



**NOTICE OF ANNUAL GENERAL AND SPECIAL
MEETING OF SHAREHOLDERS**

to be held

at 11 a.m. (EST) on September 27, 2023

ONLINE AT:

<https://meetnow.global/M4DXCZC>

MANAGEMENT INFORMATION CIRCULAR

Date: August 11, 2023

Rio2 Limited

#1000 – 355 Burrard Street

Vancouver, BC V6C 2G8

Telephone: 1 (604) 762-4720

Email: info@rio2.com

Website: www.rio2.com

INFORMATION CIRCULAR

Rio2 Limited (the “**Company**” or “**Rio2**”) is providing this management information circular (the “**Circular**”) to its shareholders as of the close of business on August 9, 2023, the “**Record Date**” for its 2023 Annual General and Special Meeting (the “**Meeting**”) of the Company to be held on September 27, 2023 at the time and for the purposes set forth in the accompanying Notice of Meeting and at any adjournments or postponements thereof.

Unless the context otherwise requires, references in this Information Circular to the Company are references to Rio2 Limited and its subsidiaries.

In this Information Circular references to “C\$” are to amounts in Canadian dollars and references to “\$” are to amounts in United States dollars.

This Information Circular and certain information referenced within it, is publicly available on the Company’s website at www.rio2.com and under the Company’s profile on SEDAR at www.sedar.com.

PROXY INFORMATION

SOLICITATION OF PROXIES

The information contained in this Circular is furnished in connections with the solicitation of proxies to be used at the Meeting to be held on September 27, 2023 at 11:00 a.m. EST via live webcast at <https://meetnow.global/M4DXCZC> or the purposes set out in the accompanying Notice of the Meeting.

We will solicit proxies for the Meeting primarily by mail; however, directors, officers and employees of the Company may also solicit proxies by telephone, electronic transmission or in person in respect of the Meeting. The solicitation of proxies for the Meeting is being made by or on behalf of management of Rio2 Limited, and Rio2 will bear the cost in respect of the Meeting.

QUORUM AND APPROVAL

A quorum of shareholders is present at a meeting of shareholders irrespective of the number of persons actually present at the meeting, if at least 15% of the shares entitled to vote at the meeting are present in person or represented by proxy, and at least two persons entitled to vote at the meeting are actually present at the meeting or represented by Proxy.

ATTENDING THE MEETING

Shareholders and duly appointed proxyholders can attend the meeting online by going to <https://meetnow.global/M4DXCZC>

You are a **registered** shareholder if your name appears on your share certificate or appears as the registered shareholder with our transfer agent.

You are a **non-registered (beneficial)** shareholder if your shares are registered in the name of a bank, trust company, securities broker, trustee or other financial institution or nominee on your behalf (your *nominee*).

Please be sure to follow the appropriate voting procedure.

- Registered Shareholders and duly appointed proxyholders can participate in the Meeting by clicking “**Shareholder**” and entering a Control Number or an Invitation Code before the start of the Meeting.
 - Registered Shareholders - The 15-digit control number is located on the form of proxy or in the email notification you received.
 - Duly appointed proxyholders – Computershare will provide the proxyholder with an Invitation Code after the voting deadline has passed.
- Voting at the Meeting will only be available for Registered Shareholders and duly appointed proxyholders. Non-Registered Shareholders who have not appointed themselves may attend the meeting by clicking “**Guest**” and completing the online form.

IT IS IMPORTANT THAT YOU ARE CONNECTED TO THE INTERNET AT ALL TIMES DURING THE MEETING IN ORDER TO VOTE WHEN BALLOTING COMMENCES.

IN ORDER TO PARTICIPATE ONLINE, SHAREHOLDERS MUST HAVE A VALID 15-DIGIT CONTROL NUMBER AND PROXYHOLDERS MUST HAVE RECEIVED AN EMAIL FROM COMPUTERSHARE CONTAINING AN INVITATION CODE

PARTICIPATING AT THE MEETING

The meeting will be hosted online by way of a live webcast. Shareholders will not be able to attend the Meeting in person. A summary of the information shareholders will need to attend the Online Meeting is provided below. The Meeting will begin at 11 a.m. EST on September 27, 2023.

- Registered Shareholders (as defined in this Circular under the heading “ATTENDING THE MEETING”) that have a 15-digit control number, along with duly appointed proxyholders who were assigned an Invitation Code by Computershare Trust Company of Canada / Computershare Investor Services Inc. (“Computershare”) (see details under the heading “Appointment of Proxies”), will be able to vote and submit questions during the meeting. To do so, please go to <https://meetnow.global/M4DXCZC> prior to the start of the meeting to login. Click on “Shareholder” and enter your 15-digit control number or click on “Invitation Code” and enter your Invitation Code. Non-Registered Shareholders (as defined in this Circular under the heading “Non-Registered Shareholders”) who have not appointed themselves to vote at the Meeting, may login as a guest, by clicking on “Guest” and complete the online form.
- United States Beneficial Holders: To attend and vote at the virtual Meeting, you must first obtain a valid legal proxy from your broker, bank or other agent and then register in advance to attend the Meeting. Follow the instructions from your broker or bank included with these proxy materials, or contact your broker or bank to

request a legal proxy form. After first obtaining a valid legal proxy from your broker, bank or other agent, to then register to attend the Meeting, you must submit a copy of your legal proxy to Computershare.

Requests for registration should be directed to:

Computershare
100 University Avenue
8th Floor
Toronto, Ontario
M5J 2Y1
OR
Email: uslegalproxy@computershare.com

Requests for registration must be labeled as “Legal Proxy” and be received no later than September 25, 2023 by 11 a.m. EST. You will receive a confirmation of your registration by email after we receive your registration materials. You may attend the Meeting and vote your shares at <https://meetnow.global/M4DXCZC> during the Meeting. Please note that you are required to register your appointment at <http://www.computershare.com/Rio2>.

- Non-Registered Shareholders who do not have a 15-digit control number or Invite Code will only be able to attend as a guest which allows them listen to the meeting however will not be able to vote or submit questions. Please see the information under the heading “Non-Registered Shareholders” for an explanation of why certain shareholders may not receive a form of proxy.
- If you are eligible to vote at the meeting, it is important that you are connected to the internet at all times during the meeting in order to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the meeting.

VOTING AT THE MEETING

A registered shareholder of **Common Shares**, or a Non-Registered Shareholder who has appointed themselves or a third party proxyholder to represent them at the meeting, will appear on a list of shareholders prepared by Computershare, the transfer agent and registrar for the meeting. To have their Shares/Units voted at the meeting, each Registered Shareholder or proxyholder will be required to enter their control number or Invitation Code provided by Computershare at <https://meetnow.global/M4DXCZC> prior to the start of the meeting. In order to vote, Non-Registered Shareholders who appoint themselves as a proxyholder **MUST** register with Computershare at <http://www.computershare.com/Rio2> **after** submitting their voting instruction form in order to receive an Invitation Code (please see the information under the headings “Appointment of Proxies” below for details).

If a shareholder who has submitted a proxy attends the meeting via the webcast and has accepted the terms and conditions when entering the meeting online, any votes cast by such shareholder on a ballot will be counted and the submitted proxy will be disregarded.

APPOINTMENT OF PROXIES

Shareholders who wish to appoint a third party proxyholder to represent them at the online meeting **must submit their proxy or voting instruction form (if applicable) prior to registering your proxyholder. Registering your proxyholder is an additional step once you have submitted your proxy or voting instruction form. Failure to register the proxyholder will result in the proxyholder not receiving an Invite code to participate in the meeting.** To register a proxyholder, shareholders MUST visit <https://www.computershare.com/Rio2>, by September 25, 2023 at 11 a.m. EST and provide Computershare with their proxyholder’s contact information, so that Computershare may provide the proxyholder with an Invite Code via email.

A proxy can be submitted to Computershare either in person, or by mail or courier, to 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, or via the internet at www.investorvote.com. The proxy must be deposited with Computershare by no later than 11 a.m. EST on September 25, 2023, or if the meeting is adjourned or postponed, not less than 48 hours, excluding Saturdays, Sundays and statutory holidays, before the commencement of such adjourned or postponed meeting. If a shareholder who has submitted a proxy attends the meeting via the webcast and has accepted the terms and conditions when entering the meeting online, any votes cast by such shareholder on a ballot will be counted and the submitted proxy will be disregarded.

WITHOUT AN INVITATION CODE, PROXYHOLDERS WILL NOT BE ABLE TO VOTE AT THE MEETING

RECEIVING DOCUMENTS

In February 2013, the Canadian Securities Administrators implemented regulatory amendments to securities laws, including National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) and National Instrument 51-102 - *Continuous Disclosure Obligations* (“**NI 51-102**”), governing the delivery of proxy-related materials by public companies. As a result, public companies are now permitted to deliver proxy-related materials to their shareholders using the “notice-and-access” mechanism (as defined under NI 54-101, and sometimes referred to herein as the “**notice-and-access provisions**”) by posting such materials both on SEDAR and a non-SEDAR website, rather than delivering the materials by mail. The use of the notice-and-access reduces paper waste and mailing costs to the Company. In order for the Company to employ notice-and-access, the Company must send a notice to shareholders indicating that the proxy-related materials have been posted electronically and explaining how a shareholder can access them or obtain from the Company a paper copy of those materials. The required elements of such notice have been built into the accompanying Notice of Meeting.

The Company is sending this Information Circular to non-registered (beneficial) shareholders using notice-and-access as permitted by NI 54-101 and NI 51-102. The Meeting materials, including this Information Circular, are available on under the Company’s profile on SEDAR and on the Company’s website at <https://www.rio2.com/investors> and will remain on the website for at least one full year from the date that the Meeting materials are posted on SEDAR.

To obtain additional information about notice-and-access provisions, shareholders may contact the Company’s transfer agent, Computershare, at www.computershare.com/noticemandaccess or 1-855-805-1250 (toll-free).

The Company will not use procedures known as “stratification” in relation to its use of the notice-and-access provisions in relation to the Meeting. Stratification occurs when a reporting issuer using notice-and-access provides a paper copy of the relevant information circular to some, but not all, shareholders with the notice package in relation to the relevant meeting. In relation to the Meeting, registered shareholders will receive a paper copy of each of the Notice of the Meeting and a form of proxy, whereas Non-Registered shareholders will receive a paper copy of the Notice of the Meeting and a Voting Instruction Form (VIF).

To obtain a printed paper copy of the Information Circular prior to the date of the Meeting please call 1 (604) 762-4720. The Company will, upon request, mail a paper copy of the Information Circular at no cost within three business days following receipt of such request. The Company will, upon request, mail a paper copy of the Information Circular at no cost within ten calendar days following receipt of such request, if received after the Meeting.

CHANGING YOUR VOTE

In addition to revocation in any other manner permitted by law, a registered shareholder, his or her attorney authorized in writing or, if the shareholder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof

duly authorized, may revoke a proxy by instrument in writing, including a proxy bearing a later date. The instrument revoking the proxy must be deposited at the registered office of the Company, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting. Only registered shareholders have the right to revoke a proxy. Non-Registered shareholders who wish to change their vote should contact their respective Nominees well in advance of the Meeting to revoke the proxy on their behalf.

If, as a registered shareholder, you are using your control number to login to the Meeting and you accept the terms and conditions, you will be revoking any and all previously submitted proxies and will be provided the opportunity to vote by online ballot on the matters put forth at the Meeting. If you do NOT wish to revoke a previously submitted proxy, do not accept the terms and conditions, and you will be able to participate in the Meeting as a guest only.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The authorized capital of the Company consists of an unlimited number of common shares (the “Common Shares”) without par value. As at the date of this Information Circular there are **258,753,108** Common Shares issued and outstanding. The Company has only one class of shares.

Persons who are registered shareholders at the close of business on the Record Date will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each Common Share held. To the knowledge of the Directors and executive officers of the Company, no person beneficially owns, or controls or directs, directly or indirectly, shares carrying 10% or more of the voting rights attached to all shares of the Company, except the following:

Name	No. of Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly ⁽¹⁾	Percentage of Outstanding Shares
Eric Sprott ⁽¹⁾	25,933,371	10.02%

⁽¹⁾ As reported on an Early Warning Report filed on Sedar on August 13, 2022.

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the Board, the only matters to be brought before the meeting are those matters set forth in the accompanying Notice of Meeting.

1. RECEIVE THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED DECEMBER 31, 2022

Rio2’s Audited Consolidated Financial Statements for the year ended December 31, 2022 and the auditor’s report, are available on our website (www.rio2.com) and on SEDAR (www.sedar.com).

2. FIX THE NUMBER OF DIRECTORS TO BE ELECTED AT THE MEETING

Shareholders of the Company will be asked to consider and, if thought appropriate, to approve and adopt an ordinary resolution fixing the number of directors to be elected at the Meeting. In order to be effective, an ordinary resolution requires the approval of a majority of the votes cast by shareholders who vote in respect of the resolution.

At the Meeting, it will be proposed that seven directors be elected to hold office until the next annual general meeting or until their successors are elected or appointed.

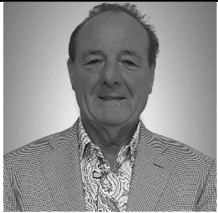
UNLESS OTHERWISE DIRECTED, IT IS THE INTENTION OF THE MANAGEMENT DESIGNEES, IF NAMED AS PROXY, TO VOTE FOR FIXING THE NUMBER OF DIRECTORS TO BE ELECTED AT THE MEETING AT SEVEN (7)

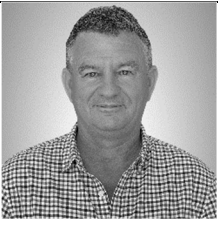
3. ELECTION OF DIRECTORS

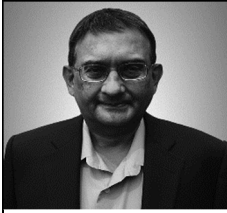
The Board has nominated six directors for re-election at the Meeting. The directors nominated for re-election are Alex Black, Klaus Zeitler, Ram Ramachandran, Sidney Robinson, Albrecht Schneider and Drago Kisic. Andrew Cox, who was appointed director by the Board of Directors on December 14, 2022 following the Annual General Meeting held on December 14, 2022, also stands for election at the Meeting. Each nominee is well-qualified to serve on the Board and has expressed willingness to do so.

The following table sets forth the name of each of the persons proposed to be nominated for election as a director, all positions and offices in the Company presently held by such nominee, the nominee’s municipality of residence, principal occupation at the present and during the preceding five years, the period during which the nominee has served as a director, and the number and percentage of Common Shares of the Company that the nominee has advised are beneficially owned by the nominee, directly or indirectly, or over which control or direction is exercised, as of the Record Date.

	<p>Alex Black Lima, Peru</p> <p>Executive Chairman of the Board since November 28, 2022</p> <p>President, CEO & Director from November 28, 2016 to November 28, 2022</p>
<p>Mr. Black lives in Lima, Peru and has 40 years' experience in the mining industry. Mr. Black holds a BSc in Mining Engineering from the University of South Australia and is a member of the Australasian Institute of Mining and Metallurgy. Prior to moving to Peru in 2000, Mr. Black was the founder and Managing Director of international mining consulting services group Global Mining Services from 1994 to 2000. In 1996, Mr. Black also founded and was Chairman of OFEX listed AGR Limited with exploration projects in Ghana and Mongolia. In 2002, Mr. Black took control of role in the acquisition of the Mina Justa Copper Project and formation of the Korean joint venture with Chariot Resources. Upon his resignation as Chairman & Executive VP of Chariot Resources in 2006, Mr. Black founded the Peruvian registered Rio Alto S.A.C.</p> <p>In 2009 after successfully negotiating the acquisition of the La Arena Gold Project from Iamgold Corp, Rio Alto was acquired by Mexican Silver Mines and renamed Rio Alto Mining Limited. In 2014, Rio Alto also completed the successful acquisition of Sulliden Gold and the Shahuindo Gold Project for \$300M. Mr. Black, as President & Chief Executive Officer of Rio Alto Mining Limited and his experienced management team built Rio Alto from a \$12M company in 2009 to a \$1.2 billion company in 2015 at the time of the acquisition by Tahoe Resources Inc.</p>	
<p>Ownership or Control Over Voting Shares Held ⁽¹⁾</p> <p>16,406,899</p>	<p>Board/Committee Membership</p> <p>Member of the Health, Safety, and Community Committee</p>

	<p>Klaus Zeitler (5) (8) West Vancouver, British Columbia, Canada</p> <p>Lead Independent Director since November 23, 2022</p> <p>Chairman of the Rio2 Board from April 24, 2017 to November 23, 2022</p>
<p>Dr. Klaus Zeitler received his professional education at Karlsruhe University from 1959 to 1966 and obtained a PhD in economic planning. Dr. Zeitler is a member of the Canadian Institute of Mining and Metallurgy and the Prospectors and Developers Association.</p> <p>Dr. Zeitler financed, built and managed base metal and gold mines worldwide (Europe, Africa, North America, South America, Pacific) with a total investment value of \$4.0 billion. Dr. Zeitler was a managing director of Metallgesellschaft AG, a German metals conglomerate, and in 1986 founded and was a director and the first CEO of Metall Mining (later Inmet Mining Corporation) with assets of over \$4.0 billion, and base metal and gold mines in different parts of the world. After having been a director of Teck and Cominco (“Teck”) for many years, Dr. Zeitler joined Teck in 1997 as Senior Vice President and had responsibilities for the exploration and development of mines in Peru, Mexico and the USA.</p> <p>Since his retirement in 2002 from Teck, and in addition to being Executive Chairman and a director of Amerigo Resources Ltd., Dr. Zeitler was Chairman of the Board of Rio Alto Limited from 2011 to 2015, a director of Tahoe Resources Ltd. from April 2015 to May 2017, and is presently a director of Western Copper and Gold Corporation.</p>	
<p>Ownership or Control Over Voting Shares Held ⁽¹⁾</p> <p>2,098,891</p>	<p>Board/Committee Membership</p> <p>Chairman of the Corporate Governance & Compensation Committee Chairman of the Health, Safety, and Community Committee</p>

	<p>Andrew Cox Lima, Peru</p> <p>Non Independent Director since December 15, 2022 President & CEO since November 28, 2022</p>
<p>Andrew Cox is based in Lima, Peru, and has over 24 years of experience in mining operations around the world. Andrew held various positions at Rio Alto Mining Ltd. since 2011 until acquired in 2015. He was operations manager at La Arena mine from 2011 to 2014, moving to the Shahuindo gold project as acting operations manager for the first year of construction in 2015. Following the acquisition of Rio Alto Mining Ltd. by Tahoe Resources Inc. in April, 2015, Andrew was the corporate operations manager in Peru, until December 2016. Prior to his involvement with Rio Alto Mining, Andrew managed the dam embankment project at Oceanagold's Macraes Flat mine and the Alliance Mining contract at the Globe Progress mine for Stracon New Zealand from 2009 to 2011. In 2005, he joined mining and civil contractor Stracon GyM in Peru as manager of the El Brocal open-pit mining contract until 2009. Andrew started his career with 10 years in alluvial gold mining and exploration in New Zealand, Chile and Bolivia with L& M Mining. Later, he moved to a role as Production Geologist at Solid Energy’s Stockton Mine in New Zealand. Andrew holds an MSc, geology hons, from the University of Canterbury in New Zealand.</p>	
<p>Ownership or Control Over Voting Shares Held ⁽¹⁾</p> <p>334,799</p>	<p>Board/Committee Membership</p> <p>N/A</p>



Ram Ramachandran

Aurora,
Ontario,
Canada

Independent Director since April 24, 2017

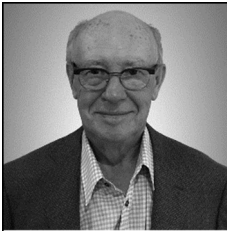
Mr. Ramachandran has over 35 years of capital markets experience. Mr. Ramachandran has previously served as Associate Chief Accountant and Deputy Director, Corporate Finance at the Ontario Securities Commission and as a senior member in the national office of an international accounting firm. Mr. Ramachandran originally qualified as a Chartered Accountant in England & Wales in 1978 and subsequently in Ontario in 1984 (now retired).

Ownership or Control Over Voting Shares Held ⁽¹⁾

204,782

Board/Committee Membership

Chairman of the Audit Committee
Member of the Corporate Governance & Compensation Committee
Member of the Health, Safety, and Community Committee



Sidney Robinson

Toronto,
Ontario,
Canada

Independent Director since April 24, 2017

Mr. Robinson was a senior partner of Torys LLP, a law firm, until January 2004, practicing corporate/commercial law, with emphasis on financings, mergers and acquisitions and international projects. In his practice, Mr. Robinson acted as strategic and legal advisor to senior management and boards of many large corporate issuers. Mr. Robinson was a long-time member of Torys LLP's executive committee. Mr. Robinson is a former director of Rio Alto Mining Limited, Amerigo Resources Ltd, and of Inmet Mining Corporation. He has also served on the Board of Directors of several private corporations, is a founding partner of Butterfield & Robinson Inc., and was the first Chairman of Canada Post Corporation's Real Estate Advisory Committee. Mr. Robinson holds an M.A. and an LL.B from the University of Toronto and an LL.M from Osgoode Hall Law School.

Ownership or Control Over Voting Shares Held ⁽¹⁾

220,378

Board/Committee Membership

Member of the Audit Committee



Albrecht Schneider

Santiago,
Chile

Independent Director since July 16, 2018

Mr. Schneider was the co-founder of Atacama Pacific Gold Corporation and discovered with his team the Cerro Maricunga gold deposit. He served as the Executive Chairman and as a director of Atacama Pacific Gold Corporation until the completion of the business combination with Rio2 in July 2018.

Mr. Schneider is a Professional Geologist with more than 25 years of field management and project generation in South America. He is currently the President of SBX Consultores, a geological consulting firm in Santiago, Chile. Mr. Schneider has held senior management positions with several other public companies including TVX Gold and generated the Volcan gold discovery in Chile for Andina Minerals. He has also acted as a Chilean representative for TVX Normandy Americas, Newmont Mining, and Kinross Gold and has acted as an international consultant for Antofagasta and Gold Fields.

Mr. Schneider received a Ph.D. (Geology) from Imperial College, University of London in 1985.

Ownership or Control Over Voting Shares Held ⁽¹⁾	Board/Committee Membership
11,349,438	N/A



Drago Kistic

Lima,
Peru

Independent Director since May 28, 2019

Mr. Kistic is a founding member and shareholder of Macro Group (Macroconsult, Macroinvest, Macrocapitales Safi, Macro Assets Management and Macro Wealth), President of the Board of Macrocapitales SAFI, Banco Pichincha Perú S.A., Bodega San Nicolás, Inmobiliarias Cerro Lindo SAC and Alto Las Viñas SAC. Currently, Mr. Kistic is a member of the boards of: Corporacion Rey, Haug S.A.; Clinica Médica Cayetano Heredia, Corporación Lindley, Promotora San Andres and Asociación de Bancos del Perú (ASBANC). From 1978 to 1981 he worked as Senior Economist for the Banco Central de Reserva del Peru and was Chairman of the Board of the Comisión Nacional Supervisora de Empresas y Valores (CONASEV) between 1981 and 1982. Between 1982 and 1985 he acted as Advisor to the Executive Director of the World Bank in Washington DC, USA. In 1998 he was a member of the Advisory Committee of the Peruvian Ministry of Foreign Affairs and President of the commission of border integration in the peace negotiations between Peru and Ecuador. Mr. Kistic was a director of Rio Alto Mining Limited (TSX) (between 2010 and 2015) and Tahoe Resources Limited (from August 2015 to February 2019).

Mr. Kistic holds a B.S. from Pontificia Universidad Católica del Perú and a Master's degree (B-Phil) from Oxford University.

Ownership or Control Over Voting Shares Held ⁽¹⁾	Board/Committee Membership
179,542	Member of the Audit Committee Member of the Corporate Governance & Compensation Committee

Notes:

⁽¹⁾ Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at the date of this Circular, based upon information furnished to the Corporation by the above individuals

UNLESS OTHERWISE DIRECTED, IT IS THE INTENTION OF THE MANAGEMENT DESIGNEES, IF NAMED AS PROXY, TO VOTE FOR THE ELECTION OF THE PERSONS NAMED IN THE TABLE ABOVE TO THE BOARD

Management does not contemplate that any of the nominees will be unable to serve as directors; however, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, proxies held by Management Designees will be voted for another nominee in their discretion unless the shareholder has specified in his form of proxy that his Common Shares are to be withheld from voting in the election of directors. Each director elected will hold office until the next annual general meeting of shareholders or until his successor is duly elected, unless his office is earlier vacated in accordance with the by-laws of the Company or the provisions of the Ontario Business Corporations Act ("OBCA").

Cease Trade Orders or Bankruptcies

No proposed director, within 10 years before the date of this Circular, has been a director or executive officer of any company that:

- (a) was the subject of: (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 a period of more than 30 consecutive days (collectively, an "Order") that was issued while the proposed director was acting in the capacity as director or executive officer; or
- (b) was subject to an Order that was issued after the proposed director ceased to be a director or executive officer and which resulted from an event that occurred while that person was acting in the capacity as director or executive officer.

No proposed director, within 10 years before the date of the Circular, has been a director or executive officer of any company that, while the proposed director was acting in that capacity, or within a year of the proposed director 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.

Personal Bankruptcies

No proposed director has within 10 years before the date of the Circular, become 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 the assets of such person.

Penalties and Sanctions

No proposed director has been subject to:

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

4. APPOINTMENT OF INDEPENDENT AUDITOR

The Board of Directors, on recommendation of the Audit Committee, is recommending that Grant Thornton LLP be appointed as the independent auditor to serve for the ensuing year. Grant Thornton LLP was first appointed as the auditor of Rio2 on April 21, 2017. Shareholders will also be asked to authorize the Board to set the auditor's pay for the ensuing year.

UNLESS OTHERWISE DIRECTED, IT IS THE INTENTION OF THE MANAGEMENT DESIGNEES, IF NAMED AS PROXY, TO VOTE FOR THE APPOINTMENT OF GRANT THORNTON LLP, CHARTERED ACCOUNTANTS, OF VANCOUVER, BRITISH COLUMBIA, AS AUDITOR OF THE CORPORATION FOR THE ENSUING YEAR

External Auditor Service Fees

The aggregate fees billed by the Company's external auditors in respect of each of the financial year ending December 31, 2022, 2021, and 2020 for audit and other fees are as follows:

Financial Year Ending	Audit Fees ⁽¹⁾	Audited Related Fees ⁽²⁾	Tax Fees ⁽³⁾	All Other Fees
2022	\$65,700	\$12,300	Nil	Nil
2021	\$53,400	\$32,300	Nil	Nil
2020	\$54,300	Nil	Nil	Nil

⁽¹⁾ "Audit Fees" are the aggregate fees charged by the Company's auditors for the audit of the Company's consolidated annual financial statements, reviews of interim financial statements and attestation services that are provided in connection with statutory and regulatory filings or engagements.

⁽²⁾ "Audit-Related Fees" are fees charged by the Company's auditors for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under "Audit Fees." For fiscal year ended December 31, 2022, Audit-Related Fees include fees paid to the Company's auditor in respect of a review of the Q2 financial statements in preparation of potential financing.

5. APPROVAL OF AMENDED STOCK OPTION PLAN

The Corporation is proposing to replace the current stock option plan ("**Plan**") with an amended stock option plan (the "**Amended Plan**") in substantially the form attached as Exhibit A. The Amended Plan is substantially the same as the Plan, however, the Amended Plan allows for the exercise of stock options ("**Options**") on a cashless and net exercise basis and contains other minor amendments to ensure compliance with TSX Venture Exchange (the "**Exchange**") Policy 4.4 – *Security Based Compensation* ("**Policy 4.4**") which was implemented by the Exchange on November 24, 2021.

The Board approved the adoption of the Amended Plan by a directors' resolution dated effective July 24, 2023, subject to the approval of the Exchange and the shareholders of the Corporation. As a result, and assuming such approvals are obtained, the Plan will be of no further force and effect and all options and stock option agreements issued under the Plan will be deemed to be issued under the Amended Plan and henceforth governed under the Amended Plan.

Policy 4.4 allows for the option and ability to exercise stock options on both a cashless exercise and net exercise basis. The Board has approved the implantation of both cashless exercise and net exercise of Options within the Amended Plan. Pursuant to the Amended Plan, under a cashless exercise, a brokerage firm will loan money to a participant under the Amended Plan to purchase common shares underlying the options and will sell a sufficient number of common shares to cover the exercise price of such options in order to repay the loan made to the participant and the participant retains the balance of the common shares. In connection with a net exercise, a participant under the Amended Plan would receive common shares equal in value to the difference between the exercise price and the fair market value of the common shares on the date of exercise, computed in accordance with the Amended Plan. The provisions relating to cashless exercise and net exercise of Options can be found in Sections 13 and 14 of the Amended Plan attached as Exhibit A.

In addition, in accordance with Policy 4.4, pursuant to the Amended Plan, amendments to any of the following provisions of the Amended Plan are subject to shareholder approval:

- (a) persons eligible to be granted or issued options under the Amended Plan;

- (b) the maximum number or percentage, as the case may be, of listed shares that may be issuable under the Amended Plan;
- (c) the limits under the Amended Plan on the amount of options that may be granted or issued to any one person or any category of persons (such as, for example, Insiders);
- (d) the method for determining the exercise price of the options;
- (e) the maximum term of the options;
- (f) the expiry and termination provisions applicable to the options, including the addition of a blackout period;
- (g) the addition of a Cashless Exercise or Net Exercise (as those terms are defined in the policies of the Exchange) provision; and
- (h) any method or formula for calculating prices, values or amounts under the Plan that may result in a benefit to a Participant, including but not limited to the formula for calculating the appreciation of a Stock Appreciation Right (as defined in the policies of the Exchange).

The other significant terms of the Amended Plan are summarized as follows. Directors, officers, consultants, and employees of the Corporation or its subsidiaries, and employees of a person or company which provides management services to the Corporation or its subsidiaries shall be eligible for selection to participate in the Amended Plan. The Amended Plan shall be administered by the Board, or if appointed, by a special committee of directors appointed from time to time by the Board. The aggregate number of Common Shares which may be reserved for issuance under the Amended Plan and all such Security Based Compensation Plans (as defined in Policy 4.4) shall not exceed 10% of the Corporation's issued and outstanding Common Shares. The number of Common Shares subject to an option to a participant shall be determined by the Board, but no participant shall be granted an option which exceeds the maximum number of shares permitted by any stock exchange on which the Common Shares are then listed, or other regulatory body having jurisdiction. The exercise price of the Common Shares covered by each option shall be determined by the Board, provided however, that the exercise price shall not be less than the price permitted by any stock exchange on which the Common Shares are then listed, or other regulatory body having jurisdiction. The maximum length any option shall be ten (10) years from the date the option is granted, provided that participant's options expire one (1) year after a participant ceases to act for the Corporation, unless the cessation is for cause, in which case the Options terminate and become null and void immediately. If a participant is engaged in investor relations activities, exercise of any outstanding Options must occur within thirty (30) days after the cessation of the participant's services to the Corporation. Upon the death of a participant, the participant's estate shall have one (1) year in which to exercise the outstanding Options. The Amended Plan includes a provision that should an option expiration date fall within a blackout period, the expiration date will automatically be extended for ten (10) business days following the end of the blackout period. Acceleration of vesting is permitted in connection with participant's death or where participant ceases to be an eligible participant in connection with a change of control, take-over bid, reverse take-over or other similar transaction. There shall be no acceleration of the vesting provisions to Options issued to persons employed to provide investor relation activities without prior Exchange acceptance.

The Amended Plan is subject to the following limitations on grants and issuances:

- (a) the aggregate number of Common Shares issuable pursuant to all security based compensation granted to any one participant (and companies wholly owned by that participant) in a twelve (12) month period must not exceed 5% of the issued and outstanding Common Shares, calculated on the date the security based compensation is granted

or issued to the participant (unless the Corporation has obtained the requisite disinterested shareholder approval);

- (b) the maximum number of Common Shares reserved for issuance pursuant to all security based compensation granted to insiders (as a group) must not exceed 10% of the issued and outstanding Common Shares at any point in time (unless the Corporation has obtained the requisite disinterested shareholder approval);
- (c) the grant to insiders (as a group), within a twelve (12) month period, of an aggregate number of security based compensation must not exceed 10% of the issued and outstanding Common Shares, calculated as at the date the security based compensation is granted or issued to any insider (unless the Corporation has obtained the requisite disinterested shareholder approval);
- (d) the aggregate number of security based compensation granted to any one consultant, within a twelve (12) month period, must not exceed 2% of the issued and outstanding Common Shares, calculated as at the date the security based compensation is granted or issued to the consultant; and
- (e) the aggregate number of Options granted to all persons employed to provide investor relation activities shall not exceed 2% of the issued and outstanding Common Shares of the Corporation in any twelve (12) month period, calculated as at the date an Option is granted or issued to any such person. Options granted to persons retained to perform investor relations activities will contain vesting provisions such that vesting occurs over at least 12 months with no more than 1\4 of the options vesting in any 3 month period.

The shareholders will be asked to consider and if thought fit, approve an ordinary resolution approving and adopting the Amended Plan as the Corporation's stock option plan. In order for the resolution approving and adopting the Amended Plan to be effective, it must be approved by the affirmative vote of a majority of the votes cast in respect thereof by shareholders present in person or by proxy at the Meeting. **In the absence of contrary direction, the Management Designees intend to vote proxies in the accompanying form in favour of this ordinary resolution.**

The text of the ordinary resolution which will be placed before the Meeting for the approval of the Amended Plan is as follows:

"BE IT RESOLVED as an ordinary resolution that:

- 1. the stock option plan of the Corporation in substantially the form attached as Exhibit A to the Management Information Circular dated August 11, 2023, (the "Amended Plan") including the addition of cashless and net exercise provision be and is hereby ratified, approved and adopted as the stock option plan of the Corporation;**
- 2. the form of the Amended Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of the Corporation;**
- 3. the termination of the current stock option plan (the "Plan") of the Corporation is hereby approved;**
- 4. all issued and outstanding stock options previously granted under the Plan are hereby continued under and governed by the Amended Plan;**
- 5. the shareholders of the Corporation hereby expressly authorize the Board of Directors to revoke this resolution before it is acted upon without requiring further approval of the shareholders in that regard; and**
- 6. any one (or more) director or officer of the Corporation is authorized and directed, on behalf of the Corporation, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal of the Corporation or otherwise) that may be necessary or desirable to give effect to this ordinary resolution."**

UNLESS OTHERWISE DIRECTED, IT IS THE INTENTION OF THE MANAGEMENT DESIGNEES TO VOTE PROXIES IN FAVOUR OF THE RESOLUTION APPROVING THE AMENDED PLAN. IN ORDER TO BE EFFECTIVE, AN ORDINARY RESOLUTION REQUIRES APPROVAL OF A MAJORITY OF THE VOTES CAST BY SHAREHOLDERS WHO VOTE IN RESPECT TO THE RESOLUTION.

STATEMENT OF EXECUTIVE COMPENSATION

For the Fiscal Year Ended December 31, 2022

GENERAL

The following information has been updated as at the date of this Information Circular and is provided as required under Form 51-102F6 (the “**Form**”), as such term is set out in National Instrument 51-102 *Continuous Disclosure Obligations*. Except as otherwise indicated, all dollar amounts in this Form are expressed in US dollars and references to \$ are US dollars.

For the purpose of this Statement of Executive Compensation:

“**CEO**” means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

“**CFO**” means an individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

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

- a. a CEO;
- b. a CFO;
- c. each of the three most highly compensated executive officers of the company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6), for that financial year; and
- d. each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

Based on the foregoing definition of NEO, during the last completed fiscal year of the Company, Rio2 had five NEOs:

- Alex Black, Executive Chairman;
- Andrew Cox – President, CEO & Director
- Kathryn Johnson, Executive Vice President - Chief Financial Officer and Corporate Secretary;
- Jose Luis Martinez, Executive Vice President - Chief Strategy Officer; and
- Ian Dreyer, Senior Vice President - Technical Services.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION DISCUSSION & ANALYSIS

Corporate Governance and Compensation Committee

In respect of compensation matters, the Corporate Governance, and Compensation Committee of the Board (the “**CGC Committee**”) has the following responsibilities:

- reviewing and approving the corporate and individual goals and objectives relevant to senior management’s compensation, evaluating performance, and setting compensation levels based upon this evaluation;
- reviewing the recommendations of the CEO with respect to compensation of other management members, and for fixing their compensation, including annual bonuses and the granting of stock options under the Company’s stock option plan;
- reviewing executive compensation disclosure before the Company publicly discloses this information; and
- reviewing compensation policies and proposals with reference to industry sectors and markets in which the Company operates.

The CGC Committee members are independent directors Klaus Zeitler (Chairman), Ram Ramachandran, and Drago Kistic. Meetings of the Committee are documented in the form of meeting minutes. In establishing policies covering compensation, including annual bonuses and stock option grants, the CGC Committee takes into consideration the recommendations of the CEO, advice of independent consultants, when retained, and industry standards. The majority of the members of the CGC Committee have direct experience which is relevant to their responsibilities in executive compensation as they have been previously, and are currently, involved with compensation matters at other companies, both public and private, which they are directors. Each of the CGC Committee members have developed appropriate skills and experience, including management experience in human resources or executive compensation gained from their former business dealings as executive officers or directors of private or public entities in similar industries to that in which the Company operates, in order to make decisions on the suitability of the Company’s compensation policies and practices.

Skills and experience that enable the CGC Committee to make decisions on the suitability of the Company’s compensation policies and practise include:

Klaus Zeitler:

Dr. Klaus Zeitler received his professional education at Karlsruhe University from 1959 to 1966 and obtained a PhD in economic planning. Dr. Zeitler is a member of the Canadian Institute of Mining and Metallurgy and the Prospectors and Developers Association.

Dr. Zeitler financed, built and managed base metal and gold mines worldwide (Europe, Africa, North America, South America, Pacific) with a total investment value of \$4 billion. Dr. Zeitler was a managing director of Metallgesellschaft AG, a German metals conglomerate, and in 1986 founded and was a director and the first CEO of Metall Mining (later Inmet Mining Corporation) with assets of over \$4 billion, and base metal and gold mines in different parts of the world. After having been a director of Teck for many years, Dr. Zeitler joined Teck in 1997 as Senior Vice President and had responsibilities for the exploration and development of mines in Peru, Mexico and the USA.

Since his retirement in 2002 from Teck, and in addition to being Executive Chairman and a director of Amerigo Resources Ltd., Dr. Zeitler was Chairman of the Board of Rio Alto Limited from 2011 to 2015, a director of Tahoe Resources Ltd. from April 2015 to May 2017, and is presently a director of Western Copper and Gold Corporation.

Ram Ramachandran:

Mr. Ramachandran has over 35 years of capital markets experience. Mr. Ramachandran has previously served as Associate Chief Accountant and Deputy Director, Corporate Finance at the Ontario Securities Commission and as a senior member in the national office of an international accounting firm. Mr. Ramachandran originally qualified as a Chartered Accountant in England & Wales in 1978 and subsequently in Ontario in 1984 (now retired).

Drago Kistic:

Drago Kistic is a founding member and shareholder of Macro Group (Macroconsult, Macroinvest, Macrocapitales Safi, Macro Assets Management and Macro Wealth) in Peru. From 1975 to 1981 he worked as Senior Economist for the Banco Central de Reserva del Peru and was Chairman of the Board of the Comisión Nacional Supervisora de Empresas y Valores (CONASEV) between 1981 and 1982. Between 1982 and 1985 he acted as Advisor to the Executive Director of the World Bank in Washington DC, USA. In 1998 but he was a member of the Advisory Committee of the Peruvian Ministry of Foreign Affairs

and President of the commission of border integration in the peace negotiations between Peru and Ecuador. Drago Kistic Wagner holds a B.S. from Pontificia Universidad Católica del Perú and a Master's degree (B-Phil) from Oxford University.

Objectives of Compensation Policy

The Company's process for determining executive compensation, which is designed to attract and retain highly qualified individuals, relies on recommendations from the CGC Committee for approval by the Company's board of directors (the "Board").

The CGC Committee has unrestricted access to the Corporation's personnel and documents and is provided with the resources necessary, including, as required, the engagement and compensation of outside advisors, to carry out its responsibilities.

In June 2018, the Company retained the services of an independent consulting firm, Lane Caputo Compensation Inc. ("**Lane Caputo**") to undertake a full review of the Company's compensation program for its executive officers and directors. Lane Caputo has not provided any services to the Company or its subsidiaries, or to any of its directors or members of management, other than the services discussed in this section. No fees were paid to Lane Caputo or any other compensation consultant during the years ended December 31, 2022 and December 31, 2021.

Lane Caputo provided information and advice in respect of executive compensation for the Company based on industry comparable companies and other relevant factors. A peer group of mining companies was developed against which Lane Caputo benchmarked the competitiveness of Rio2's senior executive and Board compensation practices. The 17 companies in the peer group developed for this review at that time were Almaden Minerals Ltd., Equinox Gold Corp., Sabina Gold & Silver Corp., Aquila Resources Inc., Harte Gold Corp., Victoria Gold Corp., Barkerville Gold Mines Ltd., INV Metals Inc., Vista Gold Corp., Bear Creek Mining Corp, Orezone Gold Corp., West African Resources Ltd., Belo Sun Mining Corp., Orla Mining Ltd., Western Copper and Gold Corp., Dalradian Resources Inc., and Pershing Gold Corp.

After reviewing Lane Caputo's final report and recommendation and the Company's past and existing compensation programs and levels for executives in comparison to the practices of a peer group of companies and practices in the current market, and after taking into consideration the Company's history and various potential risks associated with different compensation programs, the CGC Committee made its recommendations to the Board of Directors for approval in August 2018. The Board of Directors approved the recommendations and the new compensation program took effect, there have been no further changes to the Company's compensation programs after 2018. Please see the **Employment, Consulting and Management Agreements** section of this form for more details about NEO's employment agreements.

In evaluating the performance of the Company's executives for the possible award of bonuses or long term incentive compensation, the Compensation Committee reviews the achievement of project specific goals included in the Company's plans such as: identifying mineral prospects; executing successful drill programs; advancing or completing scoping, prefeasibility or feasibility studies; building and maintaining social licence through community relationships and initiatives; acquiring necessary permits; and successfully advancing projects and/or initiatives that accomplish the Company's goals. In addition, the Committee considers management's performance in unplanned situations and their ability to manage projects through complex political and social situations. Finally, corporate objectives such as successful capital raising (if applicable), peer benchmarking (as further discussed below) and market performance are considered. The Company's compensation of executives may consist of any or all of a base salary, cash bonuses and long-term incentive compensation.

Elements of Compensation

The Company's executive compensation policy consists of base salaries, bonuses, and long-term incentives granted through a Stock Option Plan and a Share Incentive Plan. An executive's initial base salary is recommended by the CGC Committee, based on the committee members' knowledge of typical mining industry salary levels commensurate with the executive's level of experience and skill set. The Company's executives are eligible for cash bonuses, as provided in their employment agreements. In its annual management compensation review, the CGC Committee may consider, and recommend the Board approve, the payment of a cash bonus to one or more executives to reward the achievement of performance goals or successful execution of the Company's corporate strategy.

The CGC Committee also annually considers grants under the Company's Stock Option Plan and Share Incentive Plan based on the achievement of performance goals or successful execution of the Company's corporate strategy. When considering and recommending future compensation to the Board for approval, the CGC Committee's review is focused on the individual executive salaries, performance-based bonus opportunity, and security-based award grants (including consideration of previous grants), with a review of the aggregate level of salary, performance based bonus, and security-based award grants for the balance of the staff.

The stock option plan was last approved by shareholders on December 14, 2022; the Board of Directors of the Company has approved an Amended 2023 Stock Option Plan and is presenting it to shareholders for their approval at the September 27, 2023 General and Special Meeting of Shareholders.

Compensation Policies and Risk Management

Through the CGC Committee, the Board of Directors considers the implications of the risks associated with the Company's compensation policies and practices when determining rewards for its officers. The CGC Committee conducts an annual review of the risks, if any, associated with the Company's compensation policies and practices. Executive compensation is comprised of short-term compensation in the form of a base salary and long-term ownership through the Company's Stock Option Plan and Share Incentive Plan. This structure ensures that a significant portion of executive compensation (stock options and restricted share units) are both long-term and "at risk" and, accordingly, is directly linked to the achievement of business results and the creation of long-term shareholder value. As the benefits of such compensation, if any, are not realized by officers until a significant period of time has passed, the ability of officers to take inappropriate or excessive risks that are beneficial to their compensation at the expense of the Company and the Shareholders is extremely limited. Furthermore, the short-term component of executive compensation (base salary) represents a relatively small part of the total compensation. As a result, it is unlikely an officer would take inappropriate or excessive risks at the expense of the Company or the shareholders that would be beneficial to their short-term compensation when their long-term compensation might be put at risk from their actions. Due to the small size of the Company and its current level of activity, the Board of Directors is able to closely monitor and consider any risks which may be associated with Rio2's compensation policies and practices. Risks, if any, may be identified and mitigated through regular Board meetings during which financial and other information of the Company are reviewed. No risks have been identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

Hedging of Economic Risks in the Company's Securities

The Company has not adopted a policy prohibiting Directors or Officers from purchasing financial instruments that are designed to hedge or offset a decrease in market value of the Company's securities granted as compensation or held, directly or indirectly, by Directors or Officers. However, the Company is not aware of any Directors or Officers having entered into this type of transaction.

NAMED EXECUTIVE OFFICER COMPENSATION

The following table (presented in accordance with National Instrument Form 51-102F6 - Statement of Executive Compensation ("Form 51-102F6")) sets forth all annual and long-term compensation for services in all capacities to the Company and its subsidiaries for the last three most recently completed financial years of the Company in respect of each Named Executive Officer ("NEO").

NEO Summary Compensation Table

Name and principal position	Year	Salary ⁽¹⁾ (\$)	Share based awards ⁽¹⁾⁽²⁾ (\$)	Option based awards ⁽¹⁾⁽³⁾ (\$)	Non-equity Incentive plan compensation (\$)		All Other compensation (\$)		Total compensation (\$)
					Annual Incentive plans ⁽⁴⁾	Long term incentive plans	Annual Fees	Other	
Alex Black, Executive Chairman ⁽⁵⁾⁽⁶⁾	2022	250,000	Nil	Nil	Nil	N/A	Nil	18,460	268,460
	2021	300,000	Nil	Nil	200,000	N/A	Nil	26,463	526,463
	2020	300,000	Nil	Nil	200,000	N/A	Nil	706	500,706
Andrew Cox, President, CEO & Director ⁽⁷⁾	2022	280,000	Nil	118,357	Nil	N/A	Nil	25,320	423,677
	2021	280,000	Nil	129,136	140,000	N/A	Nil	50,920	600,056
	2020	272,000	103,988	121,073	50,000	N/A	Nil	640	547,701
Kathryn Johnson, EVP, CFO & Corporate Secretary	2022	250,000	Nil	118,357	Nil	N/A	Nil	11,167	379,524
	2021	250,000	Nil	129,136	125,000	N/A	Nil	12,090	516,226
	2020	197,500	69,325	80,716	50,000	N/A	Nil	1,612	399,153
Jose Luis Martinez, EVP, CSO ⁽⁸⁾	2022	Nil	Nil	147,946	Nil	N/A	251,167	735,060 ⁽⁹⁾	1,134,173
	2021	250,000	Nil	129,136	125,000	N/A	Nil	13,058	517,194
	2020	250,000	103,988	121,073	50,000	N/A	Nil	1,387	526,448
Ian Dreyer, ⁽¹⁰⁾ SVP Technical Services	2022	129,500	Nil	88,768	Nil	N/A	Nil	214,464 ⁽¹¹⁾	432,732
	2021	222,000	Nil	64,568	110,000	N/A	Nil	16,121	412,689
	2020	222,000	Nil	60,537	Nil	N/A	Nil	523	283,060

- (1) All compensation amounts awarded, earned, paid, or payable are reflected in US Dollars, which is the functional/reporting currency of the Company. Amounts denominated in C\$ have been converted into US\$ for reporting purposes at an average exchange rate. For the financial year ended December 31, 2022 the average exchange rate was C\$1.3031/US\$1.00. For the financial years ended December 31, 2021 and 2020 the average exchange rate was C\$1.2535/US\$1.00 and \$1.3415/US\$1.00, respectively. The exchange rate was acquired from the Bank of Canada.
- (2) Value of Restricted Share Units granted during the year. Value is calculated based on the closing value of Rio2 share value on the TSX-V on the date of issuance.
- (3) Value of Stock Options granted during the year. Value is calculated for options granted during the year using the Black Scholes Option Pricing Model and the following assumptions: expected dividend yield (0%), expected stock price volatility (84.87%), risk-free interest rate (1.5%) and expected life of options (5 years). The Company selected the Black Scholes model given its prevalence of use within North America.
- (4) Bonuses earned during the financial year.
- (5) Mr. Black did not receive any additional compensation for serving as a director of the Company.
- (6) Mr. Black was Rio2's President and CEO until November 28, 2022.
- (7) Mr. Cox was appointed President and CEO on November 28, 2022.

- (8) Mr. Martinez ceased to be EVP Chief Strategy Officer on November 25, 2022.
- (9) Includes fees associated with termination of contract with IBLATAM on November 25, 2022.
- (10) Mr. Dreyer ceased to be SVP Technical Services on August 1, 2022.
- (11) Includes severance payment due to termination of employment on August 1, 2022.

Employment, Consulting and Management Agreements

During the year ended December 31, 2022, the Company had employment agreements with Ms. Johnson, Messrs. Black, Dreyer and Cox, as well as a consulting agreement with IBLATAM Inc., a company of which Jose Luis Martinez is the principal.

Alex Black, Executive Chairman of the Board, former President & CEO

The Company entered into an employment agreement with Mr. Black on August 31, 2018 with an effective date of September 1, 2018. The agreement has an indefinite term, provides for an annual salary of US\$300,000 and entitles Mr. Black to participate in the Company's option and share incentive plans and group health insurance plan. Mr. Black may terminate his employment agreement with thirty (30) days' written notice to the Company. The Company may terminate his agreement for cause at any time with no further obligations to Mr. Black.

On August 31, 2022, Mr. Black agreed to a 50% reduction of his US\$300,000 salary. On January 3, 2023 the employment agreement was amended to reflect Mr. Black's appointment as Executive Chairman of the Board without other changes to compensation terms. On the same day, Mr. Black entered into an agreement with the Company whereby half of his US\$300,000 compensation for the period Jan 1, 2023 to December 31, 2023 will be paid quarterly in the form of Common Shares of Rio2.

Andrew Cox, President, CEO & Director, former EVP – Chief Operating Officer

Rio2 SAC, a wholly-owned subsidiary of Rio2 Limited, entered into an employment agreement with Mr. Cox on July 7, 2020 by which Mr. Cox would be Executive Vice President - Chief Operating Officer. The agreement had an indefinite term, provides for an annual salary of \$280,000 and entitled Mr. Cox to participate in the Company's option and share incentive plans and group health insurance plan. This employment agreement was amended on November 27, 2022 to reflect Mr. Cox appointment as President and CEO of Rio2; all other terms remain unchanged. The Company may terminate his agreement for cause at any time with no further obligations to Mr. Cox.

Kathryn Johnson, EVP - CFO & Corporate Secretary

The Company entered into an employment agreement with Ms. Johnson on September 19, 2018 with an effective date of August 1, 2018. The agreement had an indefinite term, provided for an annual salary of \$180,000 and entitled Ms. Johnson to participate in the Company's option and share incentive plans and group health insurance plan. On October 1, 2020, Ms. Johnson's salary was increased to \$250,000 all other terms of her employment agreement remain unchanged. Ms. Johnson may terminate her employment agreement with thirty (30) days' written notice to the Company. The Company may terminate her agreement for cause at any time with no further obligations to Ms. Johnson.

Jose Luis Martinez, EVP - Chief Strategy Officer

The Company entered into an employment agreement with Mr. Martinez on September 19, 2018, with an effective date of August 1, 2018. The agreement had an indefinite term, provided for an annual salary of \$250,000, and entitled Mr. Martinez to participate in the Company's option and share incentive plans and group health insurance plan. On January 1, 2022, Mr. Martinez terminated his employment agreement with Rio2; on the same date IBLATAM Inc., a company of which Jose Luis Martinez is the principal, entered into a Consulting Services Agreement with Rio2. This agreement provided for a monthly consultancy fee of \$22,833.34 (plus any applicable taxes). Additionally, Mr. Martinez would be eligible to receive an incentive fee on such terms and in such amount as may be determined by Rio2 in its sole and absolute discretion from time to time and to participate in Rio2's Stock Option Plan and Share Incentive Plan.

The Company terminated Mr. Martinez's consultancy agreement on November 25, 2022.

Ian Dreyer, SVP - Technical Services

Rio2 SAC, a wholly-owned subsidiary of Rio2 Limited, entered into an employment agreement with Mr. Dreyer on September 1, 2018 by which Mr. Dreyer would be Senior Vice President - Technical Services. The agreement had an indefinite term, provided for an annual salary of \$222,000 and entitled Mr. Dreyer to participate in the Company's option and share incentive plans and group health insurance plan.

The Company terminated Mr. Dreyer's employment agreement on August 1, 2022.

Termination and Change of Control Benefits

As at the date of this Information Circular, the Company has entered into employment agreements with Alex Black, Kathryn Johnson, and Andrew Cox.

Alex Black

The Corporation shall be entitled to terminate this Agreement and the Executive's employment at any time, for any reason in the absence of Cause, in which case Mr. Black shall be entitled to receive compensation as follows:

- a) all unpaid base salary, and accrued vacation,
- b) any accrued but unpaid incentive bonuses,
- c) a retiring allowance equal to sum of 6 months of Base Salary plus 2 months of Base Salary for every complete year of employment, and, if applicable, an amount equal to Mr. Black's Incentive Bonus annual target amount in effect on the termination date multiplied by the fraction the numerator of which is the number of months of base salary retiring allowance to be paid to him, and
- d) if applicable, an amount equal to Mr. Black's Incentive Bonus annual target amount in effect on the termination date multiplied by the fraction the numerator of which is the number of months of base salary retiring allowance to be paid to him, and
- e) where possible and allowed by the Corporation's providers of Benefits, maintain the Benefits for a period equal to the number of months of Base Salary retiring allowance to be paid to Alex Black pursuant to section (c) above commencing on the termination date.

If there is a change of control, or within twelve months of a change of control, Mr. Black is terminated by the Company, he will be entitled to a retiring allowance equal to 24 months of base salary, plus an amount equal to two times his annual target incentive bonus (if such bonus target amount has been set by the Board), plus the immediate vesting of all unvested securities granted to his under the Share Incentive and Stock Option Plans.

The annual target bonus for the years 2022 and 2023 were set to \$0 by the Corporate Governance and Compensation Committee of the Board of Directors of the Company.

Andrew Cox

The Corporation shall be entitled to terminate Mr. Cox's employment agreement at any time, for any reason in the absence of Cause, in which case the Executive shall be entitled to receive compensation as follows:

- a) all unpaid base salary, and accrued vacation,
- b) any accrued but unpaid incentive bonuses,
- c) a retiring allowance equal to sum of 6 months of Base Salary plus 2 months of Base Salary for every complete year of employment,
- d) A voluntary indemnification for each year of effective service rendered by Andrew Cox, equivalent to 02 (two) months of base salary for each year completed as of August 1, 2018, and

- e) where possible and allowed by the Corporation’s providers of Benefits, maintain the Benefits for a period equal to the number of months of Base Salary retiring allowance to be paid to Mr. Cox pursuant to section (c) above commencing on the termination date.

If there is a change of control, or within twelve months of a change of control, Mr. Cox is terminated by the Company, he will be entitled to a retiring allowance equal to 24 months of base salary, plus an amount equal to two times his annual target incentive bonus (if such bonus target amount has been set by the Board), plus the immediate vesting of all unvested securities granted to his under the Share Incentive and Stock Option Plans.

The annual target bonus for the years 2022 and 2023 were set to \$0 by the Corporate Governance and Compensation Committee of the Board of Directors of the Company.

Kathryn Johnson

If the Company terminates her employment agreement without cause, Ms. Johnson will be entitled to:

- a) all unpaid base salary, and accrued vacation,
- b) any accrued but unpaid incentive bonuses,
- c) a retiring allowance equal to sum of 6 months of Base Salary plus 2 months of Base Salary for every complete year of employment based on a start date of August 1, 2018 to a maximum of 24 months of Base Salary,
- d) if applicable, an amount equal to Ms. Johnson’s Incentive Bonus annual target amount in effect on the termination date multiplied by the fraction the numerator of which is the number of months of base salary retiring allowance to be paid to her,
- e) The Corporation shall also, where possible and allowed by the Corporation’s providers of Benefits, maintain the Benefits for a period equal to the number of months of Base Salary retiring allowance to be paid to the Employee pursuant to section (c) above commencing on the Termination Date.

If there is a change of control, or within twelve months of a change of control, Ms. Johnson is terminated by the Company, she will be entitled to a retiring allowance equal to 24 months of base salary, plus an amount equal to two times her annual target incentive bonus (if such bonus target amount has been set by the Board), plus the immediate vesting of all unvested securities granted to her under the Share Incentive and Stock Option Plans.

The annual target bonus for the years 2022 and 2023 were set to \$0 by the Corporate Governance and Compensation Committee of the Board of Directors of the Company.

The following table provides detail regarding the estimated payments to each NEO on a termination without cause or following a change of control, assuming a triggering event occurred on December 31, 2022, calculated under the employment contracts in effect at the time. Amounts shown are exclusive of applicable taxes.

Name and principal position	Severance Payment	
	Termination severance payment following without cause Termination ⁽¹⁾ \$	Termination following change of control resulting in severance payment \$
Alex Black	350,000	600,000
Andrew Cox	326,667	560,000
Kathryn Johnson	302,673	518,869

⁽¹⁾ For more detail regarding executives’ employment agreements and for amendments to the same subsequent to December 31, 2022, please see the **Employment, Consulting and Management Agreements** section of this document.

NEO Outstanding Share-based awards and option-based awards

This table includes all awards outstanding at December 31, 2022.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options ⁽¹⁾	Option exercise price (C\$)	Option expiration date	Value of unexercised in-the-money options ⁽²⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Alex Black, Executive Chairman	500,000	0.55	Sep 9, 2024	N/A	Nil	N/A	Nil
Andrew Cox, President & CEO, Director	90,000 200,000 300,000 300,000 400,000	0.65 0.55 0.65 0.65 0.65	Sep 27, 2023 Sep 9, 2024 Jun 26, 2025 Sep 21, 2026 Jan 11, 2027	N/A N/A N/A N/A N/A	50,000	7,199	Nil
Kathryn Johnson, EVP, CFO & Corporate Secretary	120,000 300,000 200,000 300,000 400,000	0.65 0.55 0.65 0.65 0.65	Sep 27, 2023 Sep 9, 2024 Jun 26, 2025 Sep 21, 2026 Jan 11, 2027	N/A N/A N/A N/A N/A	33,334	4,799	Nil

(1) Each stock option is exercisable for one common share for a period of five years from grant and are priced in C\$. Value is calculated by multiplying the number of securities which may be acquired on exercise of the options by the difference, if any, between the market value of the securities underlying the options at financial year-end and the exercise price of the option. The amount is then converted to US dollars at an exchange rate of C\$1.3544/US\$1.000, which is the exchange rate as at December 31, 2022. The exchange rate was acquired from the Bank of Canada. The closing price for the Company's shares on December 31, 2022 was C\$0.195. The value shown in this column does not represent the actual value the individual could receive. The actual gain, if any, on exercise will depend on the price of Rio2's common shares on the date of exercise.

(2) The options granted by Rio2 vest 1/3 equally over a three-year period.

None of the awards disclosed in the table above have been transferred at any price other than fair market value.

NEO Incentive Plan Awards – value vested or earned during the year

The following table illustrates the value earned or vested by each NEO during the year ended December 31, 2022.

Name	Option-based awards – Value vested during the year ⁽¹⁾⁽²⁾ (\$)	Share-based awards – Value vested during the year ⁽³⁾ (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Alex Black, Executive Chairman	Nil	11,511 ⁽⁴⁾	Nil
Andrew Cox, President, CEO & Director	Nil	7,482	Nil
Kathryn Johnson, EVP, CFO & Corporate Secretary	Nil	4,988	Nil
Jose Luis Martinez, EVP, CSO	Nil	5,372	Nil
Ian Dreyer, SVP Technical Services	Nil	Nil	Nil

- (1) Value calculated by multiplying the number of options vesting by the difference between the market price of the common shares on the vesting date and the exercise price of the option. The amount is then converted to US dollars at an exchange rate of C\$1.3031/US\$1.000, which is the average exchange rate for the year ended December 31, 2022. The exchange rate was acquired from the Bank of Canada. The exchange rate was acquired from the Bank of Canada.
- (2) The options granted by Rio2 vest 1/3 equally over a three-year period.
- (3) Value calculated by multiplying the number of shares by the market value of the underlying shares on the vesting date. The amount is then converted to US dollars at an exchange rate of C\$1.3031/US\$1.000, which is the average exchange rate for the year ended December 31, 2022. The exchange rate was acquired from the Bank of Canada.
- (4) 50,000 Restricted Shares Units (“RSUs”) vested on September 9, 2022 for Alex Black. However, Mr. Black declined the shares being issued to him to settle the RSUs, and therefore, no common shares were issued.

Stock Options and Other Compensation Securities

Share Incentive Plan

The Company’s Share Incentive Plan (the “**Share Plan**”) is administered by the CGC Committee of the Board of Directors and it was ratified and re-approved by shareholders on July 16, 2018. The Share Plan is a fixed plan; therefore, it is not subject to annual shareholder approval. However, approval will be sought if amendments are required.

Two types of share awards may be granted under the Share Plan: time-based awards and performance-based awards. In determining the persons to whom awards may be granted, the number of Common Shares to be covered by each award and the allocation of the award between time-based awards and performance-based awards, the Board of Directors may take into account such factors as it shall determine in its sole discretion, including any one or more of the following factors:

- i. compensation data for comparable benchmark positions among the Company’s peer comparison group;
- ii. the duties, responsibilities, position and seniority of the grantee;
- iii. various corporate performance measures for the applicable period compared with internally established performance measures approved by the Company’s board and/or similar performance;
- iv. measures of members of the Company’s peer comparison group for such period;

- v. the individual contributions and potential contributions of the grantee to the Company's success;
- vi. the fair market value or current market price of the Common Shares at the time of such award; and
- vii. such other factors as the Board of Directors deems relevant in its sole discretion in connection with accomplishing the purposes of the Share Plan.

The Share Plan contains the following restrictions:

- i. the aggregate number of awards that could be issued to any single holder shall not exceed 1% of the aggregate number of issued and outstanding Common Shares (including Common Shares issuable upon exchange of exchangeable shares of the Company and/or other fully paid securities exchangeable into Common Shares) ("Total Common Shares") in any 12-month period (unless the Company has obtained disinterested shareholder approval);
- ii. the aggregate number of awards that could be issued to Insiders (as defined by the applicable Stock Exchange) shall not exceed 2% of the Total Common Shares in any 12-month period (unless the Company has obtained disinterested shareholder approval);
- iii. the maximum number of Common Shares that are issuable at any time under the Share Plan shall not exceed 1,823,033 Common Shares; and
- iv. the number of Common Shares that are issuable at any time, under the Share Plan or when combined with all of the Company's other security based compensation arrangements (including but not limited to the Option Plan), shall not exceed 10% of the Total Common Shares.

Payment arrangements shall be as follows, unless otherwise directed by the Board:

- i. as to 1/3 of the award value of such award, on the first anniversary of the date of grant of the award;
- ii. as to 1/3 of the award value of such award, on the second anniversary of the date of grant of the award; and
- iii. as to the remaining 1/3 of the award value of such award, on the third anniversary of the date of grant of the award.

If the holder is on a leave of absence before any of the payment dates, such payment date(s) shall be extended by that portion of the duration of the leave of absence that is in excess of three (3) months. In the event that any payment date falls during a blackout period, such payment date shall be amended to the date that is three (3) business days following the date the blackout is lifted. In the event of a change of control (as defined in the Share Incentive Plan), the payment date for the award value of those incentive awards that have not yet been paid as of such time shall be the closing date of the change of control and the payout multiplier applicable to any performance based awards shall be determined by the board. In no event shall a payment date be later than December 15th of the third year following the year in which the award was granted.

On the payment date, the Company has sole and absolute discretion in settling the value of the notional Common Shares underlying the award, by any of the following methods or by a combination of such methods: (i) payment in Common Shares issued from treasury; (ii) payment in cash; or (iii) payment in Common Shares acquired by the Company on a stock exchange.

The Share Plan does not contain any provisions for financial assistance by the Company in respect of any awards granted thereunder.

The principal objectives of the Share Plan are:

- a. to retain and attract the qualified directors, officers, employees and other service providers that the Company requires;
- b. to promote a proprietary interest in us by such persons and to encourage such persons to remain in the Company's employ and put forth maximum efforts for the success of the Company's business; and
- c. to focus the Company's management on operating and financial performance and long-term total shareholder return.

The Company believes this Share Plan provides competitiveness within the Canadian mining industry and facilitates the achievement of the Company's long-term goals. In addition, this incentive-based compensation program is intended to

reward the Company's directors, officers, employees and other service providers for meeting certain pre-defined operational and financial goals which have been identified for increasing long-term total shareholder return.

The Share Plan contains anti-dilution provisions which allow the Board to make such adjustments to the Share Plan, to any awards as the Board may, in its sole discretion, consider appropriate in the circumstances to prevent dilution or enlargement of the rights granted to holders thereunder.

The summary is qualified in its entirety by reference to the full text of the Rio2 Share Incentive Plan, a copy of which can be found on Sedar at www.sedar.com.

Stock Option Plan

The Corporation is proposing to replace the current stock option plan ("Plan") with an amended stock option plan (the "Amended Plan"), please see APPROVAL OF STOCK OPTION PLAN on page 12 for more details.

Pension

No pension, retirement or deferred compensation plans, including defined contribution plans, have been instituted by the Company and none are proposed at this time.

DIRECTOR COMPENSATION

Director Compensation Table

The following table sets forth all amounts of compensation provided to directors who are not NEOs for the financial year ended December 31, 2022.

Name	Fees Earned ⁽¹⁾ (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-equity incentive Plan Compensation (\$)	All Other Compensation (\$)⁽²⁾	Total (\$)
Klaus Zeitler	41,440	Nil	Nil	Nil	3,070	44,510
Ram Ramachandran	29,161	Nil	Nil	Nil	3,070	32,231
Albrecht Schneider	20,720	Nil	Nil	Nil	3,070	23,790
Sidney Robinson	20,720	Nil	Nil	Nil	3,070	23,790
Drago Kusic	20,720	Nil	Nil	Nil	3,070	23,790

(1) See Compensation of Directors below.

(2) Payment of Meeting Fees.

The compensation set out in the preceding table was paid to the Directors for acting in their capacity as Directors and committee members, and for meeting and committee participation.

Compensation of Directors

On July 1, 2019, the Board of Directors adopted a Directors' compensation plan (the "Directors' Compensation Plan").

The objectives of the plan are:

- to attract and retain Directors with the skills and experience necessary to provide excellence in board oversight;

- to remunerate Directors for the substantial amount of time and level of responsibility dedicated to the Company; and
- to align Directors' interests with those of Shareholders.

Director Outstanding Share-based awards and option-based awards

This table includes all awards outstanding at the end of December 31, 2022.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options ⁽¹⁾ (#)	Option exercise price (C\$)	Option expiration date	Value of unexercised in-the-money options ⁽²⁾ (\$)	Number of shares or units of shares that have not vested ⁽³⁾ (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Klaus Zeitler	66,670	0.82	Mar 29, 2023	N/A	Nil	N/A	N/A
	100,000	0.65	Sep 27, 2023	N/A			
	200,000	0.55	Sep 9, 2024	N/A			
	150,000	0.65	June 26, 2025	N/A			
	150,000	0.65	Sep 21, 2026	N/A			
Ram Ramachandran	66,670	0.82	Mar 29, 2023	N/A	Nil	N/A	N/A
	100,000	0.65	Sep 27, 2023	N/A			
	200,000	0.55	Sep 9, 2024	N/A			
	150,000	0.65	Jun 26, 2025	N/A			
	150,000	0.65	Sep 21, 2026	N/A			
Albrecht Schneider	100,000	0.65	Sep 27, 2023	N/A	Nil	N/A	N/A
	200,000	0.55	Sep 9, 2024	N/A			
	150,000	0.65	Jun 26, 2025	N/A			
	150,000	0.65	Sep 21, 2026	N/A			
Sidney Robinson	66,670	0.82	Mar 29, 2023	N/A	Nil	N/A	N/A
	100,000	0.65	Sep 27, 2023	N/A			
	200,000	0.55	Sep 9, 2024	N/A			
	150,000	0.65	Jun 26, 2025	N/A			
	150,000	0.65	Sep 21, 2026	N/A			
Drago Kistic	200,000	0.55	Sep 9, 2024	N/A	Nil	N/A	N/A
	150,000	0.65	Jun 26, 2025	N/A			
	150,000	0.65	Sep 21, 2026	N/A			

(1) Each stock option is exercisable for one common share for a period of five years from grant and are priced in C\$.

(2) Value is calculated by multiplying the number of securities which may be acquired on exercise of the options by the difference, if any, between the market value of the securities underlying the options at financial year-end and the exercise price of the option. The amount is then converted to US dollars at an exchange rate of C\$1.3544/US\$1.000, which is the exchange rate as at December 31, 2022. The exchange rate was acquired from the Bank of Canada. The closing price for the Company's shares on December 31, 2022 was \$0.195.

(3) The options granted by Rio2 vest 1/3 equally over a three-year period.

None of the awards disclosed in the table above have been transferred at any price other than fair market value.

Director Incentive Plan Awards – value vested or earned during the year

The following table illustrates the value earned or vested by each Director who was not a NEO during the year ended December 31, 2022.

Name	Option-based awards – Value vested during the year ^{(1) (2)} (\$)	Share-based awards – Value vested during the year ⁽³⁾ (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Klaus Zeitler	Nil	Nil	Nil
Ram Ramachandran	Nil	Nil	Nil
Albrecht Schneider	Nil	Nil	Nil
Sidney Robinson	Nil	Nil	Nil
Drago Kistic	Nil	Nil	Nil

- (1) Value calculated by multiplying the number of options vesting by the difference between the market price of the common shares on the vesting date and the exercise price of the option. The amount is then converted to US dollars at an exchange rate of C\$1.3031/US\$1.000, which is the average exchange rate for the year ended December 31, 2022. The exchange rate was acquired from the Bank of Canada.
- (2) The options granted by Rio2 vest 1/3 equally over a three-year period.
- (3) Value calculated by multiplying the number of shares by the market value of the underlying shares on the vesting date.

Exercise of Stock Options

During the financial year ended December 31, 2022 no NEO or directors of the Company exercised incentive stock options.

INDEBTEDNESS TO COMPANY OF DIRECTORS AND EXECUTIVE OFFICERS AND SENIOR OFFICERS

As of the date of this Information Circular, there is no indebtedness outstanding of any current or former Director, executive officer or employee of the Company or any of its subsidiaries which is owing, to the Company or any of its subsidiaries, or owing to another entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries, either pursuant to a purchase of securities of the Company or otherwise.

No individual who is, or at any time, during the most recently completed financial year was, a Director or executive officer of the Company, no proposed nominee for election as a Director of the Company and no associate of such persons:

- a) is or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or its subsidiaries; or
- b) whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries, in relation to a securities purchase program or other program.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as set out herein, no person who has been a Director or executive officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee of management of the Company for election as a Director of the Company and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the election of Directors or the appointment of auditors.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Atacama Pacific Gold Corporation and Rio2 Limited entered into an arrangement agreement dated May 14, 2018 (the "**Arrangement Agreement**"). Under the terms of the Arrangement Agreement, among other things, Atacama was continued under the OBCA, and Atacama and Rio2 were amalgamated and continued as one corporation ("**New Rio2**") and, upon completion and as a result of the Arrangement, Atacama shareholders received 0.6601 of a common share of new Rio2 for each common share of Atacama held. Each shareholder of Rio2 received 0.6667 of a New Rio2 share for each common share of Rio2 held.

Mr. Albrecht Schneider, currently a director of Rio2, was Atacama's Executive Chairman and largest shareholder, he managed Atacama's exploration activities in Chile and Atacama contracted with companies controlled by him through professional and administrative services agreements for geological, exploration, engineering and administration services and office space in Chile. Mr. Schneider received a payment of \$687,500 as a result of the change in control of Atacama pursuant to the Arrangement.

Other than disclosed above, no informed person (as defined in NI 51-102) of the Company, any proposed Director of the Company or any associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect the Company or any of its subsidiaries.

MANAGEMENT CONTRACTS

During the most recently completed financial year, no management functions of the Company were to any substantial degree performed by a person or company other than the directors or executive officers (or private companies controlled by them, either directly or indirectly) of the Company.

AUDIT COMMITTEE

The Audit Committee shall be composed of a minimum of three directors. The members shall be appointed annually by the Board, typically at the first meeting of the Board following the annual shareholder's meeting. Unless a Chair is appointed by the full Board, the members of the Audit Committee may designate a Chair by a majority vote of the full Audit Committee membership.

All members of the Audit Committee shall meet the independence, financial literacy and experience requirements under applicable laws, rules and regulations binding on the Company from time to time, including without limitation the applicable rules of any stock exchanges upon which the Company's securities are listed and any requirements for independence and financial literacy under applicable securities laws.

Pursuant to National Instrument 52-110 *Audit Committees* (“**NI 52-110**”) the Company is required to disclose certain information with respect to its Audit Committee, as summarized below.

AUDIT COMMITTEE CHARTER

The text of the Company’s Audit Committee Charter is set in Appendix “B” to this Circular.

AUDIT COMMITTEE COMPOSITION AND RELEVANT EDUCATION AND EXPERIENCE

The members of Rio2’s Audit Committee are:

- 1) Ram Ramachandran, Chair
- 2) Sidney Robinson
- 3) Drago Kistic

For a description of their education and experience relevant to serving as member of the Audit Committee please see section **3. ELECTION OF DIRECTORS** on page 7 of this Circular.

All members of the Audit Committee are independent and financially literate.

RELIANCE ON CERTAIN EXEMPTIONS

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-audit Services), Section 3.2 of NI 52-110 (Initial Public Offerings), Section 3.3(2) of NI 52-110 (Controlled Companies), Section 3.4 of NI 52-110 (Events Outside Control of Member), Section 3.5 of NI 52-110 (Death, Disability or Resignation of Audit Committee Member), Section 3.6 of NI 52-110 (Temporary Exemption for Limited and Exceptional Circumstances) or Section 3.8 of NI 52-110 (Acquisition of Financial Literacy), or an exemption from NI 52- 110, in whole or in part, granted under Part 8 (Exemptions) of NI 52-110.

AUDIT COMMITTEE OVERSIGHT

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

PRE-APPROVAL POLICIES AND PROCEDURES

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in APPENDIX “B” under the heading “*Audit Committee Charter - Responsibilities and Duties - External Auditors*”.

PRE-APPROVAL POLICIES AND PROCEDURES

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in APPENDIX “B” under the heading “*Audit Committee Charter - Responsibilities and Duties – External Auditors*”.

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 who are charged with the day to day management of the Company. The Board is committed to sound corporate

governance practices which are both in the interest of its shareholders and contribute to effective and efficient decision making. To achieve this goal, the Company has implemented an Audit Committee Charter and a Whistle-Blower Policy. See “AUDIT COMMITTEE CHARTER” at Appendix “B” hereto.

National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“NI 58-101”) requires that if management of an issuer solicits proxies from its securityholders for the purpose of electing directors that certain prescribed disclosure respecting corporate governance matters be included in its management information circular, as summarized below.

BOARD OF DIRECTORS

An “independent director” generally is one who has no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgment. The definition of independence in National Instrument 58-101 (“NI 58-101”) is the definition set out in NI 52-110.

The Board is currently comprised of five independent directors and two directors who are not considered to be independent. NI 58-101 recommends that the Board of a public company should be constituted with a majority of individuals who qualify as “independent” directors. An “independent” director is a director who has no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a director’s independent judgment. The Board is responsible for assessing director independence. The Board has assessed the independence of each director in accordance with National Instrument 58-101 and NI 52-110. Following this assessment, the Board of Directors concluded that Klaus Zeitler, Sidney Robinson, Ram Ramachandran, Albrecht Schneider, and Drago Kistic are all independent directors under NI 58-101. Alex Black, the Executive Chairman of the Board, and Andrew Cox, the President and Chief Executive Officer of the Company, are members of management and as a result, they are not independent directors.

DIRECTORSHIPS

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

Director	Other Reporting Issuers
Klaus Zeitler	Amerigo Resources Ltd. Western Copper and Gold Corporation

PARTICIPATION OF DIRECTORS IN BOARD MEETINGS

The Board meets at least once every quarter to review, among other things, the performance of the Company relative to its corporate goals, plans and performance in prior years. The Board also holds a meeting each year to review and assess the Company’s financial budget and business plan for the ensuing year and its overall strategic objectives. This process establishes, among other things, benchmarks against which the Board may assess the performance of management. Additional meetings of the Board are called from time to time to deal with special matters as circumstances require.

The Board has adopted the practice of following each meeting with an independent directors’ discussion. The Board ensures open and candid discussion among its independent directors by continuously monitoring situations where a conflict of interest or perceived conflict of interest with respect to a director may exist. In cases where such a conflict of interest or perceived conflict of interest is identified, it is addressed in accordance with applicable corporate law and policies. The Board may determine that it is appropriate to hold an in-camera session excluding a director with a conflict of interest or perceived conflict of interest, or such director may consider that it is appropriate to recuse him or herself from considering and voting with respect to the matter under consideration.

In the year ended December 31, 2022 the following Board and Committee meetings were held: Four meetings of the Board of Directors; and two meetings of the Audit Committee, at which all members were present.

BOARD MANDATE

The Board does not have a written mandate. The Board is responsible for the supervision of the management of the Company and must act in the best interests of the Company and the shareholders. The Board acts in accordance with the *Business Corporations Act* (Ontario) (the “**OBCA**”), the Articles of the Company, and the specific terms of reference as laid out for each committee and the Board of Directors as a whole. The Board has the responsibility for adopting a strategic planning process and reviewing and approving the Company’s strategic plan developed and proposed by management and monitoring performance against the plan. The Board is responsible for developing and adopting policies and procedures to identify the principal business risks of the Company and ensure that appropriate systems are implemented to manage these risks. The Board is also responsible for developing and adopting policies and procedures to ensure that that integrity of the internal controls and management information systems of the Company. Matters that require Board approval include, among other things: (i) the approval of the quarterly and annual financial statements and management’s discussion and analysis; (ii) the issuance of securities; (iii) significant acquisitions; (iv) annual capital and operating plans and budgets; and (v) the compensation of members of the executive management team.

POSITION DESCRIPTIONS

The Board has developed written position descriptions for the Chairman of the Board of Directors. The Company has no written description for its Committee chair positions; however, the Corporation has a mandate for each Committee and the roles and responsibilities of each Committee chair position are implied therein.

The Board and CEO and CFO have not developed a written position description for the CEO and CFO. However, the Board, acting through the CGC Committee, is responsible for monitoring and evaluating the performance of management, including the CEO.

ORIENTATION AND CONTINUING EDUCATION

The Board provides an overview of the Company’s business activities, systems and business plan to all new directors. New director candidates have free access to any of our employees or senior management in order to conduct their own due diligence and will be briefed on the strategic plans, short, medium and long term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing policies of the Company.

No formal continuing education program currently exists for the directors of the Company. The Company encourages directors to attend, enroll or participate in courses and/or seminars dealing with financial literacy, corporate governance and related matters and has agreed to pay the cost of such courses and seminars. Each director of the Company has the responsibility for ensuring that he or she maintains the skill and knowledge necessary to meet his or her obligations as a director. The Company conducts informal director evaluations from time to time.

ETHICAL BUSINESS CONDUCT

The Board has adopted a written Code of Business Conduct and Ethics, which is available for review on the Company’s website at www.rio2.com. The Code is administered by the Corporate Governance & Compensation Committee, who delegates the day-to-day responsibility for administering and interpreting the Code to the Chief Financial Officer of the Company. The CFO periodically reports to the Corporate Governance & Compensation Committee in respect of administration of the Code, and any reports of variance from the Code will be reported to the Board. The Company has not had to file any material change reports pertaining to any conduct of a director or executive officer that constitutes a departure from the Code.

The Board has also adopted a Whistle Blower Policy which establishes the complaint procedure for concerns about any aspect of the Company’s activities and operations. The Company has also adopted a Disclosure and Confidentiality Policy which establishes procedures for ensuring adequate disclosure and compliance with disclosure requirements as well as procedures for maintaining confidentiality.

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. In addition, as some of the directors of the Company may also serve as directors and officers of other companies engaged in similar business activities, directors must comply with the conflict of interest provisions of the OBCA, as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors which evoke such a conflict.

NOMINATION OF DIRECTORS

The Board determines new nominees to the Board although no formal process has been adopted. The Board does not have a nominating committee for this purpose. The nominees are generally the result of recruitment efforts by current members of the Board, including as a result of both formal and informal discussions among Board members and officers. In considering Board composition and to encourage an objective nomination process, the Board periodically assesses the size, structure and composition of the Board, taking into consideration current strengths, skills and experience of the Board, proposed retirements and the requirements and strategic direction of the Company.

COMPENSATION

The Board reviews the compensation of directors annually. Until June 30, 2019, there were no directors' compensation arrangements in place. Commencing July 1, 2020, members of the Board received an annual retainer (pro-rated for the year ended 2019), as well as meeting fees for each board, audit committee or compensation committee meeting attended. During the year ended December 31 2022, the Chairman of the Board's annual retainer was C\$40,000 per year. On November 28, 2022, Alex Black was appointed Executive Chairman, for an annual fee of \$300,000 (see section "Employment, Consulting and Management Agreements"). Klaus Zeitler, who was previously the Chairman of the Board until November 28, 2022, then transitioned to the role of Lead Director. The role of Lead Director annual retainer is C\$40,000. Board Members received an annual retainer of C\$27,000. Additional retainers of C\$11,000 to the Chair of the Audit Committee, C\$8,000 to the Chair of the Compensation Committee and C\$8,000 to the Chair of the Health, Safety and Community Committee were paid. Meeting fees are C\$1,000 per meeting.

For a discussion of the compensation of directors, see "Named Executive Officer Compensation" in the case of directors who are also officers of Rio2 and "Director Compensation" in respect of directors who are not also officers of Rio2.

OTHER BOARD COMMITTEES

The Company has no other committees than the Audit, Corporate Governance & Compensation Committee and the Health, Safety, and Community Committee. The primary function of the Health, Safety, and Community Committee of the Board of Directors of the Corporation is to assist the Board of Directors in fulfilling its oversight responsibilities regarding the health and safety of its employees and contractors, the conduct by the Company of its operations in an environmentally responsible manner and the development and maintenance of positive relationships with communities in the area of influence the Company's projects. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Corporation's policies, procedures and practices at all levels.

ASSESSMENTS

The Board has not implemented a formal process for assessing its effectiveness. As a result of the Company's size, its stage of development and the limited number of individuals on the Board, the Board considers a formal assessment process to be inappropriate at this time. The Board plans to continue evaluating its own effectiveness on an ad hoc and informal basis.

The Board does not formally assess the performance or contribution of individual Board members or committee members.

DIRECTOR TERM LIMITS

The Board believes that issues relating to Board effectiveness, Board renewal and Board succession planning are best addressed by a strong Chairperson, a thoughtful governance committee and independent-thinking Board members. The Board is responsible for recommending to shareholders from time to time candidates for election to the Board that together contribute the right mix of skills and expertise to the Board. To assist in making those recommendations, the Board periodically conducts informal reviews of the effectiveness of the Board and individual Board members. When considering the composition of the Board, the Chairperson and the other members of the Board also take into consideration the skills of all Board members to ensure that the Board possesses the requisite experience, expertise and business and operational insight to effectively guide the Company.

The Company has not adopted term limits for the directors on its Board. The Board is concerned that imposing arbitrary and inflexible director term limits may result in the Company losing valued directors at a time when the Company most needs their skills, qualities and contributions, as well as their knowledge of the history and culture of the organization. Mandatory retirement ages pose the same risk and the Board does not want to risk the loss of key directors to retirement policies that seem unnecessarily arbitrary and inflexible when they force a high performing director off the Board. As a result, the Board does not feel that it would be appropriate to set term limits for its directors but rather relies on the experience of its members to determine when Board renewals, Board removals and Board additions are appropriate.

POLICIES REGARDING THE REPRESENTATION OF WOMEN ON THE BOARD

The Company does not have a written policy relating to the identification and nomination of women directors. All appointments to the Board are made on merit, in the context of the skills and experience the Board, as a whole, requires to be effective. When considering and recommending qualified director nominees, the Board takes the background and diversity (including gender) of all directors and nominees into consideration.

CONSIDERATION OF THE REPRESENTATION OF WOMEN IN THE DIRECTOR IDENTIFICATION AND SELECTION PROCESS

The Board thoroughly considers any new director nominees, including an evaluation of the skills and experience of the current directors, determining the gaps in skills and experience that exist and finding potential candidates to fill those gaps and round out the skills and experience of the Board as a whole. Diversity (including the representation of women on the Board and in executive officer positions) is a factor considered in determining the optimum composition of the Board. The final recommendation for nomination or appointment to the Board has been based on the best combination of skills and experience for the position, with due regard for the benefits of diversity on the Board.

CONSIDERATION GIVEN TO THE REPRESENTATION OF WOMEN IN EXECUTIVE OFFICER APPOINTMENTS

The Board encourages the consideration of women who have the necessary skills, knowledge, experience and character when considering new potential candidates for executive officer positions.

COMPANY'S TARGETS REGARDING THE REPRESENTATION OF WOMEN ON THE BOARD AND IN EXECUTIVE OFFICER POSITIONS

The Board does not have specific targets in respect of appointing women to the Board and in respect of executive officer appointments, as a result of its commitment to a principle-based selection process, as discussed above. However, the Board

does understand and appreciate the importance of gender equality and diversity and is committed to strengthening diversity when recruiting for a Board appointment or executive officer position.

NUMBER OF WOMEN ON THE BOARD AND IN EXECUTIVE OFFICER POSITIONS

As of the date of this Information Circular, there are currently nil women on the Board (0%), and one out of three executive officers is a woman.

ADDITIONAL INFORMATION

Additional information relating to the Company and its business activities including financial information provided in the Rio2 Annual Financial Statements and related MD&A for the most recently completed financial year is available on SEDAR at www.sedar.com and on the Company's website at www.rio2.com. Shareholders may contact the Company at 1 (604) 762-4720 to request copies of the Company's financial statements and MD&A free of charge. Following the Meeting, the voting results for each item on the proxy form will be available on SEDAR and on the Company's website.

OTHER MATTERS

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

APPROVED BY THE BOARD OF DIRECTORS

s/ "Alex Black"

Alex Black, Executive Chairman of the Board

APPENDIX "A"

RIO2 LIMITED

2023 STOCK OPTION PLAN

1. PURPOSE

The purpose of this stock option plan (the "**Plan**") of **Rio2 Limited** (the "**Corporation**"), a corporation incorporated under the *Business Corporations Act* (Ontario), is to advance the interests of the Corporation by encouraging the directors, officers, employees and consultants of the Corporation, and of its subsidiaries and affiliates, if any, to acquire common shares in the share capital of the Corporation (the "**Shares**"), thereby increasing their proprietary interest in the Corporation, encouraging them to remain associated with the Corporation and furnishing them with additional incentive in their efforts on behalf of the Corporation in the conduct of its affairs.

2. IMPLEMENTATION AND ANNUAL APPROVAL

The Plan shall be approved by the Board of Directors and shareholders of the Corporation at the time it is implemented. The Plan must also be approved annually by the shareholders of the Corporation at the Corporation's annual meeting of shareholders.

3. ADMINISTRATION

The Plan shall be administered by the Board of Directors of the Corporation or by a special committee of the directors appointed from time to time by the Board of Directors of the Corporation pursuant to rules of procedure fixed by the Board of Directors (such committee or, if no such committee is appointed, the Board of Directors of the Corporation, is hereinafter referred to as the "**Board**"). A majority of the Board shall constitute a quorum, and the acts of a majority of the directors present at any meeting at which a quorum is present, or acts unanimously approved in writing, shall be the acts of the Board.

Subject to the provisions of the Plan, the Board shall have authority to construe and interpret the Plan and all option agreements entered into hereunder (the "**Option Agreements**"), to define the terms used in the Plan and in all option agreements entered into hereunder, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations necessary or advisable for the administration of the Plan. All determinations and interpretations made by the Board shall be binding and conclusive on all participants in the Plan and on their legal personal representatives and beneficiaries.

Each option ("**Option**") to purchase a Share granted hereunder may be evidenced by an agreement in writing, signed on behalf of the Corporation and by the optionee, in such form as the Board shall approve. Each such agreement shall recite that it is subject to the provisions of this Plan.

Each Option granted by the Corporation prior to the date of the approval of the Plan by the shareholders of the Corporation, including Options granted under previously approved stock option plans of the Corporation, be and are continued under and shall be subject to the terms of the Plan after the Plan has been approved by the shareholders of the Corporation.

4. STOCK EXCHANGE RULES

All Options granted pursuant to this Plan shall be subject to rules and policies of any stock exchange or exchanges on which the Shares of the Corporation are then listed and any other regulatory body having jurisdiction hereinafter (hereinafter collectively referred to as, the "**Exchange**").

Capitalized terms in the Plan that are not otherwise defined herein shall have the meaning set out in the Policy 4.4 of the TSX Venture Exchange titled "Security Based Compensation", Policy 1.1 of the TSX Venture Exchange titled "Interpretation"

and any other policies set forth in the Corporate Finance Manual of the TSX Venture Exchange applicable to incentive stock options.

5. SHARES SUBJECT TO PLAN

Subject to adjustment as provided in Section 19 hereof, the Shares to be offered under the Plan shall consist of Shares of the Corporation's authorized but unissued Shares. The aggregate number of Shares issuable upon the exercise of all Options granted under the Plan and all such Security Based Compensation Plans shall not exceed 10% of the issued and outstanding Shares of the Corporation as at the date of grant or issuance of any Security Based Compensation under any of such Security Based Compensation Plans. If any Option granted hereunder is settled in cash, cancelled, terminated, expired, surrendered, or forfeited for any reason in accordance with the terms of the Plan without being exercised, the unpurchased Shares subject thereto shall again be available for the purpose of this Plan.

“**Security Based Compensation**” has the meaning ascribed to “security based compensation” in TSX Venture Exchange Policy 4.4 – *Security Based Compensation*, as amended from time to time.

“**Security Based Compensation Plan**” includes any Stock Option Plan, Deferred Share Unit Plan, Performance Share Unit Plan, Restricted Share Unit Plan, Stock Appreciation Right Plan, Stock Purchase Plan and/or any other compensation or incentive mechanism involving the issuance or potential issuance of securities of the Corporation from treasury to a Participant.

6. MAINTENANCE OF SUFFICIENT CAPITAL

The Corporation shall at all times during the term of the Plan reserve and keep available such numbers of Shares as will be sufficient to satisfy the requirements of the Plan.

7. ELIGIBILITY AND PARTICIPATION

Directors, officers, consultants, and employees of the Corporation or its subsidiaries, and employees of a person or company which provides management services to the Corporation or its subsidiaries (“**Management Company Employees**”) shall be eligible for selection to participate in the Plan (such persons hereinafter collectively referred to as “**Participants**”). Subject to compliance with applicable requirements of the Exchange, Participants may elect to hold Options granted to them in an incorporated entity wholly owned by them and such entity shall be bound by the Plan in the same manner as if the Options were held by the Participant.

Subject to the terms hereof, the Board shall determine to whom Options shall be granted, the terms and provisions of the respective Option agreements, the time or times at which such Options shall be granted and vested, and the number of Shares to be subject to each Option. No Option may be granted or issued unless the Option is allocated to a particular Participant. In the case of employees or consultants of the Corporation or Management Company Employees, the Option agreements to which they are party must contain a representation of the Corporation and Participant that such employee, consultant or Management Company Employee, as the case may be, is a *bona fide* employee, consultant or Management Company Employee of the Corporation or its subsidiaries.

A Participant who has been granted an Option may, if such Participant is otherwise eligible, and if permitted under the policies of the Exchange and terms hereof, be granted additional Options if the Board so determines.

8. EXERCISE PRICE

- (a) Options may be exercised at a price that shall be fixed by the Board at the time that the Option is granted (the “**Exercise Price**”). No Option shall be granted with an Exercise Price at a discount to the market price. The market price shall be the closing price of the Shares on the Exchange on the first day preceding the date of grant on which at least one board lot of Shares traded.

- (b) Once the Exercise Price has been determined by the Board, accepted by the Exchange and the Option has been granted, the exercise price of an Option may be reduced upon receipt of Board approval, provided that in the case of Options held by Insiders (as defined in the policies of the Exchange) of the Corporation, the Exercise Price of an Option may be reduced only if disinterested shareholder approval is obtained.

9. NUMBER OF OPTIONED SHARES

- (a) The aggregate number of Shares issuable upon the exercise of all Options granted under the Plan shall not exceed 10% of the issued and outstanding Shares of the Corporation from time to time, less the aggregate number of Shares reserved for issuance under any other Security Based Compensation Plan (unless the Corporation has obtained the requisite disinterested shareholder approval), subject to the following additional limitations:
 - (i) the aggregate number of Shares issuable pursuant to all Security Based Compensation granted to any one Participant (and companies wholly owned by that Participant) in a twelve (12) month period must not exceed 5% of the issued and outstanding Shares, calculated on the date the Security Based Compensation is granted or issued to the Participant (unless the Corporation has obtained the requisite disinterested shareholder approval);
 - (ii) the maximum number of Shares reserved for issuance pursuant to all Security Based Compensation granted to Insiders (as a group) must not exceed 10% of the issued and outstanding Shares at any point in time (unless the Corporation has obtained the requisite disinterested shareholder approval);
 - (iii) the grant to Insiders (as a group), within a twelve (12) month period, of an aggregate number of Security Based Compensation must not exceed 10% of the issued and outstanding Shares, calculated as at the date the Security Based Compensation is granted or issued to any Insider (unless the Corporation has obtained the requisite disinterested shareholder approval);
 - (iv) the aggregate number of Security Based Compensation granted to any one Consultant, within a twelve (12) month period, must not exceed 2% of the issued and outstanding Shares, calculated as at the date the Security Based Compensation is granted or issued to the Consultant; and
 - (v) the aggregate number of Options granted to all persons employed to provide investor relation activities shall not exceed 2% of the issued and outstanding Shares of the Corporation in any twelve (12) month period, calculated as at the date an Option is granted or issued to any such person. Options granted to persons retained to perform investor relations activities will contain vesting provisions such that vesting occurs over at least 12 months with no more than 1/4 of the options vesting in any 3 month period.
- (b) The number of Shares subject to an Option granted to any one Participant shall be determined by the Board, but no one Participant shall be granted an Option which exceeds the maximum number permitted by the Exchange.
- (c) All eligible persons performing investor relations activities may not receive any Security Based Compensation other than stock options.

10. DURATION OF OPTION

Each Option and all rights thereunder shall be expressed to expire on the date set out in the Option Agreement and shall be subject to earlier termination as provided in Sections 15 and 16, provided that in no circumstances shall the duration of

an Option exceed the maximum term permitted by the Exchange. For greater certainty, if the Corporation is listed on the TSX Venture Exchange, the maximum term may not exceed ten (10) years from the date of grant (subject to extension where the expiry date falls within a Black Out Period, as defined herein).

Should the expiry date of an Option fall within a Black Out Period, such expiry date of the Option shall be automatically extended without any further act or formality to that date which is the tenth (10th) business day after the expiry of the Black Out Period, such tenth (10th) business day to be considered the expiry date for such Option for all purposes under the Plan. The ten (10) business day period referred to in this paragraph may not be extended by the Board. Notwithstanding anything to the contrary in this Plan, the automatic extension of a Participant's Option is not permitted where the Participant or the Corporation is subject to a cease trade order (or similar order under securities laws) in respect of the Corporation's securities.

"Black Out Period" means the period during which the relevant Participant is prohibited from exercising an Option due to trading restrictions imposed by the Corporation pursuant to any internal trading policy of the Corporation as a result of the *bona fide* existence of undisclosed material information. The internal trading policy of the Corporation is in respect of a restriction on trading that is in effect at that time or a notice in writing to a Participant by a senior officer or director of the Corporation. The Black Out Period shall expire following the general disclosure of the undisclosed material information.

11. HOLD PERIOD

All Options are subject to Exchange hold periods where applicable. A 4-month hold period (commencing on the date the Options are granted) is required for Options granted to:

- (a) directors, officers and promoters of the Corporation;
- (b) Consultants (as defined in TSX Venture Exchange *Policy 4.4 – Security Based Compensation*) of the Corporation;
- (c) Persons holding securities carrying more than 10% of the voting rights attached to the Corporation's securities both immediately before and after the transaction in which securities are issued, and who have elected or appointed or have the right to elect or appoint one or more directors or senior officers of the Corporation;
- (d) Options granted by the Corporation to a Participant with an exercise price that is less than the applicable market price; or
- (e) securities issued at a price or deemed price that is less than \$0.05.

12. OPTION TERM, CONSIDERATION AND PAYMENT

- (a) The term for any Option shall be a period of time fixed by the Board not to exceed the maximum term permitted by the Exchange, provided that the Option term shall be reduced with respect to any Option as provided in Sections 15 and 16 covering cessation as a director, officer, consultant, employee or Management Company Employee of the Corporation or its subsidiaries, or death of the Participant.
- (b) Subject to any vesting restrictions imposed by the Exchange, the Board may, in its sole discretion, determine the time during which Options shall vest and the method of vesting, or that no vesting restriction shall exist.
- (c) Acceleration of vesting is permitted in connection with Participant's death or where Participant ceases to be an eligible Participant in connection with a change of control, take-over bid, reverse take-over or other similar transaction. There shall be no acceleration of the vesting provisions to Options issued to persons employed to provide investor relation activities without prior Exchange acceptance.
- (d) Subject to any vesting restrictions imposed by the Board, Options may be exercised in whole or in part at

any time and from time to time during the Option term. To the extent required by the Exchange, no Options may be exercised under this Plan until this Plan has been approved by a resolution duly passed by the shareholders of the Corporation.

- (e) Except as set forth in Sections 15 and 16, no Option may be exercised unless the Participant is at the time of such exercise, a director, officer, consultant, or employee of the Corporation or any of its subsidiaries, or a Management Company Employee of the Corporation or any of its subsidiaries.
- (f) The exercise of any Option will be contingent upon receipt by the Corporation at its head office of a written notice of exercise ("**Option Exercise Notice**"), specifying the number of Shares with respect to which the Option is being exercised, accompanied by cash payment, certified cheque, wire transfer or bank draft for the full purchase price of such Shares with respect to which the Option is exercised (subject to Section 21(a)). No Participant or his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any Shares of the Corporation unless and until the certificates for Shares issuable pursuant to Options under the Plan are issued to him or them under the terms of the Plan.

13. CASHLESS EXERCISE

Without limiting the foregoing section 12(f), unless otherwise determined by the Board or not compliant with any applicable laws or rules of any applicable securities exchange or market, a Participant may elect cashless exercise in its Option Exercise Notice. In such case, the Participant will not be required to deliver to the Corporation a cheque or other form of payment for the aggregate Exercise Price referred to above. Instead the following provisions will apply:

- (a) The Participant will instruct a broker selected by the Corporation to sell through the stock exchange or market on which the Shares are listed or quoted, sufficient number of Shares issuable on the exercise of Options to cover the Exercise Price, as soon as possible upon the issue of such Shares to the Participant at the then applicable bid price of the Shares.
- (b) Before the relevant trade date, the Participant will deliver the Option Exercise Notice including details of the trades to the Corporation electing the cashless exercise and the Corporation will direct its registrar and transfer agent to issue a certificate for such Participant's Shares in the name of the broker (or as the broker may otherwise direct) for the number of Shares issued on the exercise of the Options, against payment by the broker to the Corporation of (i) the Exercise Price for such Shares; and (ii) the amount the Corporation determines, in its discretion, is required to satisfy the Corporation withholding tax and source deduction remittance obligations in respect of the exercise of the Options and issuance of Shares.

14. NET EXERCISE

Subject to prior approval by the Board, a Participant may elect to surrender for cancellation to the Corporation any vested Options being exercised and the Corporation will issue to the Participant, as consideration for the surrender of such Options, that number of Shares (rounded down to the nearest whole Share) on a net issuance basis in accordance with the following formula below:

$$X = \frac{Y(A - B)}{A}$$

where:

- X = The number of Shares to be issued to the Participant in consideration for the net exercise of the Options under this Section 14;
- Y = The number of vested Options with respect to the vested portion of the Option to be surrendered for cancellation;

A = The volume weighted average trading price of the Shares on the Exchange calculated by dividing the total value by the total volume of such securities trade for the five trading days immediately preceding the exercise of the subject Option; and

B = The Exercise Price for such Options.

Persons employed to provide investor relation activities shall not use the Net Exercise provisions as defined in this Section 14 to exercise Options. In the event of a Net Exercise, the number of Options exercised, surrendered, or converted, and not the number of Shares actually issued by the Corporation, must be included in calculating the limits set forth in Sections 5 and 9 of the Plan.

15. CEASING TO BE A DIRECTOR, OFFICER, CONSULTANT OR EMPLOYEE

- (a) If a Participant shall cease to be a director, officer, consultant, employee of the Corporation, or its subsidiaries, or ceases to be a Management Company Employee, for any reason (other than for cause or by reason of death), such Participant may exercise his Option to the extent that the Participant was entitled to exercise it at the date of such cessation, provided that such exercise must occur within one (1) year after the Participant ceases to be a director, officer, consultant, employee or a Management Company Employee, unless such Participant was engaged in investor relations activities, in which case such exercise must occur within thirty (30) days after the cessation of the Participant's services to the Corporation.
- (b) If a Participant shall cease to be a director, officer, consultant, employee of the Corporation, or its subsidiaries, or ceases to be a Management Company Employee for cause, any granted but unexercised Options shall terminate and become null and void immediately.
- (c) Nothing contained in the Plan, nor in any Option granted pursuant to the Plan, shall as such confer upon any Participant any right with respect to continuance as a director, officer, consultant, employee or Management Company Employee of the Corporation or of any of its subsidiaries or affiliates, if any.

16. DEATH OF PARTICIPANT

Notwithstanding Section 12, in the event of the death of a Participant, all unexpired Options previously granted to him shall be exercisable only within one (1) year after such death and then only:

- (a) by the person or persons to whom the Participant's rights under the Option shall pass by the Participant's will or the laws of descent and distribution; and
- (b) if and to the extent that such Participant was entitled to exercise the Option at the date of his death.

17. RIGHTS OF PARTICIPANT

No person entitled to exercise any Option granted under the Plan shall have any of the rights or privileges of a shareholder of the Corporation in respect of any Shares issuable upon exercise of such Option until certificates representing such Shares shall have been issued and delivered.

18. PROCEEDS FROM SALE OF SHARES

The proceeds from the sale of Shares issued upon the exercise of Options shall be added to the general funds of the Corporation and shall thereafter be used from time to time for such corporate purposes as the Board may determine.

19. ADJUSTMENTS

If the outstanding Shares of the Corporation are increased, decreased, changed into or exchanged for a different number or kind of shares or securities of the Corporation or another company or entity through re-organization, merger, re-capitalization, re-classification, stock dividend, subdivision or consolidation, or any adjustment relating to the Shares optioned or issued on exercise of Options, or the exercise price per share as set forth in the respective Option agreements, shall be adjusted by the Board, in its sole and absolute discretion, under this Section, provided that a Participant shall be thereafter entitled to receive the amount of securities or property (including cash) to which such Participant would have been entitled to receive as a result of such reorganization if, on the effective date thereof, he had been the holder of the number of Shares to which he was entitled upon exercise of his Option(s).

Adjustments under this Section shall be made by the Board whose determination as to what adjustments shall be made, and the extent thereof, shall be final, binding and conclusive. No fractional Share shall be required to be issued under the Plan on any such adjustment.

Any adjustment, other than in connection with a consolidation or split, to Security Based Compensation granted or issued under a Security Based Compensation Plan of the Corporation is subject to prior acceptance of the Exchange, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

20. TAKEOVER BID

If a bona fide offer (the “**Offer**”) for Shares is made to the Shareholders generally, and which is in the nature of a “take-over bid” within the meaning of the *Securities Act* (Ontario), then the Corporation shall, immediately upon receipt of notice of the Offer, notify each Participant currently holding an Option of the Offer, with full particulars thereof, whereupon, notwithstanding the applicability, if any, of Section 12 hereof, such Option may be exercised in whole or in part by the Participant immediately prior to the expiry time of the Offer so as to permit the Participant to tender the Shares received upon such exercise (the “**Optioned Shares**”) pursuant to the Offer if:

- (a) the Offer is withdrawn by the offeror; or the Offer is unsuccessful; or
- (b) the Participant does not tender the Optioned Shares pursuant to the Offer; or
- (c) all of the Optioned Shares tendered by the Participant pursuant to the Offer are not taken up and paid for by the offeror in respect thereof.

then the Optioned Shares or, in the case of subsection (c) above, the Optioned Shares that are not taken up and paid for, shall be returned by the Participant to the Corporation and reinstated as authorized by unissued Shares and the terms of the Option as set forth in Section 12, if applicable, shall again apply to the Option. If any Optioned Shares are returned to the Corporation under this Section, the Corporation shall also refund the exercise price to the Participant for such Optioned Shares. In no event shall the Participant be entitled to sell the Optioned Shares otherwise than pursuant to the Offer. There shall be no acceleration of the vesting provisions to Options issued to persons employed to provide investor relation activities without prior Exchange acceptance.

21. CHANGE OF CONTROL

If there is a Change of Control (as defined herein) in the Corporation, the Board, in its sole discretion, may declare that all unexercised, unvested and outstanding Options granted under the Plan vest and are immediately exercisable prior to the effective time of the Change of Control in respect of any and all Shares for which the Participant has not exercised the Option. In addition, the Board, in its sole discretion, may determine whether such Options may be exercisable for a limited period of time only and, if so, the Board will determine such period of time and such determinations or limitations, once made or set, are deemed to be incorporated into the applicable Option Agreement(s). There shall be no acceleration of the vesting provisions to Options issued to persons employed to provide investor relation activities without prior Exchange acceptance.

For the purposes of this section, "**Change of Control**" means:

- (a) the issuance to or acquisition by any person, or group of persons acting in concert, of directly, or indirectly, including through an arrangement, merger or other form of reorganization of the Corporation, of the Corporation's Shares which in the aggregate total 50% or more of the then issued and outstanding Shares;
- (b) the election at a meeting of the Corporation's shareholders of a number of directors of the Corporation who were not included in the slate for election as directors proposed to the Corporation shareholders by the Corporation's prior Board, and would represent a majority of the Board;
- (c) the appointment of a number of directors which would represent a majority of the Board and which were nominated by any holder of Shares or by any group of holders of Shares acting jointly or in concert and not approved by the Corporation's prior Board;
- (d) the winding up or termination of the Corporation or the sale, lease or transfer of all or substantially all of the directly or indirectly held assets of the Corporation to any other person or persons (other than pursuant to an internal reorganization or in circumstances where the business of the Corporation is continued,

provided that notwithstanding the application of any of the foregoing, a "Change of Control" shall be deemed to not have occurred:

- (a) pursuant to an arrangement, merger or other form of reorganization of the Corporation where the holders of the outstanding voting securities or interests of the Corporation immediately prior to the completion of the reorganization will hold more than 50% of the outstanding voting securities or interests of the continuing entity upon completion of the reorganization; or
- (b) if a majority of the Board determines that in substance an arrangement, merger or reorganization has not occurred or the circumstances are such that a Change of Control should be deemed to not have occurred and any such determination shall be binding and conclusive for all purposes of the Plan.

22. TRANSFERABILITY

All benefits, rights and Options accruing to any Participant in accordance with the terms and conditions of the Plan shall not be transferable or assignable unless specifically provided herein or the extent, if any, permitted by the Exchange. During the lifetime of a Participant, any benefits, rights and Options may only be exercised by the Participant.

23. WITHHOLDING TAXES

The Corporation shall have the authority to take steps for the deduction and withholding, or for the advance payment or reimbursement by the optionee to the Corporation, of any taxes or other required source deductions which the Corporation is required by law or regulation of any governmental authority whatsoever to remit in connection with this Plan, or any issuance of Shares. Without limiting the generality of the foregoing, the Corporation may, in its sole discretion:

- (a) deduct and withhold additional amounts from other amounts payable to a optionee;
- (b) require, as a condition of the issuance of Shares to an optionee, that the optionee make a cash payment to the Corporation equal to the amount, in the Corporation's opinion, required to be withheld and remitted by the Corporation for the account of the optionee to the appropriate governmental authority and the Corporation, in its discretion, may withhold the issuance or delivery of Shares until the optionee makes such payment; or
- (c) sell, on behalf of the optionee, all or any portion of Shares otherwise deliverable to the optionee until the net proceeds of sale equal or exceed the amount which, in the Corporation's opinion, would satisfy any and all withholding taxes and other source deductions for the account of the optionee.

24. AMENDMENT AND TERMINATION OF PLAN

The Board may terminate or discontinue the Plan at any time without the consent of the Participants provided that such termination or discontinuance shall not alter or impair any Option previously granted under the Plan.

The Board may not amend this Plan or issuances of Options without prior Exchange acceptance and shareholder approval where applicable. For greater certainty, without limitation, amendments to any of the following provisions of the Plan will be subject to shareholder approval:

- (a) persons eligible to be granted or issued Options under the Plan;
- (b) the maximum number or percentage, as the case may be, of listed shares that may be issuable under the Plan;
- (c) the limits under the Plan on the amount of Options that may be granted or issued to any one person or any category of persons (such as, for example, Insiders);
- (d) the method for determining the exercise price of the Options;
- (e) the maximum term of the Options;
- (f) the expiry and termination provisions applicable to the Options, including the addition of a blackout period;
- (g) the addition of a Net Exercise provision; and
- (h) any method or formula for calculating prices, values or amounts under the Plan that may result in a benefit to a Participant, including but not limited to the formula for calculating the appreciation of a Stock Appreciation Right (as defined in the policies of the Exchange).

Notwithstanding the foregoing, the following types of amendments to the Plan are not subject to shareholder approval:

- (a) amendments to fix typographical errors; or
- (b) amendments to clarify existing provisions of the Plan which does not have the effect of altering the scope, nature and intent of such provisions.

Disinterested shareholder approval must be obtained for any reduction in the exercise price of an Option, or the extension of the term of an Option, if the Participant is an Insider of the Corporation at the time of the proposed amendment.

25. NECESSARY APPROVALS

The ability of a Participant to exercise Options and the obligation of the Corporation to issue and deliver Shares in accordance with the Plan is subject to any approvals which may be required from shareholders of the Corporation and any regulatory authority or stock exchange having jurisdiction over the securities of the Corporation. If any Shares cannot be issued to any Participant for whatever reason, the obligation of the Corporation to issue such Shares shall terminate and any Option exercise price paid to the Corporation will be returned to the Participant.

26. EFFECTIVE DATE OF PLAN

The Plan has been adopted by the Board of the Corporation subject to the approval of the Exchange and, if so approved, subject to the discretion of the Board, the Plan shall become effective upon such approvals being obtained.

27. GOVERNING LAW

This Plan will be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. Words in the singular shall include the plural and words in one gender shall include all genders.

All decisions and interpretations of the Board respecting the Plan or Options granted thereunder shall be conclusive and binding on the Corporation and the Participants and their respective legal personal representatives and on all directors, officers and employees eligible under the provisions of the Plan to participate therein.

APPENDIX "B"

AUDIT COMMITTEE CHARTER

Mandate

The primary function of the audit committee (the "Committee") is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements.
- Review and appraise the performance of the Company's external auditors.
- Provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

Composition

The Committee shall be comprised of three Directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Charter, the definition of "financially literate" is 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 shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

Meetings

The Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

Documents/Reports Review

- a) Review and update this Charter annually.
- b) Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly

financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

External Auditors

- a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company.
- b) Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
- c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- d) Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors.
- e) Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- f) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
 - the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
 - such services were not recognized by the Company at the time of the engagement to be non-audit services; and
 - such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

Financial Reporting Processes

- a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- b) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- d) Review significant judgments made by management in the preparation of the financial statements and the

view of the external auditors as to appropriateness of such judgments.

- e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- i) Review certification process.
- j) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Risk Management

1. To review, at least annually, and more frequently if necessary, the Company's policies for risk assessment and risk management (the identification, monitoring, and mitigation of risks).
2. To request the external auditor's opinion of management's assessment of significant risks facing the Company and how effectively they are being managed or controlled.
3. To assess the effectiveness of the over-all process for identifying principal business risks and report thereon to the Board.

Other

Review any related-party transactions.