Time)

**Dated May 1, 2023**



## NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE is hereby given that an annual general and special meeting (the “**Meeting**”) of the shareholders (the “**Shareholders**”) of Apollo Silver Corp. (the “**Company**”) will be held at Suite 710 - 1030 West Georgia Street, Vancouver, British Columbia, V6E 2Y3, on Thursday, June 15, 2023, at 9:30 a.m. (Pacific Time) for the following purposes:

1. to receive the annual audited consolidated financial statements of the Company for the financial years ended November 30, 2022 and 2021, together with the report of the auditors thereon and the related management’s discussion and analysis;
2. to set the number of directors at five (5) for the ensuing year;
3. to elect five (5) directors for the ensuing year;
4. to re-appoint Davidson & Company LLP as auditors for the ensuing year and to authorize the directors to fix their remuneration;
5. to consider, and if deemed advisable, to pass, with or without variation, an ordinary resolution approving the Company’s amended and restated share option plan, as more particularly described in the accompanying management information circular of the Company dated May 1, 2023 (the “**Circular**”); and
6. to transact any other business as may properly be brought before the Meeting.

The board of directors of the Company has fixed the close of business on Monday, May 1, 2023, as the record date, being the date for the determination of the registered holders of common shares in the capital of the Company (the “**Common Shares**”) entitled to receive notice of, and to vote at, the Meeting and any adjournment or postponement thereof.

If you are a registered shareholder of the Company and are unable to attend the Meeting, please read the accompanying Circular and to vote on the matters before the Meeting by proxy, by completing and signing the enclosed form of proxy and returning it in the postage-paid envelope provided for that purpose. **To be valid, proxies must be received at the office of the Company’s transfer agent, Endeavor Trust Corporation by fax (604) 559-8908, or by mail to Suite 702, 777 Hornby Street, Vancouver, British Columbia, Canada, V6Z 1S4, or by email to [proxy@endeavortrust.com](mailto:proxy@endeavortrust.com) no later than June 13, 2023 at 9:30 a.m. (Pacific Time), or 48 hours (excluding Saturdays, Sundays and statutory holidays) before any adjournment or postponement thereof, at which the form of proxy is to be used.**

As set out in the notes to the Circular, the enclosed form of proxy is solicited by management of the Company, but you may amend it, if you so desire, by striking out the names listed on it and inserting in the space provided the name of the person you wish to have represented you at the Meeting.

**Beneficial shareholders (i.e., shareholders who do not hold Common Shares in their own name)** should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders (i.e., those shareholders whose names appear on the records of the Company as the registered holders of Common Shares) as of the record date. You should carefully follow the instructions of your broker or intermediary in order to ensure that your Common Shares are voted at the Meeting.

For further details, please see the headings entitled “*Part 1 - General Proxy Information*” in the accompanying Circular.

### **Notice-and-Access**

The Company is utilizing the notice-and-access mechanism (the “**Notice-and-Access Provisions**”) under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* and National Instrument 51-102 – *Continuous Disclosure Obligations*, for distribution of proxy-related materials to registered and beneficial Shareholders.

The Notice-and-Access Provisions are a set of rules that allow reporting issuers to post electronic versions of proxy-related materials (including management information circulars), financial statements of the Company and related management discussion and analysis (“**MD&A**”) via the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) and one other website, rather than mailing paper copies of such materials to their shareholders.

Electronic copies of this notice of annual general and special meeting, the Circular, the audited financial statements of the Company for the financial year ended November 30, 2022, together with the report of the auditors thereon, and the related MD&A, may be found on the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com) and the Company’s website at [www.apollosilver.com](http://www.apollosilver.com) as of May 16, 2023. Shareholders may request a paper copy of the Circular and the above noted documents be sent to them by contacting the Company as set out under the heading entitled “*Part 1 - General Proxy Information – Notice-and-Access*” in the accompanying Circular.

The Company will not use the procedure known as “stratification” in relation to the use of Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of the Circular to certain Shareholders with the notice package.

For further details, please see the heading entitled “*Part 1 – Voting – Notice-and-Access*” in the accompanying Circular.

### **SHAREHOLDERS ARE REMINDED TO REVIEW THE CIRCULAR BEFORE VOTING.**

**DATED** at Vancouver, Canada as of the 1<sup>st</sup> day of May, 2023.

### **BY ORDER OF THE BOARD OF DIRECTORS OF APOLLO SILVER CORP.**

*“Thomas Peregoodoff”*

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**Thomas Peregoodoff**

President and CEO

*“Rona Sellers”*

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**Rona Sellers**

Corporate Secretary

## INFORMATION CIRCULAR

as at May 1, 2023

(except as otherwise indicated)

This management information circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by the management of Apollo Silver Corp. (the “**Company**”) for use at the annual general and special meeting (the “**Meeting**”) of its shareholders to be held on June 15, 2023, at the time and place and for the purposes set forth in the accompanying notice of the Meeting (the “**Notice of Meeting**”).

In this Circular, references to: (i) “**Company**”, “**we**” and “**our**” refer to Apollo Silver Corp; (ii) “**Common Shares**” means common shares without par value in the capital of the Company; (iii) “**Beneficial Shareholders**” means shareholders who do not hold Common Shares in their own name; and (iv) “**intermediaries**” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders. Unless otherwise indicated, all dollar amounts referenced herein are expressed in Canadian dollars.

### PART 1 - GENERAL PROXY INFORMATION

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#### 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 for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

#### Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the “**Proxy**”) are directors and/or officers of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder of the Company, 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.**

#### Voting by Proxyholder

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:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

**In respect of a matter identified in the Notice of Meeting 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.**

## **REGISTERED SHAREHOLDERS**

A shareholder (a “**Registered Shareholder**”) whose name appears on the certificate(s) representing the Common Shares as of the Record Date is entitled to notice of, and to vote, at the Meeting. Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person.

Registered Shareholders may choose one of the following options to submit their Proxy:

- (a) Complete, date and sign the Proxy and return it to the Company’s transfer agent, Endeavor Trust Corporation (“**Endeavor**”), by fax (604) 559-8908, or by mail to Suite 702, 777 Hornby Street, Vancouver, British Columbia Canada V6Z 1S4, or by email to [proxy@endeavortrust.com](mailto:proxy@endeavortrust.com).
- (b) Use the internet through the website of the Company’s transfer agent at [www.eproxy.ca](http://www.eproxy.ca). Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed Proxy for the holder’s account number and the control number.

In all cases the Registered Shareholder must ensure the Proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting, or the adjournment or postponement thereof, at which the Proxy is to be used.

## **BENEFICIAL SHAREHOLDERS**

**The following information is of significant importance to shareholders who do not hold Common Shares in their own name.** Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders (being, those shareholders whose names appear on the records of the Company as the registered holders of Common Shares) as of the record date or as set out in the following disclosure.

Beneficial Shareholders fall into two (2) categories – those who object to their identity being known to the issuers of securities which they own (“**Objecting Beneficial Owners**”, or “**OBOs**”) and those who do not object to their identity being made known to the issuers of the securities they own (“**Non-Objecting Beneficial Owners**”, or “**NOBOs**”). Subject to the provisions of NI 54-101 (as defined below), issuers may request and obtain a list of their NOBOs from intermediaries via their transfer agents and use this NOBO list for distribution of “proxy-related materials” (as such term is defined in NI 54-101) directly to NOBOs.

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

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

You should carefully follow the instructions of your broker or intermediary in order to ensure that your Common Shares are voted at the Meeting.

The form of proxy supplied to you by your broker will be similar to the Proxy provided to Registered Shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in Canada and in the United States. Broadridge mails a voting instruction form (a “**VIF**”) in lieu of a Proxy provided by the Company. The VIF will name the same persons as the Company’s Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a shareholder of the Company), other than any of the persons designated in the VIF to represent your Common Shares at the Meeting and that person may be you. To exercise this right, insert the name of the desired representative (which may be you), in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge’s instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting voting of Common Shares to be represented at the Meeting. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with Broadridge’s instructions, well in advance of the Meeting in order to have the Common Shares voted at the Meeting, or to have an alternate representative duly appointed to attend the Meeting and vote your Common Shares.**

#### **Notice to United States Shareholders**

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada and the securities laws of the provinces of Canada. The proxy solicitation rules under the *United States Securities Exchange Act of 1934*, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

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

#### **Revocation of Proxies**

In addition to revocation in any other manner permitted by law, a Registered Shareholder who has given a proxy may revoke it by:

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder’s authorized attorney in writing, or, if the shareholder is a corporation, under

its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Endeavor, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned or postponed, the last business day that precedes any reconvening thereof, or to the chairperson of the Meeting on the day of the Meeting or any reconvening thereof; or

- (b) personally attending the Meeting and voting the Registered Shareholder's Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

### **Notice-and-Access**

The Company is utilizing the notice-and-access mechanism (the “**Notice-and-Access Provisions**”) under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) and National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”), for distribution of proxy-related materials to Registered Shareholders and Beneficial Shareholders.

Under the Notice-and-Access Provisions, instead of receiving printed copies of the Circular, Registered Shareholders and Non-Registered Shareholders will receive the Notice of Meeting with information on the Meeting date, location, and purpose, as well as information on how they may access the Circular electronically and how they may vote. Electronic copies of the Notice of Meeting, the Circular, the audited financial statements of the Company for the financial year ended November 30, 2022, together with the report of the auditors thereon, and the related MD&A may be found on the Company's profile on the Canadian System for Electronic Documents Analysis and Retrieval (“**SEDAR**”) at [www.sedar.com](http://www.sedar.com) and the Company's website at [www.apollosilver.com](http://www.apollosilver.com) as of May 16, 2023.

The Company will not use the procedure known as “stratification” in relation to the use of Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of the Circular to certain shareholders with the notice package.

The Company will assume the costs of delivery of proxy-related materials for the Meeting to OBOs.

## **PART 2 - VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The board of directors (the “**Board**”) of the Company has fixed May 1, 2023 as the record date (the “**Record Date**”) for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Company's Common Shares are listed on the TSX Venture Exchange (“**TSXV**”) under stock symbol “**APGO**”.

The Company is authorized to issue an unlimited number of Common Shares without par value.

As of May 1, 2023, there were 174,460,395 Common Shares issued and outstanding, each carrying the right to one vote. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares. The Company has no other classes of voting securities.

Under the BCA, ordinary resolutions must be passed by a simple majority, that is, if more than half of the votes that are cast by shareholders at the Meeting are in favour, then the resolution is passed. Under the BCA, special resolutions must be passed by a majority of not less than two-thirds of the votes cast by shareholders in favour. In the event a motion proposed at the Meeting requires disinterested shareholder approval, Common Shares held by shareholders of the Company who have an interest in the subject matter, will be excluded from the count of votes cast on such motion.

To the best knowledge of the directors and executive officers of the Company, there are no persons or corporations that beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company as at the date of this Circular.

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### **PART 3 – THE BUSINESS OF THE MEETING**

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#### **FINANCIAL STATEMENTS**

The annual audited consolidated financial statements of the Company for the financial years ended November 30, 2022 and 2021 (the “**Financial Statements**”), the report of the auditor thereon and the related management’s discussion and analysis were filed under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com) on February 28, 2023. The Financial Statements and the report of the auditor thereon will be received at the Meeting, but no vote will be taken on the Financial Statements and the report of the auditor thereon.

#### **FIXING THE NUMBER OF DIRECTORS**

##### **Number of Directors**

At the Meeting, shareholders will be asked and, if deemed advisable, to pass, with or without variation, an ordinary resolution fixing the number of directors at five (5) for the ensuing year.

Approval of this resolution will be obtained if a majority of the votes cast are in favour thereof.

**ABSENT CONTRARY INSTRUCTIONS, COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF THE MANAGEMENT NOMINEES NAMED IN THE ENCLOSED PROXY WILL BE VOTED IN FAVOUR OF FIXING THE NUMBER OF DIRECTORS AT FIVE (5).**

#### **ELECTION OF DIRECTORS**

##### **Nominees for Election**

The term of office of each of the current directors of the Company will expire at the Meeting. There are currently seven (7) directors, two of whom, Simon Clarke and Sean Bromley, will not be standing for re-election at the Meeting.

Management is proposing that the following five (5) current nominees (together, the “**Nominees**”) named in the table below, be nominated for election as directors at the Meeting.

Each of the Nominees, if elected, will hold office until the next annual general meeting of the Company or until his or her successor is duly elected or appointed, unless the office is earlier vacated in accordance with the Articles of the Company or the BCA or he or she becomes disqualified to act as a director.



The following table sets out the names of the five (5) Nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, each Nominee's principal occupation, business or employment, during the past five (5) years, and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which control or direction is exercised, as of the date of this Circular:

<b>Name of Nominee, Current Position with the Company and Province/State and Country of Residence</b>	<b>Principal Occupation for the Past Five Years</b>	<b>Director Since</b>	<b>Common Shares Beneficially Owned or Controlled<sup>(1)</sup></b>
<b>Andrew William Bowering<sup>(4)</sup></b> Chair of the Board and Independent Director British Columbia, Canada	President of Bowering Projects since 1993; Executive Advisor and director of Prime Mining Corp., April 24, 2019 to present.	Since May 4, 2020	5,766,937 <sup>(2)</sup>
<b>Thomas Peregoodoff</b> President, Chief Executive Officer and Director British Columbia, Canada	President and CEO of the Company, May 1, 2021 to present; CEO, TF Massif Technologies Ltd., November 2019 to October 2020; President and CEO of Peregrine Diamonds Ltd., January 2012 to September 2018.	Since August 10, 2021	1,000,000
<b>Steven Thomas<sup>(3)</sup></b> Independent Director Ontario, Canada	CFO and Co. Secretary of Mountain Province Diamonds, February 2022 to present; CFO and Director Franchise Global Health Inc., 2021 to 2022; CFO of Torex Gold from 2018 to 2020; CFO of Goldcorp (Canadian Operations), 2016 to 2018; CFO of De Beers Canada Inc., 2006 to 2016.	Since September 24, 2021	Nil
<b>Jocelyn Thompson<sup>(3)</sup></b> Independent Director California, USA	Ms. Thompson is currently retired. Previously, Ms. Thompson was a partner at Alston and Bird LLP.	Since November 8, 2021	Nil
<b>Collette Brown-Rodriguez<sup>(4)</sup></b> Independent Director Arizona, USA	Director, Community & Tribal Relations at 8 Minute, March 2022 to present; Tribal Affairs Director at South32, 2019 to 2022; Manager Strategic Community Development at Freeport-McMoRan, 2015 to 2019.	Since June 10, 2022	Nil

Notes:

- (1) The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees.
- (2) Of the 5,766,937 Common Shares held by Mr. Bowering, 5,591,937 Common Shares are held by him directly and 175,000 Common Shares are held indirectly through Bowering Projects Ltd., a company wholly-owned and controlled by Mr. Bowering.
- (3) Member of the Audit Committee. Mr. Bromley, who will not be standing for re-election as a director of the Company at the Meeting, is the third member of the Audit Committee, and will be replaced as a member thereof following the Meeting.
- (4) Member of the Compensation Committee. Mr. Bromley, who will not be standing for re-election as a director of the Company at the Meeting, is the third member of the Compensation Committee, and will be replaced as a member thereof following the Meeting.

## **Management Nominees Biographies**

### ***Andrew William Bowering, Chair of the Board and Director***

Andrew Bowering is a venture capitalist with 30 years of operational experience and leadership in mineral exploration and development worldwide. He has founded, funded, and built teams that have operated numerous companies in the pursuit of precious base and industrial metals from early exploration through to production. Mr. Bowering is currently an Executive Vice President and director of Prime Mining Corp. Mr. Bowering has served as an officer or director of public companies on the TSXV, the Toronto Stock Exchange, NASDAQ and the American Stock Exchange. His recent endeavors include Millennial Lithium Corp, and American Lithium Corp, in addition to Prime Mining Corp.

### ***Thomas Peregoodoff, President, Chief Executive Officer and Director***

Thomas Peregoodoff has over 30 years of mineral resource exploration and development experience. His last management position was President and CEO of Peregrine Diamonds Ltd. where he led the company from the resource development phase through to the eventual sale to DeBeers Canada in 2018.

Mr. Peregoodoff spent 18 years in several positions with the mining multinational BHP. His final role was Vice President of Early-Stage Exploration, with global responsibility for all early-stage exploration across their commodity groups. Mr. Peregoodoff previously served as a director of Pretium Resources Inc, Mountain Province Diamonds Inc., Tempus Resources Limited of Perth, Australia, and currently serves as a director of American West Metals Limited and American Copper Development Corp.

Mr. Peregoodoff holds a BSc. in Geophysics from the University of Calgary.

### ***Steven Thomas, Director***

Steven Thomas has over 30 years of international corporate finance experience. Mr. Thomas is currently CFO and Co. Secretary of Mountain Province Diamonds. Prior to joining Mountain Province Diamonds, Mr. Thomas served as CFO of Franchise Global Health (2021 to 2022), CFO of Torex Gold Resources Inc. (2018 – 2020), CFO of Goldcorp Canada (2016 - 2018), CFO of De Beers Canada Inc. (2006 – 2016), Head of Finance De Beers Diamond Trading Co. (2003- 2006), and CFO of Aquarion Inc. (2000 – 2003).

Mr. Thomas is a graduate of the University of Wales (Joint Hons Accountancy & Economics), and a Fellow of the Institute of Chartered Accountants (FCA).

### ***Jocelyn Thompson, Director***

Ms. Thompson has over 40 years of experience representing private and public companies. Ms. Thompson is recognized for her experience in resource project permitting and environmental governance and stewardship in California, U.S. and adjacent states.

Ms. Thompson is a former partner at Alston and Bird LLP, a member of the State Bar of California, and a member (inactive) of the State Bar of Texas.

***Collette Brown-Rodriguez, Director***

Ms. Brown-Rodriguez has over 20 years of experience as a project management and program development leader focused on tribal affairs. Ms. Brown-Rodriguez has been integral to executing complex problem solving, resource management, and establishing organizational cohesion to engage tribes across North America. She has experience in uranium mine reclamation, coal, oil & gas, and base metals mining operations and project development.

Ms. Brown-Rodriguez is a member of the Confederated Salish Kootenai Tribe and descendant of the Navajo Nation. She holds a Bachelor's in Environmental Science and an MBA from the University of Arizona.

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

No proposed nominee for election as a director of the Company is as of the date of this Circular, or has been within the past 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 was:

- (a) subject to a cease trade or similar order or an order denying the relevant company access to any exemptions under securities legislation, for more than 30 consecutive days;
- (b) subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under the securities legislation, for a period of more than 30 consecutive days;
- (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (d) has 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.

No proposed nominee for election as a director of the Company has been:

- (a) 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
- (b) subject to any other penalties or sanctions imposed by a court or a regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

**Advance Notice Provisions**

At the Company's annual general and special meeting held on September 26, 2014, the shareholders of the Company approved the adoption of new Company's articles, which new Articles include advance notice provisions (the "**Advance Notice Provision**").

The Advance Notice Provision provides shareholders, directors and management of the Company with a clear framework for nominating directors. Among other things, the Advance Notice Provisions fix a deadline by which holders of Common Shares must submit director nominations to the Company prior to any annual or special meeting of shareholders and sets forth the minimum information that a shareholder must include in the notice to the Company for the notice to be in proper written form.

The Company's Articles were filed under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com) on January 23, 2015.

None of the proposed Nominees for election as a director of the Company are proposed for election pursuant to any arrangement or understanding between the nominee and any other person, except the directors and senior officers of the Company acting solely in such capacity.

A shareholder can vote for all of the above Nominees, vote for some of the above Nominees and withhold for other of the above Nominees, or withhold for all of the above Nominees.

**Only persons nominated by management pursuant to this Circular or pursuant to the Advance Notice Provision will be considered valid director nominees eligible for election at the Meeting.**

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT EACH SHAREHOLDER VOTE "FOR" THE ELECTION OF THE ABOVE NOMINEES AS DIRECTORS.**

**ABSENT CONTRARY INSTRUCTIONS, COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF THE MANAGEMENT NOMINEES NAMED IN THE ENCLOSED PROXY WILL BE VOTED IN FAVOUR OF THE ELECTION OF EACH OF THE ABOVE NOMINEES AS DIRECTORS OF THE COMPANY, TO SERVE FOR A TERM THAT WILL EXPIRE UPON THE EARLIER OF THE NEXT ANNUAL MEETING OF SHAREHOLDERS OF THE COMPANY OR UPON THEIR SUCCESSOR BEING DULY ELECTED OR APPOINTED.**

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

Management of the Company recommends the re-appointment of Davidson & Company LLP, Chartered Professional Accountants, of Vancouver, British Columbia, as auditors for the Company to hold office until the earlier of the next annual general meeting of the shareholders of the Company or their removal by the Company, at remuneration to be fixed by the Board.

**ABSENT CONTRARY INSTRUCTIONS, COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF THE MANAGEMENT NOMINEES NAMED IN THE ENCLOSED PROXY WILL BE VOTED IN FAVOUR OF SUCH RE-APPOINTMENT.**

#### **RE-APPROVAL OF THE SHARE OPTION PLAN**

The amended and restated share option plan of the Company (the "**Share Option Plan**") is a 10% "rolling" share option plan. The Share Option Plan was last amended by the Board on April 29, 2022, to, among other things, align certain terms of the Share Option Plan with Policy 4.4 (as defined below), which came into effect in November 2021, and implement certain other administrative amendments. The Share Option Plan, as so amended, was last approved by the shareholders of the Company on June 10, 2022.

Pursuant to Policy 4.4 – *Security Based Compensation* of the TSXV ("**Policy 4.4**"), rolling share options plans, such as the Share Option Plan, must receive shareholder approval on an annual basis. Accordingly,

shareholders will be asked to consider and, if deemed advisable, to re-approve the Share Option Plan by ordinary resolution. A copy of the Share Option Plan is attached hereto as Schedule “A” to, and is incorporated by reference in, this Circular.

The purpose of the Share Option Plan is to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of Common Shares. In determining the number of stock options to be granted, the Board takes into account the number of stock options, if any, previously granted, and the exercise price of any outstanding stock options to ensure that such grants are in accordance with the policies of the TSXV and closely align the interests of the executive officers with the interests of the Company’s shareholders.

The Share Option Plan is a 10% maximum rolling plan. Stock options granted under the Share Option Plan are not exercisable for a period longer than 10 years and the exercise price must be paid in full upon exercise of the stock option.

Stock options to purchase an aggregate of 11,600,000 Common Shares are outstanding under the Share Option Plan as at May 1, 2023.

The following is a summary of some of the material terms of the Share Option Plan and is qualified in its entirety by reference to the full text of the Share Option Plan attached hereto as Schedule “A”. Under the Share Option Plan:

- (a) stock options may be granted to *bona fide* directors and officers of the Company, as well as *bona fide* employees, management company employees, consultants and consultant companies of the Company (or a subsidiary of the Company) (each such eligible person, a “**Service Provider**”) on an on-going basis;
- (b) the maximum number of Common Shares reserved for issuance under the Share Option Plan and pursuant to all other security based compensation plans of the Company shall not exceed 10% of the aggregate number of Common Shares issued and outstanding (calculated on a non-diluted basis) from time to time;
- (c) the maximum aggregate number of Common Shares that are issuable pursuant to all security based compensation granted or issued in any 12 month period to insiders (as a group) must not exceed 10% of the Common Shares, calculated as at the date of such grant or issuance, unless the requisite disinterested shareholder approval is obtained;
- (d) the Company must not grant a stock option to any one Service Provider if such grant would result in the total number of stock options, pursuant to all security based compensation plans of the Company, granted or issued to such Service Provider in any 12 month period to exceed 5% of the outstanding Common Shares, calculated as at the date of such grant, unless the Company has obtained disinterested shareholder approval to do so;
- (e) the aggregate number of stock options granted to a Service Provider conducting investor relations activities in any 12-month period must not exceed 2% of the outstanding Common Shares, calculated at the date of the grant, without the prior consent of the TSXV;
- (f) the aggregate number of stock options granted to a consultant in any 12-month period must not exceed 2% of the outstanding Common Shares, calculated at the date of the grant, without the prior consent of the TSXV;

- (g) stock options granted to consultants engaged in investor relations activities for the Company (or a subsidiary of the Company) must vest in stages over a 12-month period, with no more than 1/4 of such stock options vesting in any three-month period;
- (h) except as otherwise provided by the Share Option Plan, stock options granted under the Share Option Plan are non-assignable and non-transferable and are issuable for a period of up to ten (10) years;
- (i) a stock option granted to a Service Provider will expire 60 days (or such other time, not to exceed 12 months, as shall be determined by the Board as at the date of grant or agreed to by the Board and the optionee at any time prior to expiry of the stock option) after the date the optionee ceases to be employed by or provide services to the Company, and only to the extent that such stock option was vested at the date the optionee ceased to be so employed by or to provide services to the Company;
- (j) if an optionee dies, any vested stock option held by such optionee at the date of death will become exercisable by the optionee's lawful personal representatives, heirs or executors until the earlier of 12 months after the date of death of such optionee and the date of expiration of the term otherwise applicable to such stock option;
- (k) in the case of an optionee being dismissed from employment or service for cause, such optionee's stock options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same;
- (l) the exercise price of each option will be set by the Board at the time such Option is allocated under the Share Option Plan, and cannot be less than the Discounted Market Price (as such term is defined in the policies of the TSXV);
- (m) subject the provisions of the Share Option Plan with respect to stock options granted to consultants engaged in investor relations activities, the Board has the discretion to determine the vesting terms of stock options, with the vesting of stock options generally being subject to: (i) the Service Provider remaining employed by or continuing to provide services to the Company or any of its affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its affiliates during the vesting period; or (ii) the Service Provider remaining as a director of the Company or any of its affiliates during the vesting period;
- (n) subject to certain specified exceptions, if the expiry date for a stock option falls within a blackout period formally imposed by the Company, such expiry date shall be automatically extended without any further act or formality to that day which is no later than the tenth (10th) business day after the end of such blackout period, with such tenth (10th) business day to be considered the expiry date for such stock option for all purposes under the Share Option Plan; and
- (o) the Board reserves the right in its absolute discretion to amend, modify or terminate the Share Option Plan with respect to all stock options which have not yet been granted under the Share Option Plan. Any amendment to any provision of the Share Option Plan will be subject to any necessary regulatory approvals, unless the effect of such amendment is intended to reduce (but not to increase) the benefits of the Share Option Plan to Service Providers.

### *Securities Issued and Unissued under the Share Option Plan*

As at May 1, 2023, there are 174,460,395 Common Shares of the Company issued and outstanding. Pursuant to the Share Option Plan and based on the current outstanding Common Shares of the Company, Common Shares reserved for issuance under the Share Option Plan are as follows:

	<b>Number of Common Shares</b>	<b>% of Issued and Outstanding Shares<sup>(1)</sup></b>
Outstanding Securities Awarded: Common Shares reserved for future issuance pursuant to issued and unexercised stock options	11,600,000	6.65%
Remaining Securities Available for Grant: Unissued Shares available for future option grants	5,846,039	3.35%
Plan Maximum: Maximum number of Common Shares available for issuance	17,446,039	10.0%

Notes:

- (1) Calculated on an undiluted basis, based on 174,460,395 outstanding Common Shares of the Company.

The Board has determined that the re-approval of the Share Option Plan is in the best interests of the Company and its shareholders. At the Meeting, shareholders will be asked to consider and, if thought appropriate, to approve and adopt an ordinary resolution (the “**Share Option Resolution**”) in substantially the form set out below, approving the Share Option Plan.

#### ***“BE IT RESOLVED THAT:***

- 1. the Share Option Plan (as defined and described in the Company’s management information circular dated May 1, 2023 (the “Circular”)), in the form attached as Schedule “A” to the Circular, and the reservation for issuance thereunder of up to 10% of the aggregate number of common shares as are issued and outstanding, is hereby authorized, approved, ratified and confirmed;*
- 2. the Company be authorized to grant stock options pursuant and subject to the terms and conditions of the Share Option Plan, entitling the holders thereof to purchase up to that number of Common Shares that is equal to 10% of the issued and outstanding Common Shares at the time of the grant;*
- 3. any director or officer be and is hereby authorized to amend the Share Option Plan, should such amendments be required by applicable regulatory authorities including, but not limited to, the TSX Venture Exchange; and*
- 4. any officer or director of the Company is authorized and directed to execute and deliver, under corporate seal or otherwise, all such documents and instruments and to do all such acts as in the opinion of such officer or director may be necessary or desirable to give effect to the foregoing resolutions.”*

**ABSENT CONTRARY INSTRUCTIONS, COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF THE MANAGEMENT NOMINEES NAMED IN THE ENCLOSED PROXY WILL BE VOTED IN FAVOUR OF THE SHARE OPTION RESOLUTION.**

## **PART 4 - AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR**

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National Instrument – 52-110 *Audit Committees* (“NI 52-110”) requires the Company to disclose annually in its management information circular certain information concerning the constitution of its audit committee (the “**Audit Committee**”) in connection with the solicitation of proxies by management for the purpose of electing directors to the Board.

### **The Audit Committee’s Charter**

The Audit Committee is governed by an “Audit Committee Charter”, the full text of which is attached as Schedule “B” to this Circular.

### **Composition of the Audit Committee**

The Audit Committee is comprised of three directors: Messrs. Thomas and Bromley, and Ms. Thompson. However, Mr. Bromley will not be standing for re-election at the Meeting and will be replaced as an Audit Committee member following the Meeting. Mr. Thomas serves as the Audit Committee Chair.

All members of the Audit Committee are “independent” within the meaning of NI 52-110, which provides that a director is independent if he or she has no direct or indirect “material relationship” with the Company. “Material relationship” means a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgment. In making the foregoing determinations, the circumstances of each director have been examined in relation to a number of factors.

All of the Audit Committee members are “financially literate” within the meaning of NI 52-110, as all have: (i) the industry experience necessary to reasonably understand the accounting principles used by the Company; (ii) an ability to assess the general application of such principles in connection of the accounting for estimates, accruals and reserves; (iii) experience analyzing and evaluating financial statements that present a breadth and level of complexity of issues that can reasonably be expected to be raised by the Company’s financial statements, or experience actively supervising one or more individuals engaged in such activities; and (iv) an understanding of internal controls and procedures for financial reporting.

### **Relevant Education and Experience**

All of the Audit Committee members are businesspersons with experience in financial matters. Each has an understanding of accounting principles used to prepare financial statements and varied experience as to general application of such accounting principles, internal controls and procedures necessary for financial reporting, which has been garnered from working in their individual fields of endeavor.

In addition, each members of the Audit Committee has knowledge of the role of an audit committee in the realm of reporting companies from their experience as directors and/or officers of public companies and non-profit companies, other than the Company.

Each member of the Audit Committee had adequate education and experience that is relevant to their performance as an audit committee member and, in particular, the requisite education and experience that have provided the member with:

- an understanding of the accounting principles used by the issuer to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;



- experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the issuer’s financial statements, or experience actively supervising individuals engaged in such activities; and
- an understanding of internal controls and procedures for financial reporting.

### **Audit Committee Oversight**

At no time since the commencement of the Company’s most recently completed financial year ended November 30, 2022 was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

### **Reliance on Certain Exemptions**

Other than as described below, at no time since the commencement of the Company’s most recently completed financial year ended November 30, 2022 has the Company relied on an exemption from the provisions of NI 52-110. The Company’s auditor, Davidson & Company LLP, Chartered Professional Accountants, has not provided any material non-audit services to the Company.

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 exempt from the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

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

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services, as set out in the Company’s Audit Committee Charter, the full text of which is attached as Schedule “B” to this Circular.

### **External Auditor Service Fees**

The Audit Committee has reviewed the nature and amount of the non-audit services provided by Davidson & Company LLP, Chartered Professional Accountants for audit and non-audit services in the two financial years ending November 30, 2022 and November 30, 2021, as outlined in the following table.

<b>Nature of Services</b>	<b>Fees Paid to Auditor in Year Ended November 30, 2021</b>	<b>Fees Paid to Auditor in Year Ended November 30, 2022</b>
Audit Fees <sup>(1)</sup>	\$57,000	\$69,000
Audit-Related Fees <sup>(2)</sup>	\$Nil	\$Nil
Tax Fees <sup>(3)</sup>	\$2,500	\$26,000
All Other Fees <sup>(4)</sup>	\$Nil	\$Nil
<b>Total</b>	<b>\$59,500</b>	<b>\$95,000</b>

**Notes:**

(1) “Audit Fees” include fees necessary to perform the annual audit and quarterly reviews of the Company’s consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit

Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits. In 2022, the Company incurred \$48,000 related to its annual audit and \$21,000 related to its quarterly reviews.

- (2) “Audit-Related Fees” include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) “Tax Fees” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) “All Other Fees” include all other non-audit services.

## **PART 5 - CORPORATE GOVERNANCE**

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National Policy 58-201 – *Corporate Governance Guidelines* has set out a series of guidelines for effective corporate governance (the “**Guidelines**”). The Guidelines address matters such as the constitution and independence of corporate boards, the functions to be performed by boards and their committees and the effectiveness and education of board members. National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) requires the Company to disclose certain information with respect to the Company’s approach to corporate governance in connection with the solicitation of proxies by management for the purpose of electing directors to the Board.

The Board has adopted the board mandate attached as Schedule “C” hereto, clarifying responsibilities and ensuring effective communication between the Board and management of the Company.

Set out below is a description of the Company’s approach to corporate governance in relation to the Guidelines.

### **Board of Directors**

NI 58-101 defines the “independence” of directors with reference to NI 52-110, which provides that a director is independent if he or she has no direct or indirect “material relationship” with the Company. A “material relationship” is in turn defined as a relationship which could, in the view of the Board, be reasonably expected to interfere with such member’s independent judgment.

The Board facilitates its independent supervision over management of the Company through frequent meetings of the Board and by ensuring that at least one director is independent of management. At the date of this Circular, the Board is comprised of seven members, two of whom are not independent and five of whom are independent. The non-independent member of the Board are Thomas Peregoodoff (President & Chief Executive Officer) and Simon Clarke (former Chief Executive Officer). The independent directors of the Company at the date of this Circular are Andrew Bowering, Sean Bromley, Steven Thomas, Jocelyn Thompson and Collette Brown-Rodriguez. Messrs. Simon Clarke and Sean Bromley will not stand for re-election at the Meeting.

The Board believes that it functions independently of management. To enhance its ability to act independently of management, the Board may meet in the absence of the members of management or may excuse such persons from all or a portion of any meeting where a potential conflict of interest arises, or where otherwise appropriate.

### **Directorships**

Certain of the directors of the Company are also directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction as set out below:

Name of Director	Name of Reporting Issuer	Exchange Listed
Andrew William Bowering	American Lithium Corp. Prime Mining Corp. Canagold Resources Ltd. Canamera Energy Metals Corp. Optimum Ventures Ltd.	TSXV/NASDAQ/Frankfurt TSXV/OTCQX TSX/OTCQB/Frankfurt CSE TSXV
Thomas Peregoodoff	American West Metals Limited American Copper Development Corporation	ASX CSE/OTCQB

### **Orientation and Continuing Education**

While the Company currently has no formal orientation and education program for new Board members, sufficient information (such as recent financial statements, prospectuses, proxy solicitation materials, technical reports, corporate policies and various other operating, property and budget reports) is provided to any new Board member to ensure that new directors are familiarized with the Company's business and the procedures of the Board. In addition, new directors are encouraged to visit and meet with management on a regular basis. The Company encourages new directors to communicate with management, auditors and technical consultants to keep themselves current with industry trends and developments and changes in legislation with management's assistance, and to attend related industry seminars and visit the Company's properties. Board members have full access to the Company's records.

### **Ethical Business Conduct**

The Board views good corporate governance as an integral component to the success of the Company and to meet responsibilities to shareholders. The Board has adopted a formal written Code of Business Conduct and Ethics which addresses the Company's commitment to integrity and ethical behaviour. The Company has also adopted a Whistleblower Policy which provides the procedure for the receipt of complaints and concerns of the employees of the Company regarding accounting and auditing matters related to the Company. A copy of the Code of Business Conduct and Ethics and the Whistleblower Policy may be obtained, without charge, upon request to the Company's Corporate Secretary at [info@apollosilver.com](mailto:info@apollosilver.com), or through the Company's website at [www.apollosilver.com](http://www.apollosilver.com).

### **Nomination of Directors**

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

The Company does not have a stand-alone nomination committee. The Board is responsible, among other things, for recommending candidates for nomination, appointment, election and re-election to the Board and its committees, and for annually assessing Board performance. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors.

## Compensation

Please refer to the heading in this Circular entitled “*Part 6 – Statement of Executive Compensation - Oversight and Description of Director and Named Executive Officer Compensation*” for a description of the process by which the Board determines the compensation for the Company’s directors and officers and for a description of the responsibilities, powers and operations of the Compensation Committee.

## Other Board Committees

At the date of this Circular, the Board has no other active committees other than the Audit Committee and the Compensation Committee.

## Assessments

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and Audit Committee. No formal policy has been established to monitor the effectiveness of each director, the Board and the audit committee.

The Board has assessed the Company’s compensation plans and programs for its executive officers to ensure alignment with the Company’s business plan and to evaluate the potential risks associated with those plans and programs. The board of directors has concluded that the compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Company. The Company’s long-term incentives, which include stock options, comprise a significant portion of the executives’ compensation package, and are intended to align the executive compensation with the interest of the Company’s shareholders.

The Board intends to continue such risk assessments on an annual basis and also considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

The Company has not adopted a policy restricting its Named Executive Officers or directors from purchasing financial instruments that are designated to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its Named Executive Officers or directors. To the knowledge of the Company, none of the Named Executive Officers or directors has purchased such financial instruments.

## Summary of Board and Committee Meetings Held

During the year ended November 30, 2022, four (4) Board meetings were held, of which one (1) was in-person. Four (4) Audit Committee meetings were held by videoconference and one (1) Compensation Committee was held in-person. A total of eight (8) resolutions were passed in writing by the Board in lieu of meetings.

Director	Board of Directors	Audit Committee	Compensation Committee
Andrew Bowering	4 / 4 (100%)		1/1 (100%)
Thomas Peregoodoff	4/4 (100%)		

<b>Simon Clarke</b>	2/4 (50%)		
<b>Jocelyn Thompson</b>	4/4 (100%)	4/4 (100%)	
<b>Collette Brown-Rodriguez<sup>(1)</sup></b>	3/3 (100%)		1/1 (100%)
<b>Steven Thomas</b>	4/4 (100%)	4/4 (100%)	
<b>Sean Bromley</b>	2/4 (50%)	4/4 (100%)	0/1 (0%)

**Notes:**

<sup>(1)</sup> Ms. Brown-Rodriguez was elected to the Board on June 10, 2022.

### **Directors' and Officers' Liability Insurance**

The Company maintains liability insurance for the directors and officers of the Company. The Company's policy of insurance is currently in effect until September 2023. An annual premium of \$155,000 has been paid by the Company. No portion of the premium is directly paid by any of the directors or officers of the Company. The aggregate insurance coverage under the policy for both directors and officers is limited to \$20,000,000 with no deductible. No claims have been made or paid to date under such policy.

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## **PART 6 - STATEMENT OF EXECUTIVE COMPENSATION**

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For the purposes of this section:

- (a) **“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;
- (b) **“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;
- (c) **“Director”** means an individual who acted as a director of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;
- (d) **“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; and
- (e) **“named executive officer”** or **“NEO”** means each of the following individuals:
  - (i) 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;
  - (ii) 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;

- (iii) 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; and
- (iv) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year.

During the financial year ended November 30, 2022, based on the definition above, the NEOs of the Company were: Thomas Peregoodoff, CEO and Director, Christopher Cairns, CFO, Catherine Fitzgerald, Vice President Exploration and Resource Development, and Rona Sellers, Vice President Commercial & Compliance and Corporate Secretary.

### Director and NEO Compensation, Excluding Compensation Securities

The following table sets forth all direct and indirect compensation (excluding compensation securities) paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company to each NEO and each director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or director for services provided and for services to be provided, directly or indirectly, to the Company, for each of the Company's two (2) most recently completed financial years ended November 30, 2022 and 2021:

Table of compensation, excluding compensation securities							
Name and position	Year	Salary, consulting fee, or retainer <sup>(1)</sup> (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of Perquisites <sup>(12)</sup> (\$)	Value of all other compensation (\$)	Total compensation (\$)
<b>Thomas Peregoodoff</b> <sup>(2)</sup> President, CEO and Director	2022	342,375	Nil	Nil	Nil	Nil	342,375
	2021	192,500	112,500	Nil	Nil	Nil	305,000
<b>Simon Patrick Clarke</b> <sup>(3)</sup> Former Chief Executive Officer and Director	2022	45,000	Nil	Nil	Nil	Nil	45,000
	2021	106,750	Nil	Nil	Nil	Nil	106,750
<b>Christopher Cairns</b> <sup>(4)</sup> Chief Financial Officer	2022	207,500	Nil	Nil	Nil	Nil	207,500
	2021	46,667	Nil	Nil	Nil	Nil	46,667
<b>Catherine Fitzgerald</b> <sup>(5)</sup> Vice President Exploration & Resource Development	2022	191,937	Nil	Nil	Nil	Nil	191,937
	2021	72,221	48,500	Nil	Nil	Nil	120,721
<b>Rona Sellers</b> <sup>(6)</sup> Vice President	2022	179,479	Nil	Nil	Nil	Nil	179,479
	2021	20,417	Nil	Nil	Nil	Nil	20,417

Table of compensation, excluding compensation securities							
Name and position	Year	Salary, consulting fee, or retainer <sup>(1)</sup> (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of Perquisites <sup>(12)</sup> (\$)	Value of all other compensation (\$)	Total compensation (\$)
Commercial & Compliance and Corporate Secretary							
<b>Andrew William Bowering</b> <sup>(7)</sup> Chair of the Board	2022	75,508	Nil	Nil	Nil	Nil	75,508
	2021	6,250	Nil	Nil	Nil	Nil	6,250
<b>Sean Bromley</b> <sup>(8)</sup> Director	2022	46,000	Nil	Nil	Nil	Nil	46,000
	2021	4,583	Nil	Nil	Nil	Nil	4,583
<b>Steven Thomas</b> <sup>(9)</sup> Director	2022	54,000	Nil	Nil	Nil	Nil	54,000
	2021	3,750	Nil	Nil	Nil	Nil	3,750
<b>Jocelyn Thompson</b> <sup>(10)</sup> Director	2022	45,000	Nil	Nil	Nil	Nil	45,000
	2021	2,875	Nil	Nil	Nil	Nil	2,875
<b>Collette Brown-Rodriguez</b> <sup>(11)</sup> Director	2022	21,277	Nil	Nil	Nil	Nil	21,277
	2021	3,750	Nil	Nil	Nil	Nil	3,750

Notes:

- (1) Effective November 1, 2021, the Board passed a resolution providing for an annual retainer of \$45,000 for each non-executive Board member (excluding Chairpersons), an annual retainer of \$75,000 for the Chair of the Board, an annual retainer of \$55,000 for the Chair of the Audit Committee, and an annual retainer of \$5,000 for the Chair of any other committees, payable quarterly in arrears.
- (2) Mr. Peregoodoff was appointed President and CEO of the Company on May 1, 2021, and Director on August 10, 2021. Mr. Peregoodoff received a signing bonus of \$112,500 in July 2021.
- (3) Mr. Clarke served as CEO of the Company from May 4, 2020, to May 1, 2021. A total of \$103,000 paid to Mr. Clarke represents compensation paid to Ailsa Craig Capital Ltd., a company which is owned by Mr. Clarke, for services provided to the Company for his role as CEO. The Company did not pay any salary or consulting fees directly to Mr. Clarke. Director fees for 2022 and 2021, of \$45,000 and \$3,750, respectively, were paid directly to Mr. Clarke. Mr. Clarke will not stand for re-election at the Meeting.
- (4) Mr. Cairns was appointed as CFO of the Company on September 7, 2021.
- (5) Ms. Fitzgerald was appointed as Vice President Exploration and Resource Development of the Company on July 12, 2021.
- (6) Ms. Sellers was appointed Vice President Commercial and Compliance of the Company on October 12, 2021, and Corporate Secretary on December 1, 2021.
- (7) Mr. Bowering has served as Chair of the Board and has served as Chair of the Compensation Committee since its inception on October 24, 2022. Mr. Bowering's Director fees for the year ended November 30, 2022 included \$508, representing a pro-rata portion of the annual \$5,000 retainer for chairing other committees, as described in (1) above.
- (8) Mr. Bromley served as Chair of the Audit Committee until January 6, 2022. Director fees paid to Mr. Bromley included \$1,000, representing a pro-rata portion of the annual retainer for the Chair of the Audit Committee as described in (1) above. Mr. Bromley will not stand for re-election at the Meeting.
- (9) Mr. Thomas was appointed to the Board on September 4, 2021, and has served as Chair of the Audit Committee since January 7, 2022. Director fees paid to Mr. Thomas included \$9,000, representing a pro-rata portion of the annual retainer for the Chair of the Audit Committee as described in (1) above.
- (10) Ms. Thompson is a non-executive Board member and was appointed to the Board on November 8, 2021.
- (11) Ms. Brown-Rodriguez is a non-executive Board member and was appointed to the Board on June 10, 2022.
- (12) Perquisites have not been included, as they do not reach the prescribed value threshold of 10% or more of the total salary of the NEO's for the financial year.

### **Outstanding Compensation Securities**

The following table discloses the particulars of the outstanding option-based awards to the NEOs, and directors of the Company who were not NEOs, pursuant to the Share Option Plan at the financial year ended November 30, 2022:

Compensation Securities							
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
<b>Andrew Bowering</b> Chair of the Board	Options	350,000 (0.20%)	Nov. 15, 2022	\$0.125	\$0.125	\$0.195	Nov. 15, 2027
<b>Thomas Peregoodoff</b> <sup>(3)</sup> President, CEO and Director	Options	650,000 (0.37%)	Nov. 15, 2022	\$0.125	\$0.125	\$0.195	Nov. 15, 2027
<b>Christopher Cairns</b> <sup>(4)</sup> CFO	Options	350,000 (0.20%)	Nov. 15, 2022	\$0.125	\$0.125	\$0.195	Nov. 15, 2027
<b>Simon Clarke</b> <sup>(5)</sup> Former CEO and Director	Options	150,000 (0.12%)	Nov. 15, 2022	\$0.125	\$0.125	\$0.195	Nov. 15, 2027
<b>Cathy Fitzgerald</b> <sup>(6)</sup> Vice President Exploration and Resource Development	Options	400,000 (0.23%)	Nov. 15, 2022	\$0.125	\$0.125	\$0.195	Nov. 15, 2027
<b>Rona Sellers</b> <sup>(7)</sup> Vice President Commercial and Compliance	Options	350,000 (0.20%)	Nov. 15, 2022	\$0.125	\$0.125	\$0.195	Nov. 15, 2027
<b>Sean Bromley</b> <sup>(8)</sup> Director	Options	150,000 (0.09%)	Nov. 15, 2022	\$0.125	\$0.125	\$0.195	Nov. 15, 2027
<b>Steven Thomas</b> <sup>(9)</sup> Director	Options	200,000 (0.11%)	Nov. 15, 2022	\$0.125	\$0.125	\$0.195	Nov. 15, 2027
<b>Jocelyn Thompson</b> <sup>(10)</sup> Director	Options	150,000 (0.09%)	Nov. 15, 2022	\$0.125	\$0.125	\$0.195	Nov. 15, 2027
<b>Collette Brown-Rodriguez</b> <sup>(11)</sup> Director	Options	200,000 (0.11%)	Nov. 15, 2022	\$0.125	\$0.125	\$0.195	Nov. 15, 2027

Notes:

- (1) All stock options granted on November 15, 2022, vest over a twenty-four (24) month period, with one-third of the stock options vesting on the grant date, with a further one-third vesting after twelve (12) months, and the balance after twenty-four (24) months.
- (2) Percentage based on 174,460,395 Common Shares issued and outstanding as at November 30, 2022.
- (3) Mr. Peregoodoff was appointed President, CEO, and Director on May 1, 2021.
- (4) Mr. Cairns was appointed CFO on September 7, 2021.
- (5) Mr. Clarke served as CEO of the Company from May 4, 2020, to May 1, 2021, and is currently a Board member. Mr. Clarke will not stand for re-election at the Meeting.
- (6) Ms. Fitzgerald was appointed Vice President Exploration and Resource Development on July 12, 2021.
- (7) Ms. Sellers was appointed Vice President Commercial and Compliance on October 12, 2021, and also appointed Corporate Secretary on December 1, 2021.
- (8) Mr. Bromley will not stand for re-election at the Meeting.
- (9) Mr. Thomas was appointed to the Board on September 4, 2021.
- (10) Ms. Thompson was appointed to the Board on November 8, 2021.
- (11) Ms. Brown-Rodriguez was appointed to the Board on June 10, 2022.



## Exercise of Compensation Securities by NEOs and Directors

No compensation securities were exercised by any NEO, or a Director who was not an NEO during the financial year ended November 30, 2022.

## Share Option Plan

See the heading in this Circular entitled “*Part 3 – The Business of the Meeting – Approval of the Share Option Plan*” for a summary of the Share Option Plan.

## Employment, Consulting and Management Agreements

### Thomas Peregoodoff

Mr. Peregoodoff was appointed as President and CEO on May 1, 2021. Mr. Peregoodoff’s employment agreement (the “**Peregoodoff Agreement**”) with the Company entitles him to a base salary of \$330,000 on an annual basis and was increased to \$346,500 effective March 1, 2022 (the “**Peregoodoff Base Salary**”). Mr. Peregoodoff is entitled to receive four (4) weeks paid vacation per fiscal year and was reimbursed for all reasonable expenses incurred in the course of performing his duties as President and CEO. Mr. Peregoodoff may terminate the Peregoodoff Agreement with sixty (60) days notice in writing to the Company. In the event that Mr. Peregoodoff provides notice in writing to terminate the Peregoodoff Agreement, he will continue to provide active service during the resignation notice period and the Company shall continue to pay the Peregoodoff Base Salary unless the requirement for active service is expressly waived in whole or in part by the Company.

The Peregoodoff Agreement may be terminated by the Company at any time, and for any reason whatsoever if the Company elects to provide Mr. Peregoodoff 12 months’ written notice, pay in lieu of, or a combination thereof. If the Company elects to provide Mr. Peregoodoff with payment in lieu of notice, then the payment will be based only on the Peregoodoff Base Salary.

If a Change of Control (as defined below) occurs, Mr. Peregoodoff may terminate the Peregoodoff Agreement in connection with such Change of Control by providing the Company with 30 days’ notice in writing, within 90 days after the Change In Control has been effected. The Company may waive or abridge any such notice period in its sole and absolute discretion. In the event that Mr. Peregoodoff terminates the Peregoodoff Agreement as a consequence of Change of Control, the Company will pay Mr. Peregoodoff an amount equal to twenty-four (24) months of the Peregoodoff Base Salary in effect at the time that the notice is provided by Mr. Peregoodoff.

“Change of Control”, as defined in the Peregoodoff Agreement, means the occurrence of any of the following events:

- (i) a merger or acquisition in which the Company is not the surviving entity, except for a transaction the principal purpose of which is to change the incorporating jurisdiction of the Company; or
- (ii) the sale, transfer, or other disposition of all or substantially all the assets of the Company; or
- (iii) any other corporate reorganization or business combination in which 50% or more of the outstanding voting stock of the Company is transferred, or exchanged through merger, to different holders in a single transaction of the Company or in a series of related transactions completing within 12 months.

Christopher Cairns

Mr. Cairns was appointed as CFO on September 7, 2021. Mr. Cairns' employment agreement (the "**Cairns Agreement**") with the Company entitles him to a base salary of \$200,000 on an annual basis and was increased to \$210,000 effective March 1, 2022 (the "**Cairns Base Salary**"). Mr. Cairns is entitled to receive five (5) weeks paid vacation per fiscal year and was reimbursed for all reasonable expenses incurred in the course of performing his duties as CFO. Mr. Cairns may terminate the Cairns Agreement with sixty (60) days notice in writing to the Company. In the event that Mr. Cairns provides notice in writing to terminate the Cairns Agreement, he will continue to provide active service during the resignation notice period and the Company shall continue to pay the Cairns Base Salary unless the requirement for active service is expressly waived in whole or in part by the Company.

The Cairns Agreement may be terminated by the Company at any time, and for any reason whatsoever if the Company elects to provide Mr. Cairns with pay in lieu of working notice. This payment will be in an amount equal to the pro-rata share of the Cairns Base Salary for the portion of the 12 month notice period that the Company elects to provide Mr. Cairns with pay in lieu of working notice, and the Company will pay this amount to Mr. Cairns as a lump sum payment at the time the Mr. Cairns ceases to be provided with working notice.

If a Change of Control (as defined below) occurs, Mr. Cairns may terminate the Cairns Agreement in connection with such Change of Control by providing the Company with 30 days' notice in writing, within 90 days after the Change of Control has been effected. The Company may waive or abridge any such notice period in its sole and absolute discretion. In the event that Mr. Cairns terminates the Cairns Agreement as a consequence of a Change of Control, the Company will pay Mr. Cairns an amount equal to twelve (12) months of the Cairns Base Salary. The Company will pay this amount to Mr. Cairns as a lump sum payment at the time the 30 days' notice in writing has expired.

Mr. Cairns may also terminate the Cairns Agreement for "Good Reason" (as defined in the Cairns Agreement) by providing the Company with 10 days' notice in writing. The Company may waive or abridge any such notice period in its sole and absolute discretion. In the event that Mr. Cairns terminates the Cairns Agreement for Good Reason, the Company will pay Mr. Cairns an amount equal to 12 months of the Cairns Base Salary. The Company will pay this amount to Mr. Cairns as a lump sum payment at the time the 10 days' notice in writing has expired.

"Change of Control", as defined in the Cairns Agreement, means the occurrence of any of the following events:

- (i) a merger or acquisition in which the Company is not the surviving entity; except for a transaction the principal purpose of which is to change the incorporating jurisdiction of the Company; or
- (ii) the sale, transfer, or other disposition of all or substantially all the assets of the Company; or
- (iii) any other corporate reorganization or business combination in which 50% or more of the outstanding voting stock of the Company is transferred, or exchanged through merger, to different holders in a single transaction of the Company or in a series of related transactions completing within 12 months.

Catherine Fitzgerald

Ms. Fitzgerald was appointed as Vice President Exploration and Resource Development on July 12, 2021. Ms. Fitzgerald's employment agreement (the "**Fitzgerald Agreement**") with the Company entitles her to a base salary of \$185,000 on an annual basis and was increased to \$194,250 effective March 1, 2022 (the "**Fitzgerald Base Salary**"). Ms. Fitzgerald is entitled to receive four (4) weeks paid vacation per fiscal year and was reimbursed for all reasonable expenses incurred in the course of performing her duties as Vice President Exploration and Resource Development. Ms. Fitzgerald may terminate the Fitzgerald Agreement with sixty (60) days notice in writing to the Company. In the event that Ms. Fitzgerald provides notice in writing to terminate the Fitzgerald Agreement, she will continue to provide active service during the resignation notice period and the Company shall continue to pay the Fitzgerald Base Salary unless the requirement for active service is expressly waived in whole or in part by the Company.

The Fitzgerald Agreement may be terminated by the Company at any time, and for any reason whatsoever if the Company elects to provide Ms. Fitzgerald with pay in lieu of working notice. This payment will be in an amount equal to the pro-rata share of the Fitzgerald Base Salary for the portion of the 12 month notice period that the Company elects to provide Ms. Fitzgerald with pay in lieu of working notice, and the Company will pay this amount to Ms. Fitzgerald as a lump sum payment at the time the Ms. Fitzgerald ceases to be provided with working notice.

If a Change of Control (as defined below) occurs, Ms. Fitzgerald may terminate the Fitzgerald Agreement in connection with such Change of Control by providing the Company with 30 days' notice in writing, within 90 days after the Change of Control has been effected. The Company may waive or abridge any such notice period in its sole and absolute discretion. In the event that Ms. Fitzgerald terminates the Fitzgerald Agreement as a consequence of a Change of Control, the Company will pay Ms. Fitzgerald an amount equal to twelve (12) months of the Fitzgerald Base Salary. The Company will pay this amount to Ms. Fitzgerald as a lump sum payment at the time the 30 days' notice in writing has expired.

Ms. Fitzgerald may also terminate the Fitzgerald Agreement for "Good Reason" (as defined in the Fitzgerald Agreement) by providing the Company with 10 days' notice in writing. The Company may waive or abridge any such notice period in its sole and absolute discretion. In the event that Ms. Fitzgerald terminates the Fitzgerald Agreement for Good Reason, the Company will pay Ms. Fitzgerald an amount equal to 12 months of the Fitzgerald Base Salary. The Company will pay this amount to Ms. Fitzgerald as a lump sum payment at the time the 10 days' notice in writing has expired.

"Change of Control", as defined in the Fitzgerald Agreement, means the occurrence of any of the following events:

- (i) a merger or acquisition in which the Company is not the surviving entity; except for a transaction the principal purpose of which is to change the incorporating jurisdiction of the Company; or
- (ii) the sale, transfer, or other disposition of all or substantially all the assets of the Company; or
- (iii) any other corporate reorganization or business combination in which 50% or more of the outstanding voting stock of the Company is transferred, or exchanged through merger, to different holders in a single transaction of the Company or in a series of related transactions completing within 12 months.

### Rona Sellers

Ms. Sellers was appointed as Vice President Commercial and Compliance on October 12, 2021, and also appointed as Corporate Secretary on December 1, 2021. Ms. Sellers's employment agreement (the "**Sellers Agreement**") with the Company entitles her to a base salary of \$150,000 on an annual basis and was increased to \$175,000 effective January 1, 2022, and \$183,750 effective March 1, 2022 (the "**Sellers Base Salary**"). Ms. Sellers is entitled to receive four (4) weeks paid vacation per fiscal year and was reimbursed for all reasonable expenses incurred in the course of performing her duties as Vice President Exploration and Resource Development. Ms. Sellers may terminate the Sellers Agreement with sixty (60) days notice in writing to the Company. In the event that Ms. Sellers provides notice in writing to terminate the Sellers Agreement, he will continue to provide active service during the resignation notice period and the Company shall continue to pay the Sellers Base Salary unless the requirement for active service is expressly waived in whole or in part by the Company.

The Sellers Agreement may be terminated by the Company at any time, and for any reason whatsoever if the Company elects to provide Ms. Sellers with pay in lieu of working notice. This payment will be in an amount equal to the pro-rata share of the Sellers Base Salary for the portion of the 12 month notice period that the Company elects to provide Ms. Sellers with pay in lieu of working notice, and the Company will pay this amount to Ms. Sellers as a lump sum payment at the time the Ms. Sellers ceases to be provided with working notice.

If a Change of Control (as defined below) occurs, Ms. Sellers may terminate the Sellers Agreement in connection with such Change of Control by providing the Company with 30 days' notice in writing, within 90 days after the Change of Control has been effected. The Company may waive or abridge any such notice period in its sole and absolute discretion. In the event that Ms. Sellers terminates the Sellers Agreement as a consequence of a Change of Control, the Company will pay Ms. Sellers an amount equal to six (6) months of the Sellers Base Salary. The Company will pay this amount to Ms. Sellers as a lump sum payment at the time the 30 days' notice in writing has expired.

Ms. Sellers may also terminate the Sellers Agreement for "Good Reason" (as defined in the Sellers Agreement) by providing the Company with 10 days' notice in writing. The Company may waive or abridge any such notice period in its sole and absolute discretion. In the event that Ms. Sellers terminates the Sellers Agreement for Good Reason, the Company will pay Ms. Sellers an amount equal to 6 months of the Sellers Base Salary. The Company will pay this amount to Ms. Sellers as a lump sum payment at the time the 10 days' notice in writing has expired.

"Change of Control", as defined in the Sellers Agreement, means the occurrence of any of the following events:

- (i) a merger or acquisition in which the Company is not the surviving entity; except for a transaction the principal purpose of which is to change the incorporating jurisdiction of the Company; or
- (ii) the sale, transfer, or other disposition of all or substantially all the assets of the Company; or
- (iii) any other corporate reorganization or business combination in which 50% or more of the outstanding voting stock of the Company is transferred, or exchanged through merger, to different holders in a single transaction of the Company or in a series of related transactions completing within 12 months.

## Oversight and Description of Director and Named Executive Officer Compensation

### *Objectives of Compensation Program*

The Board recognizes that the Company's performance depends on the quality of its directors and executives. To achieve its operating and financial objectives, the Company must attract, motivate and retain highly skilled directors and executives who are able and capable of managing the Company's operations and carrying out the objectives of the Company. The Board further recognizes that there must be a link between compensation and business strategy and that remuneration at the Company should be comparable with that offered by companies of comparable size operating in the mineral exploration and development industry in order to ensure that the Company can retain its executives and promote a culture aimed at achieving its business objectives.

### *Compensation Philosophy and Goals*

The Board has the responsibility of overseeing the Company's compensation program. The Board has delegated certain oversight responsibilities to the compensation committee ("**Compensation Committee**") but retains final authority over the compensation program and process, including approval of material amendments to or the adoption of new equity-based compensation plans and the review and approval of Compensation Committee recommendations.

Based on these recommendations, the Board makes decisions concerning the nature and scope of the compensation to be paid to the Company's executive officers. The Compensation Committee bases its recommendations to the Board on its compensation philosophy and the Compensation Committee's assessment of corporate and individual performance, recruiting and retention needs. In the normal course, the Company's total compensation package is comprised of three principal elements: salary, bonus and equity incentives.

The Company has not yet developed a formal executive compensation program; however, in implementing its compensation philosophy the Compensation Committee and the Board are mindful that:

- compensation should be guided by a pay for performance philosophy;
- compensation should be market-competitive to attract and retain the leadership talent required to drive business results; and
- compensation should motivate high performers to achieve exceptional levels of performance through rewards tied to performance.

### *Role of the Compensation Committee*

The Board has established a Compensation Committee effective October 24, 2022, comprised entirely of directors who are not NEOs. The members of the Compensation Committee are Andrew Bowering, Collette Brown-Rodriguez and Sean Bromley. Mr. Bromley will not stand for re-election at the Meeting.

The Compensation Committee establishes and reviews the Company's overall compensation philosophy and its general compensation policies with respect to directors and executive officers. The Compensation Committee evaluates each executive officer's performance and based on its evaluation, makes recommendations to the Board regarding the salary, bonus, long-term incentives and other benefits for such officer. In determining compensation matters, the Compensation Committee and the Board may consider a number of factors, including the Company's performance, the value of similar incentive awards to officers

performing similar functions at comparable companies, the awards given in past years, and other factors it considers relevant. The Company does not use a peer group to determine executive compensation.

The Compensation Committee also administers and makes recommendations to the Board with respect to the Share Option Plan, subject to compliance with applicable securities law, stock exchange and other regulatory requirements. In this regard, the Compensation Committee has the authority to retain such independent advisors as it may deem necessary or advisable for its purposes.

The Compensation Committee will meet with the CEO at least annually to discuss management's corporate goals for the forthcoming year, and to complete the annual review of the CEO's performance. The Compensation Committee also works with the CEO to evaluate the performance and set the compensation, including proposed salary adjustments and awards, for the other NEOs.

### **Compensation Review Process**

The Compensation Committee is responsible for the Company's compensation policies and practices. The Compensation Committee has the responsibility to review and make recommendations to the Board concerning the compensation of the Named Executive Officers. The Compensation Committee also has the responsibility to make recommendations concerning annual bonuses and grants to eligible persons under the Share Option Plan. The Board reviews and approves the hiring of executive officers.

The Board, acting on the recommendation of the Compensation Committee, has assessed the Company's compensation plans and programs for its executive officers to ensure alignment with the Company's business plan and to evaluate the potential risks associated with those plans and programs. The Board has concluded that the compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Company. The Board considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

The Company has not adopted a policy restricting its executive officers or directors from purchasing financial instruments that are designated to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its executive officers or directors. To the knowledge of the Company, none of the executive officers or directors has purchased such financial instruments.

The Compensation Committee is responsible for reviewing and approving corporate goals and objectives relevant to an executive officer's compensation, evaluating the executive officer's performance in light of those goals and objectives and making recommendations with respect to the executive officer's future compensation, based on the evaluation.

Executive compensation is comprised of short-term compensation in the form of a base salary and long-term ownership through the Share Option Plan. This structure ensures that a significant portion of executive compensation (stock options) is both long-term and "at risk" and, accordingly, is directly linked to the achievement of business results and the creation of long-term shareholder value. The Board determines the number of stock options to be awarded under the Share Option Plan. Stock options are generally awarded to executive officers at the commencement of employment and periodically thereafter. Stock options are granted to reward individuals for current performance, expected future performance and value to the Company. The size of awards made subsequent to the commencement of employment takes into account stock options already held by the individual.

### Compensation of Board Members and Named Executive Officers

Compensation for each of the Board members and each of the NEOs is approved by the Board as a whole. Base cash compensation and variable cash compensation levels are based, in part, on assessing appropriate compensation being paid to peer group companies at a similar stage of development.

The Board has not proceeded with a formal evaluation of the implications of the risks associated with the Company's compensation policies and practices. Risk management is a consideration of the Board when implementing its compensation program, and the Board does not believe that the Company's compensation program results in unnecessary or inappropriate risk-taking including risks that are likely to have a material adverse effect on the Company.

The Company has not established a policy on whether or not an NEO or director is permitted to purchase financial instruments, including for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

### Philosophy and Objectives

The compensation program for senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including:

- (a) attracting and retaining talented, qualified and effective executives;
- (b) motivating the short and long-term performance of these executives; and
- (c) better aligning their interests with those of the Company's shareholders.

The Company relies solely on the discussions of the Board, without any formal objectives, criteria and analysis, for determining executive compensation.

### **Elements of Executive Compensation Program**

The Company's compensation program consists of the following elements:

- (a) base salary or consulting fees;
- (b) bonus payments; and
- (c) equity participation through the Share Option Plan.

### Base Salary or Consulting Fees

The primary element of the Company's compensation program is base salary. The Company's view is that a competitive base salary is a necessary element for retaining qualified executive officers. The amount payable to an executive officer as base salary is determined primarily by the number of years of experience, personal performance, and by comparisons to the base salaries and total compensation paid to executives of comparable publicly-traded companies within the mineral exploration sector in North America.

In determining the base salary of an executive officer, the Board considers the following factors:

- (a) the particular responsibilities related to the position;
- (b) salaries paid by other companies in the mineral exploration sector in North America which were similar in size as the Company;
- (c) the experience level of the executive officer;
- (d) the amount of time and commitment which the executive officer devotes to the Company;  
and
- (e) the executive officer's overall performance and performance in relation to the achievement of corporate milestones and objectives.

### **Bonus Payments**

Each of the executive officers, as well as all employees, are eligible for an annual bonus, payable in cash or through option-based compensation. The amount paid is based on the Board's assessment of the Company's performance for the year. Factors considered in determining bonus amounts include individual performance, financial criteria (such as cash flow and share price performance) and operational criteria (such as significant mineral property acquisitions, resource growth and the attainment of corporate milestones).

### **Equity Participation**

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Share Option Plan. Stock options are granted to executives and employees taking into account a number of factors, including the amount and term of stock options previously granted, base salary and bonuses and competitive factors. The amounts and terms of stock options granted are determined by the Board.

Given the evolving nature of the Company's business, the Board, acting on the recommendation of the Compensation Committee, continues to review and redesign the overall compensation plan for senior management so as to continue to address the objectives identified above.

### **Risks Associated with the Company's Compensation Practices**

The Board, acting on the recommendation of the Compensation Committee, has assessed the Company's compensation plans and programs for its executive officers to ensure alignment with the Company's business plan and to evaluate the potential risks associated with those plans and programs. The Board has concluded that the compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Company. The Board considers the risks associated with executive compensation and corporate incentive plans when designing such plans and programs.

### **Benefits and Perquisites**

In general, the Company will provide a specific benefit or perquisite only when it provides competitive value and promotes retention of executives, or when the perquisite provides shareholder value, such as ensuring the health of executives. Limited perquisites the Company provides its executives may include a



parking allowance or a fee for each Board or Audit Committee meeting attended, to assist with their out-of-pocket expenses.

### Pension Plan Benefits

The Company has no pension plan arrangements or benefits with respect to any of its NEOs, directors or employees.

## PART 7 - SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

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The Share Option Plan is the only equity compensation plan of the Company under which securities are authorized for issuance.

### Equity Compensation Plan Information

The following table sets forth information with respect to the securities of the Company that are authorized for issuance under the Share Option Plan, as at the end of the Company's most recently completed financial year ended November 30, 2022:

Plan Category	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the second column of this table)
Equity compensation plans approved by securityholders (the Share Option Plan)	11,600,000	\$0.48	5,846,039 <sup>(1)</sup>
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
<b>Total</b>	<b>11,600,000</b>	<b>\$0.48</b>	<b>5,846,039</b>

Notes:

- (1) Calculated based upon 10% of an aggregate of 174,460,395 Common Shares issued and outstanding as of November 30, 2022, less the aggregate of 11,600,000 stock options outstanding under the Share Option Plan.

## PART 8 - INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

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No director, executive officer, or proposed nominee for election as a director of the Company, or their respective associates or affiliates, is or, since the beginning of the last completed financial year of the Company, was indebted to or guaranteed or supported by the Company, either pursuant to an employee stock purchase program or otherwise.

## PART 9 - INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

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For the purposes of this section, “informed person” means:

- (a) a director or executive officer of the Company;

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

Other than disclosed in this Circular, to the knowledge of management of the Company, no informed person of the Company, proposed director of the Company, or any associate or affiliate of any informed person or proposed director of the Company has any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year ended November 30, 2022 or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

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#### **PART 10 - MANAGEMENT CONTRACTS**

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Except as otherwise disclosed in this Circular, the management functions of the Company are generally performed by directors and senior officers of the Company and not, to any substantial degree, by any other person to whom the Company has contracted.

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#### **PART 11 - PARTICULARS OF MATTERS TO BE ACTED UPON**

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To the knowledge of the Board, the only matters to be brought before the Meeting are those matters set forth in the accompanying Notice of Meeting and described in this Circular. Management of the Company is not aware of any other matters which it anticipates will come before the Meeting as of the date of mailing of this Circular.

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#### **PART 12 - ADDITIONAL INFORMATION**

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Additional information relating to the Company concerning the Company and its operations is available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information concerning the Company is provided in its comparative financial statements and management's discussion and analysis for the Company's most recently completed financial year ended November 30, 2022. Copies of this information are available either on SEDAR and may also be obtained by contacting the Company at Suite 710, 1030 West Georgia Street, Vancouver, British Columbia, Canada, V6E 2Y3, Telephone: (604) 428-6128. Copies of such documents will be provided free of charge to security holders of the Company. The Company may require the payment of a reasonable charge from any person or company who is not a securityholder of the Company, who requests a copy of any such document.

#### **Approval**

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

**DATED** at Vancouver, British Columbia as of May 1, 2023.

*(s) Thomas Peregoodoff*

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**Thomas Peregoodoff**

President & CEO

*(s) Rona Sellers*

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**Rona Sellers**

Corporate Secretary

## SCHEDULE "A"

### APOLLO SILVER CORP.

#### SHARE OPTION PLAN Dated for Reference July 9, 2015 (as amended April 29, 2022)

### ARTICLE 1 PURPOSE AND INTERPRETATION

#### Purpose

1.1 The purpose of this Plan is to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of Common Shares of the Company. It is the intention of the Company that this Plan will at all times be in compliance with TSX Venture Policies (or, if applicable, NEX Policies) and any inconsistencies between this Plan and TSX Venture Policies (or, if applicable, NEX Policies) will be resolved in favour of the latter.

#### Definitions

1.2 In this Plan

- (a) **Affiliate** means a company that is a parent or subsidiary of the Company, or that is controlled by the same entity as the Company;
- (b) **Associate** has the meaning set out in the Securities Act;
- (c) **Blackout Period** means an interval of time during which the Company has determined that one or more Participants may not trade any securities of the Company because they may be in possession of undisclosed material information pertaining to the Company, or when in anticipation of the release of quarterly or annual financials, to avoid potential conflicts associated with a company's insider-trading policy or applicable securities legislation, (which, for greater certainty, does not include the period during which a cease trade order is in effect to which the Company or in respect of an Insider, that Insider, is subject);
- (d) **Board** means the board of directors of the Company or any committee thereof duly empowered or authorized to grant Options under this Plan;
- (e) **Change of Control** includes situations where after giving effect to the contemplated transaction and as a result of such transaction:
  - (i) any one Person holds a sufficient number of voting shares of the Company or resulting company to affect materially the control of the Company or resulting company, or,
  - (ii) any combination of Persons, acting in concert by virtue of an agreement, arrangement, commitment or understanding, holds in total a sufficient number of voting shares of the Company or its successor to affect materially the control of the Company or its successor,

where such Person or combination of Persons did not previously hold a sufficient number of voting shares to materially affect control of the Company or its successor and, in the absence of evidence to the contrary, any Person or combination of Persons acting in concert by virtue of an agreement, arrangement, commitment or understanding, holding more than 20% of the voting shares of the

Company or resulting company is deemed to materially affect control of the Company or resulting company;

(f) **Common Shares** means the common shares without par value in the capital of the Company providing such class is listed on the TSX Venture (or, NEX, as the case may be);

(g) **Company** means the company named at the top hereof and includes, unless the context otherwise requires, all of its Affiliates and successors according to law;

**Consultant** has the meaning assigned by Policy 4.4 of the TSX Venture Policies in effect from time to time;

(h) **Consultant Company** means for an individual Consultant, a company or partnership of which the individual is an employee, shareholder or partner;

(i) **Directors** means the directors of the Company as may be elected from time to time;

(j) **Discounted Market Price** has the meaning assigned by Policy 1.1 of the TSX Venture Policies in effect from time to time;

(k) **Disinterested Shareholder Approval** means approval by a majority of the votes cast by all the Company's shareholders at a duly constituted shareholders' meeting, excluding votes attached to Common Shares beneficially owned by Insiders who are Service Providers or their Associates;

(l) **Effective Date** for an Option means the date of grant thereof by the Board;

(m) **Employee** means:

(i) an individual who is considered an employee under the *Income Tax Act* Canada (i.e. for whom income tax, employment insurance and CPP deductions must be made at source);

(ii) an individual who works full-time for the Company or a subsidiary thereof providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or

(iii) an individual who works for the Company or its subsidiary on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions need not be made at source;

(n) **Exchange Hold Period** has the meaning assigned by Policy 1.1 of the TSX Venture Policies in effect from time to time;

(o) **Exercise Price** means the amount payable per Common Share on the exercise of an Option, as determined in accordance with the terms hereof;

(p) **Expiry Date** means the day on which an Option lapses as specified in the Option Commitment therefor or in accordance with the terms of this Plan;

(q) **Insider** means an insider as defined in the TSX Venture Policies or as defined in securities legislation applicable to the Company;

- (r) **Investor Relations Activities** has the meaning assigned by Policy 1.1 of the TSX Venture Policies in effect from time to time;
- (s) **Management Company Employee** means an individual employed by a Person providing management services to the Company which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a Person engaged in Investor Relations Activities;
- (t) **Market Price** has the meaning assigned by Policy 1.1 of the TSX Venture Policies in effect from time to time;
- (u) **NEX** means a separate board of the TSX Venture for companies previously listed on the TSX Venture or the Toronto Stock Exchange which have failed to maintain compliance with the ongoing financial listing standards of those markets;
- (v) **NEX Policies** means the rules and policies of NEX as amended from time to time;
- (w) **Officer** means a Board appointed officer of the Company;
- (x) **Option** means the right to purchase Common Shares granted hereunder to a Service Provider;
- (y) **Option Commitment** means the notice of grant of an Option delivered by the Company hereunder to a Service Provider and substantially in the form of Schedule A attached hereto;
- (z) **Optioned Shares** means Common Shares that may be issued in the future to a Service Provider upon the exercise of an Option;
- (aa) **Optionee** means the recipient of an Option hereunder;
- (bb) **Outstanding Shares** means at the relevant time, the number of issued and outstanding Common Shares of the Company from time to time;
- (cc) **Participant** means a Service Provider that becomes an Optionee;
- (dd) **Person** includes a company, any unincorporated entity, or an individual;
- (ee) **Plan** means this share option plan, the terms of which are set out herein or as may be amended;
- (ff) **Plan Shares** means the total number of Common Shares which may be reserved for issuance as Optioned Shares under the Plan as provided in §2.2;
- (gg) **Regulatory Approval** means the approval of the TSX Venture and any other securities regulatory authority that has lawful jurisdiction over the Plan and any Options issued hereunder;
- (hh) **Securities Act** means the Securities Act, R.S.B.C. 1996, c. 418, or any successor legislation;
- (ii) **Security Based Compensation Plan** has the meaning assigned by Policy 4.4 of the TSX Venture Policies;
- (jj) **Service Provider** means a Person who is a bona fide Director, Officer, Employee, Management Company Employee, Consultant or Consultant Company, and also includes a

company, 100% of the share capital of which is beneficially owned by one or more Service Providers;

(kk) **Shareholder Approval** means approval by a majority of the votes cast by eligible shareholders of the Company at a duly constituted shareholders' meeting;

(ll) **Take Over Bid** means a take over bid as defined in Multilateral Instrument 62-104 (Take-over Bids and Issuer Bids) or the analogous provisions of securities legislation applicable to the Company;

(mm) **TSX Venture** means the TSX Venture Exchange and any successor thereto; and

(nn) **TSX Venture Policies** means the rules and policies of the TSX Venture as amended from time to time.

### **Other Words and Phrases**

1.3 Words and phrases used in this Plan but which are not defined in the Plan, but are defined in the TSX Venture Policies (and, if applicable, the NEX Policies), will have the meaning assigned to them in the TSX Venture Policies (and, if applicable, NEX Policies).

### **Gender**

1.4 Words importing the masculine gender include the feminine or neuter, words in the singular include the plural, words importing a corporate entity include individuals, and vice versa.

## **ARTICLE 2 SHARE OPTION PLAN**

### **Establishment of Share Option Plan**

2.1 The Plan is hereby established to recognize contributions made by Service Providers and to create an incentive for their continuing assistance to the Company and its Affiliates.

### **Maximum Plan Shares**

2.2 The maximum aggregate number of Plan Shares that may be reserved for issuance under the Plan and pursuant to all Security Based Compensation granted or issued to Insiders ( as a group) must not exceed 10% of the Outstanding Shares of the Company at any point in time (unless the requisite Disinterested Shareholder Approval is obtained).

2.3 The maximum aggregate number of Plan Shares that are issuable pursuant to all Security Based Compensation granted or issued in any 12 month period to Insiders (as a group) must not exceed 10% of the Issued Shares of the Company, calculated as at the date any Security Based Compensation is granted or issued to any Insider (unless the requisite Disinterested Shareholder Approval is obtained)

### **Eligibility**

2.4 Options to purchase Common Shares may be granted hereunder only to Service Providers of the Company, or its Affiliates, from time to time by the Board. Service Providers that are not individuals will be required to undertake in writing not to effect or permit any transfer of ownership or option of any of its securities, or to issue more of its securities (so as to indirectly transfer the benefits of an Option), as long as such Option remains outstanding, unless the written permission of the TSX Venture and the Company is obtained.

## **Options Granted Under the Plan**

2.5 All Options granted under the Plan will be evidenced by an Option Commitment in the form attached as Schedule A, showing the number of Optioned Shares, the term of the Option, a reference to vesting terms, if any, and the Exercise Price.

2.6 Subject to specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of an Option Commitment made hereunder.

## **Limitations on Issue**

2.7 Subject to §2.10, the following restrictions on issuances of Options are applicable under the Plan:

- (a) no one Service Provider can be granted an Option if that Option would result in the total number of Options, pursuant to all Security Based Compensation granted or issued to such Service Provider in any 12 month period would exceed 5% of the Outstanding Shares, calculated as at the date any Security Based Compensation is granted or issued to the Service Provider, unless the Company has obtained Disinterested Shareholder Approval to do so;
- (b) the aggregate number of Options granted to all Service Providers conducting Investor Relations Activities in any 12-month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the TSX Venture (or NEX, as the case may be); and
- (c) the aggregate number of Options granted to any one Consultant in any 12 month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the TSX Venture.

## **Options Not Exercised**

2.8 In the event an Option granted under the Plan expires unexercised, is cancelled, is terminated by reason of dismissal of the Optionee for cause or is otherwise lawfully cancelled, terminated, or forfeited prior to exercise of the Option, and pursuant to which no securities have been issued, the Optioned Shares that were issuable thereunder will be returned to the Plan and will be eligible for re-issuance.

## **Powers of the Board**

2.9 The Board will be responsible for the general administration of the Plan and the proper execution of its provisions, the interpretation of the Plan and the determination of all questions arising hereunder. Without limiting the generality of the foregoing, the Board has the power to

- (a) allot Common Shares for issuance in connection with the exercise of Options;
- (b) grant Options hereunder;
- (c) subject to any necessary Regulatory Approval, amend, suspend, terminate or discontinue the Plan, or revoke or alter any action taken in connection therewith, except that no general amendment or suspension of the Plan will, without the prior written consent of all Optionees, alter or impair any Option previously granted under the Plan unless the alteration or impairment occurred as a result of a change in the TSX Venture Policies or the Company's tier classification thereunder; and



- (d) delegate all or such portion of its powers hereunder as it may determine to one or more committees of the Board, either indefinitely or for such period of time as it may specify, and thereafter each such committee may exercise the powers and discharge the duties of the Board in respect of the Plan so delegated to the same extent as the Board is hereby authorized so to do.

#### **Amendment of the Plan by the Board of Directors**

2.10 Subject to the requirements of the TSX Venture Policies and the prior receipt of any necessary Regulatory Approval, the Board may in its absolute discretion, amend or modify the Plan or any Option granted as follows:

- (a) it may make amendments which are of a typographical, grammatical or clerical nature only;
- (b) it may change the vesting provisions of an Option granted hereunder, subject to prior written approval of the TSX Venture, if applicable;
- (c) it may change the termination provision of an Option granted hereunder which does not entail an extension beyond the original Expiry Date of such Option;
- (d) it may make amendments necessary as a result in changes in securities laws applicable to the Company;
- (e) if the Company becomes listed or quoted on a stock exchange or stock market senior to the TSX Venture, it may make such amendments as may be required by the policies of such senior stock exchange or stock market; and
- (f) it may make such amendments as reduce, and do not increase, the benefits of this Plan to Service Providers.

#### **Amendments Requiring Disinterested Shareholder Approval**

2.11 The Company will be required to obtain Disinterested Shareholder Approval prior to any of the following actions becoming effective:

- (a) the Plan, together with all of the Company's other previous Security Based Compensation Plans, could result at any time in:
  - (i) the maximum aggregate number of Common Shares reserved for issuance under the Plan and pursuant to all Security Based Compensation granted or issued to Insiders exceed 10% of the Outstanding Shares at any point in time;
  - (ii) the maximum aggregate number of Plan Shares that are issuable pursuant to all Security Based Compensation granted or issued in any 12-month period to Insiders (as a group) must not exceed 10% of the Issued Shares of the Company, calculated as at the date any Security Based Compensation is granted or issued to any Insider (unless the requisite Disinterested Shareholder Approval is obtained)
  - (iii) the issuance to any one Optionee, within a 12-month period of a number of Common Shares exceeding 5% of the Outstanding Shares; or
- (b) any reduction in the Exercise Price of an Option previously granted to an Insider;
- (c) any extension of the Expiry Date of Options granted to Insiders.

## **Options Granted Under the Company's Previous Share Option Plans**

2.12 Any option granted pursuant to a stock option plan previously adopted by the Board which is outstanding at the time this Plan comes into effect shall be deemed to have been issued under this Plan and shall, as of the date this Plan comes into effect, be governed by the terms and conditions hereof.

### **ARTICLE 3 TERMS AND CONDITIONS OF OPTIONS**

#### **Exercise Price**

3.1 The Exercise Price of an Option will be set by the Board at the time such Option is allocated under the Plan and cannot be less than the Discounted Market Price.

#### **Term of Option**

3.2 An Option can be exercisable for a maximum of 10 years from the Effective Date.

#### **Option Amendment**

3.3 Subject to §2.10(b), the Exercise Price of an Option may be amended only if at least six (6) months have elapsed since the later of the date of commencement of the term of the Option, the date the Common Shares commenced trading on the TSX Venture, or the date of the last amendment of the Exercise Price.

3.4 An Option must be outstanding for at least one year before the Company may extend its term, subject to the limits contained in §3.2.

3.5 Any proposed amendment to the terms of an Option must be approved by the TSX Venture prior to the exercise of such Option.

#### **Vesting of Options**

3.6 Subject to §3.7, vesting of Options shall be at the discretion of the Board and, with respect to any particular Options granted under the Plan, in the absence of a vesting schedule being specified at the time of grant, all such Options shall vest immediately. Where applicable, vesting of Options will generally be subject to:

(a) the Service Provider remaining employed by or continuing to provide services to the Company or any of its Affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its Affiliates during the vesting period; or

(b) the Service Provider remaining as a Director of the Company or any of its Affiliates during the vesting period.

#### **Vesting of Options Granted to Consultants Conducting Investor Relations Activities**

3.7 Notwithstanding §3.6, Options granted to Consultants conducting Investor Relations Activities will vest:

(a) over a period of not less than 12 months as to 25% on the date that is three months from the date of grant, and a further 25% on each successive date that is three months from the date of the previous vesting; or

(b) such longer vesting period as the Board may determine.

### **Effect of Take-Over Bid**

3.8 If a Take Over Bid is made to the shareholders generally then the Company shall immediately upon receipt of notice of the Take Over Bid, notify each Optionee currently holding an Option of the Take Over Bid, with full particulars thereof whereupon such Option may, notwithstanding §3.6 and §3.7 or any vesting requirements set out in the Option Commitment, be immediately exercised in whole or in part by the Optionee, subject to approval of the TSX Venture (or the NEX, as the case may be) for vesting requirements imposed by the TSX Venture Policies.

### **Acceleration of Vesting on Change of Control**

3.9 In the event of a Change of Control occurring, Options granted and outstanding, which are subject to vesting provisions, shall be deemed to have immediately vested upon the occurrence of the Change of Control, excluding Options granted to a Person engaged in Investor Relations Activities.

### **Extension of Options Expiring During Blackout Period**

3.10 Should the Expiry Date for an Option fall within a Blackout Period formally imposed by the Company, such Expiry Date shall be automatically extended without any further act or formality to that day which is no later than the tenth (10th) Business Day after the end of the Blackout Period, such tenth Business Day to be considered the Expiry Date for such Option for all purposes under the Plan. The automatic extension of the Participant's Security Based Compensation will not be permitted where the Participant or the Company is subject to a cease trade order (or similar order under Securities Laws) in respect of the Company's securities. Notwithstanding §2.8, the tenth Business Day period referred to in this §3.10 may not be extended by the Board.

### **Optionee Ceasing to be Director, Employee or Service Provider**

3.11 Options may be exercised after the Service Provider has left his/her employ/office or has been advised by the Company that his/her services are no longer required or his/her service contract has expired, for a "reasonable period" after the Optionee ceases to be a Service Provider, as determined by the Board, such "reasonable period" not to exceed 12 months following the date such Optionee ceases to be a Service Provider, except as follows:

- (a) in the case of the death of an Optionee, any vested Option held by him at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of 12 months after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;
- (b) an Option granted to any Service Provider will expire 60 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option) after the date the Optionee ceases to be employed by or provide services to the Company, and only to the extent that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Company; and
- (c) in the case of an Optionee being dismissed from employment or service for cause, such Optionee's Options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same.

### **Non Assignable**

3.12 Subject to §3.11(a), all Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable.

## Adjustment of the Number of Optioned Shares

3.13 Adjustments under this Section, except with respect to subdivision or consolidation, are subject to prior approval of the TSX Venture. The number of Common Shares subject to an Option will be subject to adjustment in the events and in the manner following:

- (a) in the event of a subdivision of Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a greater number of Common Shares, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder, in addition to the number of Optioned Shares in respect of which the right to purchase is then being exercised, such additional number of Common Shares as result from the subdivision without an Optionee making any additional payment or giving any other consideration therefor;
- (b) in the event of a consolidation of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a lesser number of Common Shares, the Company will thereafter deliver and an Optionee will accept, at the time of purchase of Optioned Shares hereunder, in lieu of the number of Optioned Shares in respect of which the right to purchase is then being exercised, the lesser number of Common Shares as result from the consolidation;
- (c) in the event of any change of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder the number of shares of the appropriate class resulting from the said change as an Optionee would have been entitled to receive in respect of the number of Common Shares so purchased had the right to purchase been exercised before such change;
- (d) in the event of a capital reorganization, reclassification or change of outstanding equity shares (other than a change in the par value thereof) of the Company, a consolidation, merger or amalgamation of the Company with or into any other company or a sale of the property of the Company as or substantially as an entirety at any time while an Option is in effect, an Optionee will thereafter have the right to purchase and receive, in lieu of the Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option, the kind and amount of shares and other securities and property receivable upon such capital reorganization, reclassification, change, consolidation, merger, amalgamation or sale which the holder of a number of Common Shares equal to the number of Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option would have received as a result thereof. The subdivision or consolidation of Common Shares at any time outstanding (whether with or without par value) will not be deemed to be a capital reorganization or a reclassification of the capital of the Company for the purposes of this §3.13;
- (e) an adjustment will take effect at the time of the event giving rise to the adjustment, and the adjustments provided for in this section are cumulative;
- (f) the Company will not be required to issue fractional shares in satisfaction of its obligations hereunder. Any fractional interest in a Common Share that would, except for the provisions of this §3.13, be deliverable upon the exercise of an Option will be cancelled and not be deliverable by the Company; and
- (g) if any questions arise at any time with respect to the Exercise Price or number of Optioned Shares deliverable upon exercise of an Option in any of the events set out in this §3.13, such questions will be conclusively determined by the Company's auditors, or, if they decline to so act, any other firm of Chartered Accountants, in Vancouver, British Columbia (or in the city of the Company's principal executive office) that the Company may designate and who will be granted

access to all appropriate records and such determination will be binding upon the Company and all Optionees.

## **ARTICLE 4**

### **commitment and exercise PROCEDURES**

#### **Option Commitment**

4.1 Upon grant of an Option hereunder, an authorized Officer of the Company will deliver to the Optionee an Option Commitment detailing the terms of such Options and upon such delivery the Optionee will be subject to the Plan and have the right to purchase the Optioned Shares at the Exercise Price set out therein subject to the terms and conditions hereof, including any additional requirements contemplated with respect to the payment of required withholding taxes on behalf of Optionees.

#### **Manner of Exercise**

4.2 An Optionee who wishes to exercise his Option may do so by delivering

- (a) a written notice to the Company specifying the number of Optioned Shares being acquired pursuant to the Option; and
- (b) a certified cheque, wire transfer or bank draft payable to the Company for the aggregate Exercise Price for the Optioned Shares being acquired, plus any required withholding tax amount subject to §4.3.

#### **Tax Withholding and Procedures**

4.3 Notwithstanding anything else contained in this Plan, the Company may, from time to time, implement such procedures and conditions as it determines appropriate with respect to the withholding and remittance of taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law. Without limiting the generality of the foregoing, an Optionee who wishes to exercise an Option must, in addition to following the procedures set out in §4.2 and elsewhere in this Plan, and as a condition of exercise:

- (a) deliver a certified cheque, wire transfer or bank draft payable to the Company for the amount determined by the Company to be the appropriate amount on account of such taxes or related amounts; or
- (b) otherwise ensure, in a manner acceptable to the Company (if at all) in its sole and unfettered discretion, that the amount will be securely funded;

and must in all other respects follow any related procedures and conditions imposed by the Company.

#### **Delivery of Optioned Shares and Hold Periods**

4.4 As soon as practicable after receipt of the notice of exercise described in §4.2 and payment in full for the Optioned Shares being acquired, the Company will direct its transfer agent to issue to the Optionee the appropriate number of Optioned Shares. An Exchange Hold Period will be applied from the date of grant for all Options granted to:

- (a) Insiders of the Company; or
- (b) where Options are granted to any Service Provider, including Insiders, where the Exercise Price is at a discount to the Market Price.

4.5 Pursuant to TSX Venture Policies, where the Exchange Hold Period is applicable, the certificate representing the Optioned Shares or written notice in the case of uncertificated shares will include a restrictive legend stipulating that the Optioned Shares issued are subject to a four-month Exchange Hold Period commencing the date of the Option Commitment.

## **ARTICLE 5 GENERAL**

### **Employment and Services**

5.1 Nothing contained in the Plan will confer upon or imply in favour of any Optionee any right with respect to office, employment or provision of services with the Company, or interfere in any way with the right of the Company to lawfully terminate the Optionee's office, employment or service at any time pursuant to the arrangements pertaining to same. Participation in the Plan by an Optionee is voluntary.

### **No Representation or Warranty**

5.2 The Company makes no representation or warranty as to the future market value of Common Shares issued in accordance with the provisions of the Plan or to the effect of the *Income Tax Act* (Canada) or any other taxing statute governing the Options or the Common Shares issuable thereunder or the tax consequences to a Service Provider. Compliance with applicable securities laws as to the disclosure and resale obligations of each Participant is the responsibility of each Participant and not the Company.

### **Interpretation**

5.3 The Plan will be governed and construed in accordance with the laws of the Province of British Columbia.

### **Continuation of Plan**

5.4 The Plan will become effective from and after July 9, 2015, and will remain effective provided that the Plan, or any amended version thereof, receives Shareholder Approval at each annual general meeting of the holders of Common Shares of the Company subsequent to September 25, 2015.

### **Amendment of the Plan**

5.5 The Board reserves the right, in its absolute discretion, to at any time amend, modify or terminate the Plan with respect to all Common Shares in respect of Options which have not yet been granted hereunder. Any amendment to any provision of the Plan will be subject to any necessary Regulatory Approvals unless the effect of such amendment is intended to reduce (but not to increase) the benefits of this Plan to Service Providers.

*[Remainder of page intentionally left blank.]*

**SCHEDULE A  
TO SHARE OPTION PLAN  
OPTION COMMITMENT**

Notice is hereby given that, effective this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (the "Effective Date") APOLLO SILVER CORP. (the "Company") has granted to \_\_\_\_\_ (the "Optionee"), an Option to acquire \_\_\_\_\_ Common Shares ("Optioned Shares") up to 5:00 p.m. Vancouver Time on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (the "Expiry Date") at an Exercise Price of Cdn\$ \_\_\_\_\_ per share.

Optioned Shares are to vest immediately.

**OR**

Optioned Shares will vest *[INSERT VESTING SCHEDULE AND TERMS]*

The Option shall expire \_\_\_\_\_ days after the Optionee ceases to be employed by or provide services to the Company.

The grant of the Option evidenced hereby is made subject to the terms and conditions of the Plan, which are hereby incorporated herein and form part hereof.

To exercise your Option, deliver a written notice specifying the number of Optioned Shares you wish to acquire, together with a certified cheque, wire transfer or bank draft payable to the Company for the aggregate Exercise Price. A certificate, or written notice in the case of uncertificated shares, for the Optioned Shares so acquired will be issued by the transfer agent as soon as practicable thereafter and may bear a minimum four month non-transferability legend from the date of this Option Commitment, the text of which is as follows. *[Note: If a four month hold period is applicable, the following legend must be placed on the certificate or the written notice in the case of uncertificated shares.]*

"WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL 12:00 A.M. (MIDNIGHT) ON *[insert date 4 months from the date of grant]*".

The Company and the Optionee represent that the Optionee under the terms and conditions of the Plan is a bona fide Service Provider (as defined in the Plan), entitled to receive Options under TSX Venture Policies.

The Optionee also acknowledges and consents to the collection and use of Personal Information (as defined in the Policies of the TSX Venture Exchange) by both the Company and the TSX Venture (or the NEX, as the case may be) as more particularly set out in the Acknowledgement - Personal Information in use by the TSX Venture (or the NEX, as the case may be) on the date of this Option Commitment.

**APOLLO SILVER CORP.**

\_\_\_\_\_  
Authorized Signatory

\_\_\_\_\_  
*[insert name of optionee]*

\_\_\_\_\_  
*Signature of Optionee*





**SCHEDULE B  
TO SHARE OPTION PLAN**

APOLLO SILVER CORP.  
Suite 710, 1030 West Georgia Street  
Vancouver, British Columbia Canada  
V6E 2Y3

Re: Employee Share Option Exercise

Attn: Share Option Plan Administrator, APOLLO SILVER CORP. (the "Company")

This letter is to inform APOLLO SILVER CORP. that I, \_\_\_\_\_, wish to exercise \_\_\_\_\_ options, at \_\_\_\_\_ per share, on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Payment issued in favour of APOLLO SILVER CORP. for the amount of \$ \_\_\_\_\_ will be forwarded, including withholding tax amounts.

Please register the share certificate in the name of:

Name of Optionee: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Please send share certificate to:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Sincerely,

\_\_\_\_\_  
Signature of Optionee

\_\_\_\_\_  
Date

\_\_\_\_\_  
SIN Number (for T4)

## SCHEDULE “B”

### AUDIT COMMITTEE CHARTER

The Audit Committee (the “**Committee**”) is a committee of the board of directors (the “**Board**”) of Apollo Silver Corp. (the “**Company**”). The role of the Committee is to provide oversight of the Company’s financial management and of the design and implementation of an effective system of internal financial controls as well as to review and report to the Board on the integrity of the financial statements of the Company, its subsidiaries and associated companies. This includes helping directors meet their responsibilities, facilitating better communication between directors and the external auditor, enhancing the independence of the external auditor, increasing the credibility and objectivity of financial reports and strengthening the role of the directors by facilitating in-depth discussions among directors, management and the external auditor. Management is responsible for establishing and maintaining those controls, procedures and processes and the Committee is appointed by the Board to review and monitor them. The Company’s external auditor is ultimately accountable to the Board and the Committee as representatives of the Company’s shareholders.

#### **Duties and Responsibilities**

##### *External Auditor*

- (a) To recommend to the Board, for shareholder approval, an external auditor to examine the Company’s accounts, controls, and financial statements on the basis that the external auditor is accountable to the Board and the Committee as representatives of the shareholders of the Company.
- (b) To oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor’s report or performing other audit, review, or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting.
- (c) To evaluate the audit services provided by the external auditor, pre-approve all audit fees and recommend to the Board, if necessary, the replacement of the external auditor.
- (d) To pre-approve any non-audit services to be provided to the Company by the external auditor and the fees for those services.
- (e) To obtain and review, at least annually, a written report by the external auditor setting out the auditor’s internal quality-control procedures, any material issues raised by the auditor’s internal quality-control reviews and the steps taken to resolve those issues.
- (f) To hold an in-camera meeting with the external auditor at the end of each audit committee meeting, without management present.
- (g) To review and approve the Company’s hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company. The Committee has adopted the following guidelines regarding the hiring of any partner, employee, reviewing tax professional or other person providing audit assurance to the external auditor of the Company on any aspect of its certification of the Company’s financial statements:
  - (i) A member of the audit team that is auditing a business of the Company can be hired into that business or into a position to which that business reports following Committee review and approval;
  - (ii) A former partner or employee of the external auditor may be made an officer of the Company or any of its subsidiaries following Committee review and approval;
  - (iii) The Chief Financial Officer (“**CFO**”) must approve all office hires from the external

auditor; and

- (iv) The CFO must report annually to the Committee on any hires within these guidelines during the preceding year.
- (h) To review, at least annually, the relationships between the Company and the external auditor in order to establish the independence of the external auditor.

#### *Financial Information and Reporting*

- (a) To review and approve the Company's annual audited financial statements and interim statements with the Chief Executive Officer ("CEO") and CFO and then recommend approval to the Board.
- (b) To review and discuss with management and the external auditor, as appropriate:
  - (i) The annual audited financial statements and the interim financial statements, including the accompanying management discussion and analysis; and
  - (ii) Earnings guidance and other releases containing information taken from the Company's financial statements prior to their release.
- (c) To review the quality and not just the acceptability of the Company's financial reporting and accounting standards and principles and any proposed material changes to them or their application.
- (d) To review with the CFO any earnings guidance to be issued by the Company and any news release containing financial information taken from the Company's financial statements prior to the release of the financial statements to the public. In addition, the CFO must review with the Committee the substance of any presentations to analysts or rating agencies that contain a change in strategy or outlook.

#### *Oversight*

- (a) To review the internal audit staff functions, including:
  - (i) The purpose, authority and organizational reporting lines;
  - (ii) The annual audit plan, budget and staffing; and
  - (iii) The appointment and compensation of the controller, if any.
- (b) To review, with the CFO and others, as appropriate, the Company's internal system of audit controls and the results of internal audits.
- (c) To review and monitor the Company's major financial risks and risk management policies and the steps taken by management to mitigate those risks.
- (d) To meet at least annually with management (including the CFO), the internal audit staff, and the external auditor in separate executive sessions and review issues and matters of concern respecting audits and financial reporting.
- (e) In connection with its review, approval, and Board approval recommendation of the annual audited financial statements and interim financial statements, the Committee will also review and approve the process for the CEO and CFO certifications (if required by law or regulation) with respect to the financial statements and the Company's disclosure and internal controls, including any material deficiencies or changes in those controls.

## *Membership*

- (a) The Committee shall consist of three or more members of the Board, all of whom shall be independent directors, and shall satisfy the laws governing the Company and the independence, financial literacy, expertise and experience requirements under applicable securities laws, applicable stock exchange rules, and any other regulatory requirements applicable to the Company
- (b) Any member may be removed from office or replaced at any time by the Board and shall cease to be a member upon ceasing to be a director. Each member of the Committee shall hold office until the close of the next annual meeting of shareholders of the Company or until the member ceases to be a director, resigns or is replaced, whichever first occurs.
- (c) The members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board may from time to time determine.
- (d) All members of the Committee must be “financially literate” (i.e. have the ability to read and understand a set of financial statements such as a balance sheet, an income statement and a cash flow statement).

## **Procedures**

- (a) The Board shall appoint one of the directors elected to the Committee as the Chair of the Committee (the “**Chair**”). In the absence of the appointed Chair from any meeting of the Committee, the members shall elect a Chair from those in attendance to act as Chair of the meeting.
- (b) The Chair will appoint a secretary (the “**Secretary**”) who will keep minutes of all meetings. The Secretary does not have to be a member of the Committee or a director and can be changed by simple notice from the Chair.
- (c) No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present or by resolution in writing signed by all the members of the Committee. A majority of the members of the Committee shall constitute a quorum, provided that if the number of members of the Committee is an even number, one-half of the number of members plus one shall constitute a quorum and provided that a majority of the members must be “independent” or “unrelated”.
- (d) The Committee will meet as many times as is necessary to carry out its responsibilities. Any member of the Committee or the external auditor may call meetings.
- (e) The time and place of the meetings of the Committee, the calling of meetings and the procedure in all respects of such meetings shall be determined by the Committee, unless otherwise provided for in the articles of the Company or otherwise determined by resolution of the Board.
- (f) The Committee shall have the resources and authority necessary to discharge its duties and responsibilities, including the authority to select, retain, terminate, and approve the fees and other retention terms (including termination) of special counsel, advisors or other experts or consultants, as it deems appropriate.
- (g) The Committee shall have access to all books and records of the Company necessary for the execution of the Committee’s obligations and shall discuss with the CEO or the CFO such records and other matters considered appropriate.
- (h) The Committee has the authority to communicate directly with the internal and external auditors.

## **Reports**

The Committee shall produce the following reports and provide them to the Board:

- (a) An annual performance evaluation of the Committee, which evaluation must compare the performance of the Committee with the requirements of this Charter. The performance evaluation should also recommend to the Board any improvements to this Charter deemed necessary or desirable by the Committee. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board may take the form of an oral report by the Chair or any other member of the Committee designated by the Committee to make this report.
- (b) A summary of the actions taken at each Committee meeting, which shall be presented to the Board at the next Board meeting.

Approved by the Board on October 19, 2021.

Amended by the Board on March 18, 2022.

## SCHEDULE “C”

### MANDATE FOR THE BOARD OF DIRECTORS

The term “Corporation” herein shall refer to Apollo Silver Corp. and the term “Board” shall refer to the Board of Directors of the Corporation.

The Board is responsible for establishing and maintaining a culture of integrity in the conduct of the affairs of the Corporation. The Board seeks to discharge this responsibility by satisfying itself as to the integrity of the Chair & Chief Executive Officer and Management and by overseeing and monitoring Management to ensure a culture of integrity is maintained.

Although Directors may be nominated by certain persons to bring special expertise or a point of view to Board deliberations, they are not chosen to represent a particular constituency. The best interests of the Corporation must be paramount at all times.

### DUTIES OF THE DIRECTORS

The Board discharges its responsibilities directly and through its committees; namely, the Audit Committee, the Compensation Committee, the Nominating and Corporate Governance Committee (“NCG”), and the Health, Safety and Sustainability Committee (“HSS”). In addition to these regular committees, the Board may appoint ad hoc committees periodically to address issues of a more short-term nature. The Board’s primary roles are overseeing corporate performance and providing quality, depth and continuity of management to meet the Corporation’s strategic objectives. In addition to the Board’s primary roles of overseeing the affairs of the Corporation, principal duties include, but are not limited to the following categories:

#### *Oversight of Management*

1. The Board has the responsibility for approving the appointment of the Chief Executive Officer and any other officers of the Corporation (collectively, the “Officers”), and approving the compensation of the Chief Executive Officer and the employees of the Corporation following a review of the recommendations of the Compensation Committee.
2. The Board has delegated authority to the Chief Executive Officer for the overall management of the Corporation, including strategy and operations to ensure the long-term success of the Corporation and to maximize shareholder value.
3. The Board may from time-to-time delegate authority to the Officers, subject to specified limits. Matters which are outside the scope of the authority delegated to the Officers and material transactions are reviewed by and subject to the prior approval of the Board.
4. The Board is responsible for monitoring the performance of Management.

#### *Board Organization*

5. The Board retains the responsibility for managing its own affairs by giving its approval for its composition, the selection of the Chair of the Board, candidates nominated for election to the Board, Committee and Committee chair appointments, Committee charters and executive compensation.
6. The Board may delegate to Board Committees matters it is responsible for, including the approval of compensation of the Board and Management, the approval of interim financial results, the conduct of performance evaluations and oversight of internal controls systems, as well as safety matters. However, the Board retains its oversight function and ultimate responsibility for these matters and all other delegated responsibilities.

## *Composition*

7. The Board believes that better corporate governance is promoted when a board of directors is made up of highly qualified individuals i) from diverse backgrounds who reflect the changing population demographics of the markets in which the Corporation operates, ii) of each gender, and iii) reflective of the talent available with the required expertise. When considering recommendations for nomination to the Board, the Board shall consider:
  - (a) diversity criteria including gender, age, ethnicity, and geographic background; and
  - (b) candidates who are highly qualified based on their experience, functional expertise, and personal skills and qualities.

Notwithstanding this, the Corporation does not support the adoption of quotas to support its belief in the importance of diversity. In addition to the criteria set out above and elsewhere herein, employees and directors of the Corporation (“Directors”) will be recruited and promoted based upon their ability and contributions.

8. The Directors shall consist of persons who possess skills and competencies in areas that are:
  - (a) necessary to enable the Board and Board committees to properly discharge their duties and responsibilities; and
  - (b) relevant to the Corporation’s activities.
9. At least 50% of the directors shall be individuals who are “independent” directors in accordance with applicable securities laws and stock exchange policies. Subject to the size and operations of the Corporation, the Board is committed to setting measurable objectives for the long-term goal of improving gender representation across all levels of the organisation.
10. The Board does not believe it should establish term limits for directors as term limits could result in the loss of Directors who have been able to develop, over a period of time, significant insight into the Corporation and its operations and an institutional memory that benefits the Board as well as the Corporation and its stakeholders. The Board, on its initiative and on an exceptional basis, may exercise discretion to introduce maximum terms or mandatory retirement where it considers that such a limitation would benefit the Corporation and its stakeholders.
11. Subject to the limitations herein, the Nominating and Corporate Governance (“NCG”) Committee of the Board will annually (and more frequently, if appropriate) recommend candidates to the Board for election or appointment as Directors, taking into account the Board’s conclusions with respect to the appropriate size and composition of the Board and Board committees, the competencies and skills required to enable the Board and Board Committees to properly discharge their responsibilities, and the competencies and skills of the current Board.
12. No director should serve on the board of a regulatory body with oversight of the Corporation. Each director should, when considering membership on another board or committee, make every effort to ensure that such membership will not impair the Director’s time and availability for his or her commitment to the Corporation as well as his or her ability to exercise their fiduciary duties as directors.

Directors should advise the chair of the NCG Committee and the Chief Executive Officer (“CEO”) of the Corporation before accepting membership on other public company boards of directors or any audit committee or other significant committee assignment on any other board of directors, or establishing other significant relationships with businesses, institutions, governmental units or regulatory entities, particularly those that may result in significant time commitments or a change in the director’s relationship to the Corporation.

13. Without prior approval of the NCG Committee, the CEO of the Corporation should not serve on the board of any other public company.
14. The Board approves the final choice of candidates.
15. The shareholders of the Corporation elect the Directors annually.
16. The Secretary of the Corporation (the “Secretary”) shall be secretary of the Board.
17. Directors are expected to comply with the Corporation’s Codes of Conduct.

#### *Monitoring of Financial Performance and Other Financial Reporting Matters*

18. The Board has oversight responsibility for reviewing and questioning the strategies and plans of the Corporation.
19. The Board has oversight responsibility for reviewing systems for managing the principal risks of the Corporation’s business including insurance coverages, conduct of material litigation and the effectiveness of internal controls.
20. The Board is responsible for reviewing and approving annual operational budgets, capital expenditure limits and corporate objectives, and monitoring performance on each of the above.
21. The Board must approve all decisions involving unbudgeted operating expenditures in excess of \$100,000 and unbudgeted project expenditures in excess of \$200,000.
20. The Board is responsible for considering appropriate measures if the performance of the Corporation falls short of its goals or if other special circumstances warrant.
21. The Board shall be responsible for approving the interim and audited financial statements and the notes thereto and the Corporation’s management discussion and analysis with respect to such financial statements.
22. The Board is responsible for reviewing and approving material transactions involving the Corporation and those matters which the Board is required to approve under its governing legislation and documents, including the payment of distributions, acquisitions, and dispositions of material assets by the Corporation and material expenditures by the Corporation.
23. The Board has responsibility for effectively monitoring the principal risks of the Corporation.

#### *Policies and Procedures*

24. The Board is responsible for:
  - approving and monitoring compliance with all significant policies and procedures within which the Corporation operates;
  - approving policies and procedures designed to ensure that the Corporation operates at all times within applicable laws and regulations and to the highest ethical and moral standards;
  - implementing the appropriate structures and procedures to ensure that the board functions independently of management;



- enforcing obligations of the Directors respecting confidential treatment of the Corporation's proprietary information and Board deliberations; and
  - establishing policies and procedures whereby members of the Board will be required on an annual basis to assess their own effectiveness as directors and the effectiveness of committees of the Board and the Board as a whole.
25. The Board has approved a Disclosure Policy respecting communications to the public.

#### *Reporting*

26. The Board is responsible for:
- overseeing the accurate reporting of the financial performance of the Corporation to its shareholders on a timely and regular basis;
  - overseeing that the financial results are reported fairly and in accordance with international financial reporting standards;
  - ensuring the integrity of the internal control and management information systems of the Corporation;
  - taking steps to enhance timely disclosure; and
  - ensuring the appointment of a qualified corporate secretary to attend to organizing the meetings of the Board and the committees in accordance with the by-laws and the corporate governance policies, and punctually preparing minutes which are an accurate, valid and completed documentation of such meetings and the business conducted therein.

#### *Authority*

27. The powers of the Board may be exercised at a meeting for which notice has been given and at which a quorum is present or, in appropriate circumstances, by resolution in writing signed by all the directors.
28. The Board is authorized to retain, and to set and pay the compensation of, independent legal counsel and other advisers if it considers this appropriate.
29. The Board is authorized to invite officers and employees of the Corporation and outsiders with relevant experience and expertise to attend or participate in its meetings and proceedings, if it considers this appropriate.

### **EXPECTATIONS OF THE DIRECTORS**

Expectations of the Directors include but are not limited to:

- (a) maintaining a high attendance record at meetings of the Board and the committees of which they are members. Attendance by telephone or video conference may be used to facilitate a director's attendance;
- (b) reviewing the materials circulated in advance of meetings of the Board and its committees and being prepared to discuss the issues presented. Directors are encouraged to contact the Chair of the Board,

the CEO and any other appropriate executive officer(s) to ask questions and discuss agenda items prior to meetings;

- (c) being sufficiently knowledgeable of the business of the Corporation, including its financial statements, and the risks it faces, ensuring active and effective participation in the deliberations of the Board and of each committee on which he or she serves.
- (d) freely to contact the CEO at any time to discuss any aspect of the Corporation's business. Directors should use their judgement to ensure that any such contact is not disruptive to the operations of the Corporation. The Board expects that there will be frequent opportunities for Directors to meet with the CEO in meetings of the Board and committees, or in other formal or informal settings.
- (e) Maintaining the confidentiality of the proceedings and deliberations of the Board and its committees. Each Director will maintain the confidentiality of information received in connection with his or her service as a director.

**ADOPTION**

This Policy was adopted by the Board on October 19, 2021.