



NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR

**FOR THE
2020 ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS
OF
RIO2 LIMITED**

**TO BE HELD ON
THURSDAY, JUNE 25, 2020**

Dated: May 15, 2020



*The Marine Building - 1260–355 Burrard Street
Vancouver, British Columbia
V6C 2G8*

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 May 13, 2020, the “**record date**” for its 2020 annual general and special meeting (the “**Meeting**”) of the Company to be held on June 25, 2020 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\$” or “\$” are to amounts in Canadian dollars and references to “US\$” 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 June 25, 2020 at 10:00 a.m. EST via live webcast at <https://web.lumiagm.com/241677835> for 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.

ATTENDING THE MEETING

shareholders and duly appointed proxyholders can attend the meeting online by going to <https://web.lumiagm.com/241677835>.

- Registered shareholders and duly appointed proxyholders can participate in the meeting by clicking “**I have a login**” and entering a Username and Password before the start of the meeting.
 - Registered shareholders - The 15-digit control number located on the form of proxy or in the email notification you received is the Username and the Password is “**rio2020**”.

- o Duly appointed proxyholders – Computershare will provide the proxyholder with a Username after the voting deadline has passed. The Password to the meeting is “rio2020”.
- 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 “I am a guest” and completing the online form.

shareholders who wish to appoint a third party proxyholder to represent them at the online meeting **must submit their proxy or voting instruction form (as applicable) prior to registering their proxyholder. Registering the proxyholder is an additional step once a shareholder has submitted their proxy/voting instruction form. Failure to register a duly appointed proxyholder will result in the proxyholder not receiving a Username to participate in the meeting.** To register a proxyholder, shareholders MUST visit <https://www.computershare.com/Rio2> by June 23, 2020 at 10:00 a.m. EST and provide Computershare with their proxyholder’s contact information, so that Computershare may provide the proxyholder with a Username via email.

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

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 10:00 a.m. EST on June 25th, 2020.

- Registered shareholders that have a 15-digit control number, along with duly appointed proxyholders who were assigned a Username 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://web.lumiagm.com/241677835> prior to the start of the meeting to login. Click on “I have a login” and enter your 15-digit control number or Username along with the password “rio2020”.
- Non-Registered shareholders (aka “beneficial holders”) who have not appointed themselves to vote at the meeting, may login as a guest, by clicking on “I am a Guest” and complete the online form.
- United States Non-Registered shareholders: 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 Annual General & Special 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 Annual General & Special 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 at uslegalproxy@computershare.com

Requests for registration must be labeled as “Legal Proxy” and be received no later than June 23, 2020 by 10:00 a.m. EST. You will receive a confirmation of your registration by email after we receive your

registration materials. You may attend the Annual General & Special Meeting and vote your shares at <https://web.lumiagm.com/241677835> during the meeting. Please note that you are required to register your appointment at www.computershare.com/Rio2

- Non-Registered shareholders who do not have a 15-digit control number or Username 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 using a 15-digit control number to login to the online meeting and you accept the terms and conditions, you will be revoking any and all previously submitted proxies. However, in such a case, you will be provided the opportunity to vote by ballot on the matters put forth at the meeting. If you **DO NOT** wish to revoke all previously submitted proxies, do not accept the terms and conditions, in which case you can only enter the meeting as a guest.
- 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 voted at the meeting, each Registered shareholder or proxyholder will be required to enter their control number or Username provided by Computershare at <https://web.lumiagm.com/241677835> 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 <https://www.computershare.com/Rio2> after submitting their voting instruction form in order to receive a Username (please see the information under the headings “Appointment of Proxies” below for details).

Only registered shareholders as of May 13, 2020 (the “Record Date”) or duly appointed proxyholders are permitted to vote at the Meeting. Shares represented by a properly executed proxy will be voted or be withheld from voting on each matter referred to in the Notice of Meeting in accordance with the instructions of the shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly. If a shareholder does not specify a choice and the shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting. The enclosed form of proxy also gives discretionary authority to the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting.

At the date of this Information Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting. If a registered shareholder who has a proxy attends the virtual Meeting and accepts the terms and conditions when entering the Meeting online, any votes cast by such shareholder on a ballot during the Meeting will be counted and the previously submitted proxy will be disregarded. If registered shareholders DO NOT wish to revoke all previously submitted proxies, they should not accept the terms and conditions, in which case such registered shareholders can only enter the Meeting as a guest.

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

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 a Username to participate in the meeting.** To register a proxyholder, shareholders MUST visit <https://www.computershare.com/Rio2> by June 23, 2020 at 10:00 a.m. EST and provide Computershare with their proxyholder's contact information, so that Computershare may provide the proxyholder with a Username 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 10:00 a.m. EST on June 23, 2020 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 A USERNAME, 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 registered and 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/noticandaccess 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 (877) 359-0906 Ext. 101 (toll-free within North America) or 1 (604) 260-2696 (if calling from outside North America). 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 Record Date and as of the date of this Information Circular there are **181,807,452** 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
2176423 Ontario (Eric Sprott) ⁽¹⁾	25,933,371	14.26% ⁽²⁾

⁽¹⁾ As reported on an Insider Report filed on August 13, 2019 with SEDI.

⁽²⁾ Percentage will be 21.19% upon exercise of 12,600,000 warrants held by the insider

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, 2019

Rio2's Audited Consolidated Financial Statements for the year ended December 31, 2019 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)

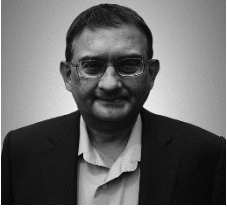
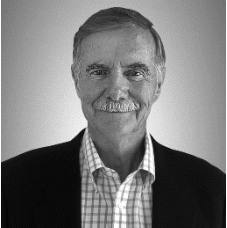
3. ELECTION OF DIRECTORS


The Board has nominated seven directors for re-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 Effective Date.

Name and Municipality of Residence	Position(s) Held and Period of Service	Principal Occupation	Number and Percentage of Common Shares Held or Controlled as at the Effective Date ⁽¹⁾⁽²⁾
 <p>Klaus Zeitler ⁽⁵⁾ West Vancouver, British Columbia, Canada</p>	<p>Chairman of the Rio2 Board since April 24, 2017</p> <p>Director of Rio2 since November 23, 2016</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 for many years, Dr. Zeitler joined Teck in 1997 as Senior Vice President and had</p>	<p>1,827,002⁽¹⁾ 1.00%⁽²⁾</p>

		<p>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>CEO, President and Director of Rio2 since November 23, 2016</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>15,157,221⁽¹⁾ 8.33%⁽²⁾</p>
<p>Alex Black Lima, Peru</p>			
	<p>Director of Rio2 since July 16, 2018 (Previously a director and officer of Atacama Pacific Gold Corporation)</p>	<p>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.</p> <p>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.</p> <p>Mr. Schneider received a Ph.D. (Geology) from Imperial College, University of London in 1985.</p>	<p>10,681,694⁽¹⁾ 5.87%⁽²⁾</p>
<p>Albrecht Schneider Santiago, Chile</p>			
	<p>Director of Rio2 since April 21, 2017</p>	<p>Mr. Robinson is currently a member of the board of directors of Amerigo Resources Ltd. and Chair of its Governance, Nominating and Compensation Committee. He 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 and of Inmet Mining Corporation. He has</p>	<p>133,340⁽¹⁾ 0.07%⁽²⁾</p>

<p>Sidney Robinson⁽³⁾ Ontario, Canada</p>		<p>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.</p>	
	<p>Director of Rio2 since April 21, 2017</p>	<p>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).</p>	<p>66,670⁽¹⁾ 0.03%⁽²⁾</p>
<p>Ram Ramachandran ⁽⁴⁾⁽⁶⁾ Aurora, Ontario, Canada</p>			
	<p>Director of Rio2 since April 21, 2017</p>	<p>Mr. Thomas has over 40 years' experience in the mining industry.</p> <p>Early in his career Mr. Thomas had assignments with Kennecott Copper Corporation, Bougainville Copper Limited, Amselco Minerals, Arimetco International and Auspac Resources in Australia. He also was a Vice President and Technical Director for Mellon Bank in Pittsburgh, PA, from 1989 to 1993.</p> <p>Mr. Thomas worked for 12 years for Southern Peru Copper Corporation, 1977-87 and 1997-99, based in Peru, where he served as Mine Manager, Area Manager, Chief Engineer and Vice President of Operations. From 2000 to 2001, Mr. Thomas was Vice President Technical Services for PT Freeport Indonesia. From 2002 to 2004, he worked as the Managing Director of Volta Aluminum Company in Ghana, which was owned by Kaiser Aluminum and Alcoa. During this time, he was also a Director of Anglesey Aluminum, a joint venture company of Kaiser Aluminum and Rio Tinto in Wales.</p> <p>From 2005 to 2014, Mr. Thomas worked on the team developing the Toromocho Copper Project in Peru, owned by Chinalco Mining Corporation International. As well as serving as an advisor and consultant to the company, he also held the position of Vice President, Operations and Executive Vice President and Chief Operating Officer.</p> <p>Mr. Thomas holds a BSc in Mining Engineering from the University of Utah, and an MSc in Mineral Resources Engineering from the University of Minnesota.</p>	<p>866,710⁽¹⁾ 0.47%⁽²⁾</p>
<p>David Thomas⁽³⁾⁽⁶⁾ Park City, Utah, USA</p>			

	<p>Director since May 28, 2019</p>	<p>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).</p> <p>Mr. Kistic holds a B.S. from Pontificia Universidad Católica del Perú and a Master's degree (B-Phil) from Oxford University.</p>	<p>85,838⁽¹⁾ 0.04%⁽²⁾</p>
<p>Drago Kistic Lima, Peru</p>			

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
- (2) Assumes a total of 181,807,452 Common Shares issued and outstanding as at the date of this Circular
- (3) Member of the Audit Committee
- (4) Chairman of the Audit Committee
- (5) Chairman of the Corporate Governance & Compensation Committee
- (6) Member of the Corporate Governance & Compensation Committee

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

5. RE-APPROVAL OF ROLLING STOCK OPTION PLAN,

Under the policies of the Exchange, a "rolling" stock option plan must be re-approved on a yearly basis by shareholders. Accordingly, the shareholders will be asked to pass an ordinary resolution approving the company's rolling stock option plan (the "Option Plan"), which was first approved by shareholders on July 16, 2018. Please see the ***Stock Options and Other Compensation Securities*** section appearing on page 16 of this document for more details. A copy of the full text of the Option Plan is available upon request to the Company.

Text of Ordinary Resolution to Approve the Plan

Management of the Company believes the re-approval of the Option Plan as described above is in the best interests of the Company and recommends that shareholders vote in favour of the ordinary resolution re-approving the Plan.

The shareholders at the Meeting will be asked to pass an ordinary resolution re-approving the Option Plan. All shareholders present at the Meeting, whether in person or by proxy, will be entitled to vote on the following resolution:

“BE IT RESOLVED THAT the Company's Stock Option Plan dated July 16, 2018, be and is hereby ratified, confirmed and approved with such additional provisions and amendments of a clerical or non-material nature, provided that such are not inconsistent with the Policies of the TSX Venture Exchange, as the directors of the Company may deem necessary or advisable.”

IN ORDER TO BE PASSED, A MAJORITY OF THE VOTES CAST AT THE MEETING OR IN PERSON OR BY PROXY MUST BE VOTED IN FAVOUR OF THE RESOLUTION. UNLESS SUCH AUTHORITY IS WITHHELD, THE PERSONS NAMED IN THE ENCLOSED PROXY INTEND TO VOTE FOR THE RE-APPROVAL OF THE PLAN

STATEMENT OF EXECUTIVE COMPENSATION

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) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;
- b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;
- c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5), for that financial year;
- d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year;

Based on the foregoing definition, during the last completed fiscal year of the Company, Rio2 had four NEO's:

- (1) Alexander Black, President and Chief Executive Officer since November 23, 2016
- (2) Kathryn Johnson, Executive Vice President, Chief Financial Officer and Corporate Secretary since June 1, 2017
- (3) Timothy Williams, Chief Operating Officer since March 1, 2017
- (4) Jose Luis Martinez, Executive Vice President and Chief Strategy Officer since March 1, 2017

NEO COMPENSATION

On April 24, 2017 a Corporate Governance & Compensation Committee (the “CGC Committee”) was appointed, Messrs. Klaus Zeitler, Ram Ramachandran, David Thomas were appointed as members.

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.

All Company NEOs provided consultancy services to the Company until July 2018 when the business combination with Atacama Pacific Gold Corporation was completed. In light of this business combination, the Company retained the services of an independent consulting firm, Lane Caputo Compensation Inc. (“**Lane Caputo**”) in June 2018 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.

The fees paid to all compensation consultants in the past two years are as follows:

	Name of Consulting Firm/Individual	Executive Compensation Study-Related Fees	All Other Fees
2019	N/A	Nil	Nil
2018	Lane Caputo	\$32,675	Nil

Lane Caputo advised the CGC Committee from June 2018 through August 2018. Lane Caputo provided information and advice in respect of executive compensation for the Company based on industry comparable companies and other relevant factors. After reviewing 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. Executive Compensation did not increase during the year ended December 31, 2019.

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 employment fees and long-term incentives granted through a Stock Option Plan and a Share Incentive Plan. The employment fees paid to officers of the Company are intended to provide fixed levels of competitive pay that reflect each officer’s primary duties and responsibilities and the level of skill and experience required to successfully perform their role. The Company intends to pay employment fees to officers that are competitive with those for similar positions in the same industry to attract and retain executive talent in the market in which the Company competes for talent. Officers’ employment fees are reviewed annually by the CGC Committee of the Board of Directors.

Rio2 did not suspend activities due to Covid-19 during the first quarter of 2020 consequently there has been no need to review the Company’s performance goals and adjust executive compensation.

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 Company's compensation policies and practices were last reviewed by the CGC Committee in August 2018. The Company intends to review at least once annually the risks, if any, associated with its 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.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth all annual and long-term compensation paid, payable, awarded, granted, given, or otherwise, provided, directly or indirectly, to each named executive officer (NEO) and director for each of the two most recently completed financial years for services in all capacities to the Company and its subsidiaries.

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Alexander Black, President, Chief Executive Officer & Director	2019	397,323	Nil	Nil	Nil	Nil	397,323
	2018	123,313	Nil	Nil	Nil	Nil	123,313
Kathryn Johnson, ⁽¹⁾ EVP - Chief Financial Officer and Corporate Secretary	2019	238,842	Nil	N/A	Nil	Nil	238,842
	2018	198,838	Nil	N/A	Nil	Nil	198,838

Timothy Williams, ⁽²⁾ EVP – Chief Operating Officer	2019	371,532	Nil	N/A	Nil	Nil	371,532
	2018	318,004	Nil	N/A	65,008	Nil	383,012
Jose Luis Martinez, ⁽³⁾ EVP & Chief Strategy Officer	2019	331,725	198,420 ⁽⁴⁾	N/A	Nil	Nil ⁽¹⁾	530,145
	2018	291,281	Nil	N/A	Nil	Nil	291,281
Klaus Zeitler, ⁽⁵⁾ Chairman of the Board of Directors	2019	Nil	Nil	25,000	Nil	Nil	25,000
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Daniel Kenney, ⁽⁶⁾ Former Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Ram Ramachandran, ⁽⁷⁾ ⁽⁹⁾ Director	2019	Nil	Nil	20,000	Nil	Nil	20,000
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Sidney Robinson, ⁽⁸⁾ Director	2019	Nil	Nil	14,500	Nil	Nil	14,500
	2018	Nil	Nil	Nil	Nil	Nil	Nil
David Thomas, ⁽⁸⁾ ⁽⁹⁾ Director	2019	Nil	Nil	14,500	Nil	Nil	14,500
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Drago Kusic ⁽¹⁰⁾ Directors	2019	Nil	Nil	14,500	Nil	Nil	14,500
	2018	N/A	N/A	N/A	N/A	N/A	Nil
Carl Hansen, ⁽¹¹⁾ Former CEO	2019	N/A	N/A	N/A	N/A	N/A	N/A
	2018	125,000	Nil	N/A	Nil	690,158 ⁽¹²⁾	815,158
Thomas Pladsen, ⁽¹³⁾ Former CFO	2019	N/A	N/A	N/A	N/A	N/A	N/A
	2018	112,500	Nil	N/A	Nil	677,658 ⁽¹⁴⁾	790,158
Albrecht Schneider, ⁽¹⁵⁾ Former Executive Chairman	2019	Nil	Nil	14,500	Nil	300,000 ⁽¹⁶⁾	314,500
	2018	125,000	Nil	N/A	Nil	687,500 ⁽¹⁷⁾	812,500

Notes:

⁽¹⁾ Kathryn Johnson was appointed EVP – Chief Financial Officer and Corporate Secretary on June 1, 2017

⁽²⁾ Tim Williams was appointed EVP & Chief Operating Officer on March 1, 2017

⁽³⁾ Jose Luis Martinez was appointed EVP & Chief Strategy Officer on March 1, 2017

⁽⁴⁾ Bonus awarded to the Executive for the successful completion of the 2019 Financings

⁽⁵⁾ Klaus Zeitler is the Chair of the Corporate Governance & Compensation Committee

⁽⁶⁾ Daniel Kenney did not stand for re-election at the 2019 Meeting of shareholders

⁽⁷⁾ Ram Ramachandran is the Chair of the Audit Committee

⁽⁸⁾ Member of the Audit Committee

⁽⁹⁾ Member of the Corporate Governance & Compensation Committee

⁽¹⁰⁾ Drago Kusic was appointed to the Board of Directors on May 28, 2019

⁽¹¹⁾ Carl Hansen was CEO of Atacama Pacific Gold Corporation, company that amalgamated with Rio2 via a plan of arrangement on July 24, 2018

⁽¹²⁾ Includes change of control payment of \$687,500

⁽¹³⁾ Thomas Pladsen was CFO of Atacama Pacific Gold Corporation, company that amalgamated with Rio2 via a plan of arrangement on July 24, 2018

⁽¹⁴⁾ Includes change of control payment of \$675,000

⁽¹⁵⁾ Albrecht Schneider was the Executive Chairman of Atacama Pacific Gold Corporation, company that amalgamated with Rio2 via a plan of arrangement on July 24, 2018

⁽¹⁶⁾ Monthly management fees to a company controlled by Albrecht Schneider

⁽¹⁷⁾ Includes change of control payment of \$687,500

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 Incentive 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 black-out period, such payment date shall be amended to the date that is three (3) business days following the date the black-out 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 Company's Incentive Stock Option Plan (the "Option Plan") is administered by the CGC Committee of the Board of Directors and it was last approved by shareholders on May 28, 2019. This is a "rolling plan" and as such it requires annual approval by shareholders. The Option Plan is governed by and construed in accordance with the laws of the Province of Ontario.

The aggregate number of shares issuable upon the exercise of all options granted under the Option Plan, when combined with the securities issuable under all other security based compensation arrangements, including the Share Plan, shall not exceed 10% of the issued and outstanding common shares of the Company from time to time. If any Option granted hereunder shall expire or terminate for any reason in accordance with the terms of the Option Plan without being exercised, the unpurchased Shares subject thereto shall again be available for the purpose of this Option Plan.

- a) The number of shares subject to options shall be determined the Board, but no one Participant shall be granted Options which exceed, in aggregate, the maximum number permitted by the TSX Venture Exchange.
- b) The aggregate number of Shares that may be issued pursuant to the exercise of Options awarded under the Option Plan and all other security based compensation arrangements of the Company is 10% of the issued and outstanding Shares from time to time, subject to the following additional limitations:
 - i. the aggregate number of Shares reserved for issuance to any one person under the Plan, together with all other share compensation arrangements of the Company, within a 12-month period, must not exceed 5% of the outstanding issue of Shares (on a non-diluted basis);
 - ii. the aggregate number of Shares reserved for issuance to any one Insider pursuant to the Plan, together with all other share compensation arrangements of the Company, must not exceed 5% of the outstanding issue of Shares;
 - iii. the aggregate number of Shares issued to Insiders pursuant to the Option Plan, together with all other share compensation arrangements of the Company, within a 12-month period, must not exceed 10% of the outstanding issue of Shares; and
 - iv. the aggregate number of Shares reserved for issuance to Insiders pursuant to the Option Plan, together with all other share compensation arrangements, at any time, must not exceed 10% of the issue of Shares;

Subject to Exchange Policies and any limitations imposed by any other regulatory authority having jurisdiction over the Company, the exercise price of an Option granted under the Option Plan shall be as determined by the Board of Directors when such Option is granted and shall be an amount at least equal to the Discounted Market Price of the Common Shares. In the event that the Company proposes to reduce the exercise price of Options granted to an Optionee who is an Insider of the Company at the time of the proposed amendment, such amendment shall not be effective until disinterested shareholder approval has been obtained in respect of the reduction of the exercise price, if required by the rules and policies of the Exchange then in effect.

The Option Plan also includes a black out provision. Pursuant to the policies of the Company respecting restrictions on trading, there are a number of periods each year during which directors, officers and certain employees are precluded from trading in the Company's securities. These periods are referred to as "blackout periods". A black out period is designed to prevent a person from trading while in possession of material information that is not yet available to other shareholders. The regulatory authorities recognize these blackout periods might result in an unintended penalty to employees who are prohibited from exercising their Options during that period because of their company's internal trading policies. As a result, certain regulatory authorities have provided a framework for extending Options that would otherwise expire during a black out period. The Option Plan includes a provision that should an Option expiration date fall within a black out period or immediately following a black out period, the expiration date will automatically be extended for 10 business days following the end of the blackout period.

The maximum length of any Option shall be ten (10) years from the date the Option is granted. Notwithstanding the above, a participant's Options will expire one (1) year after a participant ceases to act for the Company, other than for cause or by reason of death. Options of a participant that provides investor relations activities will expire 30 days after the cessation of the participant's services to the Company. In the event of the death of a participant, the participant's estate shall have twelve (12) months in which to exercise the outstanding Options. If a participant ceases to be a director, officer, employee of, or consultant to, the Company for cause, any granted but unexercised Options shall terminate and become null and void immediately. The Options are not assignable, other than by reason of death.

If the number of outstanding Common Shares are increased, decreased, changed into or exchanged for a different number or kind of shares or securities of the Company or another company or entity through a reorganization, amalgamation, arrangement, merger, re-capitalization, re-classification, stock dividend, subdivision, consolidation or similar transaction, or in case of any transfer of all or substantially all of the assets or undertaking of the Company to another entity (any of which being, a "Reorganization"), any adjustments relating to the Common Shares subject to Options or issued on exercise of Options and the exercise price per Common Share shall be adjusted by the Board of Directors, in its sole and absolute discretion, 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 Common Shares to which he was entitled upon exercise of his Option(s). The Option Plan provides for cashless exercise but does not provide for any financial assistance from the Company to facilitate the exercise of Options.

Under the rules and policies of certain stock exchanges, an option plan should have proper amendment provisions which specifies whether shareholder approval is required for a type of amendment and such amendment procedure must be approved by shareholders. The amendment provisions of the Option Plan allow the Board of Directors to terminate or discontinue the Option Plan at any time without the consent of the option holders provided that such termination or discontinuance shall not result in a material adverse change to the terms of any Options granted under the Option Plan. The Board of Directors may not amend the Option Plan and any Options granted under it without further shareholder approval, to the extent that such amendments relate to among other things:

- a. reducing the exercise price of an Option;
- b. canceling any Options previously granted and re-issuing such Options;
- c. extending the original expiry date of an Option;
- d. amending the limitations on the maximum number of Common Shares reserved or issued to Insiders;
- e. amending the limitations on the maximum number of Shares reserved or issued to Non-Management Directors;
- f. increasing the maximum number of Options issuable pursuant to the Option Plan;

- g. making any amendment to the Option Plan that would permit a optionee to transfer or assign Options to a new beneficial holder other than in the case of death of the optionee; or
- h. amend the amendment provisions of the Option Plan.

In the cases of a, b, c, and d above, the votes attached to Common Shares held directly or indirectly by Insiders benefiting from the amendments will be excluded. The foregoing amendments to the Option Plan are subject to disinterested shareholder approval.

The principal objectives of the Company's Option Plan are:

- a. to provide incentive compensation to directors, officers, employees and consultants of the Company and its subsidiaries
- b. to assist the Company and its subsidiaries in attracting, motivating and retaining qualified directors, management personnel and consultants.
- c. to provide additional incentive for participants' efforts to promote the growth and success of the business of the Company.

The full text of the Option Plan is available on the Company's profile with SEDAR and a copy can be obtained by contacting the Company.

Share-Based Awards and Option-Based Awards

The NEOs and directors received stock options during the reported period.

The following table sets out all compensation securities granted or issued to each NEO and director by the Company for services provided or to be provided, directly or indirectly, in the year ended December 31, 2019.

TABLE OF COMPENSATION SECURITIES								
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class		Date of issue or grant	Issue, Conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
Alex Black President & CEO	Restricted Share Units ⁽¹⁾	150,000	48% ⁽²⁾	Sep 9, 2019	N/A	\$0.49	\$0.40	Sep 9, 2022
	Stock Options ⁽³⁾	500,000	3.61% ⁽⁴⁾	Sep 9, 2019	\$0.55	\$0.49	\$0.40	Sep 9, 2024
Kathryn Johnson, EVP – CFO and Corporate Secretary	Stock Options ⁽³⁾	300,000	2.17% ⁽⁴⁾	Sep 9, 2019	\$0.55	\$0.49	\$0.40	Sep 9, 2024
	Common Shares ⁽⁵⁾	88,892	0.04% ⁽⁶⁾	Dec 11, 2019	N/A	\$0.37	\$0.40	N/A
Jose Luis Martinez, EVP & Chief Strategy Officer	Stock Options ⁽³⁾	1,500,000	10.84% ⁽⁴⁾	Sep 9, 2019	\$0.55	\$0.49	\$0.40	Sep 9, 2024
	Common Shares ⁽⁵⁾	133,336	0.07% ⁽⁶⁾	Dec 11, 2019	N/A	\$0.37	\$0.40	N/A
Timothy Williams EVP & COO	Stock Options ⁽³⁾	300,000	2.17% ⁽⁴⁾	Sep 9, 2019	\$0.55	\$0.49	\$0.40	Sep 9, 2024
	Common Shares ⁽⁵⁾	88,892	0.04% ⁽⁶⁾	Dec 11, 2019	N/A	\$0.37	\$0.40	N/A
Klaus Zeitler, Chairman of the Board of Director	Stock Options ^{(3) (4)}	200,000	1.45% ⁽⁴⁾	Sep 9, 2019	\$0.55	\$0.49	\$0.40	Sep 9, 2024
	Common Shares ⁽⁵⁾	26,666	0.01% ⁽⁶⁾	Dec 11, 2019	N/A	\$0.37	\$0.40	N/A
Daniel Kenney, Former Director	Stock Options ⁽³⁾	50,000	0.36% ⁽⁴⁾	Sep 9, 2019	\$0.55	\$0.49	\$0.40	Sep 9, 2024
	Common Shares ⁽⁵⁾	44,446	0.02% ⁽⁶⁾	Dec 11, 2019	N/A	\$0.37	\$0.40	N/A

Ram Ramachandran, Director	Stock Options ⁽³⁾	200,000	1.44% ⁽⁴⁾	Sep 9, 2019	\$0.55	\$0.49	\$0.40	Sep 9, 2024
Sidney Robinson, Director	Stock Options ⁽³⁾	200,000	1.44% ⁽⁴⁾	Sep 9, 2019	\$0.55	\$0.49	\$0.40	Sep 9, 2024
David Thomas, Director	Stock Options ⁽³⁾	200,000	1.44% ⁽⁴⁾	Sep 9, 2019	\$0.55	\$0.49	\$0.40	Sep 9, 2024
Albrecht Schneider Director	Stock Options ⁽³⁾	200,000	1.44% ⁽⁴⁾	Sep 9, 2019	\$0.55	\$0.49	\$0.40	Sep 9, 2024
Drago Kisic Director	Stock Options ⁽³⁾	200,000	1.44% ⁽⁴⁾	Sep 9, 2019	\$0.55	\$0.49	\$0.40	Sep 9, 2024

NOTES:

- (1) Restricted Share Units for which the value of the notional Common Shares underlying the award are determined by the Board of Directors
- (2) Percentage of Restricted Share Units outstanding as at December 31, 2019
- (3) Stock Options vest on the first, second and third anniversary of grant
- (4) Percentage of stock options outstanding as at December 31, 2019
- (5) Common Shares issued pursuant to settlement of vested Restricted Share Units
- (6) Percentage of common shares outstanding as at December 31, 2019

Exercise of Stock Options

During the financial year ended December 31, 2019 no NEOs or directors of the Company exercised stock options.

Employment, Consulting and Management Agreements

As of the date of this Information Circular, the Company has employment agreements with Ms. Johnson and with Messrs. Black, Williams and Martinez that include compensation in the form of salary, bonuses, and share awards as well as the payment of benefits in the event of termination of employment or change of control of the Company.

Alex Black, 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 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. If the Company terminates his employment agreement without cause, Mr. Black will be entitled to all unpaid base salary, accrued vacation, and any accrued but unpaid incentive bonuses. Additionally, he will receive a retiring allowance equal to 1.5 months of base salary for every complete year of employment with the Company based on a start date of September 1, 2018. He will also be entitled to continue in the Company's group health insurance plan for six months.

If 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 the annual incentive bonus (if such bonus target amount has been set by the Board), and the immediate vesting of all unvested securities granted to him under the Share Incentive and Stock Option Plans.

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 has an indefinite term, provides for an annual salary of US\$180,000 and entitles Ms. Johnson to participate in the Company's group health insurance plan. 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. If the Company terminates her employment agreement without cause, Ms. Johnson will be entitled to all unpaid base salary, accrued vacation, and any accrued but unpaid incentive bonuses. Additionally, she will

receive a retiring allowance equal to sum of 6 months plus 2 months of base salary for every complete year of employment with the Company based on a start date of August 1, 2018 to a maximum of 24 months. If an annual incentive bonus target has been set by the Board for Ms. Johnson, an amount equal to her 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. She will also be entitled to continue in the Company's group health insurance plan for six months.

If within six 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.

Prior to August 1, 2018, Ms. Johnson, was compensated at a rate of \$1,000 United States Dollars ("USD") per day, with fees payable monthly.

Timothy Williams, EVP & COO

The Company entered into an employment agreement with Mr. Williams on September 19, 2018 with an effective date of August 1, 2018. The agreement has an indefinite term, provides for an annual salary of US\$280,000 and entitles Mr. Williams to participate in the Company's group health insurance plan. Mr. Williams 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. Williams. If the Company terminates his employment agreement without cause, Mr. Williams will be entitled to all unpaid base salary, accrued vacation, and any accrued but unpaid incentive bonuses. Additionally, he will receive a retiring allowance equal to sum of 6 months plus 2 months of base salary for every complete year of employment with the Company based on a start date of August 1, 2018 to a maximum of 24 months. If an annual incentive bonus target has been set by the Board for Mr. Williams, an amount equal to his 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. He will also be entitled to continue in the Company's group health insurance plan for six months.

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

Prior to August 1, 2018, Mr. Williams was compensated at a rate of \$220,000 United States Dollars ("USD") per annum, with fees payable monthly.

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 has an indefinite term, provides for an annual salary of US\$250,000 and entitles Mr. Martinez to participate in the Company's group health insurance plan. Mr. Martinez 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. Martinez. If the Company terminates his employment agreement without cause, Mr. Martinez will be entitled to all unpaid base salary, accrued vacation, and any accrued but unpaid incentive bonuses. Additionally, he will receive a retiring allowance equal to sum of 6 months plus 2 months of base salary for every complete year of employment with the Company, based on a start date of August 1, 2018 to a maximum of 24 months. If an annual incentive bonus target has been set by the Board for Mr. Martinez, an amount equal to his 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 the him. He will also be entitled to continue in the Company's group health insurance plan for six months.

If within six months of a change of control Mr. Martinez 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), and the immediate vesting of all unvested securities granted to him under the Share Incentive and Stock Option Plans.

Prior to August 1, 2018, Mr. Martinez was compensated at a rate of \$220,000 United States Dollars (“USD”) per annum, with fees payable monthly.

Austerity Measures

On January 1, 2019, Mr. Black requested that payment of his salary be curtailed until further notice in light of the decrease in funds available to the Company.

In the first quarter of 2019, and in spite of a successful capital raising which closed on March 13, 2019, the Company decided to take austerity measures in order to preserve cash. As a consequence, effective March 1, 2019 the cash component of Ms. Johnson’s, and Messrs. Williams’s and Martinez’s salary was decreased by 50%.

After the successful completion of a \$25 million financing on August 13, 2019, the Company paid the executives the monies outstanding due to the austerity measures and payment of full salaries, terms as disclosed above, resumed.

OVERSIGHT AND DESCRIPTION OF DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

Compensation of Directors

In the Board’s view, there is, and has been, no need for the Company to design or implement a formal compensation program for directors. While the Board considers to approve Option grants and Share Awards to directors under the Option Plan and the Share Incentive Plan from time to time, the Board does not employ a prescribed methodology when determining the grant or allocation of Options and Shares. Other than as discussed above, the Company does not offer any long-term incentive plans, compensation plans or any other such benefit programs for directors.

Compensation of NEOs

Compensation of NEOs is reviewed annually and determined by the CGC Committee of the Board. The level of compensation for NEOs is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources. A long and short term executive compensation structure was developed by the CGC Committee. This structure is comprised of both short-term compensation in the form of a base salary/fee and long-term ownership through the grant of stock options and Share Incentive Awards. This structure ensures that a significant portion of executive compensation (securities-based compensation) is both long term and “at risk” and, accordingly, is directly linked to the achievement of business results and the creation of long term shareholder value.

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

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth the Company’s compensation plans under which equity securities are authorized for issuance as at the end of the most recently completed financial year (December 31, 2019).

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	14,145,311 ⁽¹⁾	Stock options - \$0.82	3,997,817 ⁽²⁾
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total		Stock options - \$0.82	3,997,817

NOTES:

⁽¹⁾ Figure comprised of 13,833,074 stock options and 312,237 share incentive awards reserved for issuance under the Share and Option Plans

⁽²⁾ The number of Common Shares that are issuable at any time, under the Share Incentive Plan, or when combined with the Option Plan shall not exceed 10% of the total number of shares. At December 31, 2019 there were 181,431,278 shares issued and outstanding.

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. Please see the ***Director and Named Executive Officer Compensation, Excluding Compensation Securities*** section of this Information Circular for more details.

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

On September 28, 2018 the Company entered into an agreement with SBX Asesorias e Inversiones Limitada ("SBX") whereby SBX would provide mining consulting services in Chile to Rio2 for a monthly fee of \$25,000. Albrecht Schneider, a director of the Company is the principal of SBX. This agreement expires on July 31, 2020. Other than services provided to the Company by SBX, no management functions of the Company are performed to any substantial degree by a person other than the executive Officers or Directors of the Company. Please see the Employment, Consulting and Management Agreements section above for a summary of the management contracts 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 Schedule "A" 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) David Thomas

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.

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 Schedule "A" under the heading "*Audit Committee Charter - Responsibilities and Duties - External Auditors*".

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, 2017, 2018, and 2019 for audit and other fees are as follows:

Financial Year Ending	Audit Fees⁽¹⁾	Audited Related Fees⁽²⁾	Tax Fees	All Other Fees
2019	\$52,000	Nil	Nil	Nil
2018	\$65,500	\$11,021	Nil	Nil
2017	\$31,030	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 the fiscal year ended December 31, 2019, Audit-Related Fees include fees paid to the Company's auditors in respect of a review of the Q1 financial statements and of the Company's management information circular concerning the Atacama Transaction that closed on July 24, 2018

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 Schedule "A" 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 is an independent director under NI 58-101. Alexander Black, the President and Chief Executive Officer of the Company, is a member of management and as a result, he is not an independent director. A consulting firm providing consultancy services to one of the Company’s subsidiaries is controlled by Albrecht Schneider, as a result Mr. Schneider is not an independent director. At the Meeting, four additional individuals, being Sidney Robinson, Ram Ramachandran, David Thomas and Drago Kisic will be nominated for election as directors, all of whom are considered to be independent - see “*PARTICULARS OF MATTERS TO BE ACTED UPON – 3. ELECTION OF DIRECTORS*”. If all such nominees are elected at the Meeting, the Board will have a majority of 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
Ram Ramachandran	Purepoint Uranium Group Inc.
Sidney Robinson	Amerigo Resources Ltd.

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. In the year ended December 31, 2019 the following Board and Committee meetings were held: Two meetings of the Board of Directors; two meetings of the Audit Committee.

BOARD 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.

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.

ETHICAL BUSINESS CONDUCT

The Board has adopted a written code of Business Conduct and Ethics. The Board has 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 nominees are generally the result of recruitment efforts by current members of the Board including both formal and informal discussions among Board members and officers.

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.

The Chairman of the Board's annual retainer is \$40,000 per year. Board Members receive an annual retainer of \$27,000. Additional retainers of \$11,000 to the Chair of the Audit Committee and \$8,000 to the Chair of the Compensation Committee are paid. Meeting fees are \$1,000 per meeting.

OTHER BOARD COMMITTEES

The Company has no other committees than the Audit and the Corporate Governance and Compensation Committee.

ASSESSMENTS

The Board has not implemented a 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 basis.

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

ADDITIONAL INFORMATION

Additional information relating to the Company 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) 260-2696 to request copies of the Company's financial statements and MD&A.

Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year, which is filed on SEDAR's website at www.sedar.com and posted on the Company's website at www.rio2.com.

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, President & CEO

Schedule "A"

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.