

HERCULES SILVER CORP.

100 King Street West, Suite 1600
Toronto, Ontario
M5X 1G5

**ANNUAL
GENERAL AND SPECIAL
MEETING**

Notice of Annual General and Special Meeting of Shareholders
Management Information Circular
Form of Proxy and Notes Thereto
Financial Statement Request Form

Place:

Gowling WLG (Canada) LLP
First Canadian Place
100 King St West, Suite 1600,
Toronto, Ontario
Canada M5X 1G5

Time:

10:00 a.m. (Toronto Time)

Date:

Monday, June 17, 2024

HERCULES SILVER CORP.

CORPORATE DATA

Head Office

100 King Street West, Suite 1600
Toronto, Ontario
M5X 1G5

Directors and Officers

Christopher Paul – Chief Executive Officer and Director
Keith Li – Chief Financial Officer and Corporate Secretary
Christopher Longton – Vice President, Exploration
Peter Simeon – Director
Nicholas Tintor – Director
Kelly Malcolm – Director

Registrar and Transfer Agent

Odyssey Trust Corporation

Legal Counsel

Gowling WLG (Canada) LLP

Auditor

MNP LLP, Chartered Professional Accountants

Stock Exchange Listing

TSX Venture Exchange
Symbol “**BIG**”

HERCULES SILVER CORP.

100 King Street West, Suite 1600
Toronto, Ontario
M5X 1G5

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual General and Special Meeting of the Shareholders of Hercules Silver Corp. (the “**Corporation**”) will be held at Gowling WLG (Canada) LLP, First Canadian Place, 100 King St W., Suite 1600, Toronto, Ontario, Canada M5X 1G5 on Monday, the 17th day of June, 2024 at 10:00 a.m. (Toronto Time), for the following purposes:

1. To receive the audited consolidated financial statements of the Corporation for the year ended December 31, 2023 (with comparative statements relating to the preceding fiscal year) together with the report of the auditors therein;
2. To fix the number of directors at four (4);
3. To elect the directors for the ensuing year;
4. To appoint MNP LLP, Chartered Professional Accountants, as auditors for the ensuing year and to authorize the directors of the Corporation to fix their remuneration;
5. to consider, and if deemed appropriate, to pass, with or without variation, a special resolution, as more particularly described in the accompanying Management Information Circular, approving the name change of the Corporation from “Hercules Silver Corp.” to “Hercules Metals Corp.” or to such name as the Board may determine in its sole discretion;
6. to consider, and if deemed appropriate, to pass an ordinary resolution of shareholders confirming an amendment to By-Law No. 1 of the Corporation, as more particularly described in the accompanying management information circular; and
7. To transact such further or other business as may properly come before the meeting or any adjournment or adjournments thereof.

Accompanying this Notice is the Information Circular, a form of Proxy, and a Financial Statement Request Form. The accompanying Information Circular provides information relating to the matters to be addressed at the Meeting and is incorporated into this Notice.

Shareholders of the Corporation are entitled to vote at the Meeting either in person or by proxy. Those who are unable to attend the Meeting are requested to read the notes to the enclosed form of Proxy and then to, complete, sign and mail the enclosed form of Proxy in accordance with the instructions set out in the Proxy and in the Information Circular accompanying this Notice.

DATED at Toronto, Ontario, this 6th day of May, 2024.

BY ORDER OF THE BOARD

(signed) “Christopher Paul”
Christopher Paul
Chief Executive Officer and Director

HERCULES SILVER CORP.
100 King Street West, Suite 1600
Toronto, Ontario
M5X 1G5

INFORMATION CIRCULAR

(Containing information as at May 6, 2024 unless indicated otherwise)

SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation of proxies by the management of Hercules Silver Corp. (the “**Corporation**”) for use at the Annual General and Special Meeting of Shareholders of the Corporation (and any adjournment thereof) to be held on Monday, June 17, 2024 (the “**Meeting**”) for the purposes set forth in the accompanying Notice of Meeting. While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by the directors, officers and regular employees of the Corporation at nominal cost. All costs of solicitation by management will be borne by the Corporation.

The contents and the sending of this Information Circular have been approved by the directors of the Corporation (the “**Board of Directors**” or “**Board**”).

APPOINTMENT OF PROXYHOLDER

The individuals named in the accompanying form of proxy are officers and/or directors of the Corporation (collectively, “**Management’s Nominees**”). **A SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER) TO REPRESENT HIM, HER OR IT AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY STRIKING OUT THE NAMES OF MANAGEMENT’S NOMINEES NAMED IN THE ACCOMPANYING FORM OF PROXY AND INSERTING THE DESIRED PERSON’S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER FORM OF PROXY.**

A proxy will not be valid unless the completed form of proxy is received by Odyssey Trust Company (the “Transfer Agent”) at Proxy Department, #702 - 67 Yonge Street, Toronto, Ontario M5E 1J8, Canada, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or any adjournment thereof. Proxies delivered after that time will not be accepted.

REVOCAION OF PROXIES

A shareholder who has given a proxy may revoke it by an instrument in writing executed by the shareholder or by his, her or its attorney authorized in writing or, where the shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered to the registered office of the Corporation, at **Gowling WLG (Canada) LLP, 100 King Street West, Suite 1600, Toronto, Ontario, M5X 1G5** at any time up to and including the last business day preceding the day of the Meeting, or if adjourned, any reconvening thereof, or to the Chairman of the Meeting on the day of the Meeting or, if adjourned, any reconvening thereof or in any other manner provided by law. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

INFORMATION FOR NON-REGISTERED SHAREHOLDERS

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Corporation are “non-registered” shareholders because the shares they own are not registered in their names but are instead registered in the names of a brokerage firm, bank or other intermediary or in the name of a clearing agency. Shareholders who do not hold their

shares in their own name (referred to herein as “Beneficial Shareholders”) should note that only registered shareholders may vote at the Meeting. If common shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those common shares will not be registered in such shareholder’s name on the records of the Corporation. Such common shares will more likely be registered under the name of the shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which Corporation acts as nominee for many Canadian brokerage firms). Common shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the brokers’ clients. Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their common shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided by the Corporation to the registered shareholders. However, its purpose is limited to instructing the registered shareholder (i.e. the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”). Broadridge typically prepares a machine-readable voting instruction form, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of common shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote common shares directly at the Meeting. The voting instruction form must be returned to Broadridge (or instructions respecting the voting of common shares must be communicated to Broadridge) well in advance of the Meeting in order to have the common shares voted.**

This Information Circular and accompanying materials are being sent to both registered shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two 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 provision of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) issuers may request and obtain a list of their NOBOs from intermediaries via their transfer agents. Pursuant to NI 54-101, issuers may obtain and use the NOBO list for distribution of proxy-related materials directly (not via Broadridge) to such NOBOs. If you are a Beneficial Shareholder, and the Corporation or its agent has sent these materials directly to you, your name, address and information about your holdings of common shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the common shares on your behalf. The Corporation’s OBOs can expect to be contacted by Broadridge or their brokers or their broker’s agents as set out above.

The Corporation is not sending its proxy-related materials to the registered shareholders or Beneficial Shareholders using “notice and access”, as defined in National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*.

The Corporation does not intend to pay for intermediaries to deliver the proxy-related materials and Form 54-101F7 to OBOs, as defined under NI 54-101. As a result, OBOs will not receive the Meeting materials unless the OBOs intermediary assumes the costs of delivery.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as

proxyholder for the registered shareholder and vote the common shares in that capacity. **Beneficial shareholders who wish to attend the Meeting and indirectly vote their common shares as proxyholder for the registered shareholder should enter their own names in the blank space on the proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

All references to shareholders in this Information Circular and the accompanying form of Proxy and Notice of Meeting are to shareholders of record unless specifically stated otherwise.

VOTING OF PROXIES

The common shares represented by a properly executed proxy in favour of persons proposed by Management as proxyholders in the accompanying form of proxy will:

- (a) be voted or withheld from voting in accordance with the instructions of the person appointing the proxyholder on any ballot that may be taken; and
- (b) where a choice with respect to any matter to be acted upon has been specified in the form of proxy, be voted in accordance with the specification made in such proxy.

ON A POLL SUCH SHARES WILL BE VOTED **IN FAVOUR** OF EACH MATTER FOR WHICH NO CHOICE HAS BEEN SPECIFIED BY THE SHAREHOLDER.

The enclosed form of proxy when properly completed and delivered and not revoked confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting, and with respect to other matters which may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting or any further or other business is properly brought before the Meeting, it is the intention of the persons designated in the enclosed form of proxy to vote in accordance with their best judgment on such matters or business. At the time of the printing of this Information Circular, the management of the Corporation knows of no such amendment, variation or other matter which may be presented to the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

Authorized Share Structure: an unlimited number of common shares without par value
Issued and Outstanding: 249,732,881⁽¹⁾ common shares without par value

Note:

(1) As at the date hereof.

The common shares are the only voting securities of the Corporation. Only shareholders of record at the close of business on May 6, 2024 (the "**Record Date**") who either personally attend the Meeting or who have completed and delivered a form of proxy in the manner and subject to the provisions described above shall be entitled to vote or to have their common shares voted at the Meeting.

On a show of hands, every individual who is present and is entitled to vote as a shareholder or as a representative of one or more corporate shareholders, or who is holding a proxy on behalf of a shareholder who is not present at the Meeting, will have one vote, and on a poll every shareholder present in person or represented by a proxy and every person who is a representative of one or more corporate shareholders, will have one vote for each common share registered in his, her or its name.

To the knowledge of the directors and senior officers of the Corporation, the only persons or companies who beneficially own, directly or indirectly or exercise control or direction over shares carrying 10% or more of the voting rights attached to all outstanding shares of the Corporation are:

Name	No. of Shares	Percentage
Barrick Gold Corporation ⁽¹⁾	33,556,870	13.44%

Notes:

(1) A company listed on the Toronto Stock Exchange and New York Stock Exchange.

ELECTION OF DIRECTORS

The Board of Directors presently consists of four (4) directors and it is intended to determine the number of directors at four (4) and to elect four (4) directors for the ensuing year.

Pursuant to the By-laws, directors of the Corporation are elected annually. The term of office of each of the present directors expires at the Meeting. The persons named below will be presented for election at the Meeting as the nominees of management and the persons named in the accompanying form of proxy intend to vote for the election of these nominees. Management does not contemplate that any of these nominees will be unable to serve as a director. Each director elected will hold office until the next annual general meeting of the Corporation or until his successor is elected or appointed, unless his office is earlier vacated in accordance with the By-laws of the Corporation, or with the provisions of the *Business Corporations Act* (Ontario).

The following table and notes thereto states the name of each person proposed to be nominated by management for election as a director (a “**proposed director**”), the province or state and country in which he or she is ordinarily resident, all offices of the Corporation now held by him or her, his or her principal occupation, business or employment for the five preceding years for new director nominees, the period of time for which he or she has been a director of the Corporation, and the number of common shares of the Corporation beneficially owned by him or her, directly or indirectly, or over which he or she exercises control or direction, as at the date hereof.

Name, Position, Province or State and Country of Residence ⁽¹⁾	Principal Occupation ⁽¹⁾	Director Since	Number of Common Shares beneficially owned or directly or indirectly controlled ⁽²⁾
Christopher Paul ⁽³⁾ Chief Executive Officer, Director Kelowna, British Columbia	CEO of the Corporation. Previously, Founder and Principal at Ridgeline Exploration Services Inc. from January 2015 to August 2021; VP Exploration at Golden Ridge Resources from August 2016 to November 2021; Exploration Manager and Interim CEO of Gold Lion Resources Inc. from February 2020 to March 2022.	November 29, 2022	8,765,833 ⁽⁴⁾⁽⁶⁾
Peter Simeon ⁽⁷⁾⁽⁸⁾ Director Ontario, Canada	Partner, Gowling WLG (Canada) LLP since February 2015.	January 26, 2018	2,720,000 ⁽⁵⁾⁽⁶⁾

Name, Position, Province or State and Country of Residence ⁽¹⁾	Principal Occupation ⁽¹⁾	Director Since	Number of Common Shares beneficially owned or directly or indirectly controlled ⁽²⁾
Nicholas Tintor ⁽⁷⁾⁽⁸⁾ Director Ontario, Canada	Managing Director of RG Mining Investments Inc. from January 2007 to present. Director of Benz Mining Corp. Previously, President, CEO and Director of Toachi Mining Inc. from January 2015 to September 2017, Chair and Director of Big Ridge Gold Corp. from October 2020 to present.	June 3, 2021	Nil
Kelly Malcolm Director ⁽⁷⁾⁽⁸⁾ Ontario, Canada	Professional Geologist; President and CEO of Borealis Mining Company Limited from May 2024 to present. Previously, Vice President of Exploration for Amex Exploration Inc. from January 2019 to January 2024 and CEO of Generic Gold Corp. from March 2017 to July 2020.	March 1, 2023	37,000

Notes:

- (1) The information as to the province or state, and applicable country of residence and principal occupation, not being within the knowledge of the Corporation, has been furnished by the respective directors individually.
- (2) The information as to the common shares beneficially owned or over which a director exercises control or direction, not being within the knowledge of the Corporation, has been furnished by the respective directors individually.
- (3) Christopher Paul was appointed as a director of the Corporation on November 29, 2021 and Chief Executive Officer of the Corporation on January 24, 2022.
- (4) Comprised of 6,700,000 Common Shares held by Clearwater Resources Inc. ("**Clearwater**"), a Corporation wholly-owned by Mr. Paul, 2,003,333 Common Shares held by Mr. Paul personally and 62,500 Common Shares owned through Ridgeline Exploration Holdings Corp. ("**Ridgeline**"), a corporation 50% owned by Mr. Paul (Ridgeline owns 125,000 Common Shares).
- (5) A portion of these shares are subject to escrow pursuant to a CPC Escrow Agreement dated February 21, 2021 between the Corporation, Computershare Trust Company as the then escrow agent, certain directors and officers of the Corporation, and certain other shareholders of the Corporation.
- (6) A portion of these shares are subject to escrow pursuant to a Value Security Escrow Agreement dated March 22, 2021 between the Corporation, Odyssey Trust Company as escrow agent, certain directors and officers of the Corporation, and certain other shareholders of the Corporation.
- (7) Member of the Audit Committee. The Chairman of the Audit Committee is Kelly Malcolm.
- (8) Member of the Corporate Governance, Nomination and Compensation Committee ("**CGNC Committee**"). The Chairman of the CGNC Committee is Peter Simeon.

CORPORATE CEASE TRADE ORDERS OR BANKRUPTCIES

Save and except as set forth below, none of the proposed directors (or any of their personal holding companies) of the Corporation:

- (a) is, or during the ten years preceding the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any Corporation, including the Corporation, that:
 - (i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
 - (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an

event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer;

- (b) is, or during the ten years preceding the date of this Information Circular has been, a director or executive officer of any Corporation, including the Corporation, that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager, or trustee appointed to hold its assets; or
- (c) has, within the ten years preceding the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

For the purposes of paragraphs (a)(i) and (a)(ii) above, an “order” means: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant Corporation access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days.

Mr. Malcolm is a director and officer of Northern Sphere Mining Corp., which is subject to a cease trade order issued by the Ontario Securities Commission on May 6, 2019 for failure to file its annual financial statements and accompanying management’s discussion and analysis for the period ended December 31, 2018, within the prescribed time period under applicable securities laws. As of the date of this Circular, the cease trade order has not been revoked.

None of the proposed directors (or any of their personal holding companies) has been subject to:

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

AUDIT COMMITTEE DISCLOSURE

Under National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”), companies are required to provide disclosure with respect to their audit committee including the text of the audit committee’s charter, composition of the audit committee and the fees paid to the external auditor.

Accordingly the Corporation provides the following disclosure with respect to its audit committee:

Audit Committee’s Charter

The text of the Audit Committee’s Charter is set out in the attached Schedule “A” to this Information Circular.

Composition of the Audit Committee

The current members of the audit committee are:

Kelly Malcolm	Independent ⁽¹⁾	Financially literate ⁽²⁾
Nicholas Tintor	Independent ⁽¹⁾	Financially literate ⁽²⁾
Peter Simeon	Independent ⁽¹⁾	Financially literate ⁽²⁾

Notes:

- (1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Corporation which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.
- (2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

Relevant Education and Experience

Kelly Malcolm

Kelly Malcolm is a Professional Geologist (ON) with extensive experience in gold and base metal exploration. He is currently the CEO of Borealis Mining, a Nevada-focused gold mining and exploration company. Previous roles include Vice President Exploration and Amex Exploration, CEO at Generic Gold, and geologist at Detour Gold Corp. He acts as director or advisor to several public and private exploration companies. He holds a BSc in Geology and a BA in Economics both from Laurentian University.

Nicholas Tintor

Mr. Tintor is a mining executive and geologist who holds a Bachelor of Science in Geology from the University of Toronto and has more than 30 years of experience in the Canadian mining industry. For the past 20 years, he has been involved in all aspects of junior mining Corporation management from project generation, to finance and executive management. He also brings deep global relationships in the mining industry and especially in the Canadian resources investment banking sector.

Peter Simeon

Mr. Simeon has over 20 years of experience as a lawyer focused on securities, corporate finance, and mergers and acquisitions. Since February 2015 he has been a partner at Gowling WLG (Canada) LLP and has extensive experience in corporate commercial and securities law. Prior to 2015, he was a partner at Wildeboer Dellelce LLP, a boutique corporate law firm in Toronto. Mr. Simeon has a Bachelor of Arts from Queen's University and a law degree from Osgoode Hall at York University. Mr. Simeon acts as an independent director on several publicly traded companies in Canada.

Each member of the audit committee has:

- an understanding of the accounting principles used by the Corporation to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- experience with 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 Corporation'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 Corporation's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis* Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre Approval Policies and Procedures

The Audit Committee reviews all non-audit services and pre-approves all non-audit services to be provided to the Corporation by its external auditors.

External Auditor Service Fees (By Category)

The aggregate fees billed by the Corporation's external auditors in each of the last two fiscal years for audit fees are as follows:

Financial Year Ending	Audit Fees ⁽¹⁾	Audit Related Fees ⁽²⁾	Tax Fees ⁽³⁾	All Other Fees ⁽⁴⁾
2023	\$80,000	Nil	Nil	Nil
2022	\$45,000	Nil	\$25,300	Nil

Notes:

- (1) The aggregate audit fees billed.
- (2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation's financial statements which are not included under the heading "Audit Fees".
- (3) The aggregate fees billed for professional services rendered for tax compliance, tax advice and tax planning.
- (4) The aggregate fees billed for products and services other than as set out under the headings "Audit Fees", "Audit Related Fees" and "Tax Fees".

Exemption

The Corporation has relied upon the exemption provided by section 6.1 of NI 52-110 which exempts venture issuers from the disclosure requirements of its audit committee in an annual information form as prescribed by NI 52-110.

STATEMENT OF EXECUTIVE COMPENSATION

For the purposes of this Information Circular, a "Named Executive Officer", or "NEO", means each of the following individuals:

- (a) each individual who, during any part of the Corporation's financial year ended December 31, 2023, served as chief executive officer ("CEO") of the Corporation, including an individual performing functions similar to a CEO;
- (b) each individual who, during any part of the Corporation's financial year ended December 31, 2023, served as chief financial officer ("CFO") of the Corporation, including an individual performing functions similar to a CFO;
- (c) the most highly compensated executive officers of the Corporation and its subsidiaries, other than the individuals identified in paragraphs (a) and (b), as at December 31, 2023 whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6, for the financial period ended December 31, 2023; and

- (d) each individual who would be a NEO under paragraph (c) above but for the fact that the individual was not an executive officer of the Corporation, and was not acting in a similar capacity, as at December 31, 2023.

Based on the foregoing definitions, the Corporation's Named Executive Officers are:

1. Christopher Paul, the Corporation's CEO and director. Mr. Paul was appointed a director of the Corporation on November 29, 2021 and CEO of the Corporation on January 24, 2022.
2. Keith Li, the Corporation's CFO and Corporate Secretary. Mr. Li was appointed CFO of the Corporation on November 1, 2022 and Corporate Secretary on May 22, 2023;
3. Christopher Longton, the Corporation's Vice President, Exploration. Mr. Longton was appointed Vice President, Exploration of the Corporation on May 22, 2023 and; and
4. Darren Collins, the Corporation's former CFO, Corporate Secretary and director. Mr. Collins was appointed CFO and Corporate Secretary on March 19, 2021 and resigned as CFO on November 1, 2022 and as Corporate Secretary on May 22, 2023 and as director on July 18, 2023.

The Summary Compensation table below provides information for the two most recently completed financial years ended December 31, 2023 and December 31, 2022 regarding compensation paid to or earned by each of the Named Executive Officers.

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth all compensation paid, payable, awarded, granted or given, or otherwise provided, directly or indirectly to the Corporation's Named Executive Officers and directors for the fiscal periods ended December 31, 2023 and December 31, 2022.

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES

<u>Name and Position</u>	<u>Year⁽¹⁾</u>	<u>Salary Consulting Fee, Retainer or Commission (\$)</u>	<u>Bonus (\$)</u>	<u>Committee or Meeting Fees (\$)</u>	<u>Value of Perquisites (\$)</u>	<u>Value of all Other Compensation (\$)</u>	<u>Total Compensation (\$)⁽²⁾</u>
Christopher Paul ⁽³⁾ Chief Executive Officer and Director	2023	180,000	180,000	Nil	Nil	Nil	360,000
	2022	165,000	Nil	Nil	Nil	Nil	165,000
Keith Li ⁽⁴⁾ Chief Financial Officer and Corporate Secretary	2023	77,500	Nil	Nil	Nil	Nil	77,500
	2022	10,000	Nil	Nil	Nil	Nil	10,000
Darren Collins ⁽⁵⁾ former Chief Financial Officer Director and Corporate Secretary	2023	10,000	Nil	Nil	Nil	Nil	10,000
	2022	35,000	Nil	Nil	Nil	Nil	35,000

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES

Name and Position	Year⁽¹⁾	Salary Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of all Other Compensation (\$)	Total Compensation (\$)⁽²⁾
Christopher Longton ⁽⁶⁾ Vice President, Exploration	2023	168,713	Nil	Nil	Nil	Nil	168,713
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Peter Simeon ⁽⁷⁾ Director and Chairman	2023	Nil	Nil	Nil	Nil	125,466	125,466
	2022	Nil	Nil	Nil	Nil	206,719	206,719
Nicholas Tintor ⁽⁸⁾ Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
Kelly Malcolm ⁽⁹⁾ Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Financial years ended December 31.
- (2) All compensation paid to all NEOs listed has been paid pursuant to agreements between the Corporation and each such NEO.
- (3) Christopher Paul was appointed as a director of the Corporation on November 29, 2021 and as the Chief Executive Officer of the Corporation on January 24, 2022. Mr. Paul and his services to the Corporation are carried out pursuant to an independent contractor consulting agreement between Clearwater, the Corporation and Anglo-Bomarc Inc. ("**Anglo-Bomarc**"), the Corporation's wholly-owned subsidiary. See the section herein entitled "Employment, Consulting and Management Agreements".
- (4) Keith Li was appointed Chief Financial Officer of the Corporation on November 1, 2022 and Corporate Secretary of the Corporation on May 22, 23. Pursuant to a management services agreement dated effective November 1, 2022, between the Corporation and Branson Corporate Services Ltd. ("**Branson**"), a private Corporation where the CFO is employed, the Corporation paid the sum of \$77,500, plus reimbursement of expenses during the year ended December 31, 2023 (2022 – \$10,000). Pursuant to the agreement, Branson provides CFO services, as well as other accounting and administrative services. See the section herein entitled "Employment, Consulting and Management Agreements".
- (5) Darren Collins was appointed Chief Financial Officer and Corporate Secretary of the Corporation on March 19, 2021 and resigned as Chief Financial Officer on November 1, 2022 and as Corporate Secretary on May 22, 2023. Mr. Collins served as a director of the Corporation from March 19, 2021 to June 3, 2021 and was subsequently reappointed as a director on October 29, 2021. Mr. Collins resigned as a Director on July 18, 2023. On October 12, 2023, the Board extended the date of expiry of 150,000 options previously granted to Mr. Collins on May 19, 2019, and another 250,000 Options previously granted to Mr. Collins on July 22, 2022, to July 18, 2024.
- (6) Christopher Longton was appointed Vice President, Exploration of the Corporation on May 22, 2023. Mr. Longton and his services to the Corporation are carried out pursuant to an employment agreement between Christopher Longton, and the Corporation. See the section herein entitled "Employment, Consulting and Management Agreements".
- (7) Mr. Simeon was appointed a director of the Corporation on January 26, 2018. During the year ended December 31, 2023, \$125,466 (2022 – \$206,719) was paid by the Corporation for legal services to Gowling WLG (Canada) LLP, a law firm in which Mr. Peter Simeon is a partner.
- (8) Nicholas Tintor was appointed as a director of the Corporation on June 3, 2021.
- (9) Kelly Malcolm was appointed as a director of the Corporation on March 1, 2023.

Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to all Named Executive Officers and directors by the Corporation or any of its subsidiaries during the fiscal year ended December 31, 2023 for services provided or to be provided, directly or indirectly, to the Corporation or any of its subsidiaries.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class ⁽¹⁾	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security on date of grant (\$)	Closing Price of Security on date at year end (\$)	Expiry Date
Christopher Paul ⁽²⁾ Chief Executive Officer and Director	Stock Options RSUs	Nil	N/A	N/A	N/A	N/A	N/A
Keith Li Chief Financial Officer and Corporate Secretary	Stock Options	500,000 ⁽³⁾ options to purchase 500,000 shares; 0.2%	May 22, 2023	\$0.17	\$0.17	\$1.38	May 22, 2028
	RSUs	Nil	N/A	N/A	N/A	N/A	N/A
Darren Collins ⁽⁴⁾ Former Chief Financial Officer, Director and Corporate Secretary	Stock Options RSUs	Nil	N/A	N/A	N/A	N/A	N/A
Christopher Longton Vice President, Exploration	Stock Options	1,250,000 ⁽⁵⁾ options to purchase 1,250,000 shares; 0.5%	May 22, 2023	\$0.17	\$0.17	\$1.38	May 22, 2028
	RSUs	Nil	N/A	N/A	N/A	N/A	N/A
Peter Simeon ⁽⁶⁾ Director	Stock Options RSUs	Nil	N/A	N/A	N/A	N/A	N/A
Nicholas Tintor ⁽⁷⁾ Director	Stock Options RSUs	Nil ⁽⁸⁾	N/A	N/A	N/A	N/A	N/A
Kelly Malcolm ⁽⁸⁾ Director	Stock Options	750,000 ⁽⁹⁾ options to purchase 750,000 shares; 0.32%	March 1, 2023	\$0.265	\$0.265	\$1.38	March 2, 2028

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class ⁽¹⁾	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security on date of grant (\$)	Closing Price of Security on date at year end (\$)	Expiry Date
	RSUs	750,000 RSUs ⁽⁹⁾ convertible into 750,000 shares 0.32%	March 1, 2023	\$0.265	\$0.265	\$1.38	N/A

Notes:

- (1) Based on 231,128,716 Common Shares issued and outstanding as of December 31, 2023.
- (2) As at December 31, 2023, Christopher Paul held nil Options and nil RSUs.
- (3) On May 22, 2023, Mr. Li was granted 500,000 Options at an exercise price of \$0.17 which vest as to 25% on each of November 22, 2023, May 22, 2024, November 22, 2024 and May 22, 2025.
- (4) As at December 31, 2023, Darren Collins also held 250,000 Options of which 62,500 Options vested on July 27, 2022, with the remainder to vest equally on January 27, 2023, July 27, 2023 and January 27, 2024; and 150,000 Options of which 150,000 Options vested on March 19, 2021. On July 18, 2023, Mr. Collins resigned as a director. On October 12, 2023, the Board extended the date of expiry of 150,000 options previously granted to Mr. Collins on May 19, 2019, and another 250,000 granted on July 22, 2022, to July 18, 2024.
- (5) These Options vest in four equal tranches over 24 months from the grant date of May 22, 2023.
- (6) As at December 31, 2023, Peter Simeon held 90,000 Options which 90,000 Options vested on March 19, 2021; and 150,000 Options which vested on May 19, 2019.
- (7) As at December 31, 2023, Nicholas Tintor also held 250,000 Options of which 62,500 Options vested on July 27, 2022, with the remainder to vest equally on January 27, 2023, July 27, 2023 and January 27, 2024; and 800,000 RSUs convertible into 800,000 shares.
- (8) Kelly Malcolm was appointed as a director of the Corporation on March 1, 2023.
- (9) These options and RSUs vest in four equal tranches over 24 months from the grant date of March 1, 2023.

Subsequent to the year ended December 31, 2023, on April 8, 2024, the Corporation granted an aggregate of 1,916,000 RSUs and 86,000 Options in accordance with the terms of its omnibus incentive plan, to certain senior officers and directors of the Company. 1,500,000 of the RSUs were awarded to one of the officers of the Company pursuant to the terms of a May 9, 2023 and January 2022 consulting agreement with the Company. The restricted share units will vest in four equal tranches over a period of twenty-four months.

Exercise of Compensation Securities by Directors and NEOs

The following table sets out each exercise of compensation securities by the Corporation's Named Executive Officers and directors during the fiscal year ended December 31, 2023:

Exercise of Compensation Securities by Directors and NEOs							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Nicholas Tintor Director	RSUs ⁽¹⁾	500,000	\$0.075	October 27, 2023	\$0.88	\$0.805	\$402,500 ⁽²⁾

Note:

- (1) Each RSU represents a right to receive one Common Share, following the vesting of such RSU.
- (2) RSUs were cash-settled at the market value of \$0.88 per share, which was the volume-weighted average price of the Common Shares traded on TSX-V for the five consecutive trading days prior to the vesting date.

Stock Option Plans and Other Incentive Plans

Omnibus Incentive Plan

On June 1, 2022, the Board approved the adoption of a new Omnibus Incentive Plan for the Corporation. The Omnibus Incentive Plan was approved by the TSX Venture Exchange (“**TSXV**”) on August 11, 2022 and by Shareholders at the Corporation’s last annual general meeting held on July 15, 2022. The Omnibus Incentive Plan replaced the Corporation’s existing stock option plan (the “**Stock Option Plan**”) and restricted share unit plan (the “**RSU Plan**”) which were originally approved by Shareholders on February 12, 2021. The purpose of adopting the Omnibus Incentive Plan was to increase the amount of Common Shares issuable pursuant to Securities Based Compensation Arrangements to 20% of the issued and outstanding Common Shares and to align the Corporation’s incentive plans with the updated TSXV Policy 4.4 – Securities Based Compensation.

The Omnibus Incentive Plan is a “fixed” plan under the policies of the TSXV and the Corporation is authorized to grant Options and restricted share units (“**RSU**”) up to 20% of its issued and outstanding Common Shares at the date the Omnibus Incentive Plan was approved by the Board, less the number of Common Shares subject to grants of securities under any other securities based compensation arrangements (namely, the Stock Option Plan and RSU Plan). The principal features of the Omnibus Incentive Plan are described in more detail below.

The purpose of the Omnibus Incentive Plan is to advance the interests of the Corporation by encouraging eligible directors, officers, employees and consultants of the Corporation to acquire Common Shares, thereby increasing their proprietary interest in the Corporation and furnishing them with additional incentive in their efforts on behalf of the Corporation in the conduct of its business and affairs.

Material Terms of the Omnibus Incentive Plan

The following is a summary of the material terms of the Omnibus Incentive Plan:

1. The Omnibus Incentive Plan is a “fixed” plan under the policies of the TSXV and the Corporation is authorized to grant Options and RSUs equal to up to 20% of its issued and outstanding Common Shares at the date the Omnibus Incentive Plan was approved by the Board, less the number of Common Shares subject to grants of securities under any other Security Based Compensation Arrangement.
2. Under the terms of the Omnibus Incentive Plan, a maximum of 29,341,745 Common Shares are reserved for issuance, representing approximately 20% of the issued and outstanding Common Shares as at June 1, 2022, the date on which the Board approved the Omnibus Incentive Plan. As of

the date of this Circular, 21,078,245 Common Shares remain available for issuance under the Plan, taking into account all Common Shares issuable under all Security Based Compensation Arrangements. Omnibus Incentive Plan is considered to be an “evergreen” plan to the extent that Shares of the Corporation covered by Awards which are settled in cash, cancelled, terminated, surrendered, (other than Shares surrendered pursuant the Net Exercise Right (as defined herein)), forfeited or expired without being exercised, and pursuant to which no Shares have been issued, as applicable, will be available for subsequent grants under the Omnibus Incentive Plan.

3. Under the terms of the Omnibus Incentive Plan, an RSU is an Award in the nature of a bonus for services rendered, in the calendar year that includes the Award Date, and that, upon settlement, entitles the recipient Participant to acquire Shares, or equivalent cash value thereto, pursuant and subject to such restrictions and conditions as the Board may determine at the time of grant, unless such RSU expires prior to being settled. Vesting conditions may, without limitation, be based on continuing employment (or other service relationship) and/or achievement of performance criteria.
4. The Omnibus Incentive Plan is administered by the Board, or may be administered by a committee or plan administrator appointed by the Board which has full and final authority with respect to the granting of all Options and RSUs thereunder subject to the requirements of the TSXV. Options and RSUs may be granted under the Omnibus Incentive Plan to such directors, officers, bona fide employees or bona fide consultants of the Corporation and its affiliates, if any, as the Board may from time to time designate.
5. Each Option granted pursuant to the Omnibus Incentive Plan shall be exercisable for a period of not more than ten (10) years from the Award Date. Notwithstanding the foregoing and subject to the policies of the TSXV, if the Option term expires within a blackout period, the Option term shall be extend ten (10) business days after the expiry of the blackout period.
6. Unless approved by disinterested shareholders, the maximum number of the Corporation’s securities issuable to Insiders, or when combined with all of the Corporation’s other Share Compensation Arrangements, will not exceed ten percent (10%) of the Corporation’s total issued and outstanding securities at any point in time.
7. Unless approved by disinterested shareholders, the maximum number of Common Shares issued to participants who are Insiders, collectively, within any one (1) year period under the Omnibus Incentive Plan and any other Security Based Compensation Arrangement cannot exceed 10% of the outstanding Common Shares at the time of issuance.
8. Unless approved by disinterested shareholders, the maximum number of Common Shares issued one person collectively, within any one (1) year period, under the Omnibus Incentive Plan and any other Security Based Compensation Arrangement, cannot exceed 5% of the outstanding Common Shares at the time of issuance.
9. The total number of Common Shares issuable as compensation to any one Consultant, in a 12 month period pursuant to the Omnibus Incentive Plan, or when combined with all of the Corporation’s other Share Compensation Arrangements, cannot exceed 2% of the outstanding Common Shares at the time of issuance.
10. The total number of Common Shares issuable as compensation to any participant performing Investor Relations Activities, in a 12 month period pursuant to the Omnibus Incentive Plan, cannot exceed 2% of the outstanding Common Shares at the time of issuance. Persons providing Investor Relations Activities shall only be entitled to receive Options pursuant to the Omnibus Incentive Plan.
11. Awards granted to any one person retained to provide Investor Relations Activities, shall vests in stages over a period of not less than twelve (12) months with no more than one-quarter ($\frac{1}{4}$) of the options vesting in any three month period. Unless the Corporation receives prior written approval of

- the TSXV, the Corporation shall not accelerate or provide for the acceleration of vesting in whole or in part of Options previously granted to persons retained to provide Investor Relations Activities.
12. Each Option granted pursuant to the terms of the Omnibus Incentive Plan will vest and be exercisable as to one third (1/3) of the total number of Options granted on each of the first, second and third anniversaries of the Award Date.
 13. The Option price of any Option shall be determined and approved by the Board when such Option is granted, but shall not be less than the Discounted Market Price (as ascribed to in TSXV policy) on the Award Date.
 14. The Board may at its sole discretion at any time or on the award date in respect of any Option granted, provide for the acceleration of vesting in whole or in part of Options previously granted.
 15. Disinterested shareholder approval shall be required for any reduction of the Option Price of such Option if the Participant is an Insider at the time of the proposed amendment.
 16. The Omnibus Incentive Plan includes a Net Exercise provision in accordance with TSXV Policy 4.4, whereby each Participant, other than Persons retained to perform Investor Relations Activities, shall have the alternative, when entitled to exercise an Option, to deal with such Option on a "net exercise" basis, (the "**Net Exercise Right**") in the manner set out and in accordance with the terms of this Plan. Without limitation, the Board may determine in its discretion that such Net Exercise Right, if any, grant a Participant the right to surrender such Option in whole or in part by notice in writing to the Corporation and in lieu of receiving Shares pursuant to the exercise of the Option, receive, that number of Shares, disregarding fractions, which is equal to the quotient obtained by: (a) subtracting the applicable Option price from the VWAP on the business day immediately prior to the exercise of the Net Exercise Right and multiplying the remainder by the number of Option Shares; and (b) dividing the net amount obtained under 15(a) by the VWAP on the business day immediately prior to the exercise of the Net Exercise Right, provided that the Participant pays to the Corporation an amount equal to the tax obligations applicable to the Option Shares or otherwise makes arrangements satisfactory to the Corporation.
 17. Each RSU granted pursuant to the terms of the Omnibus Incentive Plan will vest and be payable as to one third (1/3) of the total number of Options granted on each of the first, second and third anniversaries of the award date. The Board may at its sole discretion at any time or on the Award Date in respect of any RSUs granted, provide for the acceleration of vesting in whole or in part of RSUs previously granted. Notwithstanding the foregoing, an RSU shall not vest prior to the date that is one year following the Award Date of such RSU.
 18. Each Award granted pursuant to the Omnibus incentive Plan shall terminate 90 days from the date the Participant ceases to be eligible under the Plan due to their termination or twelve months if the Participant ceases to be eligible under the Omnibus Incentive Plan as a result of their retirement, death or permanent disability.
 19. Upon a Participant ceasing to be an Eligible Participant for Cause (as defined in the Omnibus Incentive Plan), any vested or unvested Option granted to such Participant shall terminate automatically and become void immediately. Upon a Participant ceasing to be an Eligible Participant as a result of his or her employment or service relationship with the Corporation or a subsidiary being terminated without Cause, (i) any unvested Option granted to such Participant shall terminate and become void immediately and (ii) any vested Option granted to such Participant may be exercised by such Participant.
 20. Any Award granted or issued to any Participant must expire within a reasonable period, not exceeding 12 months, following the date the Participant ceases to be an Eligible Participant under the Omnibus incentive Plan.

21. Each Award granted under the Omnibus Incentive Plan is personal to the Participant and shall not be assignable or transferable by the Participant, whether voluntarily or by operation of law, except by will or by the laws of succession of the domicile of the deceased Participant.
22. The exercise price and the number of Common Shares which are subject to an Award may be adjusted from time to time in the event of (i) any subdivision of the Shares into a greater number of Shares, (ii) any consolidation of Shares into a lesser number of Shares, (iii) any reclassification, reorganization or other change affecting the Shares, (iv) any merger, amalgamation or consolidation of the Corporation with or into another corporation, subject to the required approval of any Stock Exchange.
23. In the event of a potential change of control, the Board shall have the power, subject to prior written approval of the TSXV (other than in the event of a security consolidation or security split), to modify the terms of the Omnibus incentive Plan and/or the Awards to assist the Participants to tender into a takeover bid or participating in any other transaction leading to a change of control.
24. The Board may, from time to time, in its absolute discretion and without approval of the shareholders of the Corporation make the following amendments to the Omnibus Incentive Plan:
 - (i) amendments to clarify existing provisions of an Award that do not have the effect of altering the scope, nature and intent of such Award;
 - (ii) any amendment to the expiration date or vesting terms of an Award that does not extend the terms of the Award past the original date of expiration of such Award;
 - (iii) any amendment necessary to comply with applicable law or the requirements of the Stock Exchange or any other regulatory body;
 - (iv) any amendment of a "housekeeping" nature, including correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan, correct any grammatical or typographical errors or amend the definitions in the Plan;
 - (v) any amendment regarding the administration of the Plan;
 - (vi) if the Corporation becomes listed or quoted on a Stock Exchange or stock market senior to the TSXV, it may make such amendments as may be required by the policies of such senior Stock Exchange; and
 - (vii) any other amendment that does not require the approval of the shareholders of the Corporation.
25. The Board shall be required to obtain shareholder approval to make the following amendments:
 - (i) any increase to the maximum number of Shares issuable under the Omnibus Incentive Plan, except in the event of an adjustment pursuant to Article 6 thereunder;
 - (ii) except in the case of an adjustment pursuant to Article 6, any amendment which reduces the exercise price of an Option or any cancellation of an Option and replacement of such Option with an Option with a lower exercise price;
 - (iii) any amendment which extends the expiry date of any Award, beyond the original expiry date;
 - (iv) any amendment which increases the maximum number of Shares that may be (a) issuable to Insiders at any time; or (b) issued to Insiders under the Omnibus Incentive Plan and any other proposed or established Share Compensation Arrangement in a one-year period, except in case of an adjustment pursuant to Article 6 thereunder;
 - (v) a change in the termination provision of an Award granted hereunder;
 - (vi) any amendment to the definition of an Eligible Participant under the Omnibus Incentive Plan;

provided that Shares held directly or indirectly by Insiders benefiting from the amendments shall be excluded when obtaining such shareholder approval.

Former 10% Rolling Stock Option Plan

In August 2018, the Corporation previously adopted the Stock Option Plan, which is a “rolling” stock option plan and which permitted the Board to grant incentive stock options to purchase up to ten percent (10%) of the issued number of Common Shares outstanding at the date of the grant. The Stock Option Plan was approved by the Exchange in 2018, and pursuant to Exchange policy, by shareholders at the Corporation’s annual general meeting held on February 12, 2021. Under Exchange policy, all such rolling stock option plans must be approved and ratified by shareholders on an annual basis.

The purpose of the Stock Option Plan established by the Corporation was to promote the profitability and growth of the Corporation by facilitating the efforts of the Corporation to obtain and retain key individuals. The Stock Option Plan provided an incentive for and encouraged ownership of the Common Shares by its key individuals so that they may increase their stake in the Corporation and benefit from increases in the value of the Common Shares. Pursuant to the Stock Option Plan, the maximum number of Common Shares reserved for issuance in any twelve (12) month period to any one optionee other than a consultant could not exceed 5% of the issued and outstanding Common Shares at the date of the grant. The maximum number of Common Shares reserved for issuance in any twelve (12) month period to any consultant could not exceed 2% of the issued and outstanding Common Shares at the date of the grant and the maximum number of Common Shares reserved for issuance in any twelve (12) month period to all persons engaged in investor relations activities may not exceed 2% of the issued and outstanding number of Common Shares at the date of the grant.

Options may be exercised until the greater of twelve (12) months after the completion of the Corporation’s qualifying transaction and ninety (90) calendar days following the date the optionee ceases to be a director, officer or employee of the Corporation or its affiliates or a consultant or a management Corporation employee, provided that if the cessation of such position or arrangement was by reason of death, the Option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option.

As at December 31, 2022, there were 1,690,000 Options issued and outstanding pursuant to the Stock Option Plan. Subsequent to June 1, 2022, the Corporation no longer issues Options pursuant to the Stock Option Plan and the Stock Option Plan exists solely for the purposes of governing Options previously issued thereunder.

Former Restricted Share Unit Plan

The Corporation has in place the RSU Plan which permitted the Corporation to reserve for issuance from treasury not more than 5,000,000 Common Shares pursuant the grant of RSUs. The total number of Common Shares reserved for issuance under the RSU Plan and any other Securities Based Compensation Arrangement, including the Stock Option Plan, did not exceed, in the aggregate, 10% of the Common Shares of the Corporation then outstanding. The RSU Plan described below was adopted by the Corporation on February 12, 2021 and approved by the Exchange in 2021 and pursuant to Exchange policy, by shareholders at the Corporation’s annual general meeting held on February 12, 2021.

The purpose of the RSU Plan was to promote the profitability and growth of the Corporation by facilitating the efforts of the Corporation to obtain and retain key individuals.

The Board had the power and discretionary authority to determine the terms and conditions of the grants, including the directors, officers, employees and consultants who would receive the grants, the number of RSUs subject to each grant, the limitations or restrictions on vesting of grants, acceleration of vesting or the waiver of forfeiture or other restrictions on grants, the form of consideration payable on settlement of RSUs and the timing of the grants. The Board also had the power to establish procedures for payment of withholding tax obligations with cash.

Each grant constituted an agreement to deliver RSUs or cash consideration to the Participant upon the vesting of the RSU in consideration of the performance of services. A Participant did not have ownership or voting rights with respect to the RSU or the underlying Common Shares associated with the RSU. On the

vesting date, the Corporation, at its sole and absolute discretion, had the option of settling the RSU by any of the following methods or a combination thereof: (a) payment in cash; (b) issuance of Common Shares acquired by the Corporation on the TSXV; or (c) payment in Common Shares issued from the treasury of the Corporation.

The RSU Plan limited issuances of RSUs such that the aggregate number of Common Shares (i) issued to any one person under the RSU Plan and all other Securities Based Compensation Arrangements of the Corporation could not exceed 5% of the issued and outstanding Common Shares; (ii) issued to Insiders of the Corporation pursuant to the RSU Plan and all other Securities Based Compensation Arrangements of the Corporation could not, at any time, exceed 10% of the total number of issued and outstanding Common Shares unless disinterested Shareholder approval was obtained, (iii) issued to Insiders of the Corporation pursuant to the RSU Plan and all other security based compensation arrangements of the Corporation could not, within a one-year period, exceed 10% of the total number of issued and outstanding Common Shares unless disinterested shareholder approval was obtained; and (iv) issued to Consultants (other than Consultants performing Investor Relations Activities, as defined under the TSXV Policies) under all security based compensation arrangements will not, in any 12 month period, exceed 2% of the total number of issued and outstanding Common Shares.

Unless otherwise determined by the Board, or unless otherwise agreed in an RSU Agreement or other written agreement (including an employment or consulting agreement), each RSU provided that if a Participant ceased to be a director or officer of or be in the employ of, or a consultant to the Corporation or its affiliates, for any reason whatsoever including, without limitation, retirement, resignation or involuntary termination (with or without cause), as determined by the Board in its sole discretion, before the RSUs have vested, (i) such Participant ceased to be a Participant and immediately forfeit all unvested RSUs; and (ii) the value corresponding to any vested RSUs remaining unpaid as of the forfeiture date would be paid to the former Participant in accordance with the terms of the RSU Plan.

As at December 31, 2022, there were 2,250,000 RSUs issued and outstanding pursuant to the RSU Plan. Subsequent to June 1, 2022, the Corporation no longer issues RSUs pursuant to the RSU Plan and the RSU Plan exists solely for the purposes of governing RSUs previously issued thereunder.

Employment, Consulting and Management Agreements

Other than as set forth below, there were no agreements or arrangements under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the Corporation or any of its subsidiaries that were: (a) performed by a director or named executive officer; or (b) performed by any other party but are services typically provided by a director or a named executive officer.

Christopher Paul

The Corporation entered into a consulting agreement made as of May 9, 2023, with Clearwater and the Corporation's wholly-owned subsidiary Anglo-Bomarc, replacing and superseding the Corporation's consulting agreement with Clearwater as of January 24, 2022, whereby Mr. Christopher Paul provides the Corporation with the services as Chief Executive Officer and pursuant to which Mr. Paul is paid a monthly fee of \$15,000, plus expenses, subject to prior approval, incurred on behalf of the Corporation, and 3,200,000 RSUs shall be awarded to Clearwater, of which 1,700,000 were previously awarded and the balance award of 1,500,000 RSUs were awarded on April 8, 2024. Pursuant to the consulting agreement, Mr. Paul is also eligible for stock options and RSUs as determined by the Board of Directors of the Corporation from time to time. The consulting agreement will continue in full force and effect until terminated. Pursuant to the consulting agreement, the consulting agreement may be terminated by either party at any time for any reason by either party, provided that such terminating party use best efforts to provide the other with at least 60 days' prior written notice of termination. During the year ended December 31, 2023, the CEO charged fees of \$165,000 for consulting services provided to the Corporation. Mr. Paul is also eligible to participate in the Omnibus Incentive Plan and as of May 6, 2024, holds nil options and 1,500,000 RSUs.

Pursuant to the consulting agreement, in the event of a change of control, whereby a third-party corporation, individual, other entity, or combination thereof acting in concert (the “**Acquiring Party**”), acquires shares in the Corporation which in aggregate amount to 50% or more of the total issued and outstanding shares of the Corporation at that time (the “**Transaction**”), and within a period of 90 days following closing of the Transaction the Acquiring Party causes the consulting agreement to be terminated, Clearwater will be entitled to (i) the immediate vesting of all outstanding options and RSUs held by the Consultant at that time; and (ii) twenty-four (24) months of consulting fees, to be paid by the Acquiring Party, in cash.

Keith Li

The Corporation entered into a management services agreement dated effective November 1, 2022 with Branson Corporate Services Ltd. (“**Branson**”) where the Corporation’s Chief Financial Officer and Corporate Secretary is employed. The agreement with Branson incorporates the Chief Financial Officer services of Mr. Li and also accounting and administrative services for an aggregate fee of \$5,000 per month plus expenses incurred on behalf of the Corporation. The term of the agreement is in force on a month-to-month basis and the agreement may be terminated by either party at any time by giving 30 days’ advance written notice. During the year ended December 31, 2023, Branson charged fees of \$77,500 for CFO services provided to the Corporation, as well as other accounting and administrative services. Mr. Li is also eligible to participate in the Omnibus Incentive Plan and as of May 6, 2024, holds 500,000 options and 86,000 RSUs.

Christopher Longton

The Corporation entered into an employment agreement dated effective May 22, 2023, with Christopher Longton (the “**Employee**”), whereby the Employee provides the Corporation with the services as Vice President, Exploration of the Corporation, pursuant to which the Employee is paid an annual base salary of USD\$200,000.00 per each consecutive twelve (12) month period during the Term (“**Base Salary**”) and is paid through Anglo-Bomarc. The Employee is also reimbursed up to \$200/month for office space rental in the employee’s home town of Gorst, Washington, inclusive of all reasonable and standard expenses incurred by the employee in connection with the conduct of business, including travel. Pursuant to the employment agreement, the Employee is eligible for stock options as determined by the Board of Directors of the Corporation from time to time. The term of the employment agreement shall commence on May 22, 2023 and shall continue for three (3) years (“**Term**”) unless earlier terminated. In addition, if any court of competent jurisdiction rules that any portion of the employment agreement is invalid, for any reason, the remaining portions of the employment agreement shall nevertheless remain in full force and effect. Pursuant to the employment agreement, the parties agree to promptly meet and negotiate in good faith a substitute provision for any term that is severed from the employment agreement consistent with the original intent of the parties. If the parties are unable to timely negotiate a substitute provision, the Corporation may elect to terminate the employment agreement upon notice to the Employee.

Pursuant to the employment agreement, the employment agreement shall be terminated upon the occurrence of any one of the following events:

- (a) on thirty (30) days written notice by either party. During the first year of the Term, termination by the Corporation on such notice shall be without additional compensation paid to the Employee. During the second year of the Term, termination by the Corporation on such notice shall be with three (3) months’ severance pay to the Employee. During the third year of the Term, termination by the Corporation on such notice shall be with six (6) months’ severance pay to the Employee. An estimate of the amount payable to the Employee if either of the triggering events occurred on December 31, 2023 is USD\$49,998 or USD\$99,996, respectively;
- (b) immediately upon the death of Employee;
- (c) immediately upon:

- (i) the sale or other disposition by the Corporation of substantially all of the assets of the Corporation (in a bona fide transaction not including, directly or indirectly, a shareholder of the Corporation); or
 - (ii) the merger or reorganization with another corporation or entity (the controlling ownership of which is not directly or indirectly vested in a shareholder of the Corporation); or
 - (iii) the distribution of the Corporation's assets to its shareholders in liquidation; or
- (d) Termination of Employee's employment is without prejudice to any rights and remedies available to the Corporation in law or equity and Employee will continue to be bound by the terms and obligations set forth in the employment agreement.

Pursuant to the employment agreement, if the Employee's employment is terminated for any reason, the Employee or his estate shall be entitled to receive termination pay equal to the Employee's accrued compensation earned through the effective date of Employee's termination in accordance with subparagraph (a) above.

Oversight and Description of Named Executive Officer and Director Compensation

The Board is responsible for approving compensation, including long-term incentives in the form of Options, and RSUs to be granted to the Corporation's executive officers and the directors. The Board also evaluates the performance of the Corporation's senior executive officers and reviews the design and competitiveness of the Corporation's compensation plans.

The Corporation's executive compensation program is comprised of base salary and discretionary annual incentive and long-term incentives. Together, these components support the Corporation's long-term growth strategy and the following objectives:

- to align executive compensation with Shareholders' interests;
- to attract and retain highly qualified management; and
- to focus performance by linking incentive compensation to the achievement of business objectives and financial results.

The compensation program is designed to reward for performance. Employees, including senior executives, are rewarded for the achievement of annual operating and financial goals, progress in executing the Corporation's long-term growth strategy and delivering strong total shareholder return performance.

The Corporation reviews industry compensation information and compares its level of overall compensation with those of comparable sized resource companies involved in mineral exploration and mining industries. Generally, the Corporation targets base salaries at levels approximating those holding similar positions in comparably sized companies in the mineral exploration industry and hopes to achieve comparable total compensation levels through the fixed and variable components.

The Corporation's total compensation mix places a significant portion of the executive's compensation at risk. The design takes into account individual and corporate performance. Compensation practices, including the mix of base salary, short-term incentives and long-term incentives, are regularly assessed to ensure they are competitive, take account of the external market trends, and support the Corporation's long-term growth strategies. A peer group is not used to determine compensation.

Compensation Review Process

The Board has appointed a CGNC Committee currently made up of three directors: Peter Simeon (Chair), Nicholas Tintor and Kelly Malcolm. The CGNC Committee responsible for the compensation policies and guidelines for the Corporation and for implementing and overseeing compensation policies.

Responsibilities of the CGNC Committee include:

- monitoring and evaluating the performance of the CEO and other members of senior management;
- annually reviewing and making recommendations to the Board with respect to the Corporation's compensation and benefit programs for CEO and other senior officers of the Corporation including base salaries, bonuses or other performance incentive, stock options and RSU. In setting the CEO's salary, the CGNC Committee will take into consideration salaries paid to chief executive officers in the gold, silver, and general mining industry; and
- reviewing and making recommendations to the Board with respect to the implementation or variation of stock options, RSUs and incentive plans. Further, the CGNC Committee will ensure proper administration of the Corporation's existing share incentive plans, including the granting or making recommendations with respect to the granting of options and RSU.

The CGNC Committee reviews on an annual basis the cash compensation, performance and overall compensation package of each executive officer, including the Named Executive Officers. The CGNC Committee makes decisions with respect to base salary and participation in Securities Based Compensation Arrangements for each executive officer. In considering executive officers other than the Chief Executive Officer, the CGNC Committee takes into account the recommendation of the Corporation's Chief Executive Officer.

The Corporation does not have a formal compensation program with set benchmarks, however, the Corporation does have a compensation program which seeks to reward an executive officer's current and future expected performance. Individual performance in connection with the achievement of corporate milestones and objectives is also reviewed for all executive officers.

The Board reviews at least once annually, the risks, if any, associated with the Corporation's compensation policies and practices at such time.

Executive compensation is comprised of base salary, short-term incentives in the form of cash bonuses and long-term incentives in the form of Options and RSUs. This structure ensures that a significant portion of executive compensation 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. As the benefits of such compensation, if any, are not realized by officers until a significant period of time has passed, the ability of officers to take inappropriate or excessive risks that are beneficial to their compensation at the expense of the Corporation and the Shareholders is extremely limited. Furthermore, salary and short-term incentives of the executive compensation represents a relatively small part of the total compensation. As a result, it is unlikely that an officer would take inappropriate or excessive risks at the expense of the Corporation or Shareholders that would be beneficial to their short-term compensation when their long-term compensation might be put at risk from their actions.

Due to the small size of the Corporation and the current level of the Corporation's activity, the Board is able to closely monitor and consider any risks which may be associated with the Corporation's compensation policies and practices. Risks, if any, may be identified and mitigated through regular meetings of the Board during which financial and other information of the Corporation are reviewed. No risks have been identified arising from the Corporation's compensation policies and practices that are reasonably likely to have a material adverse effect on the Corporation.

Executive compensation is based upon the need to provide a compensation package that will allow the Corporation to attract and retain qualified and experienced executives, balanced with a pay-for-performance philosophy. Executive compensation is designed to reward activities and achievements that are aligned with the long-term interests of Shareholders.

The Board also assumes responsibility for reviewing and monitoring the long-range compensation strategy for the Corporation's senior management. The Board reviews the compensation of senior management on an annual basis taking into account compensation paid by other issuers of similar size and activity.

Elements of Executive Compensation Program

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

- (a) Base salary or consulting fees;
- (b) Bonus payments; and
- (c) Options and RSUs.

Base Salary

Base salary is compensation for discharging job responsibilities and reflects the level of skills and capabilities demonstrated by the executive. Annual salary adjustments take into account the market value of the role and the executive's demonstration of capability during the year.

Bonus Payments

Annual incentives, in the form of cash bonus payments, are designed to add a variable component of compensation based on overall corporate performance and the executive's individual performance. Each executive is eligible for an annual bonus, payable in cash or through share-based compensation. The amount paid is based on the Board's assessment, following the CGNC Committee's recommendation, of the Corporation's performance for the year. Factors considered in determining bonus amounts include individual performance, financial criteria (such as revenue, cash flow and share price performance) and operational criteria (such as significant acquisitions and the attainment of corporate milestones). During the year ended December 31, 2023, the Corporation paid a management bonus in the amount of \$180,000 to Clearwater, an entity controlled by the Chief Executive Officer.

The Board approves the bonuses to be paid to the Chief Executive Officer, the Chief Financial Officer and the Corporate Secretary, if any.

Options and RSUs

Long-term incentive is accomplished through the Corporation's Securities-Based Compensation Arrangements. Options and RSUs are granted to executives taking into account a number of factors, including the amount and term of Options and RSUs previously granted, base salary, bonuses and competitive factors. Individual grants are also determined by an assessment of an individual's current and expected future performance, level of responsibilities and the importance of the position to the Corporation. The amounts and terms of Options and RSUs granted are determined by the recommendations put forward by the Corporation's Chief Executive Officer. Due to the Corporation's limited financial resources, the Corporation emphasizes the provisions of Option and RSU grants to maintain executive motivation.

RSUs granted pursuant to the RSU Plan will be used to compensate RSU Participants for their individual performance based achievements and are intended to supplement stock option awards in this respect, the goal of such grants is to more closely tie awards to individual performance based on established performance criteria. See "Disclosure Respecting Security-Based Compensation Arrangements – Restricted Share Unit Compensation Plan".

The number of Options and RSUs which may be issued under the Omnibus Incentive Plan in the aggregate and in respect of any fiscal year is limited under the terms of the Omnibus Incentive Plan and cannot be increased without shareholder approval.

As of the financial year ended December 31, 2023, there were 6,847,500 Options and 1,250,000 RSUs outstanding under the Omnibus Incentive Plan, former Stock Option Plan and former RSU Plan See “Stock Option Plans and Other Incentive Plans”.

As of the date of this Circular, there are 4,997,500 Options and 3,266,000 RSUs awarded under the Omnibus Incentive Plan, former Option Plan and former RSU Plan to directors, officers, employees and consultants of the Corporation. Each RSU represents a right to receive one Common Share, following the vesting of such RSUs over a one-year period. See “Stock Option Plans and Other Incentive Plans”.

Director Compensation

The Corporation has no standard arrangement pursuant to which Directors are compensated by the Corporation for their services in their capacity as Directors other than the unissued treasury Common Shares that may be issued upon the exercise of the Directors’ Stock Options and RSUs. There has been no other arrangement pursuant to which Directors were compensated by the Corporation in their capacity as Directors except as disclosed herein or disclosed in the Corporation financial statements and management discussion and analysis.

Other than for Options and RSUs, the directors of the Corporation do not receive any compensation for attending meetings of the Board or a committee of the Board.

In addition, all directors are entitled to be reimbursed for reasonable expenses incurred on behalf of the Corporation. In addition, each director is eligible to receive Stock Options and RSU pursuant to the Omnibus Incentive Plan.

Risks Associated with the Corporation’s Compensation Practices

The Board has assessed the Corporation’s compensation plans and programs for its executive officers to ensure alignment with the Corporation’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 Corporation. The Board considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

Hedging by Named Executive Officers or Directors

The Corporation has not, to date, adopted a policy restricting its executive officers and directors from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, which are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by executive officers or directors.

Benefits and Perquisites

In general, the Corporation 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.

Pension Disclosure

The Corporation did not have any pension plans in place that provided for payments or benefits made to the Named Executive Officers or directors at, following, or in connection with retirement during the year ended December 31, 2023.

DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES

Effective June 30, 2005, National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) was adopted in each of the provinces and territories in Canada. NI 58-101 requires reporting issuers to disclose the corporate governance practices that they have adopted on an annual basis. The Corporation’s approach to corporate governance is provided in the attached Schedule “B”.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

At any time during the Corporation’s last completed financial year, no director, executive officer, employee, proposed management nominee for election as a director of the Corporation nor any associate of any such director, executive officer, or proposed management nominee of the Corporation or any former director, executive officer or employee of the Corporation or any of its subsidiaries is or has been indebted to the Corporation or any of its subsidiaries or is or has been indebted to another entity where such indebtedness is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries, other than routine indebtedness.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Equity Compensation Plan Information

The following table provides information regarding compensation plans under which equity securities of the Corporation are authorized for issuance in effect as of the end of the Corporation’s most recently completed financial year:

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c)
Equity Compensation Plans Approved By Shareholders ⁽¹⁾⁽²⁾⁽³⁾	8,097,500 ⁽⁴⁾	\$3.71 N/A (RSUs)	7,407,000 ⁽⁵⁾
Equity Compensation Plans Not Approved By Shareholders ⁽²⁾	N/A	N/A	N/A
Total:	8,097,500 ⁽⁴⁾	\$3.71	7,407,000 ⁽⁵⁾

Notes:

- (1) During the financial year December 31, 2022, the Corporation adopted the Omnibus Incentive Plan, which provides that that the number of common shares that may be reserved for issuance under the Omnibus Incentive Plan will not exceed 29,341,745 Common Shares (representing approximately 20% of the current issued and outstanding Common Shares).
- (2) The Corporation’s former Stock Option Plan, being a “rolling” incentive stock option plan provides that the Board may grant up to ten percent (10%) of the total number of common shares issued and outstanding at the date of the stock option grant. Subsequent to June 1, 2022, the Corporation no longer issues Options pursuant to the Stock Option Plan and the Stock Option Plan exists solely for the purposes of governing Options previously issued thereunder. For terms of the Stock Option Plan, see “Stock Option Plans and Other Incentive Plans”.
- (3) The Corporation’s former RSU Plan, provides that the number of common shares that may be reserved for issuance under the RSU Plan will not exceed 5,000,000 Common Shares (representing approximately 10% of the current issued and outstanding Common Shares). Subsequent to June 1, 2022, the Corporation no longer issues RSU pursuant to the RSU Plan and the RSU Plan exists solely for the purposes of governing RSU previously issued thereunder. For terms of the RSU Plan, see “Stock Option Plans and Other Incentive Plans”.
- (4) Inclusive of 1,250,000 RSUs, and 6,847,500 Options granted pursuant to the former RSU Plan and Stock Option Plan. Represents the number of Common Shares available for issuance upon (i) exercise of outstanding Options

- which have been granted under the former Stock Option Plan as at December 31, 2023; and (ii) exercise of outstanding RSUs which have been granted under the former RSU Plan as at December 31, 2023.
- (5) Represents the maximum number of additional Common Shares issuable under the Omnibus Incentive Plan.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth below and elsewhere in this Information Circular and other than transactions carried out in the ordinary course of business of the Corporation, none of the directors or executive officers of the Corporation, a director or executive officer of a person or Corporation that is itself an informed person or subsidiary of the Corporation, nor any shareholder beneficially owning, directly or indirectly, common shares of the Corporation, or exercising control or direction over common shares of the Corporation, or a combination of both, carrying more than 10% of the voting rights attached to the outstanding shares of the Corporation nor an associate or affiliate of any of the foregoing persons has since the commencement of the Corporation's most recently completed financial year any material interest, direct or indirect, in any transactions which materially affected or would materially affect the Corporation or any of its subsidiaries.

During the year ended December 31, 2023, \$125,466 (2022 - \$206,719) was paid by the Corporation for legal services to Gowling WLG (Canada) LLP, a law firm in which Mr. Peter Simeon is a partner.

During the year ended December 31, 2023, on April 20, 2023, the Corporation completed a brokered private placement (the "**April 2023 Placement**") of 28,750,000 units at a price of \$0.20 per unit for total gross proceeds of \$5,750,000. Each unit consisted of one common share in the capital of the Corporation and one-half share purchase warrant. Each whole warrant entitles the holder to purchase one common share at a price of \$0.30 for a period of 24 months from the date of closing of the April 2023 Placement.

Pursuant to the April 2023 Placement, Christopher Paul (Chief Executive Officer and a director of the Corporation), subscribed for (i) 125,000 units in the April 2023 Placement; and (ii) Ridgeline Exploration Holdings Corp. ("**Ridgeline**") a private Corporation 50% owned by Christopher Paul, subscribed for 125,000 units in the April 2023 Placement. Prior to the foregoing private placement Christopher Paul and Ridgeline owned and controlled 8,578,333 common shares (8,916,666 common shares fully diluted) of the Corporation, representing approximately 5.4% (5.6% partially diluted) of the then issued and outstanding common shares of the Corporation. Following the issuance of such units, as at the date hereof, Christopher Paul and Ridgeline now beneficially own or control a total of 8,765,833 common shares (9,197,916 common shares fully diluted) of the Corporation representing approximately 4.70% (4.90% partially diluted) of the issued and outstanding common shares of the Corporation.

On November 7, 2023, the Corporation announced completion of the non-brokered private placement previously announced on November 6, 2023, resulting in Barrick Gold Corporation ("**Barrick**") subscribing for 21,265,370 units of the Company at a price of \$1.10 per Unit for gross proceeds to the Company of \$23,391,907 (the "**2023 November Placement**"). Each unit consisted of one common share in the capital of the Corporation and \$0.32 of a common share purchase warrant. Each warrant has a term of two years and entitles the holder thereof to purchase one common share for a price of \$1.32 per common Share. Prior to the 2023 November Placement, Barrick owned 5,291,500 common shares of the Corporation, representing approximately 2.72% of the Corporation's then issued and outstanding common shares on a non-diluted basis. With the closing of the 2023 November Placement, Barrick owns, as at the date thereof, 12.33% of the issued and outstanding shares of the Corporation on a non-diluted post-transaction basis and 15.02% of the outstanding common shares of the Corporation on a partially-diluted post-transaction basis, assuming exercise of all warrants.

In connection with the 2023 November Placement, the Corporation and Barrick also entered into an investor rights agreement (the "**Investor Rights Agreement**"), whereby so long as Barrick maintains a minimum of 5% ownership in the Corporation, Barrick was granted:

- A right to participate in future Corporation equity issuances to maintain its then current pro rata interest in the Corporation;

- Certain top-up rights triggered on a rolling basis to permit it to maintain its ownership interest in the Corporation in connection with dilutive events that are not otherwise subject to Barrick's pre-emptive rights;
- A right of first refusal over the sale or transfer of any interest in the Corporation's Hercules Project located in western Idaho.; and
- Information rights to data in respect of the Hercules Property and rights to visit and inspect the Hercules Property.

Pursuant to the Investor Rights Agreement, Barrick will also, (i) for a period of three years either vote its Hercules shares in accordance with the recommendations of the board or management of the Corporation, or abstain from voting on such matters; and (ii) be subject to a three year standstill whereby it is prohibited from acquiring more than 19.9% of the issued and outstanding common shares of the Corporation, in each case subject to certain exceptions. Barrick will also provide the Corporation with technical support and expertise for the 2024 season.

On November 14, 2023, Barrick purchased 7,000,000 warrants to purchase common shares of the Corporation for total consideration of \$6,580,000. The warrants were immediately exercised at their exercise price of \$0.11 per common share. Prior to its acquisition and exercise of the warrants, Barrick owned 26,556,870 common shares of the Corporation and 6,804,918 warrants, representing approximately 15.01% of the then outstanding common shares of the Corporation on a non-diluted basis, and 17.53% on a partially-diluted basis. As at the date hereof, Barrick now owns 33,556,870 common shares and 6,804,918 warrants of the Corporation, representing approximately 13.44% of the outstanding common shares of the Corporation on a non-diluted basis, and 15.73% on a partially-diluted basis.

All securities issued pursuant to the private placements were subject to a four month hold period pursuant to applicable securities laws.

APPOINTMENT OF AUDITORS

Unless such authority is withheld, the persons named in the accompanying proxy intend to vote for the appointment of MNP LLP, Chartered Professional Accountants, as auditors of the Corporation, at a remuneration to be determined by the directors. MNP LLP, Chartered Professional Accountants, were first appointed auditors of the Corporation on March 19, 2021.

A resolution for the appointment of the auditor requires the favourable vote of a simple majority (>50%) of the votes cast at the Meeting.

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

Other than as set forth below, no person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of any of the foregoing, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon other than the election of directors or the appointment of auditors.

PARTICULARS OF MATTERS TO BE ACTED UPON

Approval of Name Change

The Board has evaluated the Corporation's name and believes that it would be advisable to change the name of the Corporation to "Hercules Metals Corp." to reflect the Corporation's focus on its current nature of business, in relation to all metals being explored at the Property.

Subject to Shareholder and TSXV approval of the change of name, it is expected that the Common Shares will commence trading on the TSXV under the new name and will continue to trade under the existing stock

symbol "BIG" at the opening of business two or three days subsequent to the effecting of the name change by the Corporation, subject to the receipt by the TSXV of the necessary documentation.

At the Meeting, Shareholders will be asked to consider, and if thought advisable, authorize and approve, with or without variation, a special resolution in the form set out below (the "**Name Change Resolution**") authorizing the Board to change the name of the Corporation to "Hercules Metals Corp." or such other name that the Board, in its sole discretion, determines appropriate (the "**Name Change**").

Notwithstanding approval of the Name Change Resolution by Shareholders, the Board may, in its sole discretion, abandon the Name Change at any time, without the approval or further approval or action by, or prior notice to the Shareholders.

Under the *Business Corporation Act* (Ontario) (the "**OBCA**"), Shareholders do not have any dissent and appraisal rights with respect to the proposed Name Change Resolution.

Name Change Resolution

At the Meeting, Shareholders will be asked to consider and, if deemed appropriate, to pass, with or without variation, the Name Change Resolution, which is a special resolution and, as such, requires approval of a majority of no less than two-thirds of the votes cast by Shareholders at the Meeting. The full text of the resolution is set out below.

"BE IT RESOLVED, as a special resolution, that:

1. Hercules Silver Corp. (the "**Corporation**") be, and is hereby authorized and empowered to file articles of amendment pursuant to the Business Corporations Act (Ontario) (the "**OBCA**") to change its name from "Hercules Silver Corp." to "Hercules Metal Corp.", or such other name to be determined by the board of directors of the Corporation in their sole discretion and which any regulatory body having jurisdiction may accept (the "**Name Change**");
2. Any one or more directors or officers of the Corporation are hereby authorized to prepare, execute and file articles of amendment in the prescribed form in order to give effect to this special resolution, and to execute and deliver all such other deeds, documents and other writings and perform such other acts as may be necessary or desirable to give effect to this special resolution;
3. Notwithstanding approval of the shareholders of the Corporation as herein provided, the directors of the Corporation may, in its sole discretion, abandon the Name Change at any time without further approval, ratification or confirmation by the shareholders of the Corporation; and
4. Any one director or officer of the Corporation is hereby authorized and empowered, for and in the name of and on behalf of the Corporation, to execute and deliver, or cause to be delivered, under the corporate seal of the Corporation or otherwise, all such deeds, documents, instruments and assurances and to do or cause to be done all such acts and things, as in the opinion of such director or officer may be necessary or desirable in order to carry out the intent of the foregoing resolution."

In the absence of a contrary instruction, the person(s) designated by management of the Corporation in the enclosed Instrument of Proxy intend to vote "FOR" the Name Change Resolution.

To be effective the Name Change Resolution must be approved by not less than two-thirds (66 and 2/3%) of the votes cast by holders of the Common Shares of the Corporation present in person, or represented by proxy at the Meeting.

Confirmation of Amendment to By-Law No. 1

Section 94 of the OBCA provides that the directors of a corporation (a) shall call an annual meeting of shareholders not later than eighteen months after the corporation comes into existence and subsequently not later than fifteen months after holding the last preceding annual meeting; and (b) may at any time call a special meeting of shareholders.

On May 6, 2024, the board of directors approved an amendment and restatement of the Corporation's By-law No. 1 (the "**By-Law Amendment**") to, among other things, remove reference to the following 6 months provision in section 9.01:

9.01 Annual Meetings.

The annual meeting of shareholders shall be held at such time in each year as the board, the Chairman of the Board (if any) or the President may from time to time determine provided such determination is made in accordance with any unanimous shareholder agreement governing the Corporation, in any event no later than the earlier of (i) six months after the end of each of the Corporation's financial years, and (ii) fifteen months after the Corporation's last annual meeting of shareholders, for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing directors, appointing an auditor and for the transaction of such other business as may properly be brought before the meeting.

and replacing it with the following section 9.01:

9.01 Annual Meetings.

The annual meeting of shareholders shall be held at such time in each year as the board, the Chairman of the Board (if any) or the President may from time to time determine provided such determination is made in accordance with any unanimous shareholder agreement governing the Corporation, in any event no later than eighteen months after the corporation comes into existence and subsequently no later than fifteen months after the Corporation's last annual meeting of shareholders, for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing directors, appointing an auditor and for the transaction of such other business as may properly be brought before the meeting.

The purpose of the By-Law Amendment is to make it consistent with section 94 of the OBCA and therefore the above 6 months provision in section 9.01 will be removed from the By-law No. 1.

The full text of the By-Law Amendment is set forth in Schedule "C" to this Circular.

At the Meeting, shareholders will be asked to consider and, if deemed appropriate, to pass, with or without variation, a resolution, in the form set out below (the "**By-Law Resolution**"), subject to such amendments, variations or additions as may be approved at the Meeting, confirming the By-Law Amendment. **The board of directors recommends that shareholders vote FOR the By-Law Resolution.** The text of the By-Law Resolution to be submitted to shareholders at the Meeting is set forth below:

"BE IT RESOLVED THAT:

1. an amendment to By-Law No. 1 of the Corporation as approved by the board of directors of the Corporation (the "**Board**") and as set forth in the management information circular of the Corporation dated May 6, 2024, be and is hereby confirmed and approved;
2. the Board be and is hereby authorized, in its sole discretion, to amend and restate By-Law No. 1 to incorporate such amendment; and

3. any one director or officer of the Corporation be and is hereby authorized and directed to execute and deliver for and in the name of and on behalf of the Corporation all such certificates, instruments, agreements, documents and notices and to do all such other acts and things as such director or officer may consider necessary or desirable for the purpose of giving effect to this resolution.”

Unless specifically instructed to vote against the By-Law Resolution, the management representatives designated in the enclosed form of proxy intend to vote FOR the approval of the By-Law Amendment.

In order to be effective, this ordinary resolution must be approved by a majority of the votes cast at the Meeting in respect thereof.

MANAGEMENT CONTRACTS

No management functions of the Corporation are performed substantially by a person other than the directors or executive officers of the Corporation or their respective management companies. Please see “Statement of Executive Compensation” above for information concerning the management contracts of the Corporation’s Named Executive Officers.

ANY OTHER MATTERS

Management of the Corporation knows of no matters to come before the meeting other than those referred to in the Notice of Meeting accompanying this Information Circular. However, if any other matters properly come before the meeting, it is the intention of the persons named in the form of proxy accompanying this Information Circular to vote the same in accordance with their best judgment of such matters.

ADDITIONAL INFORMATION

Additional information regarding the Corporation and its business activities is available on the SEDAR+ website located at www.sedarplus.ca “Corporation Profiles – Hercules Silver Corp.” The Corporation’s financial information is provided in the Corporation’s audited comparative financial statements and related management discussion and analysis for its most recently completed financial year and may be viewed on the SEDAR+ website at the location noted above. Shareholders of the Corporation may request copies of the Corporation’s financial statements and related management discussion and analysis by contacting the Corporation, attention: CFO, at 100 King Street West, Suite 1600, Toronto, Ontario, M5X 1G5, telephone number 647-660-8703, E-mail kli@bransonservices.com.

SCHEDULE "A"

AUDIT COMMITTEE CHARTER

A. Composition and Process

1. The audit committee of the Corporation (the "**Audit Committee**") shall be composed of a minimum of three members of the board of directors of the Corporation (the "**Board of Directors**"), a majority of whom are independent. An independent director, as defined in National Instrument 52-110 - *Audit Committees* ("**NI 52-110**") is a director who has no direct or indirect material relationship which could, in the view of the Corporation's Board of Directors, be reasonably expected to interfere with the exercise of a members independent judgment or as otherwise determined to be independent in accordance with NI 52-110.
2. Members shall serve one-year terms and may serve consecutive terms, which are encouraged to ensure continuity of experience.
3. The chairman of the Audit Committee (the "**Chairman**") shall be appointed by the Board of Directors for a one-year term, and may serve any number of consecutive terms.
4. All members of the Audit Committee are encouraged to become financially literate if they are not already. Financial literacy is the ability to read and understand a balance sheet, income statement and cash flow statement that present a breadth and level of complexity comparable to the Corporation's financial statements.
5. The Chairman shall, in consultation with management, establish the agenda for the meetings and ensure that properly prepared agenda materials are circulated to the members with sufficient time for study prior to the meeting.
6. The Audit Committee shall try to meet at least four times per year and may call special meetings as required. A quorum at meetings of the Audit Committee shall be its Chairman and one of its other members or the Chairman of the Board of Directors. The Audit Committee may hold its meetings, and members of the Audit Committee may attend meetings, by telephone conference if this is deemed appropriate.
7. The minutes of the Audit Committee meetings shall accurately record the decisions reached and shall be distributed to Audit Committee members with copies where applicable to the Board of Directors, the Chief Executive Officer, the Chief Financial Officer and the external auditor.
8. The Audit Committee enquires about potential claims, assessments and other contingent liabilities.
9. The Charter of the Audit Committee shall be reviewed by the Board of Directors on an annual basis.

B. Authority

1. Appointed by the Board of Directors pursuant to provisions of the *Business Corporations Act* (Ontario) and the constating documents of the Corporation.
2. Primary responsibility for the Corporation's financial reporting, accounting systems and internal controls is vested in senior management and is overseen by the Board of Directors. The Audit Committee is a standing committee of the Board of Directors established to assist it in fulfilling its responsibilities in this regard. The Audit Committee shall have responsibility for overseeing management reporting on internal controls. While it is management's responsibility to design and implement an effective system of internal control, it is the responsibility of the Audit Committee to ensure that management has done so.

3. In fulfilling its responsibilities, the Audit Committee shall have unrestricted access to the Corporation's personnel and documents and will be provided with the resources necessary to carry out its responsibilities.
4. The Audit Committee shall have direct communication channels with the internal auditor (if any) and the external auditor to discuss and review specific issues, as appropriate.
5. The Audit Committee shall have the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties.
6. The Audit Committee shall establish the compensation to be paid to any advisors employed by the Audit Committee and such compensation shall be paid by the Corporation as directed by the Audit Committee.

C. Relationship with External Auditors

1. An external auditor must report directly to the Audit Committee.
2. The Audit Committee is directly responsible for overseeing the work of the external auditor including the resolution of disagreements between management and the external auditor regarding financial reporting.
3. The Audit Committee shall implement structures and procedures to ensure that it meets with the external auditor on at least an annual basis in the absence of management.

D. Accounting Systems, Internal Controls and Procedures

1. Obtain reasonable assurance from discussions with and/or reports from management, and reports from external auditors that accounting systems are reliable and that the prescribed internal controls are operating effectively for the Corporation and its subsidiaries and affiliates.
2. The Audit Committee shall review to ensure to its satisfaction that adequate procedures are in place for the review of the Corporation's disclosure of financial information extracted or derived from the Corporation's financial statements and will periodically assess the adequacy of those procedures.
3. Direct the external auditor's examinations to particular areas.
4. Review control weaknesses identified by the external auditor, together with management's response.
5. Review with the external auditor its view of the qualifications and performance of the key financial and accounting executives.
6. In order to preserve the independence of the external auditor the Audit Committee will:
 - (a) Recommend to the Board of Directors the external auditor to be nominated; and
 - (b) Recommend to the Board of Directors the compensation of the external auditor's engagement;
7. The Audit Committee shall review and pre-approve any engagements for non-audit services to be provided by the external auditor or its affiliates, together with estimated fees, and consider the impact on the independence of the external auditor.

8. Review with management and with the external auditor any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties, and key estimates and judgments of management that may be material to financial reporting.
9. The Audit Committee shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and most recent former external auditor of the Corporation.
10. The Audit Committee shall establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters and the confidential anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
11. The Audit Committee shall on an annual basis, prior to public disclosure of its annual financial statements, ensure that the external auditor's participant status has not been terminated, or, if its participant status was terminated, has been reinstated in accordance with the Canadian Public Accountability Board ("CPAB") bylaws and is in compliance with any restriction or sanction imposed by the CPAB.

E. Statutory and Regulatory Responsibilities

1. Annual Financial Information - review the annual audited financial statements and related management's discussion and analysis ("MD&A"), including any related press releases if same contains material information, and recommend their approval to the Board of Directors, after discussing matters such as the selection of accounting policies (and changes thereto), major accounting judgments, accruals and estimates with management and the external auditor.
2. Annual Report - review the management MD&A section and all other relevant sections of the annual report, if prepared, to ensure consistency of all financial information included in the annual report.
3. Interim Financial Statements - review the quarterly interim financial statements and related MD&A, related press releases and recommend their approval to the Board of Directors.
4. Earnings Guidance/Forecasts - review forecasted financial information and forward looking statements.

F. Reporting

1. Report, through the Chairman of the Audit Committee, to the Board of Directors following each meeting on the major discussions and decisions made by the Audit Committee.
2. Review the Audit Committee's Charter annually and recommend the approval of any proposed amendments to the Board of Directors.

G. Other Responsibilities

1. Investigating fraud, illegal acts or conflicts of interest.
2. Discussing selected issues with corporate counsel or the external auditor or management.

SCHEDULE "B"

DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES

Statement of Corporate Governance Practices

National Policy 58-201 - *Corporate Governance Guidelines* ("NP 58-201") establishes corporate governance guidelines which apply to all public companies. The Corporation has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Corporation's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Corporation at its current stage of development and therefore these guidelines have not been adopted. National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("NI 58-101") mandates disclosure of corporate governance practices for Venture Issuers in Form 58-101F2, which disclosure is set out below.

Board of Directors

Structure and Compensation

The Board is currently composed of four (4) directors (Messrs. Christopher Paul, Peter Simeon, Nicholas Tintor and Kelly Malcolm). Following the election of the directors at the Meeting, the Board is to be comprised of four directors (Messrs. Christopher Paul, Peter Simeon, Nicholas Tintor and Kelly Malcolm).

The Board has concluded that three of its current directors (Messrs. Simeon, Tintor and Malcolm) are "independent" for purposes of board membership as defined in NI 58-101. The Board has concluded that three of its nominees for election as a director at the Meeting (Messrs. Simeon, Tintor and Malcolm) will be "independent" for purposes of board membership as defined in NI 58-101. The Board is responsible for supervising the management of the business and affairs of the Corporation. NP 58-201 suggests that the Board of every listed corporation should be constituted with a majority of individuals who qualify as "independent" directors under NI 58-101, which provides that a director is independent if he or she has no direct or indirect "material relationship" with the Corporation. "Material relationship" is defined as a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgement. Of the current directors, Christopher Paul, the Chief Executive Officer is "insider" or management director and accordingly is considered not "independent". The remaining directors are considered by the Board to be "independent", within the meaning of NI 52-110. The Board facilitates its exercise of independent supervision over the Corporation's management through frequent discussions with management and regular meetings of the Board.

The Corporate Governance, Nomination and Compensation Committee (the "CGNC") is currently comprised of three directors, Peter Simeon (Chair), Nicholas Tintor, and Kelly Malcolm, all of whom are considered independent directors. The CGNC Committee evaluates the CEO's performance and establishes executive and senior officer compensation, determines the general compensation structure, policies and programs of the Corporation, including the extent and level of participation in incentive programs in conjunction with the Board. The CGNC Committee has also been mandated to review the adequacy and form of the compensation of directors and to ensure that such compensation realistically reflects the responsibilities and risk involved in being an effective director. The CGNC Committee meets at least annually. The CGNC Committee's role in the compensation of directors and the CEO of the Corporation is further described under "Compensation Discussion and Analysis".

The CGNC Committee and the Board reviews the adequacy and form of compensation. There is no minimum share ownership requirement of directors. Directors' compensation will be in the form of stock options, and RSUs. The Corporation's Board reviews and approves the general compensation philosophy and guidelines, incentive plan design and other remuneration for all directors and executive officers, including the CEO.

Directorships

The following directors of the Corporation and proposed nominees are directors of other reporting issuers:

Name	Name of Other Reporting Issuer
Christopher Paul	N/A
Nicholas Tintor	Benz Mining Corp. (TSXV) Big Ridge Gold Corp. (TSXV)
Peter Simeon	Atmofizer Technologies Inc. (CSE) AF2 Capital Corp. (TSXV) US Critical Metals Corp. (TSXV) Amilot Capital Inc. (TSXV)
Kelly Malcolm	Generic Gold Corp. (CSE) QcX Gold Corp. (TSXV) Northern Sphere Mining Corp. (CSE)

Nomination, Assessment, Orientation and Continuing Education

The CGNC Committee is responsible for developing and monitoring the Corporation's approach to corporate governance issues. The CGNC Committee oversees the effective functioning of the Board, oversees the relationship between the Board and management, ensures that the Board can function independently of management at such times as is desirable or necessary, identifies individuals qualified to become new Board members and recommends to the Board the director nominees at each annual meeting of shareholders and, with the assistance of the Board and where necessary, develops an orientation and education program for new recruits to the Board. In identifying possible nominees to the Board, the CGNC Committee considers the competencies and skills necessary for the Board as a whole, the skills of existing directors and the competencies and skills each new nominee will bring to the Board, as well as whether or not each nominee will devote sufficient time and resources to the Board. The CGNC Committee also annually reviews and makes recommendations to the Board with respect to: (i) the size and composition of the Board; (ii) the appropriateness of the committees of the Board; and (iii) the effectiveness and contribution of the Board, its committees and individual directors, having reference to their respective mandates, charters and position descriptions. The CGNC Committee meets at least once annually.

The Board determines new nominees to the Board, although a formal process has not been adopted. The Board is responsible for identifying individuals believed to be qualified to become board members, consistent with criteria approved by the Board, and to nominate to stand for election at the Corporation's annual meeting of Shareholders or, if applicable, at a special meeting of the Shareholders. In case of a vacancy in the office of a director (including a vacancy created by an increase in the size of the Board), the Board shall fill each such vacancy either through appointment by the Board or through election by Shareholders. In recommending candidates, the Board shall take into consideration the opinions of management of the Corporation, the criteria approved by the Board and such other factors as it deems appropriate. These factors shall include judgment, skill, integrity, independence, diversity, experience with business and organizations of comparable size, the interplay of a candidate's experience with the experience of other Board members, willingness to commit the necessary time and energy to serve as director, and a genuine interest in the Corporation's business, and the extent to which a candidate would be a desirable addition to the Board or any committees of the Board. The Board monitors but does not

formally assess the performance of individual Board members or committee members or their contributions.

The Board does not, at present, have a formal process in place for assessing the effectiveness of the Board as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant. Based on the Corporation's size, its stage of development and the limited number of individuals on the Board, the Board considers a formal assessment process to be inappropriate at this time. The Board plans to continue evaluating its own effectiveness on an ad hoc basis. The current size of the Board is such that the entire Board takes responsibility for selecting new directors and assessing current directors. Proposed directors' credentials are reviewed in advance of a Board meeting with one or more members of the Board prior to the proposed director's nomination.

New directors are briefed on strategic plans, short, medium and long-term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing Corporation policies. However, there is no formal orientation for new members of the Board, and this is considered to be appropriate, given the Corporation's size and current limited operations.

The skills and knowledge of the Board of Directors as a whole is such that no formal continuing education process is currently deemed required. The Board is comprised of individuals with varying backgrounds, who have, both collectively and individually, extensive experience in running and managing public companies in the natural resource sector. Board members are encouraged to communicate with management, auditor and technical consultants to keep themselves current with industry trends and developments and changes in legislation, with management's assistance. Board members have full access to the Corporation's records. Reference is made to the table under the heading "Election of Directors" in the Circular for a description of the current principal occupations of each member of the Corporation's Board.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation. Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the Board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction. To date, the Board has not adopted a formal written Code of Business Conduct and Ethics. However, the current limited size of the Corporation's operations and the small number of officers and employees allow the independent members of the Board to monitor on an ongoing basis the activities of management and to ensure that the highest standard of ethical conduct is maintained. As the Corporation grows in size and scope, the Board anticipates that it will formulate and implement a formal Code of Business Conduct and Ethics.

Other Board Committees

The Board currently has two standing committees: the Audit Committee and the CGNC Committee.

SCHEDULE "C"

BY-LAW AMENDMENT

By-Law No. 1 of Hercules Silver Corp. is hereby amended effective May 6, 2024 by deleting section 9.01 in its entirety and replacing it with the following paragraph as section 9.01:

9.01 Annual Meetings.

The annual meeting of shareholders shall be held at such time in each year as the board, the Chairman of the Board (if any) or the President may from time to time determine provided such determination is made in accordance with any unanimous shareholder agreement governing the Corporation, in any event no later than eighteen months after the corporation comes into existence and subsequently no later than fifteen months after the Corporation's last annual meeting of shareholders, for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing directors, appointing an auditor and for the transaction of such other business as may properly be brought before the meeting.

