



MANAGEMENT INFORMATION CIRCULAR AS AT APRIL 12, 2022

This management information circular (“**Information Circular**”) is furnished in connection with the solicitation of proxies by management of Lion Copper and Gold Corp. (the “**Company**”) for use at the annual general and special meeting (the “**Meeting**”) of the shareholders of common shares of the Company (the “**Shareholders**”) to be held on May 18, 2022 and any adjournment or postponement thereof, for the purposes set forth in the attached Notice of Annual General and Special Meeting. Except where otherwise indicated, the information contained herein is stated as of April 12, 2022.

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

If any new provincial health restrictions related to the COVID-19 pandemic are imposed before the Meeting and those restrictions, or any related public health concerns, impact the Company’s ability to hold a physical meeting, the Company reserves the right to proceed with a virtual meeting. The Company will advise Shareholders by news release if the Meeting is changed to a virtual-only format. Such change might involve restricting shareholders’ ability to vote shares of the Company in person and to request that votes at the meeting be conducted by ballot. The news release will disclose any changes in this regard. Shareholders are encouraged to vote their shares in advance of the meeting by proxy (in the form provided with this notice) to ensure that their votes will be counted in the event that the Company determines that the meeting should be held in virtual format.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged to send meeting materials directly to Registered Shareholders, as well as Non-Registered Shareholders who have consented to their ownership information being disclosed by the Intermediary holding the Common Shares on their behalf (non-objecting beneficial owners). We have not arranged for Intermediaries to forward the meeting materials to Non-Registered Shareholders who have objected to their ownership information being disclosed by the Intermediary holding the Common Shares on their behalf (objecting beneficial owners) under National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”). As a result, objecting beneficial owners will not receive the Information Circular and associated meeting materials unless their Intermediary assumes the costs of delivery.

Appointment and Revocation of Proxies

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

If you are a Registered Shareholder you may wish to vote by proxy whether or not you are able to attend the Meeting in person. Registered Shareholders electing to submit a proxy may do so by completing, dating and signing the enclosed form of proxy and returning it to the Company’s transfer agent, Computershare Trust Company of Canada (“**Computershare**”), in accordance with the instructions on the Proxy.

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

Every Proxy may be revoked by an instrument in writing:

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

or in any other manner provided by law.

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

Exercise of Discretion by Proxyholder

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

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

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

Voting by Non-Registered Shareholders

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

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

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

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

The voting instruction form sent by Computershare or Broadridge will name the same persons as the Company's proxy to represent you at the Meeting. Although as a Non-Registered Shareholder you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your Intermediary, you, or a person designated by you (who need not be a Shareholder), may attend at the Meeting as Proxyholder for your Intermediary and vote your Common Shares in that capacity. To exercise this right to attend the Meeting or appoint a Proxyholder of your own choosing, you should insert your own name or the name of the desired representative in the blank space provided in the voting instruction form. Alternatively, you may provide other written instructions requesting that you or your desired representative attend the Meeting as Proxyholder for your Intermediary. The completed voting instruction form or other written instructions must then be returned in accordance with the instructions on the form.

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

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

No person or company has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting other than the election of directors or the appointment of auditors. For the purpose of this paragraph, "person" shall include each of the following persons or companies: (a) if the solicitation is made by or on behalf of management of the Company, each person who has been a director, senior officer or insider of the Company at any time since the beginning of the Company's last financial year; (b) if the solicitation is made other than by or on behalf of management of the Company, each person or company by whom, or on whose behalf, directly or indirectly, the solicitation is made; (c) each proposed nominee for election as a director of the Company; and (d) each associate or affiliate of any of the persons or companies included in (a) to (c).

RECORD DATE AND QUORUM

The board of directors of the Company (the "**Board**") has fixed the record date for the Meeting as the close of business on April 12, 2022 (the "**Record Date**"). Shareholders of record as at the Record Date are entitled to receive notice of the Meeting and to vote their Common Shares at the Meeting, except to the extent that any such Shareholder transfers any Common Shares after the Record Date and the transferee of those Common Shares establishes that the transferee owns the Common Shares and demands, not less than ten (10) days before the Meeting, that the transferee's name be included in the list of Shareholders entitled to vote at the Meeting, in which case, only such transferee shall be entitled to vote such Common Shares at the Meeting.

Under the Articles of the Company, the quorum for the transaction of business at a meeting of Shareholders is one person who is a shareholder, or who is otherwise permitted to vote shares of the Company at a meeting of shareholders pursuant to the Articles, present in person or by proxy.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company's authorized capital consists of an unlimited number of Common Shares without par value. Each Common Share entitles the holder thereof to one vote on all matters to be acted upon at the Meeting. On the Record Date, there were 303,306,611 Common Shares issued and outstanding. Only Shareholders of record at the close of business on the Record Date will be entitled to vote in person or by Proxy at the Meeting or any adjournment or postponement thereof.

To the knowledge of the directors and executive officers of the Company, as of the date of this Information Circular, no one Shareholder beneficially owns or exercises control or direction over Common Shares, directly or indirectly, carrying more than 10% of the votes attached to Common Shares, except for the following:

Name	Number of Common Shares ⁽¹⁾	Approximate % of Total Issued
Tony Alford	36,623,165 ⁽¹⁾	12.1%

(1) The above information was derived from insider and beneficial ownership reports available at www.sedi.com.

(2) Mr. Alford holds 35,087,240 of these Common Shares jointly with his spouse.

PARTICULARS OF MATTERS TO BE ACTED UPON

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

Presentation of Financial Statements

The audited annual financial statements of the Company for the financial year ended December 31, 2021, together with the auditor's report thereon, will be placed before the Meeting. The Company's financial statements are available on the System of Electronic Document Analysis and Retrieval (SEDAR) website at www.sedar.com.

Election of Directors

The Company proposes to fix the number of directors of the Company at five (5) and to nominate the persons listed below for election as directors. Each director will hold office until the next annual general meeting of the Company or until his/her successor is elected or appointed, unless his/her office is earlier vacated. Management does not contemplate that any of the nominees will be unable to serve as a director.

The following table sets out the names of persons proposed to be nominated for election as directors, their place of residence, position held, periods of service as directors of the Company, their principal occupation, and, as of the Record Date, the number of Common Shares which they beneficially owned, controlled or directed, directly or indirectly.

Name, Residence and Present Position within the Company	Director Since	Number of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly ⁽¹⁾	Principal Occupation ⁽¹⁾
Charles Travis Naugle Golden, CO, USA <i>Director and CEO</i>	June 18, 2021	833,334	Founder, director and advisor for various enterprises in the natural resource sector.
Dr. Thomas Patton Maple Falls, WA, USA <i>Chairman and Director</i>	November 6, 1998	8,104,110	Chairman of the Company.
Stephen Goodman⁽²⁾ Ottawa, ON, Canada <i>Director, CFO, President and Secretary</i>	September 13, 2021	333,334	CFO and President of the Company.
Tony Alford⁽²⁾ Kernersville, NC, USA <i>Director</i>	September 13, 2021	36,623,165	Founder and President of PBA Consultants Inc., a firm specializing in tax savings and cost reduction services.
Thomas Pressello⁽²⁾ Vancouver, BC, Canada <i>Director</i>	December 6, 2021	Nil	Founder of Active Hedge Capital Inc., a finance advisory firm.

Notes:

(1) The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled or directed is

not within the knowledge of management of the Company and has been furnished by the respective nominees. Unless otherwise stated above, the nominees named above have held the principal occupation or employment indicated for at least the five preceding years.

- (2) Member of the audit committee of the Company.

Majority Voting

The Company has adopted a Majority Voting Policy in its Corporate Governance Principles. Pursuant to this Policy, any nominee proposed for election as a director in an uncontested election who receives, from the shares voted at the Meeting in person or by proxy, a greater number of shares withheld than shares voted in favour of his or her election, must promptly tender his or her resignation to the Chairman of the Board. Any such resignation shall take effect upon acceptance by the Board. The Compensation and Nomination Committee will expeditiously consider the director's offer to resign and, unless there are extraordinary circumstances, will recommend to the Board to accept such resignation. The Board will have 90 days to make a final decision and announce such decision, including any reasons for not accepting a resignation, by way of a press release. The applicable director will not participate in any Committee or Board deliberations after the resignation offer. The Corporate Governance Committee charter is available on the Company's website at www.lioncg.com.

To the knowledge of the Company, no proposed director of the Company:

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

For the purposes of section (a) above, “**order**” means:

- (i) a cease trade order;
- (ii) an order similar to a cease trade order; or
- (iii) an order that denied the relevant company access to any exemption under securities legislation,

that was in effect for more than 30 consecutive days.

Appointment of Auditor

The Company recommends that of MNP LLP (“**MNP**”) of Suite 2200, 1021 West Hastings Street, Vancouver, BC, V6E 0C3, be appointed as auditor of the Company for the ensuing year until the next annual meeting of the Shareholders. MNP was first appointed auditor of the Company on October 18, 2021 by the Board of Directors, in place of PricewaterhouseCoopers LLP (“**PWC**”).

There have been no reportable events between the Company and PWC and no modified opinions by PWC for the purposes of 51-102. A “reportable event” is defined in NI 51-102 as a disagreement, a consultation or an unresolved issue. A copy of the reporting package required by NI 51-102 with respect to the resignation of PWC and the appointment of MNP as auditors for the Company, including the Notice of Change of Auditor, a letter from PWC and a letter from MNP is attached to this Information Circular as Schedule “B”.

Approval of Stock Option Plan

At the Meeting, Shareholders will be asked to approve the Company’s 2022 Stock Option Plan (the “**Plan**”) to replace the existing 2021 stock option plan. The purpose of the Plan is to provide an incentive to directors, employees and consultants of the Company or its subsidiary to acquire a proprietary interest in the Company, to continue their participation in the affairs of the Company and to increase their efforts on behalf of the Company. The Plan was amended in order to facilitate compliance with recent amendments to TSX Venture Exchange (the “**Exchange**”) Corporate Finance Policy 4.4 – *Security Based Compensation*.

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

1. Eligible Participants. Options may be granted under the Plan to directors and senior officers of the Company or its subsidiaries, management company employees (collectively, the “**Directors**”), employees of the Company or its subsidiaries (collectively, the “**Employees**”) or consultants of the Company or its subsidiaries (collectively, the “**Consultants**”). The Board, in its discretion, determines which of the Directors, Employees or Consultants will be awarded Options under the Plan.
2. Number of Shares Reserved. The number of Common Shares which may be issued pursuant to options granted under the Plan may not exceed 10% of the issued and outstanding Common Shares at the date of granting of Options. Options that are exercised, cancelled or expire prior to exercise continue to be issuable under the Plan.
3. Limitations. Under the Plan, the aggregate number of options granted to any one person (including companies wholly-owned by that person) in a 12-month period must not exceed 5% of the issued and outstanding Common Shares of the Company, calculated on the date the Option is granted. The aggregate number of Options granted to any one Consultant in a 12-month period must not exceed 2% of the issued and outstanding Common Shares of the Company, calculated at the date the option is granted. The aggregate number of Options granted to all persons retained to provide investor relations services to the Company (including Consultants and Employees or Directors whose role and duties primarily consist of providing investor relations services) must not exceed 2% of the issued and outstanding Common Shares of the Company in any 12 month period, calculated at the date an Option is granted to any such person. Disinterested shareholder approval will be required for any grant of options which will result in the number of options granted to Insiders (as defined in the *Securities Act* (British Columbia)) as a group at any point in time or within a 12 month period exceeding 10% of the issued and outstanding Common Shares of the Company.
4. Exercise Price. The exercise price of Options granted under the Plan is determined by the Board, provided that it is not less than the discounted market price, as that term is defined in the Exchange’s Corporate Finance policy manual or such other minimum price as is permitted by the Exchange in accordance with the policies in effect at the time of the grant, or, if the Common Shares are no longer listed on the Exchange, then such other exchange or quotation system on which the Common Shares are listed or quoted for trading. The exercise price of Options granted to Insiders may not be decreased without disinterested Shareholder approval at the time of the proposed amendment.
5. Term of Options. Subject to the termination and change of control provisions noted below, the term of any options granted under the Plan is determined by the Board and may not exceed ten (10) years from the date of grant. Disinterested Shareholder approval will be required for any extension to stock options granted to individuals that are Insiders at the time of the proposed amendment.
6. Vesting. All Options granted pursuant to the Plan will be subject to such vesting requirements as may be prescribed by the Exchange, if applicable, or as may be imposed by the Board. Options issued to persons retained to provide Investor Relations Activities must vest in stages over 12 months with no more than one-quarter of the options vesting in any three month period.
7. Termination. Any Options granted pursuant to the Plan will terminate upon the earliest of:
 - (a) the end of the term of the option;

- (b) on the date the holder ceases to be eligible to hold the option (the “**Cessation Date**”), if the Cessation Date is as a result of dismissal for cause;
- (c) one year from the date of death or disability, if the Cessation Date is as a result of death or disability;
- (d) 90 days from the Cessation Date, if the Cessation Date is as a result of a reason other than death, disability or cause;
- (e) on such other date as fixed by the Board, provided that the date is no more than one year from the Cessation Date, if the Cessation Date is as a result of a reason other than death, disability or cause; or
- (f) 30 days from the Cessation Date, if the optionee was engaged in investor relations activities.

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

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

The proposed Plan is subject to Exchange acceptance and if the Exchange finds the disclosure to Shareholders to be inadequate, Shareholder approval may not be accepted by the Exchange.

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

“BE IT RESOLVED THAT:

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

A copy of the Plan is available at the records office of the Company at Suite 1200 – 750 West Pender Street, Vancouver, British Columbia, Canada until the business day immediately preceding the date of the Meeting. A copy will also be made available at the Meeting.

Proxies received in favour of management will be voted in favour of the approval of the Plan, unless the Shareholder has specified in their Proxy that their Common Shares are to be voted against such resolution.

Approval of Restricted Share Unit Plan and Grant

The Company is seeking Shareholder approval for the issuance of Common Shares from treasury pursuant to the Company’s Amended 2021 Restricted Share Unit Plan (the “**RSU Plan**”). The Board intends to use restricted share units (“**Restricted Share Units**”) issued under the RSU Plan, as well as options issued under the Stock Option Plan (as described under “Approval of Stock Option Plan” of this Information Circular), as part of the Company’s overall executive compensation plan. Since the value of Restricted Share Units increase or decrease with the price of the Common Shares, Restricted Share Units achieve the compensation objective of aligning the interests of executives with those of Shareholders. In addition, Restricted Share Units have time-based vesting features, and can also have performance based vesting features, that can be used to better motivate executives and to encourage qualified and experienced executives to make long-term commitments to the Company.

At the Meeting, Shareholders will be asked to approve a resolution to implement the RSU Plan as a treasury based plan. In order to be approved, the resolution must be passed by a majority of the votes cast by the holders of Common Shares present in person or represented by proxy at the Meeting, excluding the votes of shareholders who are directors and officers of the Company. Unless instructions are given to decline to vote or to vote against concerning the following resolution, the persons whose names appear in the instrument of proxy intend to vote at the meeting in favour of the following resolution (the “**RSU Plan Resolution**”):

“BE IT RESOLVED THAT:

1. subject to the approval of the TSX Venture Exchange (the “**Exchange**”), the Restricted Share Unit Plan (the “**RSU Plan**”), with any changes as may be required by the Exchange, be and the same is hereby approved and authorized;
2. any director or officer of the Company be and is hereby authorized, for and on behalf of the Company, to do all such things and execute all such documents and instruments as may be necessary or desirable to give effect to this resolution; and
3. notwithstanding that this resolution has been passed by the shareholders of the Company, the adoption of the proposed RSU Plan of the Company is conditional upon receipt of final approval from the Exchange and the directors of the Company are hereby authorized and empowered to revoke this resolution, without any further approval of the shareholders of the Company, at any time if such revocation is considered necessary or desirable by the directors.”

Under the RSU Plan, a total of 4,000,000 Restricted Share Units were granted by the Board to each of Charles Travis Naugle, CEO and Stephen Goodman, President, CFO and Corporate Secretary, on October 21, 2021. The Restricted Share Units are subject to vesting in three equal installments over three years, and further subject to Exchange approval of the RSU Plan and the grant thereunder. Pursuant to Exchange policies, Restricted Share Units granted prior to shareholder approval of the RSU Plan must be specifically approved by a vote of shareholders excluding the votes of the holders of the Restricted Share Units. Accordingly, the Company is proposing a resolution (the “**RSU Grant Resolution**”) to be passed on a majority of the votes cast by the holders of the Common Shares excluding the votes attached to shares held by Charles Travis Naugle and Stephen Goodman, as follows:

“BE IT RESOLVED THAT the prior grant of 8,000,000 restricted share units to Charles Travis Naugle and Stephen Goodman, with any changes as may be required by the Exchange, be and is hereby ratified, confirmed and approved.”

The Board recommends that Shareholders vote “FOR” the RSU Plan Resolution and “FOR” the RSU Grant Resolution set out above.

The proposed Plan is subject to Exchange acceptance and if the Exchange finds the disclosure to Shareholders to be inadequate, Shareholder approval may not be accepted by the Exchange.

Summary of the RSU Plan

Set out below is a summary of the RSU Plan. This summary is qualified in its entirety by the full text of the RSU Plan, a copy of which is available for review at the registered office of the Company.

Eligible Participants

Directors, officers, eligible employees and eligible consultants of the Company are eligible to participate in the RSU Plan (the “**Participants**”). In accordance with the terms of the RSU Plan, the Board will approve those Participants who are entitled to receive restricted share units (“**Restricted Share Units**”) and the number of Restricted Share Units to be awarded to each Participant. The RSU Plan shall be administered by the Board. Persons providing investor relations services are not eligible to participate in the RSU Plan.

Vesting

Each award of Restricted Share Units under the RSU Plan to a Participant (a “**Restricted Share Unit Award**”) will entitle the Participant, subject to the Participant’s satisfaction of any conditions (including performance conditions), restrictions, vesting period or limitations imposed under the RSU Plan or set out a Restricted Share Unit grant letter, to receive one previously unissued Common Share for each Restricted Share Unit on the date when the Restricted Share Unit is fully vested. Except as otherwise provided in a Restricted Share Unit grant letter or any other provision of the RSU Plan (including pursuant to any stock exchange approval), the vesting period of the Restricted Share Units granted pursuant to Section 3.4 of the RSU Plan will be determined by the Board and may not be less than one year or greater than three years following the Grant Date.

Maximum Number to be Granted

The RSU Plan includes the following restrictions on issuances:

- a) The number of Common Shares issuable from treasury under the RSU Plan shall not exceed 30,330,661 Common Shares, or such greater number as may be approved from time to time by the Company's shareholders;
- b) The number of Common Shares issuable from treasury to insiders under the RSU Plan, together with any Common Shares issuable pursuant to all other Security Based Compensation Arrangements of the Company, within any one-year period, shall not exceed 10% of the issued and outstanding Common Shares; and
- c) The maximum number of Restricted Share Units issuable to any one individual in the aggregate in any 12 month period is 2% of the total number of outstanding Common Shares at the proposed Grant Date.

Cessation of Entitlement

Subject to the foregoing, in the event of:

- (a) the death of a Participant, all unvested Restricted Share Units credited to the Participant will vest on the date of the Participant's death. The Common Shares underlying the Restricted Share Units credited to the Participant's account shall be issued to the Participant's estate as soon as practicable thereafter;
- (b) the total disability of a Participant, all unvested Restricted Share Units credited to the Participant will vest on the date on which the Participant is determined to be totally disabled, and the Common Shares underlying such Restricted Share Units credited to the Participant's account shall be issued to the Participant as soon as practicable thereafter;
- (c) the termination (with or without cause) or retirement of an employee or officer, any cessation of services of a consultant, or the resignation, removal of or failure to re-elect a director, then, except as provided for in the vesting provisions or other terms of the Restricted Share Unit grant, or as determined by the Board, all Restricted Share Units will be forfeited by the Participant, and be of no further force and effect; and
- (d) a Change of Control, all Restricted Share Units outstanding shall immediately vest on the date of such Change of Control notwithstanding any stated vesting period or performance condition. In any event, upon a Change of Control, Participants shall not be treated any more favourably than shareholders of the Company with respect to the consideration that the Participants would be entitled to receive for the Common Shares underlying the Restricted Share Units.

Transferability

Except pursuant to a will or by the laws of descent and distribution, no Restricted Share Unit and no other right or interest of a Participant is assignable or transferable.

Amendments to the RSU Plan

The Board may discontinue the RSU Plan at any time without first obtaining shareholder approval, provided that, without the consent of a Participant, such discontinuance may not in any manner adversely affect the Participant's rights under any Restricted Share Unit granted under the RSU Plan.

- (a) The Board may, subject to receipt of requisite regulatory and disinterested shareholder approval, make the following amendments to the RSU Plan:
 - (i) increase the number of Restricted Share Units which may be issued pursuant to the RSU Plan;
 - (ii) change the definition of "Participant" under the RSU Plan which would have the potential of narrowing, broadening or increasing insider participation;
 - (iii) reduce the range of amendments requiring shareholder approval contemplated in Section 5.3 of the RSU Plan;
 - (iv) make amendments that may lead to significant or unreasonable dilution to the Company's outstanding securities, or that may provide additional benefits to Participants at the expense of the Company or its shareholders;
 - (v) change insider participation limits which would result in shareholder approval being required on a disinterested basis; or

- (vi) make amendments to Section 5.4 of the RSU Plan that would permit Restricted Share Units, or any other right or interest of a Participant under the RSU Plan, to be assigned or transferred, other than for normal estate settlement purposes.
- (b) The Board may, subject to receipt of requisite regulatory approval (where required), but not subject to shareholder approval, in its sole discretion make all other amendments to the RSU Plan that are not of the type contemplated above, including, without limitation:
 - (i) amendments of a housekeeping nature;
 - (ii) the addition or a change to the vesting provisions of a Restricted Share Unit or the RSU Plan;
 - (iii) a change to the termination provisions of a Restricted Share Unit or the RSU Plan;
 - (iv) amendments to reflect changes to applicable securities laws; and
 - (v) amendments to ensure that the Restricted Share Units granted under the RSU Plan will comply with any provisions respecting income tax and other laws in force in any country or jurisdiction of which a Participant to whom a Restricted Share Unit has been granted may from time to time be a resident, citizen or otherwise subject to tax therein.

Option Agreement with Rio Tinto

The Company entered into an Option to Earn-in Agreement dated March 18, 2022 (the “**Option Agreement**”) with Rio Tinto America Inc. (“**Rio Tinto**”) to advance studies and exploration at the Company’s copper assets in Mason Valley, Nevada. Under the Option Agreement, the Company granted Rio Tinto the option (the “**Transaction**”) to earn an initial 65% interest and up to a 75% interest in the assets, comprising 34,494 acres of land, including the historic Yerington mine, greenfield MacArthur Project, Wassuk property, the Bear deposit, and associated water rights (the “**Mining Assets**”).

Key Points of the Agreement

Rio Tinto will have the exclusive option to acquire a 65% interest in the Company’s mining assets in Mason Valley, Nevada. The Company holds a strategic 34,494-acre land position in Mason Valley, which contains the MacArthur Copper Project with mineralization open in most directions, the legacy Yerington mine, the Bear deposit, land positioning immediately east of the Ann Mason deposit, land positioning to the north of the Pumpkin Hollow mine, water rights, and approximately twenty high priority exploration targets dispersed across the Company’s land package.

In addition to advancing the MacArthur Copper Project on the basis of the recently-announced mineral resource estimate (news release dated January 13, 2022), the Company also intends to focus on resource growth by evaluating an integrated approach to expansion across the Company’s asset base and land package. Rio Tinto will evaluate the potential commercial deployment of its Nuton™ technologies at the site. Nuton™ offers copper heap leaching technologies developed by Rio Tinto to deliver greater copper recovery from mined ore and access new sources of copper such as low-grade sulphide resources and reprocessing of stockpiles and mineralised waste. The Nuton™ technology offers the potential to economically unlock low-grade sulphide resources, copper bearing waste and tailings, and achieve higher copper recoveries on oxide and transitional material, allowing for a significantly increased copper production outcome with a very low corresponding carbon footprint.

Stage 1

- Rio Tinto will pay up to four million U.S. dollars (\$4,000,000) for an exclusive earn-in option and agreed-upon Mason Valley study and evaluation works to be completed by the Company no later than December 31, 2022.

Stage 2

- Within forty-five (45) days of the completion of Stage 1, Rio Tinto will provide notice to the Company whether Rio Tinto elects to proceed with Stage 2, upon which Rio Tinto will pay up to five million U.S. dollars (\$5,000,000) for agreed-upon Mason Valley study and evaluation works to be completed by the Company within 12 months from the date that the parties agree upon the scope of Stage 2 work.

Stages 1 and 2 may be accelerated at Rio Tinto’s option.

Stage 3 - Feasibility Study

- Within sixty (60) days of the completion of Stage 2, Rio Tinto shall provide notice to the Company whether Rio Tinto will exercise its Option and fund a Feasibility Study based on the results of the Stage 1 and Stage 2 work programs. Rio Tinto will fully-fund the Feasibility Study and ancillary work completed by the Company in amount not to exceed fifty million U.S. dollars (\$50,000,000).

Investment Decision

- Upon completion of the Feasibility Study, Rio Tinto and the Company will decide whether to create an investment vehicle into which the Mining Assets will be transferred, with Rio Tinto holding not less than a 65% interest in the investment vehicle.
- If Rio Tinto elects to not to create the investment vehicle, then the Company shall grant to Rio Tinto a 1.5% net smelter returns royalty (“NSR”) on the Mining Assets.
- If Rio Tinto elects to create the investment vehicle but the Company elects not to create the investment vehicle, then, at Rio Tinto’s option, the Company shall create the investment vehicle and Rio Tinto will purchase the Company’s interest in the investment vehicle for fair market value.

Project Financing

- Following the formation of the investment vehicle, any project financing costs incurred will be funded by Rio Tinto and the Company in proportion to their respective ownership interest in the investment vehicle.
- Rio Tinto may elect to fund up to sixty million U.S. dollars (\$60,000,000) of the Company’s project financing costs in exchange for a 10% increase in Rio Tinto’s ownership percentage. In addition, upon mutual agreement of Rio Tinto and the Company, Rio Tinto may fund an additional forty million U.S. dollars (\$40,000,000) of the Company’s project financing costs in exchange for an additional 5% increase in Rio Tinto’s ownership percentage.
- If the Company’s ownership percentage in the investment vehicle is diluted to 10% or less, then the Company’s ownership interest will be converted into a 1% uncapped NSR.

The Exchange requires disinterested Shareholder approval for the proposed Transaction as the Transaction could result in the disposition of more than 50% of the Company’s assets, business or undertaking in the event Rio Tinto exercises the option and acquires a 65% interest in the Mining Assets.

The resolution approving the Transaction requires the affirmative vote of a simple majority (50%+1) of the votes cast by Shareholders present in person or represented by proxy and entitled to vote at the Meeting, excluding the votes (if any) of Rio Tinto and all of Rio Tinto’s Affiliates and Associates (as such terms are defined in Exchange Policy 1.1).

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

“BE IT RESOLVED THAT:

1. the disposition of the Company’s interests in the Mining Assets upon exercise in whole or in part of the option rights pursuant to the Option Agreement, as more particularly described in the Company’s Information Circular dated April 12, 2022, is hereby approved;
2. any one director or officer of the Company is hereby authorized and directed, for and on behalf of the Company, to do all acts and things and to execute and deliver all documents required, as in the opinion of such director or officer may be necessary or appropriate in order to give effect to this resolution; and
3. notwithstanding that this resolution has been duly passed by the shareholders of the Company, the Board of the Company is hereby authorized, at its discretion, to determine, at any time to proceed or not to proceed with the disposition and to abandon all resolutions in connection with the Transaction at any time prior to the implementation thereof without further approval of the shareholders of the Company.”

Notwithstanding approval of the Transaction by the Shareholders, the resolution authorizes the Board, without further notice to or approval from or action by the Shareholders, to decide to not proceed with the Transaction at any time prior to the closing of the Transaction. If approved by the Shareholders, it is anticipated that the Transaction would close shortly after the date of the Meeting. Closing of the Transaction is subject to acceptance of the Exchange.

The Board recommends that Shareholders vote “FOR” the Transaction Resolution set out above. Proxies received in favour of management will be voted in favour of the approval of the Transaction, unless the Shareholder has specified in their Proxy that their Common Shares are to be voted against such resolution.

OTHER BUSINESS

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

EXECUTIVE COMPENSATION

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

- (a) each individual who, during any part of the Company’s most recently completed financial year, served as the Company’s chief executive officer (“**CEO**”), including an individual performing functions similar to a chief executive officer;
- (b) each individual who, during any part of the Company’s most recently completed financial year, served as the Company’s chief financial officer (“**CFO**”), including an individual performing functions similar to a chief financial officer;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer, other than the CEO and the CFO, at the end of the Company’s most recently completed financial year whose total compensation was more than C\$150,000 for that financial year; and
- (d) each individual who would be a named executive officer under paragraph (c) above but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year.

As at the end of the most recently completed financial year of the Company ended December 31, 2021, the Company had two NEOs, whose names and positions held within the Company are set out in the summary compensation table below.

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

Director and Named Executive Officer Compensation

The following table is a summary of compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company, or a subsidiary of the Company, to each NEO and director, for services provided and for services to be provided, directly or indirectly to the Company or a subsidiary of the Company, for each of the Company’s two most recently completed financial years, other than stock options and other compensation securities.

Table of compensation excluding compensation securities							
Name and position	Year Ended December 31	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Charles Travis Naugle ⁽¹⁾ <i>CEO and Director</i>	2021	155,417	Nil	Nil	Nil	Nil ⁽¹¹⁾	155,417
Stephen Goodman ⁽²⁾ <i>CFO, President, Secretary and Director</i>	2021	125,833	Nil	Nil	Nil	Nil ⁽¹¹⁾	125,833
Dr. Thomas Patton ⁽³⁾ <i>Chairman and Director</i>	2021	100,231	Nil	Nil	Nil	Nil	100,231
	2020	100,000	Nil	Nil	Nil	15,900	115,900
Tony Alford ⁽⁴⁾ <i>Director</i>	2021	Nil	Nil	Nil	Nil	Nil	Nil
Thomas Pressello ⁽⁵⁾ <i>Director</i>	2021	Nil	Nil	Nil	Nil	Nil	Nil
Gerald Prosalendis ⁽⁶⁾ <i>Former CEO, former President, form Director</i>	2021	46,331	Nil	Nil	Nil	Nil	46,331
	2020	186,359	Nil	Nil	Nil	15,900	202,259
Lei Wang ⁽⁷⁾ <i>Former CFO</i>	2021	59,925	Nil	Nil	Nil	Nil	59,925
	2020	67,089	Nil	Nil	Nil	10,600	77,689
John Kerr ⁽⁸⁾ <i>Former Director</i>	2021	3,006	Nil	Nil	Nil	Nil	3,006
LeRoy E. Wilkes ⁽⁹⁾ <i>Former Director</i>	2021	Nil	Nil	Nil	Nil	Nil	Nil
Terrence Eyton ⁽¹⁰⁾ <i>Former Director</i>	2021	3,507	Nil	Nil	Nil	Nil	3,507

Notes:

- (1) Mr. Naugle was appointed as the CEO on May 13, 2021 and a director of the Company on June 18, 2021.
- (2) Mr. Goodman was appointed the President of the Company on May 13, 2021, the Secretary of the Company on August 5, 2021, a director of the Company on September 13, 2021 and the CFO on September 15, 2021.
- (3) Dr. Patton resigned as the CEO and Interim President of the Company on May 13, 2021.
- (4) Mr. Alford was appointed a director of the Company on September 13, 2021.
- (5) Mr. Pressello was appointed a director of the Company on December 6, 2021.
- (6) Mr. Prosalendis resigned as President, CEO and a director of the Company on February 1, 2021.
- (7) Ms. Wang resigned as CFO on September 15, 2021.
- (8) Mr. Kerr resigned as a director of the Company on September 13, 2021.
- (9) Mr. Wilkes resigned as a director of the Company on September 13, 2021.
- (10) Mr. Eyton resigned as a director of the Company on September 13, 2021.
- (11) Mr. Naugle and Mr. Goodman were each granted 4 million Restricted Stock Units on October 21, 2021, which were granted subject to vesting in three equal installments over three years, and are subject to Exchange approval and shareholder approval (see “**Approval of Restricted Share Unit Plan and Grant**” above), and as such no determination of value has been included in the above table pending such approvals being received.

There was no compensation awarded to, earned by, paid to, or payable to, a NEO or director of the Company, in any capacity with respect to the Company, by another person or company for each of the Company's two most recently completed financial years.

Stock Options and Other Compensation Securities

The following table provides a summary of compensation securities granted or issued to each director or NEO by the Company or its subsidiaries in the most recently completed financial year ended December 31, 2021 for services provided or to be provided, directly or indirectly, to the Company or its subsidiaries.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (C\$)	Closing price of security or underlying security on date of grant (C\$)	Closing price of security or underlying security at year end (C\$)	Expiry date
Charles Travis Naugle⁽¹⁾ <i>CEO and Director</i>	Stock Options	500,000	06/18/2021	C\$0.245	C\$0.26	C\$0.135	06/18/2026
	Stock Options	1,500,000	09/17/2021	C\$0.11	C\$0.11	C\$0.135	09/17/2026
	RSUs	4,000,000	09/17/2021	(1)	C\$0.11	C\$0.135	N/A
Stephen Goodman⁽²⁾ <i>CFO, President, Secretary and Director</i>	Stock Options	500,000	06/18/2021	C\$0.245	CC\$0.11	C\$0.135	06/18/2026
	Stock Options	1,500,000	09/17/2021	C\$0.11	C\$0.11	C\$0.135	09/17/2026
	RSUs	4,000,000	09/17/2021	(1)	C\$0.11	C\$0.135	N/A
Dr. Thomas Patton⁽³⁾ <i>Chairman and Director</i>	Stock Options	200,000	06/18/2021	C\$0.245	C\$0.26	C\$0.135	06/18/2026
Tony Alford⁽⁴⁾ <i>Director</i>	Stock Options	400,000	06/18/2021	C\$0.245	C\$0.26	C\$0.135	06/18/2026
	Stock Options	1,500,000	09/17/2021	C\$0.11	C\$0.11	C\$0.135	09/17/2026
	Stock Options	1,500,000	10/21/2021	C\$0.09	C\$0.11	C\$0.135	10/21/2026
Thomas Pressello⁽⁵⁾ <i>Director</i>	Stock Options	750,000	12/06/2021	C\$0.12	CC\$0.16	C\$0.135	12/06/2026
Lei Wang⁽⁶⁾ <i>Former CFO</i>	Stock Options	200,000	06/18/2021	C\$0.245	C\$0.26	C\$0.135	12/31/2021
John Kerr⁽⁷⁾ <i>Former Director</i>	Stock Options	200,000	06/18/2021	C\$0.245	C\$0.26	C\$0.135	06/18/2026
LeRoy E. Wilkes⁽⁸⁾ <i>Former Director</i>	Stock Options	200,000	06/18/2021	C\$0.245	C\$0.26	C\$0.135	06/18/2026
Terrence Eyton⁽⁹⁾ <i>Former Director</i>	Stock Options	200,000	06/18/2021	C\$0.245	C\$0.26	C\$0.135	06/18/2026

Notes:

- (1) As at the Company's most recently completed financial year ended December 31, 2021, Mr. Naugle held 500,000 stock options exercisable at a price of C\$0.245 per Common Share until June 18, 2026, and 1,500,000 stock options exercisable at a price of C\$0.11 per Common Share until September 17, 2026. As at December 31, 2021, Mr. Naugle also held 4,000,000 RSUs, of which 33.33% of the RSUs vested on the date of grant and 33.33% vest every 12 months thereafter, and the exercise price per Common Share will be equal to the Market Price (as defined in the Exchange policies) of the Company's Common Shares as at the individual's Annual Review Date, subject to a minimum exercise price per share of C\$0.05. If at any point the Company divests its interests, including the option to purchase, absent a merger, sale or similar transaction in a) one of either the Chaco Bear or Ashton projects, then 50% of the total RSUs that have not vested will be cancelled, or b) both the Chaco Bear or Ashton projects, then 100% of the total RSUs that have not vested will be cancelled.

- (2) As at the Company's most recently completed financial year ended December 31, 2021, Mr. Goodman held 500,000 stock options exercisable at a price of C\$0.245 per Common Share until June 18, 2026, and 1,500,000 stock options exercisable at a price of C\$0.11 per Common Share until September 17, 2026. As at December 31, 2021, Mr. Naugle also held 4,000,000 RSUs, of which 33.33% of the RSUs vested on the date of grant and 33.33% vest every 12 months thereafter, and the exercise price per Common Share will be equal to the Market Price (as defined in the Exchange policies) of the Company's Common Shares as at the individual's Annual Review Date, subject to a minimum exercise price per share of C\$0.05. If at any point the Company divests its interests, including the option to purchase, absent a merger, sale or similar transaction in a) one of either the Chaco Bear or Ashton projects, then 50% of the total RSUs that have not vested will be cancelled, or b) both the Chaco Bear or Ashton projects, then 100% of the total RSUs that have not vested will be cancelled.
- (3) As at the Company's most recently completed financial year ended December 31, 2021, Dr. Patton held 250,000 stock options exercisable at a price of C\$0.095 per Common Share until June 23, 2022, 250,000 stock options exercisable at a price of C\$0.06 per Common Share until September 20, 2023, 200,000 stock options exercisable at a price of C\$0.065 per Common Share until June 21, 2024, 300,000 stock options exercisable at a price of C\$0.08 per Common Share until June 30, 2025 and 200,000 stock options exercisable at a price of C\$0.245 per Common Share until June 18, 2026.
- (4) As at the Company's most recently completed financial year ended December 31, 2021, Mr. Alford held 400,000 stock options exercisable at a price of C\$0.245 per Common Share until June 18, 2026, and 1,500,000 stock options exercisable at a price of C\$0.11 per Common Share until September 17, 2026, and 1,500,000 stock options exercisable at a price of C\$0.09 per Common Share until October 21, 2026.
- (5) As at the Company's most recently completed financial year ended December 31, 2021, Mr. Pressello held 750,000 stock options exercisable at a price of C\$0.12 per Common Share until December 21, 2026.
- (6) Ms. Wang resigned as CFO on September 15, 2021.
- (7) Mr. Kerr resigned as a director of the Company on September 13, 2021.
- (8) Mr. Wilkes resigned as a director of the Company on September 13, 2021.
- (9) Mr. Eyton resigned as a director of the Company on September 13, 2021.

The following table provides a summary of compensation securities that were exercised by the directors or NEOs during the Company's most recently completed financial year ended December 31, 2021.

Exercise of Compensation Securities by Directors and NEOs							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (C\$)	Date of exercise	Closing price per security on date of exercise (C\$)	Difference between exercise price and closing price on date of exercise (C\$)	Total value on exercise date (C\$)
Dr. Thomas Patton <i>Chairman and Director</i>	Stock Options	200,000	C\$0.065	04/14/2021	C\$0.10	C\$0.035	C\$7,000

Stock option plans and other incentive plans

The Company has in place a “rolling” stock option plan (the “**Existing Plan**”) that was last approved by the Shareholders at the annual general meeting held on June 17, 2021.

Terms of the Existing Plan

The purpose of the Existing Plan is to provide the directors, officers and key employees of, and certain other persons who provide services to the Company and its subsidiaries with an opportunity to purchase shares of the Company and benefit from any appreciation in the value of the Company’s shares. This will provide an increased incentive for these individuals to contribute to the future success and prosperity of the Company, thus enhancing the value of the Company’s shares for the benefit of all the shareholders and increasing the ability of the Company and its subsidiaries to attract and retain skilled and motivated individuals in the service of the Company.

The Existing Plan is a “rolling” plan that provides that the aggregate number of shares reserved for issuance under it, and all of the Company’s other previously established and outstanding stock option plans or grants, will not exceed 10% of the Company’s issued common shares at the time of the grant of a stock option under the Existing Plan.

The Existing Plan provides that the option exercise price, as determined by the Board of Directors with recommendations from the Company’s Corporate Governance, Nomination and Compensation Committee, must not be less than the closing price of the Company’s common shares on the Exchange on the day immediately preceding the date of grant, less the applicable discount permitted by the policies of the Exchange. The maximum term of the options granted under the Plan is ten years from the date of grant; however the normal term of the options is five years. The Board of Directors of the Company, with recommendations from the Company’s Corporate Governance, Nomination and Compensation Committee, may determine the limitation period during which an option may be exercised and, notwithstanding that none may be required by the policies of the Exchange whether a particular grant will have a minimum vesting period. In the event of resignation or termination of an optionee, such optionee may exercise options held by such optionee for a period of 90 days following the effective date of such resignation or for a time as otherwise determined by a directors’ resolution at the time of the grant of the options. In the event of an optionee’s death, the stock option may be exercised by a qualified successor until the earlier of a period of one year from the date of such death and the expiry date of the stock option. Any amendment to the Existing Plan will require the approval of the Exchange and may require shareholder approval.

The granting of stock options under the Existing Plan is restricted as follows: (a) the number of options granted to a consultant in a 12-month period must not exceed 2% of the issued shares of the Company at the time of grant of the stock option; and (b) the aggregate number of options granted to employees involved in investor relations activities must not exceed 2% of the issued shares of the Company in any 12-month period, at the time of grant of the stock option.

In accordance with the terms of the Existing Plan, it is subject to its acceptance for filing by the Exchange and the approval of the Company’s shareholders. Under the policies of the Exchange, if:

- a. the grants of options under the Existing Plan to “insiders” of the Company, together with all of the Company’s outstanding stock options, could result at any time in:
 - i. the number of shares reserved for issuance pursuant to stock options granted to insiders of the Company exceeding 10% of the issued common shares of the Company; or
 - ii. the grant to insiders of the Company, within a 12-month period, of a number of options exceeding 10% of the issued common shares of the Company; or
- b. the number of shares reserved for issuance pursuant to stock options granted to any one optionee, within a 12-month period, exceeding 5% of the issued common shares of the Company;

such shareholder approval must be “disinterested shareholder approval”, but as the Existing Plan is restrictive as to these results, disinterest shareholder approval of the Existing Plan is not required.

The policies of the Exchange and the terms of the Existing Plan also provide that “disinterested shareholder approval” will be required for any agreement to decrease the exercise price of options previously granted to insiders of the Company but no such agreements are being brought before the Meeting.

The term “disinterested shareholder approval” means approval by a majority of the votes cast at the Meeting other than votes attaching to shares of the Company beneficially owned by insiders of the Company to whom options may be granted under the Existing Plan and associates of such persons. The term “insiders” is defined in the Securities Act (British Columbia) and generally includes directors and officers of the Company and its subsidiaries and holders of greater than 10% of the voting securities of the Company. The term “associates” is defined in the *Securities Act* (British Columbia).

At the Meeting, Shareholders will be asked to approve the Company’s 2022 Stock Option Plan. See “*Approval of Stock Option Plan*” above.

Employment, Consulting and Management Agreements

Other than described below, the Company does not have any agreement or arrangement under which compensation was provided during the Company’s most recently completed financial years ended December 31, 2021 or is payable in respect of services provided to the Company or any of its subsidiaries that were performed by a director or a NEO, or performed by any other party but are services typically provided by a director or a NEO.

Thomas Patton – Dr. Patton entered into an amended and restated employment agreement with the Company and its subsidiary, Quatterra Alaska Inc., effective July 1, 2019 for a term of two years. This agreement replaces a prior agreement dated January 1, 2016 and amended on April 14, 2016 and renewed by agreements dated April 14, 2017 and April 14, 2019. Under the employment agreement, Dr. Patton is entitled to receive an annual base salary of \$100,000 (previously \$150,000). Upon the expiration of one year following the date of the employment agreement and each year thereafter, the Company will review Dr. Patton’s salary with a view to its increase, giving consideration to the Company’s financial position and the scope of its activities. Dr. Patton may be eligible to participate in future stock option grants. The Company may terminate the employment of Dr. Patton only for breach of the employment agreement or for cause. Dr. Patton is entitled to two months’ notice of such discharge. If Dr. Patton becomes disabled and unable to perform his regular duties, he shall be entitled to receive his full salary for two months. Upon a change of control, as defined in the employment agreement, Dr. Patton has the right to terminate the employment agreement and receive an amount of money equal to his annual salary for two years. If Dr. Patton terminated his employment agreement upon a change of control, and assuming the triggering event took place on the last business day of the Company’s most recently completed financial year, the payment to Dr. Patton would be \$200,000.

Charles Travis Naugle – Mr. Naugle entered into an employment agreement with the Company and its subsidiary, Quatterra Alaska, Inc., dated effected May 1, 2021 and amended September 15, 2021, pursuant to which the Company engaged Naugle as the Chief Executive Officer of the Company and an officer of the subsidiary. Pursuant to the agreement, the subsidiary agreed to pay Mr. Naugle an annual base salary of US\$250,000 effective September 15, 2021 in consideration for his services. The Board, in its sole discretion following consultation with Mr. Naugle, will establish strategic objectives for him for each period commencing on December 15 in the first year of employment, and thereafter for each annual period ending December 15. Mr. Naugle will be entitled to receive an annual grant of options under the Company’s stock option plan of each of the companies on each annual review date based on a minimum of 50% and maximum of 150% of the annual base salary using an exercise price equal to the Market Price on the date of grant. As at the current date no determination has been made by the Board concerning the annual grant of options for the annual period ended December 15, 2021. If the companies terminate Mr. Naugle’s employment for any reason other than for cause or death or disability, he shall receive a payment equal to 75% of the annual grant of options under the stock option plan of the companies that was due to be paid on the next annual review date following such date of termination. If Mr. Naugle shall become disabled or incapacitated to such an extent that he is unable to perform his regular duties, he shall be entitled to receive, during such disability or incapacitation, his full salary from the date thereof, payable monthly for two months. If the companies discharge Mr. Naugle for cause, he shall be entitled to two months’ notice of such discharge. In the event that either of the companies completes a change of control during the term of the agreement or within six months of the termination of the agreement, upon the completion of such change of control, the companies shall pay Mr. Naugle a payment equal to three times his annual compensation, calculated as at the earlier of the date of the change of control or the last day of his employment. The agreement is for a term ending three years from the date of May 1, 2021, unless extended or terminated earlier.

Stephen Goodman - Mr. Goodman entered into an employment agreement with the Company and its subsidiary, Quatterra Alaska, Inc., dated effected May 1, 2021 and amended September 15, 2021, pursuant to which the Company engaged Goodman as the President, Corporate Secretary and Chief Financial Officer of the Company and as the President of the subsidiary. Mr. Goodman, through his management services company, subsequently entered into a consulting agreement dated September 15, 2021 with the Company (the employment agreement and the consulting agreement being collectively the “**Management Agreement**”). Pursuant to the Management Agreement, the Company agreed to pay Mr. Goodman an annual base salary of US\$200,000 effective September 15, 2021 in consideration for his services. The Board, in its sole discretion following consultation with Mr. Goodman, will establish strategic objectives for him for each period commencing on December 15 in the first year of employment, and thereafter for each annual period ending December 15. Mr. Goodman will be entitled to receive an annual grant

of options under the Company's stock option plan of each of the companies on each annual review date based on a minimum of 50% and maximum of 150% of the annual base salary using an exercise price equal to the Market Price on the date of grant. As at the current date no determination has been made by the Board concerning the annual grant of options for the annual period ended December 15, 2021. If the companies terminate Mr. Goodman's employment, Consulting or Management Agreement for any reason other than for cause or death or disability, he shall receive a payment equal to 75% of the annual grant of options under the stock option plan of the companies that was due to be paid on the next annual review date following such date of termination. If Mr. Goodman shall become disabled or incapacitated to such an extent that he is unable to perform his regular duties, he shall be entitled to receive, during such disability or incapacitation, his full salary from the date thereof, payable monthly for two months. If the companies discharge Mr. Goodman for cause, he shall be entitled to two months' notice of such discharge. In the event that either of the companies completes a change of control during the term of the Management Agreement or within six months of the termination of the Management Agreement, upon the completion of such change of control, the companies shall pay Mr. Goodman's management services company a payment equal to three times his annual compensation, calculated as at the earlier of the date of the change of control or the last day of his employment. The Management Agreement is for a term ending three years from the date of May 1, 2021, unless extended or terminated earlier.

Lei Wang –Lei Wang entered into an employment agreement with the Company effective January 1, 2017, whereby Ms. Wang was entitled to an annual salary of C\$90,000. Pursuant to the agreement, upon the expiration of one year following the date of the employment agreement, assuming the term is extended by mutual agreement, and each year thereafter, the Company will review Ms. Wang's salary with a view to its increase, giving consideration to the Company's financial position and the scope of its activities. Ms. Wang may be eligible to participate in future stock option grants. The Company may terminate the employment of Ms. Wang only for breach of the employment agreement or for cause. Ms. Wang is entitled to two months' notice of such discharge. If Ms. Wang becomes disabled and unable to perform her regular duties, she shall be entitled to receive her full salary for two months. Upon a change of control, as defined in the employment agreement, Ms. Wang has the right to terminate the employment agreement and receive an amount of money equal to her annual salary for one year. If Ms. Wang terminated her employment agreement upon a change of control, and assuming the triggering event took place on the last business day of the Company's most recently completed financial year, the payment to Ms. Wang would be C\$90,000. The agreement was terminated on September 15, 2021.

Oversight and Description of Director and Named Executive Officer Compensation

The Corporate Governance, Nomination and Compensation Committee (the "**Governance Committee**") of the Board was established to assist the Board in fulfilling its responsibilities relating to compensation matters, including the evaluation and approval of the Company's compensation plans, policies and programs.

One of the key roles of the Governance Committee is to assist the directors of the Company in attracting, evaluating and retaining key senior executive personnel through compensation and other appropriate performance incentives. It is the Governance Committee's responsibility to ensure that the Company develops a compensation plan for its executive officers that is fair and competitive and consistent with the best interests of the Company. The role of management is to provide the Governance Committee with perspectives on the business strategy and individual performance of senior executive personnel in order to assist the Governance Committee in making recommendations regarding compensation.

The Governance Committee reviews the performance of the Company's NEOs against established performance goals and criteria and makes recommendations to the Board of the Company on appropriate compensation. Other than with respect to the CEO, the Governance Committee also considers the evaluations and recommendations of the CEO and President.

The Governance Committee has the responsibility for reviewing compensation policies, programs and procedures for the Company's NEOs, including a review of any proposed awards of stock options or any other equity plans and recommending same for approval by the full Board. The Governance Committee acts pursuant to the Governance, Nomination and Compensation Committee Charter (the "**Governance Charter**") that has been approved by the Board of Directors.

Due to a change of directors during 2021, there are currently no directors designated as members of the Governance Committee. The Board intends to appoint members to comprise the Governance Committee following the Meeting.

Role of the Chief Executive Officer

The CEO completes a review of each NEO's performance. The CEO makes a recommendation to the Governance Committee on compensation for each NEO which is taken into consideration by the Governance Committee in completing its review and ultimate recommendations to the Board.

Objectives of the Compensation Program

The general objectives of the Company's compensation strategy are to:

- (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long term shareholder value;
- (b) provide a compensation package that is competitive with other comparable mineral exploration companies to enable the Company to attract and retain talent; and
- (c) ensure that the total compensation package is designed in a manner that takes into account the Company's present stage of development and its available financial resources. The Company's compensation packages have been designed to provide a non-cash stock option component in conjunction with a reasonable cash salary.

Salaries for the NEOs are determined by evaluating the responsibilities inherent in the position held, and the individuals experience and past performance, as well as by reference to the competitive marketplace for management talent at other mineral exploration companies. Following the annual general meeting of shareholders, the Governance Committee reviews actual performance for the Company and the each of the NEOs for such year, including the quality and measured progress of the Company's exploration projects, raising of capital and similar achievements.

Elements of Compensation

During 2021, the Company's compensation program consisted of two elements (i) cash and (ii) incentive stock options administered under the Company's stock option plan. The Company does not presently have a long-term incentive plan. There is no policy or target regarding allocation between cash and non-cash elements of the Company's compensation program. The Board reviews annually the total compensation package of each of the Company's NEOs on an individual basis, against the backdrop of the competitive landscape and the compensation goals and objectives described above.

Salary - Base salaries for the NEOs for any given year are reviewed by the Governance Committee. Increases or decreases in salary on a year over year basis are dependent on the Governance Committee's assessment of the performance of the Company and the particular NEO. When considering the base salaries of each of the Company's NEOs, the Governance Committee reviews the qualifications and performance of, and salaries paid to executives of similar companies engaged in mining exploration and development. Recommendations for executive salaries are made by the Governance Committee to the full Board of Directors in consultation with the CEO.

Incentive Awards – The Governance Committee believes that a significant portion of each NEO's compensation should be in the form of equity awards. Equity awards are made to the NEOs pursuant to the Company's stock option plan. The stock option plan provides for awards in the form of stock options. The Committee has generally followed a practice of issuing stock options to its NEOs on an annual basis in June of each year. The Committee retains the discretion to make additional awards to NEOs at other times, in connection with the initial hiring of a new executive, for retention purposes or otherwise. In determining the amount of stock options to be issued, the Governance Committee considers qualifications, performance, and option programs of similar companies.

Perquisites and Other Personal Benefits – The Company's NEOs are not generally entitled to significant perquisites. The Company offers health care benefits, but there are no other perquisites which account for a material portion of the overall compensation paid to any NEO.

The board of directors did not consider the implications of the risks associated with the Company's compensation policies and practices. None of the NEOs or directors are permitted to purchase financial instruments that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by such NEOs or directors.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information as at the end of the Company's most recently completed financial year ended December 31, 2021 with respect to compensation plans under which equity securities of the Company are authorized for issuance.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plan (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by Shareholders (stock option plan)	19,915,000	\$0.09	9,465,661
Equity compensation plans not approved by Shareholders	N/A	N/A	N/A
Total:	19,915,000	\$0.09	9,465,661

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors, executive officers, proposed nominees for election as directors and their associates, or any employees or former executive officers, directors and employees of the Company or any of its subsidiaries, is, as at the date of this Information Circular, or at any time since the beginning of the Company's most recently completed financial year been, indebted to the Company or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

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

The Company's wholly-owned subsidiary entered into a property acquisition agreement dated January 26, 2022 with 1301666 B.C. Ltd. whereby the subsidiary agreed to sell and assign its options to purchase a 100% interest in an aggregate of 678 mining claims located in White Pine County, Nevada known as the Butte Valley Property. 1301666 B.C. Ltd. is a private company controlled by Charles Travis Naugle and Stephen Goodman.

MANAGEMENT CONTRACTS

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

STATEMENT OF CORPORATE GOVERNANCE

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

Board of Directors

The Board currently consists of five members, Dr. Thomas Patton, Charles Travis Naugle, Stephen Goodman, Tony Alford and Thomas Pressello. It is proposed that all five individuals be nominated at the Meeting.

The Board has concluded that two directors, Mr. Alford and Mr. Pressello are considered “independent” for purposes of membership on the Board, as provided in NI 58-101. Mr. Patton, Mr. Naugle and Mr. Goodman are not “independent” for the purposes of membership on the Board, as provided in NI 58-101. A director is independent for the purposes of membership on the Board on the basis that he or she has no direct or indirect “material relationship” with the Company, as provided in NI 58-101. A “material relationship” is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of the director’s independent judgement.

The independent directors do not hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. The Board facilitates open and candid discussion among its independent directors through collective communication among its directors and management.

Other Directorships

The following table sets forth the directors of the Company who are directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction:

Name	Name of other reporting issuer
Dr. Thomas Patton	None
Charles Travis Naugle	None
Stephen Goodman	None
Tony Alford	Amazing Energy Oil and Gas, Co.
Thomas Pressello	None

Orientation and Continuing Education

The Company does not provide formal continuing education to its Board members, but does encourage them to communicate with management, auditors and technical consultants. Board members are also encouraged to participate in industry related conferences, meetings and educational events.

Ethical Business Conduct

The Board has adopted a Code of Business Conduct and Ethics (the “Code”). The Code addresses honesty and integrity, fair dealing, discrimination and harassment, safety and security, and honest and accurate record keeping. The Code also addresses Ethical Business Conduct for financial managers.

Nomination of Directors and Compensation

The Corporate Governance, Nomination and Compensation Committee (“**Governance Committee**”) is appointed by and acts on behalf of the Board of Directors. The Governance Committee acts pursuant to the Corporate Governance Nomination Compensation Committee Charter (the “Governance Charter”) that has been approved by the board of directors. The Governance Committee is responsible for:

1. developing and recommending to the Board a set of corporate governance guidelines applicable to the Company and for periodically reviewing such guidelines;
2. identifying individuals qualified to become Board members;
3. recommending that the Board select the director nominees for the next annual meeting of shareholders;
4. overseeing the Board’s annual evaluation of its performance, and

5. reviewing and recommending to the Board on major compensation plans, policies and programs of the Company. The Governance Committee approves the compensation of named executive officers and certain senior management, takes specific actions with respect to such compensation and has oversight responsibility over the Company's management development programs, performance assessment of senior executives and succession planning.

Board Committees

The Board has no committees other than the audit committee.

Assessments

The Board annually, and at such other times as it deems appropriate, reviews the performance and effectiveness of the Board, the directors and its committees to determine whether changes in size, personnel or responsibilities are warranted. To assist in its review, the Board conducts informal surveys of its directors and receives a report from the audit committee respecting its effectiveness. As part of the assessments, the Board or the audit committee may review their respective mandate or charter and conduct reviews of applicable corporate policies.

AUDIT COMMITTEE

Audit Committee Disclosure

Pursuant to Section 224(2) of the British Columbia *Business Corporations Act* and National Instrument 52-110 of the Canadian Securities Administrators ("NI 52-110"), the Company is required to have an audit committee (the "Committee") composed of a minimum of three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company. NI 52-110 requires the Company as a venture issuer, to disclose annually in its information circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth below.

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

The Audit Committee's Charter

The Company has adopted a Charter of the Committee, a copy of which is annexed hereto as Schedule "A".

Composition of the Audit Committee

The Committee is comprised of the following members: Tom Pressello (Chair), Tony Alford and Stephen Goodman. Mr. Pressello and Mr. Alford are considered to be independent. Each member of the Committee is considered to be financially literate as defined by NI 52-110 in that they have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Committee are elected by the Board at its first meeting following the annual Shareholders' meeting. Unless a chair is elected by the full Board, the members of the Committee designate a chair by a majority vote of the full Committee membership.

Relevant Education and Experience

Tom Pressello - Mr. Pressello has been involved in corporate and commercial finance for more than 28 years. He previously worked at one of the largest Canadian banks, where he restructured several \$100-million-plus real estate portfolios, and a Western Canadian real estate merchant bank, where he acted as a general partner for several real estate limited partnerships. He is the founder of Active Hedge Capital Inc., a finance advisory firm. He has served as the chief financial officer and president of Pacific Harbour Capital Ltd., and was responsible for the restructuring of the company. Through Active Hedge Capital Inc., Mr. Pressello also assisted with the receivership and sale of a publicly listed alternative fuel business for a Toronto Stock Exchange-listed Toronto merchant bank. Mr. Pressello has served on the board of various natural resource companies providing strategic advice and financial guidance. Most recently within Active Hedge Capital Inc., Mr. Pressello has been an active key investor into several investment opportunities focused on the high-technology, biotech and real estate areas. Mr. Pressello is a graduate of the Ivey School of Business, University of Western Ontario.

Tony Alford – Mr. Alford has a history of executive leadership, including serving as a director of Revett Minerals Inc. in 2009 and 2010, where he was part of the team that rang the bell on the NYSE Amex listing of the company. Mr. Alford is the founder and president of PBA Consultants Inc., a firm specializing in tax savings and cost reduction services, for many of the fortune 500 companies across the United States. In 1993, Mr. Alford founded Alford Investments focusing on real estate investment properties, pharmacy distribution, food-related and natural resource companies.

Stephen Goodman – Mr. Goodman has been involved as a senior executive, director and investment banker in several hundred million dollars of acquisition, exploration and production financings for mining companies listed on the Canadian Securities Exchange and TSX Venture Exchange. After several years at Canaccord Capital, he moved to New York to work as an investment banker working at firms including Casimir Capital, Knight Capital Group, KGS Alpha Capital Markets (now BMO) and StormHarbour Securities LP. Mr. Goodman is a graduate of the University of Western Ontario, attained a master of business administration from the Institut des Hautes Etudes Economiques et Commerciales in France and attained a postgraduate diploma in Asia management from Capilano University.

Audit Committee Oversight

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

Reliance on Certain Exemptions

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

Pre-Approval Policies and Procedures

The Committee has not adopted specific policies and procedures for the engagement of non-audit services. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Board, and where applicable the Committee, on a case-by-case basis.

External Auditor Service Fees

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

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

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees	Total
December 31, 2021	C\$45,861	\$Nil	\$Nil	\$Nil	C\$45,861
December 31, 2020	C\$40,000	\$Nil	\$Nil	\$Nil	C\$40,000

Exemption

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

ADDITIONAL INFORMATION

Additional information relating to the Company is available on the SEDAR website at www.sedar.com. Financial information is provided in the Company's comparative annual financial statements and management's discussion and analysis for its most recently completed financial year, and available online at www.sedar.com. Shareholders may request additional copies by mail to Lion Copper and Gold Corp., c/o #1200-750 West Pender Street, Vancouver, BC, Canada, V6C 2T8.

DIRECTORS' APPROVAL

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

ON BEHALF OF THE BOARD OF DIRECTORS

"Charles Travis Naugle"

Charles Travis Naugle
Chief Executive Officer

Schedule “A”

AUDIT COMMITTEE CHARTER

A. PURPOSE

An audit committee is a committee of a board of directors to which the board delegates its responsibility for oversight of the financial reporting process. Traditionally, the audit committee has performed a number of roles, including:

- (a) helping directors meet their responsibilities;
- (b) providing better communication between directors and the external auditors;
- (c) enhancing the independence of the external auditor;
- (d) increasing the credibility and objectivity of financial reports; and
- (e) strengthening the role of the directors by facilitating in-depth discussions among directors, management and the external auditor.

National Instrument 52-110 *Audit Committees* (“NI 52-110”) and Rule 10A-3 of the United States Securities Exchange Act of 1934, as amended require that the audit committee also be responsible for managing, on behalf of the shareholders, the relationship between the issuer and its external auditors. In particular, it provides that an audit committee must have responsibility for:

- (a) overseeing the work of the external auditors engaged for the purpose of preparing or issuing an auditors’ report or related work; and
- (b) recommending to the board of directors the nomination and compensation of the external auditors.

As used herein, the term NI 52-110 shall include, where appropriate, Rule 10A-3.

Although under corporate law, an issuer's external auditors are responsible to the shareholders, in practice, shareholders have often been too dispersed to effectively exercise meaningful oversight of the external auditors. As a result, management has typically assumed this oversight role. However, the auditing process may be compromised if the external auditors view their main responsibility as serving management rather than the shareholders. By assigning these responsibilities to an independent audit committee, NI 52-110 ensures that the external audit will be conducted independently of the issuer's management.

NI 52-110 provides that an audit committee must be directly responsible for overseeing the work of the external auditors engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the issuer, including the resolution of disagreements between management and the external auditors regarding financial reporting. Notwithstanding this responsibility, the external auditors are retained by, and are ultimately accountable to, the shareholders. As a result, NI 52-110 does not detract from the external auditors' right and responsibility to also provide their views directly to the shareholders if they disagree with an approach being taken by the audit committee.

The Board of Directors (the “Board”) of Lion Copper and Gold. (the “Company”) is responsible for the management of the business and affairs of the Company. The Audit Committee (the “Committee”) is appointed by the Board as an independent and objective party to assist in fulfilling the Board's responsibility for oversight of the Company's financial reporting process.

The Company must comply with the applicable requirements of NI 52-110 which includes having a written charter that sets out the Committee's mandate and responsibilities. The Board may, at any time, amend or rescind any of the provisions hereof, or cancel them entirely, with or without substitution.

B. AUTHORITY

1. The Committee, through its Chair, may directly contact any officer or employee of the Company as it deems necessary or advisable to fulfill its duties and responsibilities, and any officer or employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions;
2. The external auditors will report directly to the Committee. The external auditors shall have a direct line of communication to the Committee through its Chair and may bypass management if deemed necessary; and
3. The Committee may engage, at the Company's expense, outside independent legal counsel or other advisors as the Committee considers necessary to fulfill its duties and responsibilities and to negotiate compensation arrangements for any such advisors.

C. COMPOSITION AND MEETINGS

1. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee;

2. The Committee shall be composed of three or more members of the Board, all of whom are financially literate within the meaning of NI 52-110. A majority of the members of the Committee must not be executive officers, employees or control persons of the Company or any of its affiliates, subject to the exemptions provided for in NI 52-110. The members of the Committee shall appoint from among themselves a Chair of the Committee. The Chair shall have responsibility for ensuring that the Committee fulfills its principal duties and responsibilities effectively;
3. A minimum of two and at least 50% of the members of the Committee present either in person or by telephone or other telecommunication device at a Committee meeting shall constitute a quorum;
4. If and whenever a vacancy shall exist in a Committee meeting, the remaining members of the Committee may exercise all of its powers and responsibilities provided a quorum has been established;
5. Any matters to be determined by the Committee shall be decided by a majority of votes cast at a Committee meeting called for such purpose. Actions of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a Committee meeting called for such purpose. All decisions or recommendations of the Committee shall require the approval of the Board prior to implementation;
6. The time and place at which a Committee meeting shall be held, and procedures at such meetings shall be determined from time to time by the Committee. A Committee meeting may be called by email, telephone, facsimile, letter or other communication means, by giving at least 48 hours notice. Notice of a Committee meeting shall not be necessary if all of the members are present either in person or by telephone or other telecommunication device or if those absent have waived notice or otherwise signified their consent to the holding of such meeting;
7. The Committee may invite such officers, directors and employees of the Company and its subsidiaries as it may see fit, from time to time, to attend at Committee meetings;
8. The Committee shall present its recommendations to the Board. The Committee may, from time to time, appoint any person who need not be a member, to act as a secretary at Committee meetings;
9. The Committee shall meet at least quarterly, at the discretion of the Chair or a majority of its members, as circumstances dictate or as may be required. Any member of the Committee or the external auditors may request a meeting of the Committee; and
10. The external auditors shall receive notice of and have the right to attend all Committee meetings.

D. PRINCIPAL DUTIES AND RESPONSIBILITIES

1. The overall duties and responsibilities of the Committee shall be as follows:
 - (a) assist the Board in the discharge of its responsibilities relating to the Company's accounting principles and reporting practices including its approval of the Company's annual and quarterly consolidated financial statements and corresponding management's discussion and analysis ("MD&A");
 - (b) establish and maintain a direct line of communication with the Company's external auditors and assess their performance;
 - (c) ensure that the management of the Company has designed, implemented and is maintaining an effective financial reporting system;
 - (d) ensure compliance with NI 52-110; and
 - (e) report regularly to the Board on the fulfillment of its duties and responsibilities.
2. The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:
 - (a) verify the independence of external auditors and recommend to the Board a firm of external auditors to be nominated for the purpose of preparing or issuing an auditors' report or performing other audit, review or attest services for the Company;
 - (b) monitor the independence of the external auditors, receive any required formal written statement from the external auditor delineating relationships between the external auditor and the Company, and confirm the external auditor's independence to the Board on an annual basis;
 - (c) recommend to the Board the compensation of the external auditor;
 - (d) oversee the work of the external auditor, including the resolution of disagreements between management and the external auditor regarding financial reporting;
 - (e) pre-approve all non-audit services to be provided to the Company by the external auditors unless otherwise provided for in NI 52-110;
 - (f) review the audit plan of the external auditors prior to the commencement of the audit;
 - (g) review with the external auditors any changes or proposed changes in accounting policies, the presentation and impact of significant risks and uncertainties and key estimates and judgments of management that may be material to the Company's financial reporting;
 - (h) discuss with the external auditors the quality and appropriateness of the Company's accounting principles;
 - (i) review with the external auditors, upon completion of their audit:
 - (i) contents of their report including the scope and quality of the audit work performed;
 - (ii) adequacy of the Company's financial and auditing personnel;
 - (iii) co-operation received from the Company's personnel during the audit;
 - (iv) internal resources used;
 - (v) significant transactions outside of the normal business of the Company;
 - (vi) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and

- (vii) the non-audit services provided by the external auditors; and
 - (j) periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the external auditors have been implemented.
3. The Committee shall review and discuss with management and the Auditors, where appropriate, the following financial documents and reports prior to public disclosure:
- (a) the annual report, including the audited financial statements and the Auditors' report to the shareholders of the Company, and quarterly financial statements and corresponding MD&A;
 - (b) all press releases containing financial information extracted or derived from the Company's financial statements or MD&A;
 - (c) all certifications that may be made by management on the annual or quarterly financial results, disclosure controls and procedures and internal controls over financial reporting;
 - (d) any legal, tax or regulatory matters that may have a material impact on the Company's operations and financial statements; and
 - (e) all financial information contained in any prospectus, information circular or other disclosure documents or regulatory filings containing financial information of the Company.
4. The Committee shall recommend to the Board the amendment or approval of all annual and interim financial statements and MD&A and any other documents that may be reviewed by the Committee.
5. Other duties and responsibilities of the Committee shall be as follows:
- (a) ensure that procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, such as press releases, and periodically assess the adequacy of the procedures;
 - (b) implement procedures for the confidential receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters;
 - (c) implement procedures for the confidential receipt, retention, and treatment of complaints received by the Company regarding the alleged violation of and Corporate Governance policies of the Company (including its subsidiaries);
 - (d) periodically review with the Company's management complaints received under sections 5(b) and (c) above;
 - (e) review and approve the Company's hiring policies regarding partners, employees or former partners and employees of the present and former external auditors of the Company; and
 - (f) make recommendations to the Board with respect to any changes or improvements to the financial reporting process including this Charter.

6. RELATED PARTY TRANSACTION REVIEW

In addition to other responsibilities of the Committee, the Committee shall, in compliance with Section 120 of the NYSE Amex Company Guide, review and recommend to the Board of Directors the approval or non approval of all related party transactions, subject, where applicable, to, the related party and the board of directors complying with the provisions of the *Business Corporations Act (British Columbia)*.

Schedule "B"

Change of Auditor Reporting Package

QUATERRA RESOURCES INC.
(the “Company”)

NOTICE OF CHANGE OF AUDITOR

Pursuant to Section 4.11 of National Instrument 51-102 *Continuous Disclosure Obligations* (“**NI 51-102**”), the Company hereby gives notice of the following:

1. The board of directors of the Company have determined to appoint MNP LLP as the Company’s auditor in place of PricewaterhouseCoopers LLP (the former auditor), effective as of October 25, 2021, and to propose MNP LLP for appointment as the auditor of the Company at its next annual general meeting.
2. The resignation of the former auditor and the appointment of the successor auditor have been approved by the Company’s board of directors.
3. There were no reservations or modified opinions in the former auditor’s reports on any of the Company’s financial statements relating to the Company’s two most recently completed fiscal years or any period subsequent to the most recently completed period for which an audit report was issued and preceding October 25, 2021.
4. There has not been a “reportable event” (as such term is defined in section 4.11(1) of NI 51-102), between the Company and the former auditor.

Dated this 25th day of October, 2021.

QUATERRA RESOURCES INC.

“*Stephen Goodman*”

By: _____
Stephen Goodman
President



October 25, 2021

British Columbia Securities Commission
Alberta Securities Commission

We have read the statements made by Quaterra Resources Inc. in the attached copy of change of auditor notice dated October 25, 2021, which we understand will be filed pursuant to Section 4.11 of National Instrument 51-102.

We agree with the statements in the change of auditor notice dated October 25, 2021.

Yours very truly,

PricewaterhouseCoopers LLP

Chartered Professional Accountants

October 25, 2021

British Columbia Securities Commission (BCSC)
701 West Georgia Street
P.O. Box 10142, Pacific Centre
Vancouver, BC V7Y 1L2

- and -

Alberta Securities Commission
Suite 600, 250–5th St. SW
Calgary, Alberta, T2P 0R4

Dear Sirs and Mesdames:

Re: Quaterra Resources Inc. (the “Company”)

Please be advised that, in connection with National Instrument 51-102 – *Continuous Disclosure Obligations*, and in connection with our proposed engagement as auditor of the Company, we hereby notify you that we have reviewed the Company’s Notice of Change of Auditor dated October 25, 2021 and, based on our knowledge at this time, are in agreement with the statements contained in the Notice.

We understand that the Notice of Change of Auditor, this letter, and a letter from the former auditor will be disclosed in the Information Circular to be mailed to all shareholders of the Company for the Company’s next Annual General Meeting at which action is to be taken concerning the appointment of auditors.

Yours very truly,



Chartered Professional Accounts