

COMPASS GOLD CORPORATION

ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD JULY 23, 2024

NOTICE OF MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

June 14, 2024

COMPASS GOLD CORPORATION

330 Bay Street, Suite 1400, Toronto, Ontario M5H 2S8

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual and special meeting of the shareholders (the “**Meeting**”) of Compass Gold Corporation (the “**Corporation**”) will be held at the offices of Wildeboer Dellelce LLP, Suite 800, 365 Bay Street, Toronto, Ontario, on July 23, 2024, at 9:00 a.m. (Toronto time) for the following purposes:

1. to receive the audited financial statements of the Corporation for the financial year ended December 31, 2023, together with the report of the auditors thereon;
2. to elect the directors of the Corporation for the ensuing year;
3. to appoint Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, as auditors of the Corporation and to authorize the directors of the Corporation to fix the auditors’ remuneration;
4. to consider and, if deemed appropriate, to approve, with or without variation, an ordinary resolution to re-approve and confirm the Corporation’s 10% “rolling” stock option plan, the full text of which resolution is set out in the accompanying Management Information Circular of the Corporation under the heading “Business to be Transacted at the Meeting – Annual Approval of Stock Option Plan”; and
5. to transact such further or other business as may properly come before the Meeting or any adjournment or postponement thereof.

The nature of the business to be transacted at the Meeting is described in further detail in the accompanying Management Information Circular.

The Corporation has determined to deliver this notice of meeting and the accompanying Management Information Circular and form of proxy (collectively, the “**Meeting Materials**”) to shareholders by posting the Meeting Materials online at www.compassgoldcorp.com in accordance with the notice and access notification mailed to shareholders of the Corporation.

The Meeting Materials will be available online at www.compassgoldcorp.com as of June 21, 2024, and will remain on the website for one full year thereafter. The Meeting Materials will also be available under the Corporation’s profile on SEDAR+ at www.sedarplus.ca. All shareholders of the Corporation will receive a notice and access notification containing information on how to obtain electronic and paper copies of the Meeting Materials in advance of the Meeting. Shareholders may request to receive a paper copy of the Meeting Materials by mail, free of charge, as follows:

- If you are a registered shareholder with 15-digit control number, contact Computershare Investor Services Inc. at 1-866-962-0498, or Outside North America at 1 (514) 982-8716.
- If you are a non-registered shareholder with 16-digit control number, contact Broadridge Investor Communications Solutions at 1-877-907-7643, or Outside North America at 1 (303) 562-9305.

In order to receive a paper copy in time to vote before the Meeting, your request should be received by July 12, 2024.

Only shareholders whose names have been entered in the register of shareholders at the close of business on June 10, 2024, the record date for the Meeting, will be entitled to receive notice of and to vote at the Meeting.

A shareholder may attend the Meeting in person or may be represented by proxy. Shareholders who are unable to attend the Meeting or any adjournment or postponement thereof in person are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment or postponement thereof. To be effective, the enclosed form of proxy must be deposited with the Corporation's registrar and transfer agent, Computershare Investor Services Inc., by mail or delivery to 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, Attn: Proxy Department, no later than 9:00 a.m. (Toronto time) on July 19, 2024, or at least 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Ontario) before any adjournment or postponement of the Meeting.

If you are a non-registered shareholder (for example, if you hold shares of the Corporation in an account with a broker or other intermediary), you should follow the voting procedures described in the form of proxy or voting instruction form provided by your intermediary or call your intermediary for information as to how you can vote your shares. Note that the deadlines set by your intermediary for submitting your form of proxy or voting instruction form may be earlier than the dates described above.

Late instruments of proxy may be accepted or rejected by the Chair of the Meeting in his or her discretion and the Chair is under no obligation to accept or reject any particular late instrument of proxy.

The enclosed form of proxy appoints nominees of management as proxyholder and you may amend the proxy, if you wish, by inserting in the space provided the name of the person you wish to represent you as proxyholder at the Meeting.

DATED at Toronto, Ontario as of June 14, 2024.

BY ORDER OF THE BOARD OF DIRECTORS

"Larry Phillips"

Larry Phillips
Chief Executive Officer and Director

COMPASS GOLD CORPORATION

MANAGEMENT INFORMATION CIRCULAR

FOR THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD JULY 23, 2024

Except where otherwise indicated, information contained in this management information circular (the “**Circular**”) is given as of June 14, 2024. Unless otherwise indicated, all dollar amounts are expressed in Canadian dollars and references to “\$” are to Canadian dollars.

IMPORTANT

The vast majority of our shareholders typically vote by proxy in advance of the meeting and we encourage shareholders to continue to vote in this manner, either by proxy or by voting instruction form, as described below and elsewhere in this Circular.

In order to ensure as many common shares as possible are represented at the Meeting, shareholders are strongly encouraged to complete the enclosed form of proxy and return it as soon as possible in the envelope provided for that purpose.

To be effective, the enclosed form of proxy must be deposited with the Corporation’s registrar and transfer agent, Computershare Investor Services Inc., by mail or delivery to 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, Attn: Proxy Department, no later than 9:00 a.m. (Toronto time) on July 19, 2024, or at least 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Ontario) before any adjournment or postponement of the Meeting.

Shareholders who do not hold common shares in their own name are strongly encouraged to complete the voting instruction forms received from their broker or other intermediary as soon as possible and to follow the instructions set out under the heading “Non-Registered Holders” in this Circular.

NOTICE AND ACCESS

The Corporation has elected to take advantage of the notice and access provisions of National Instrument 54-101 – “Communication with Beneficial Owners of Securities of a Reporting Issuer” (“**NI 54-101**”). Notice and access is a set of rules that reduces the volume of materials that must be physically mailed to shareholders by allowing issuers to deliver meeting materials to shareholders electronically by providing shareholders with access to these materials online.

In accordance with the notice and access provisions, a notice and a form of proxy or voting instruction form (the “**Notice Package**”) has been sent to all shareholders informing them that this Circular is available online and explaining how this Circular may be accessed, in addition to outlining relevant dates and matters to be discussed at the Meeting. The Notice of Meeting (as hereinafter defined), the Circular and financial statements of the Corporation (collectively, the “**Proxy-Related Materials**”) have been made available online to shareholders of the Corporation at www.compassgoldcorp.com, and under the Corporation’s profile on SEDAR+ at www.sedarplus.ca.

For the Meeting, the Corporation is using notice and access for both registered shareholders and Non-Registered Holders (as hereinafter defined). Unless requested, neither registered shareholders nor Non-Registered Holders will receive a paper copy of this Circular or other meeting materials. Shareholders may request to receive a paper copy of the Circular and other meeting materials by mail, free of charge, as follows:

- If you are a registered shareholder with 15-digit control number, contact Computershare Investor Services Inc. at 1-866-962-0498, or Outside North America at 1 (514) 982-8716.
- If you are a Non-Registered Holder with 16-digit control number, contact Broadridge Investor Communications Solutions at 1-877-907-7643, or Outside North America at 1 (303) 562-9305.

In order to receive a paper copy in time to vote before the Meeting, your request should be received by July 12, 2024.

SOLICITATION OF PROXIES

This Circular is furnished in connection with the solicitation by management of the Corporation of proxies to be used at the annual and special meeting of the shareholders of the Corporation (the “Meeting”) to be held at the offices of Wildeboer Dellelce LLP, 365 Bay Street, Suite 800, Toronto, Ontario at 9:00 a.m. (Toronto time) on July 23, 2024, or at any adjournment or postponement thereof, for the purposes set forth in the enclosed notice of the annual and special meeting of shareholders (the “Notice of Meeting”).

Proxies will be solicited primarily by mail but may also be solicited personally, by telephone or by facsimile by the directors, officers or employees of the Corporation at nominal cost. The costs of solicitation will be borne by the Corporation.

APPOINTMENT OF PROXYHOLDERS AND REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are representatives of management of the Corporation and are directors and/or officers of the Corporation. **All shareholders of the Corporation (the “Shareholders”) have the right to appoint a person or corporation (who need not be a Shareholder of the Corporation), other than the persons designated in the accompanying form of proxy, to represent the Shareholder at the Meeting. Such right may be exercised by inserting the name of such person or corporation in the blank space provided in the form of proxy or by completing another proper form of proxy.** A Shareholder wishing to be represented by proxy at the Meeting or any adjournment or postponement thereof must deposit his, her or its executed form of proxy with the Corporation’s transfer agent and registrar, Computershare Investor Services Inc., by mail or delivery to 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, Attn: Proxy Department, no later than 9:00 a.m. (Toronto time) on July 19, 2024, or at least 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Ontario) before any adjournment or postponement of the Meeting at which the proxy is to be used. After such time, the Chair of the Meeting may accept or reject a form of proxy delivered to him or her in his or her discretion, but is under no obligation to accept or reject any particular late form of proxy. A proxy should be executed by the Shareholder or his or her attorney duly authorized in writing or, if the Shareholder is a corporation, by a duly authorized officer or attorney.

In addition to any other manner permitted by law, a proxy may be revoked, before it is exercised, by an instrument in writing executed in the same manner as a proxy and deposited to the attention of the Secretary of the Corporation at the registered office of the Corporation at any time up to 5:00 p.m. (Toronto time) on the last business day before the day of the Meeting or any adjournment or postponement thereof at which the proxy is to be used or with the Chair of the Meeting on the day of the Meeting or any adjournment or postponement thereof and thereupon the proxy is revoked. The document used to revoke a proxy must be in writing and completed and signed by the Shareholder or his or her attorney authorized in writing or, if the Shareholder is a corporation, by a duly authorized officer or attorney.

A registered Shareholder attending the Meeting has the right to vote in person and, if the Shareholder does so, his, her or its proxy is nullified with respect to the matters such Shareholder votes upon and any subsequent matters thereafter to be voted upon at the Meeting or any adjournment thereof.

Under normal conditions, confidentiality of voting is maintained by virtue of the fact that the Corporation’s transfer agent tabulates proxies and votes. However, such confidentiality may be lost as to any proxy or ballot if a question arises as to its validity or revocation or any other like matter. Loss of confidentiality may also occur if the board of directors of the Corporation (the “Board”) decides that disclosure is in the interests of the Corporation or its Shareholders.

EXERCISE OF DISCRETION BY PROXYHOLDERS

The common shares of the Corporation (the “Shares”) represented by proxies in favour of management nominees will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and, if a Shareholder specifies a choice with respect to any matter to be acted upon at the Meeting, the Shares represented by proxy shall be voted accordingly.

If a specification is not made with respect to any matter, the proxy will confer discretionary authority and will be voted FOR each of the resolutions described below. The enclosed form of proxy also confers discretionary authority upon the persons named therein to vote with respect to any amendments or variations to the matters identified in the Notice of Meeting and with respect to any other matters which may properly come before the Meeting in such manner as such person, in his or her judgment, may determine. At the date of this Circular, management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting.

NON-REGISTERED SHAREHOLDERS

The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold their Shares in their own name and are considered non-registered beneficial Shareholders. Only registered holders of Shares or the persons they appoint as their proxyholder are permitted to vote at the Meeting. However, in many cases, Shares beneficially owned by a person (a “**Non-Registered Holder**”) are registered either: (i) in the name of an intermediary (an “**Intermediary**”) (including, among others, banks, trust companies, securities dealers, brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs, TFSA and similar plans) that the Non-Registered Holder deals with in respect of the Shares; or (ii) in the name of a clearing agency (such as the Canadian Depository for Securities Limited) of which the Intermediary is a participant. Non-Registered Holders should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders of Shares can be recognized and acted upon at the Meeting. In accordance with the requirements of the Canadian Securities Administrators, the Corporation will have distributed copies of the Notice Package to Non-Registered Holders, or to Intermediaries or clearing agencies for onward distribution to Non-Registered Holders, as applicable. If you are a Non-Registered Holder, your Intermediary will be the entity legally entitled to vote your Shares at the Meeting. Shares held by an Intermediary can only be voted upon the instructions of the Non-Registered Holder. Without specific instructions, Intermediaries are prohibited from voting Shares.

Applicable regulatory policy requires Intermediaries to seek voting instructions from Non-Registered Holders in advance of the Meeting. Often, the form of proxy supplied to a Non-Registered Holder by its Intermediary is identical to the form of proxy provided to registered Shareholders; however, its purpose is limited to instructing the registered Shareholder how to vote on behalf of the Non-Registered Holder. The majority of Intermediaries delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”). Broadridge typically mails a scannable voting instruction form in lieu of the form of proxy. The Non-Registered Holder is requested to complete and return the voting instruction form to Broadridge by mail or facsimile. Alternatively, the Non-Registered Holder may call a toll-free telephone number or access the Internet to provide instructions regarding the voting of Shares held by the Non-Registered Holder. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting. A Non-Registered Holder receiving a voting instruction form cannot use that voting instruction form to vote Shares directly at the Meeting, as the voting instruction form must be returned as directed by Broadridge well in advance of the Meeting in order to have such Shares voted.

Non-Registered Holders should ensure that instructions respecting the voting of their Shares are communicated in a timely manner and in accordance with the instructions provided by their Intermediary or Broadridge, as applicable. Every Intermediary has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Non-Registered Holders in order to ensure that their Shares are voted at the Meeting.

Although a Non-Registered Holder may not be recognized directly at the Meeting for the purpose of voting Shares registered in the name of their Intermediary, a Non-Registered Holder may attend the Meeting as proxyholder for the Intermediary and vote the Shares in that capacity. **Non-Registered Holders who wish to attend the Meeting and indirectly vote their Shares as a proxyholder, should enter their own names in the blank space on the form of proxy or voting instruction form provided to them by their Intermediary and/or Broadridge, as applicable, and return the same in accordance with the instructions provided by their Intermediary and/or Broadridge, as applicable, well in advance of the Meeting.**

In any case, the purpose of the above noted procedures is to permit Non-Registered Holders to direct the voting of the Shares which they beneficially own. Non-Registered Holders should carefully follow the instructions and procedures of their Intermediary or Broadridge, as applicable, including those regarding when and where the form of proxy or voting instruction form is to be delivered.

Non-Registered Holders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Corporation are referred to as “NOBOs”. Non-Registered Holders who have objected to their Intermediary disclosing the ownership information about themselves to the Corporation are referred to as “OBOs”. The Corporation is relying on the notice and access delivery procedures set out in NI 54-101 to distribute copies of Proxy-Related Materials in connection with the Meeting. See “Notice and Access” above. The Corporation is not sending the Notice Package directly to NOBOs under NI 54-101. In accordance with the requirements of NI 54-101, the Corporation has distributed copies of the Notice Package to the Intermediaries for onward distribution to NOBOs and OBOs. The Corporation will reimburse the Intermediaries for fees and costs incurred by them in mailing the Circular and other meeting materials to NOBOs and OBOs in accordance with NI 54-101.

All references to Shareholders in this Circular and the accompanying instrument of proxy and Notice of Meeting are to registered Shareholders unless specifically stated otherwise.

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

No person who has been a director or an executive officer of the Corporation at any time since the beginning of its last completed financial year, proposed nominee for election as a director of the Corporation, or any associate or affiliate of any such director, executive officer or proposed nominee, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting except as disclosed in this Circular.

RECORD DATE

Persons registered on the records of the Corporation at the close of business on June 10, 2024 (the “**Record Date**”) are entitled to vote at the Meeting. The failure of any Shareholder to receive a copy of the Notice of Meeting does not deprive the Shareholder of the right to vote at the Meeting. Only holders of Shares as of the Record Date are entitled to vote such Shares at the Meeting.

QUORUM

Two Shareholders representing not less than 5% of the shares entitled to vote at the Meeting, present in person or represented by proxy, will constitute a quorum at the Meeting or any adjournment or postponement thereof. The Corporation’s list of Shareholders as of the Record Date has been used to deliver to Shareholders the Notice of Meeting and this Circular as well as to determine who is eligible to vote at the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized share capital of the Corporation consists of an unlimited number of Shares and unlimited number of preferred shares, issuable in series. As at the date hereof, the Corporation has 103,970,446 Shares issued and outstanding, each of which carries the right to one vote at the Meeting. No preferred shares are currently issued and outstanding.

To the knowledge of the directors and executive officers of the Corporation, no persons beneficially own, or control or direct, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of outstanding voting securities of the Corporation.

BUSINESS TO BE TRANSACTED AT THE MEETING

1. Presentation of Financial Statements

The audited financial statements of the Corporation for the financial year ended December 31, 2023, together with the report of the auditors thereon, copies of which accompany this Circular will be presented to Shareholders at the Meeting.

Receipt at the Meeting of the financial statements of the Corporation for the financial year ended December 31, 2023 and the auditors’ report thereon will not constitute approval or disapproval of any matters referred to therein.

2. Election of Directors

The articles of the Corporation provide that the Board shall consist of a minimum of one (1) and a maximum of 10 directors, to be elected annually. Each director elected at the Meeting will hold office until the close of next annual meeting of Shareholders or until his or her successor is duly elected or appointed, as the case may be, unless his or her office is earlier vacated in accordance with the by-laws of the Corporation or the provisions of the *Business Corporations Act* (Ontario) to which the Corporation is subject, or any similar corporate legislation to which the Corporation becomes subject.

The number of directors of the Corporation to be elected at the meeting has been fixed by the Board at four (4). Management does not contemplate that any of the nominees will be unable to serve as a director of the Corporation, but if that should occur for any reason prior to the Meeting the persons named in the enclosed form of proxy shall have the right to vote for other nominees at their discretion.

Unless the Shareholder directs that his, her or its Shares are to be withheld from voting in connection with the election of directors, the persons named in the enclosed form of proxy will vote FOR the election of the nominees whose names are set forth below.

The following table and the notes thereto set out the name and the place of residence of all nominees for election as directors of the Corporation, the month and year during which each of them first became a director of the Corporation, all positions and offices with the Corporation held by each of them, the principal occupation, business or employment of each of them during the prior five (5) year period and the number of Shares beneficially owned, or controlled or directed, directly or indirectly, by each of them. Not being within the knowledge of the Corporation, the foregoing information has been furnished by the respective nominees individually and/or obtained from the System for Electronic Disclosure by Insiders (SEDI) at www.sedi.ca. The Corporation has an Audit Committee and a Compensation Committee, the members of which are also identified below.

Name and Place of Residence	Position(s) with the Corporation and Date First Appointed to the Board	Current Occupation and Positions During the Past Five (5) Years	Number and Percentage of Shares Beneficially Owned, Controlled or Directed ⁽¹⁾
Joseph Conway ⁽²⁾⁽³⁾⁽⁵⁾ Ontario, Canada	Director and Chairman November 2017	Director of Orezone Gold Corporation; Chairman of Harte Gold Corp. from February 2020 to March 2022; President and CEO of Primero Mining Corp. from August 2010 to February 2016 and Interim CEO from February 2017 to May 2018	2,871,438 (2.76%)
Larry Phillips Ontario, Canada	Director and Chief Executive Officer November 2017	President of Corplex Management Services.	2,790,329 (2.68%)
James Henderson ⁽²⁾⁽³⁾ Sydney, Australia	Director November 2017	Executive Chairman of Transocean Group Pty Ltd.	3,476,548 ⁽⁴⁾ (3.34%)
Madani Diallo Koulikora, Mali	Director and Vice President, Exploration November 2017	President of M-Consulting Geologists	3,453,864 (3.32%)

Notes:

- (1) Percentages are based on 103,970,446 Shares issued and outstanding as of the date of this Circular.
(2) Member of the Audit Committee. James Henderson is the Chairman of the Audit Committee.

- (3) Member of the Compensation Committee. James Henderson is the Chairman of the Compensation Committee.
- (4) Mr. Henderson holds indirectly the following Shares: 11,565 Shares are held in the name of Jalonex Investments Pty Ltd., 66,363 Shares are held in the name of JH & KM Pty Ltd., 34,024 Shares are held in the name of Transocean Finance Pty Ltd, 148,946 Shares are held in the name of Transocean Securities Pty Ltd., and 3,077,586 Shares are held in the name of Transocean Asset Development Pty Ltd., all of which are companies controlled by Henderson. Mr. Henderson owns the remaining Shares directly.
- (5) Mr. Conway became Chairman of the Board effective March 10, 2021.

Biographies of Directors

Biographical information regarding the foregoing individuals is set forth below:

Joseph Conway – Mr. Conway has nearly 30 years of mining and financial industry experience. Mr. Conway served as President and CEO of IAMGOLD Corporation (“IAMGOLD”) from 2003 to 2010. Mr. Conway has a B.Sc. from Memorial University of Newfoundland (1981), and an MBA from Dalhousie University (1987). He was Chairman of Harte Gold Corp. from February 2020 to March 2022 and was President and CEO of Primero Mining Corp. from 2010 to February 2016 and Interim CEO from February 2017 to May 2018.

Larry Phillips – Mr. Phillips is President of Corplex Management Services, a private company providing advisory services in international business and governmental affairs to private and public companies. Mr. Phillips was with IAMGOLD for over 20 years. He held the position of Executive Vice President, Corporate Affairs of IAMGOLD from June 2009 until June 2011. Mr. Phillips held the position of Executive Vice President, Corporate Affairs and General Counsel of IAMGOLD from December 2007 to October, 2009. While at IAMGOLD, Mr. Phillips served as a Director of The World Gold Council. Prior to that, he was the managing partner of a Toronto-based law firm specializing in corporate commercial law.

James Henderson – Mr. Henderson is the founder and Executive Chairman of Transocean Securities which was established in 1987. He has over 37 years’ experience in providing financial advisory services in Australia and other overseas countries across a wide range of industries including mining and resources, healthcare and medical devices, aged care and clean energy. Mr. Henderson specializes in providing advice to emerging companies relating to corporate transactions and strategies and has led teams on a variety of transactions including mergers, acquisitions, dispositions, takeovers and capital raisings in Australia, Canada, the United Kingdom, the United States and Africa. He is an experienced chairman, board member, chief executive officer and corporate adviser of both public and private companies. Mr. Henderson is the former Chairman of Oklo Resources Limited (ASX:OKU) and led the successful acquisition by Oklo Resources Limited of the company’s former gold assets also based in Mali. He is also the Chairman of West Africa Lime Company and founder of Cheetah Resources Limited which acquired the Nechalacho rare earth project in Northwest Territories of Canada. Mr. Henderson holds a B. Comm. from the University of Western Australia and is an Associate of the Institute of Chartered Accountants.

Madani Diallo – Dr. Madani Diallo is a Professional Geochemist with over 35 years of experience in mineral exploration with a focus on developing gold and base metals exploration programs in West Africa. Dr. Diallo has held many senior roles including country manager, exploration manager, geochemist and project manager. Dr. Diallo received a Master of Science in Geochemistry and Mineralogy (1976) and a Ph.D. in Geochemistry (1979) from the University of Tashkent, Uzbekistan. As a senior officer and advisor to publicly listed companies including AngloGold Ashanti, Dr. Diallo has the ability to read and understand financial reporting especially as this relates to reporting company disclosure obligations under relevant securities laws.

Cease Trade Orders, Bankruptcies, Penalties and Sanctions

To the knowledge of the Corporation, except as disclosed herein, no proposed director of the Corporation is, or within 10 years before the date hereof, has been: (a) a director, chief executive officer or chief financial officer of any corporation that, (i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer, or (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or (b) a director or executive officer of any corporation that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets. For the purposes of this paragraph, “order” means a cease trade order, an order similar to a cease trade order or an order that denied the relevant

corporation access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days.

Mr. Conway was a director of Harte Gold Corp. (“**Harte Gold**”) when it commenced proceedings for creditor protection under the *Companies’ Creditors Arrangement Act* (the “**CCAA**”) on December 7, 2021. On February 18, 2022, Harte Gold announced that, in connection with its creditor protection proceedings under the CCAA and related sale and investment solicitation process, it had completed a transaction with a wholly-owned subsidiary of Silver Lake Resources Limited. All of the directors and executive officers of Harte Gold, including Mr. Conway, resigned effective upon closing of the transaction approved under the CCAA proceedings.

To the knowledge of the Corporation, no proposed director of the Corporation has been subject to any: (a) penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or (b) other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

To the knowledge of the Corporation, no proposed director of the Corporation has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director.

3. Appointment of Auditors

Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants are the current auditors of the Corporation and were first appointed as auditors of the Corporation on February 17, 2009.

Shareholders of the Corporation will be asked at the Meeting to re-appoint Dale Matheson Carr-Hilton Labonte LLP as the Corporation’s auditors to hold office until the close of the next annual meeting of Shareholders, and to authorize the Board to fix the auditors’ remuneration.

The Board recommends that Shareholders vote FOR the appointment of Dale Matheson Carr-Hilton Labonte LLP as auditors of the Corporation and to authorize the Board to fix their remuneration. Unless the Shareholder directs that his, her or its Shares are to be withheld from voting, the persons named in the enclosed form of proxy will vote FOR the appointment of Dale Matheson Carr-Hilton Labonte LLP as auditors of the Corporation.

4. Annual Approval of Stock Option Plan

The purpose of the 2022 Stock Option Plan of the Corporation (the “**Stock Option Plan**”), being the current stock option plan of the Corporation, is to provide directors, officers and employees of, and consultants to, the Corporation with an opportunity to purchase Shares and benefit from the appreciation thereof. This proprietary interest in the Corporation is intended to provide an increased incentive for the participants to contribute to the future success and prosperity of the Corporation, thus enhancing the value of the Shares for the benefit of all the Shareholders and increasing the ability of the Corporation to attract and retain individuals of exceptional skill.

Pursuant to Policy 4.4 – *Security Based Compensation* (“**Policy 4.4**”) of the TSX Venture Exchange (the “**TSX-V**”), a corporation listed on the TSX-V is required to obtain the approval of its shareholders for a “rolling” stock option plan at each annual meeting of shareholders. The Stock Option Plan is a “rolling” plan, as the aggregate number of Shares reserved for issuance upon the exercise of options pursuant to the Stock Option Plan is such number of Shares as is equal to 10% of the total number of Shares issued and outstanding from time to time. Further, the total number of Shares reserved for issuance under the Stock Option Plan, together with any Shares issuable under and any other Security Based Compensation Plan of the Corporation, may not exceed 10% of the total number of Shares issued and outstanding from time to time (on a non-diluted basis).

For further details concerning the Stock Option Plan, including a summary thereof, see “Securities Authorized for Issuance under Equity Compensation Plans – Stock Option Plan”. The Stock Option Plan is also attached in its entirety as Schedule “A” to this Circular.

Resolution to Approve the Stock Option Plan

At the Meeting, Shareholders will be asked to pass the following ordinary resolution to re-approve and confirm the Stock Option Plan (the “**Option Plan Resolution**”):

“BE IT RESOLVED, AS AN ORDINARY RESOLUTION, THAT:

1. the stock option plan of the Corporation, in the form attached as Schedule “A” to the management information circular of the Corporation dated June 14, 2024, be and is hereby re-approved and confirmed, including the reservation for issuance thereunder at any time of a maximum of 10% of the issued and outstanding common shares of the Corporation, in accordance with the policies of the TSX Venture Exchange; and
2. any one director or officer of the Corporation be and is hereby authorized, for and on behalf of the Corporation, to execute and deliver all documents and instruments and take such other actions as such director or officer may determine to be necessary or desirable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such documents or instruments and the taking of any such actions.”

The Board recommends that Shareholders vote FOR the Option Plan Resolution. Unless the Shareholder directs that his, her or its Shares are to be voted against the Option Plan Resolution, the person named in the enclosed form of proxy will vote FOR the Option Plan Resolution. In order to be adopted, the Option Plan Resolution must be passed by the affirmative vote of a majority of the votes cast by Shareholders at the Meeting.

STATEMENT OF EXECUTIVE COMPENSATION

In this Circular, a Named Executive Officer (“NEO”) means: (a) the Corporation’s Chief Executive Officer; (b) the Corporation’s Chief Financial Officer; (c) the Corporation’s three other most highly compensated executive officers of the Corporation at the end of the financial year ended December 31, 2023 whose total compensation, individually, was greater than \$150,000; and (d) each individual who would be a NEO but for the fact that the individual was neither an executive officer of the Corporation or its subsidiaries, nor serving in a similar capacity, at the end of the financial year ended December 31, 2023.

For the financial year ended December 31, 2023, the Corporation had two NEOs, namely: Larry Phillips, Chief Executive Officer and Louis Nagy, Chief Financial Officer and Corporate Secretary.

Compensation Discussion and Analysis

The Corporation’s executive compensation program is designed to provide motivation and incentives to its executives with a view to enhancing shareholder value and successfully implementing the Corporation’s business plans, attracting and retaining key employees, recognizing the scope and level of responsibility of each position, providing a competitive level of total compensation to all of its executives, and rewarding superior performance and achievement. The Corporation evaluates both performance and compensation to ensure that its compensation philosophy and objectives are met. The Corporation periodically reviews its executive compensation philosophy and program to ensure that they are consistent with the Corporation’s goal of attracting, retaining and motivating its executive officers to enhance shareholder value.

Role of the Compensation Committee

The Corporation has formed a Compensation Committee which is responsible for, among other things, the oversight of the Corporation’s compensation plans. Specifically, the Compensation Committee is responsible for reviewing the Corporation’s compensation philosophy and developing and fostering a compensation policy that rewards the creation of shareholder value and reflects an appropriate balance between short and long-term performance. It is important to the Corporation to ensure it is capable of attracting, motivating and retaining individuals who will contribute to the long-term success of the Corporation. The Compensation Committee does not have a written charter or mandate.

The Compensation Committee is responsible for negotiating the total compensation program for the NEOs and any

other executive officers, reviewing and advising on stock option guidelines, including making recommendations on specific option grants, and reviewing and communicating to the Board the compensation policy and principles that will be applied to other employees of the Corporation.

In reviewing executive compensation, the Compensation Committee relies on the advice of the Chief Executive Officer regarding other officers of the Corporation (including the other NEOs) and allows him to participate in the Compensation Committee's deliberations on those officers. The Chief Executive Officer may participate in the deliberations of the Compensation Committee or the Board on his compensation; however, the Chief Executive Officer's compensation will be determined by the Board. The Compensation Committee may not delegate any of its responsibilities to another entity or to an individual without the approval of the Board.

Composition of the Compensation Committee

During the financial year ended December 31, 2023, the Compensation Committee was comprised of James Henderson (Chairman), Joseph Conway and William Pugliese. Mr. Pugliese ceased to be a director of the Corporation effective February 27, 2024.

The Compensation Committee is currently comprised of James Henderson (Chairman) and Joseph Conway. Biographical information regarding the foregoing individuals is set forth in this Circular under the heading "Business to be Transacted at the Meeting – Election of Directors".

Each of James Henderson and Joseph Conway is considered "independent" under NI 58-101 (as defined under "Statement of Corporate Governance Practices – The Board of Directors"). For further details concerning the Compensation Committee, see "Statement of Corporation Governance Practices".

Director Compensation

As compensation for their service to the Corporation in respect of the financial year ended December 31, 2023, each non-management director of the Corporation is entitled to a payment of \$10,000 for each fiscal quarter and the Chairman of the Corporation is entitled to an additional payment of \$2,500 for each fiscal quarter. The payments due to non-management directors were accrued during the financial year and remained unpaid as of December 31, 2023 and as of the date of this Circular. Members of the Board are also reimbursed by the Corporation for all travel and other out-of-pocket expenses.

Each director of the Corporation is eligible to participate in the Stock Option Plan. Option grants for the directors are approved by the Board, based on the recommendation of the Compensation Committee. The number of stock options granted is based on competitive and market conditions, including based on a comparison of option grants to directors of other corporations of a comparable size and market capitalization. When determining whether and how many new option grants will be made, the Board takes into account the amount and terms of any outstanding options. The Corporation does not require its directors to own a specific number of Shares.

Objectives of NEO Compensation Program and Compensation Philosophy

The objectives of the Corporation's NEO compensation program are to: (a) attract, motivate and retain high-caliber individuals; (b) align the interests of the NEOs with those of the Shareholders; (c) establish an objective connection between NEO compensation and the Corporation's financial and business performance; and (d) incent the NEOs to continuously improve operations and execute on corporate strategy. The NEO compensation program is, therefore, designed to reward the NEOs for increasing shareholder value, achieving corporate performance that meets pre-defined objective criteria and improving operations and executing on corporate strategy.

The Corporation's policy with respect to the compensation of NEOs is to establish annual goals with respect to corporate development and the individual areas of responsibility of each NEO and then to review total compensation with respect to the achievement of these goals. In addition, the Corporation recognizes the importance of ensuring that overall compensation for NEOs is not only internally equitable, but also competitive within the market segment. Specifically, the Compensation Committee's review and evaluation will include measurement of, among others, the following areas: (a) the achievement of corporate objectives, such as financings, partnerships and other business development, in particular having regard to budgetary constraints and other challenges facing the Corporation; (b) the

Corporation's financial condition; and (c) the Corporation's share price and market capitalization.

The NEO compensation program consists of two principal components: (a) base salary; and (b) long-term incentives. Each component has a different function, as described in greater detail below, but each element works together to reward the NEOs appropriately for personal and corporate performance.

There have been no significant changes to the Corporation's compensation policies or practices since the end of the Corporation's most recently completed financial year.

Base Salary

Base salaries are considered an essential element in attracting and retaining the Corporation's senior executives (including the NEOs) and rewarding them for corporate and individual performance. Base salaries are established taking into account performance and experience, level of responsibility and competitive pay practices. Base salaries are reviewed annually and adjusted, if appropriate, to reflect performance and market changes. Any increase to the base salary of the Chief Executive Officer must be approved by the Board and is based on the recommendation of the Compensation Committee. The Chief Executive Officer is responsible for determining and recommending any increase in salary for the other NEOs to the Compensation Committee. In addition, discretionary bonuses may be provided upon approval of the Board.

Long-Term Incentives

The Corporation's long-term incentive compensation for senior executives (including the NEOs) is provided through stock option grants under the Stock Option Plan. Participation in the Stock Option Plan is considered to be a critical component of compensation that incents the NEOs to create long-term shareholder value, as the value of the options are directly dependent on the market valuation of the Corporation. The Stock Option Plan also serves to assist the Corporation in retaining senior executives as the options granted under the Stock Option Plan typically vest over time.

Each NEO is eligible for an annual option grant to be approved by the Board based on the recommendation of the Compensation Committee. The number of stock options granted is based on the NEO's level of responsibility and personal performance and also on competitive and market conditions. Special option grants may be considered, if warranted, for performance or other reasons. Each NEO was also granted options upon the commencement of employment with the Corporation. When determining whether and how many new option grants will be made, the Board takes into account the amount and terms of any outstanding options. The Corporation does not require its NEOs to own a specific number of Shares.

The exercise price of an option shall be determined by the Board at the time the option is granted, but shall not be less than the closing price of the Shares on the TSX-V, less any applicable discount permitted by the policies of the TSX-V, on the last trading day preceding the date of grant. The term of an option must not exceed 10 years from the date of grant, and must expire not later than one (1) year after the optionee ceases to be a director, officer or employee of, or Consultant to, the Corporation. The Board may also determine, in its discretion, at the time of grant any vesting provisions attached to options granted under the Stock Option Plan.

The award of any options under the Stock Option Plan to the NEOs will be subject to the approval of the Board, based on the recommendation of the Compensation Committee.

For further details concerning the Stock Option Plan, including a summary thereof, see "Securities Authorized for Issuance Under Equity Compensation Plans – Stock Option Plan". The full text of the Stock Option Plan is also attached hereto as Schedule "A".

The Corporation also has in place a restricted share unit plan, pursuant to which no restricted share units have been issued as of the date hereof. The full text of the Corporation's restricted share unit plan is attached hereto as Schedule "B".

Summary Compensation Table

The following table sets forth the total compensation earned in the financial years ended December 31, 2023 and December 31, 2022 by each director and NEO.

COMPENSATION EXCLUDING COMPENSATION SECURITIES							
Name and Position	Year	Salary, Consulting Fees, Retainer or Commission ⁽⁵⁾ (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Joseph Conway <i>Chairman and Director</i>	2023	50,000	Nil	Nil	Nil	Nil	50,000
	2022	50,000	Nil	Nil	Nil	Nil	50,000
Larry Phillips ⁽¹⁾ <i>CEO and Director</i>	2023	180,000	Nil	Nil	Nil	Nil	180,000
	2022	180,000	Nil	Nil	Nil	Nil	180,000
James Henderson <i>Director</i>	2023	40,000	Nil	Nil	Nil	Nil	40,000
	2022	40,000	Nil	Nil	Nil	Nil	40,000
Madani Diallo ⁽²⁾ <i>Director and Vice President, Exploration</i>	2023	144,510	Nil	Nil	Nil	Nil	144,510
	2022	135,590	Nil	Nil	Nil	Nil	135,590
William Pugliese ⁽⁴⁾ <i>Director</i>	2022	40,000	Nil	Nil	Nil	Nil	40,000
	2021	40,000	Nil	Nil	Nil	Nil	40,000
Louis Nagy ⁽³⁾ <i>CFO and Corporate Secretary</i>	2023	78,000	Nil	Nil	Nil	Nil	78,000
	2022	78,000	-	Nil	Nil	Nil	78,000

Notes:

- (1) Mr. Phillips provides his service to the Corporation through a wholly-owned management company. All compensation reflected in table is received by Mr. Phillips in his capacity as Chief Executive Officer of the Corporation. No additional compensation is received for serving as a director of the Corporation.
- (2) Dr. Diallo provides his service to the Corporation through a wholly-owned management company. All compensation reflected in table is received by Dr. Diallo in his capacity as Vice President, Exploration of the Corporation. No additional compensation is received for serving as a director of the Corporation.
- (3) Mr. Nagy provides his service to the Corporation through a wholly-owned management company.
- (4) Mr. Pugliese ceased to be a director of the Corporation effective February 27, 2024.
- (5) The payments due to non-management directors, namely Joseph Conway, James Henderson and William Pugliese, as set out in table have been accrued and remained unpaid as of December 31, 2023 and as of the date of this Circular.

Stock Options and Other Compensation Securities

The following table sets forth all incentive-based awards outstanding as of December 31, 2023 for each director and NEO.

COMPENSATION SECURITIES							
Name and Position	Type of Compensation Security ⁽¹⁾	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
Joseph Conway <i>Chairman and Director</i>	Stock Options	50,000 100,000 125,000	May 22, 2019 Dec 16, 2019 Jan 5, 2021	0.30 0.50 0.25	0.26 0.495 0.225	0.18 0.18 0.18	May 22, 2024 Dec 15, 2024 Jan 5, 2026
Larry Phillips <i>CEO and Director</i>	Stock Options	200,000 250,000 325,000	May 22, 2019 Dec 16, 2019 Jan 5, 2021	0.30 0.50 0.25	0.26 0.495 0.225	0.18 0.18 0.18	May 22, 2024 Dec 15, 2024 Jan 5, 2026
James Henderson <i>Director</i>	Stock Options	75,000 125,000 100,000	May 22, 2019 Dec 16, 2019 Jan 5, 2021	0.30 0.50 0.25	0.26 0.495 0.225	0.18 0.18 0.18	May 22, 2024 Dec 15, 2024 Jan 5, 2026
Madani Diallo <i>Director and Vice President, Exploration</i>	Stock Options	100,000 150,000 200,000	May 22, 2019 Dec 16, 2019 Jan 5, 2021	0.30 0.50 0.25	0.26 0.495 0.225	0.18 0.18 0.18	May 22, 2024 Dec 15, 2024 Jan 5, 2026
William Pugliese <i>Director</i>	Stock Options	50,000 100,000 100,000	May 22, 2019 Dec 16, 2019 Jan 5, 2021	0.30 0.50 0.25	0.26 0.495 0.225	0.18 0.18 0.18	May 22, 2024 Dec 15, 2024 Jan 5, 2026
Louis Nagy <i>CFO and Corporate Secretary</i>	Stock Options	150,000 100,000 130,000	May 22, 2019 Dec 16, 2019 Jan 5, 2021	0.30 0.50 0.25	0.26 0.495 0.225	0.18 0.18 0.18	May 22, 2024 Dec 15, 2024 Jan 5, 2026

Notes:

- (1) Options typically vest 1/3 on date of grant, 1/3 on first anniversary of date of grant and 1/3 on second anniversary of date of grant.

Exercise of Stock Options and Other Compensation Securities

The following table sets forth each exercise by a director and NEO of incentive-based awards during the financial year ended December 31, 2023.

EXERCISE OF COMPENSATION SECURITIES BY DIRECTORS AND NEOs							
Name and Position	Type of Compensation Security	Number of Underlying Securities Exercised	Exercise Price per Security (\$)	Date of Exercise	Closing Price per Security on Date of Exercise (\$)	Difference Between Exercise Price and Closing Price on Date of Exercise (\$)	Total Value of Date of Exercise (\$)
Joseph Conway <i>Chairman and Director</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Larry Phillips <i>CEO and Director</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
James Henderson <i>Director</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Madani Diallo <i>Director and Vice President Exploration</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
William Pugliese <i>Director</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Louis Nagy <i>CFO and Corporate Secretary</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Narrative Discussion

For a description of all equity based awards for directors and executive officers (including NEOs) and their significant terms, refer to “Compensation Discussion and Analysis” above and “Stock Option Plan” and “Restricted Share Unit Plan” under the heading “Securities Authorized for Issuance Under Equity Compensation Plans” below.

Employment Agreements; Termination and Change of Control Benefits

The Corporation has no contract, agreement, plan or arrangement that provides for payments to a NEO at, following, or in connection with, any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Corporation or a change in a NEO’s responsibilities, except as described below:

Mr. Phillips provides Chief Executive Officer services to the Corporation through his wholly-owned management company. Mr. Phillips’ contract for services renews monthly. As part of the contract for Mr. Phillips’ services, the Corporation must give Mr. Phillips’ management company six months’ notice of termination. If Mr. Phillips’ contract was terminated on December 31, 2023, he would have been entitled to a payment of \$90,000 (in lieu of notice).

Mr. Nagy provides Chief Financial Officer and Secretary services to the Corporation through his wholly-owned management company. Mr. Nagy’s contract for services renews monthly. As part of the contract for Mr. Nagy’s services, the Corporation must give Mr. Nagy’s management company sixty days’ notice of termination. If Mr. Nagy’s contract was terminated on December 31, 2023, he would have been entitled to a payment of \$13,000 (in lieu of notice).

Pension Plan Benefits

The Corporation does not have any form of pension plan that provides for payments or benefits to the directors or NEOs at, following, or in connection with, retirement.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth as of December 31, 2023, the number of Shares issuable upon exercise of outstanding options and restricted share units (“RSUs”), the weighted exercise price of such outstanding options and the number of Shares remaining available for future issuance under all equity plans previously approved by the Shareholders and all equity plans not approved by the Shareholders. The only equity compensation plans of the Corporation are the Stock Option Plan the Restricted Share Unit Plan.

Plan Category	Number of Shares To Be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Shares Remaining Available for Future Issuance Under Equity Compensation Plans⁽³⁾
Equity compensation plans previously approved by Shareholders:			
• Stock Option Plan	3,226,000	\$0.34	7,171,045 ⁽¹⁾
• Restricted Share Unit Plan	Nil	N/A	1,367,098 ⁽²⁾
Equity compensation plans not approved by Shareholders	N/A	N/A	N/A

Notes:

- (1) The aggregate number of Shares reserved for issuance under the Stock Option Plan is such number of Shares as is equal to 10% of the total number of Shares issued and outstanding from time to time. As of December 31, 2023, 103,970,446 Shares were issued and outstanding.
- (2) The aggregate number of Shares reserved for issuance under the Restricted Share Unit Plan is 1,367,098 Shares.
- (3) The aggregate number of Shares issuable under the Stock Option Plan and Restricted Share Unit Plan shall not exceed 10% of the total number of Shares issued and outstanding from time to time.

The aggregate number of Shares reserved for issuance upon the exercise of options pursuant to the Stock Option Plan is such number of Shares as is equal to 10% of the total number of Shares issued and outstanding from time to time.

As of the date hereof, the maximum number of Shares which may be issued under the Stock Option Plan is 10,397,045 Shares, representing 10% of the 103,970,446 Shares currently issued and outstanding.

The aggregate number of Shares reserved for issuance under the Restricted Share Unit Plan is 1,367,098 Shares.

The aggregate number of Shares issuable under the Stock Option Plan and Restricted Share Unit Plan, collectively, may not exceed 10% of the total number of Shares issued and outstanding from time to time.

As at the date hereof, options to purchase an aggregate of 3,226,000 Shares have been granted and are outstanding pursuant to the Stock Option Plan and NIL restricted share units have been granted and are outstanding pursuant to the Restricted Share Unit Plan.

Stock Option Plan

The purpose of the Stock Option Plan of the Corporation is to provide directors, officers and employees of, and Consultants to, the Corporation (“**Participants**”) with an opportunity to purchase Shares and benefit from the appreciation thereof. This proprietary interest in the Corporation is intended to provide an increased incentive for the Participants to contribute to the future success and prosperity of the Corporation, thus enhancing the value of the Shares for the benefit of all the Shareholders and increasing the ability of the Corporation to attract and retain individuals of exceptional skill.

Set out below is a summary of certain material terms of the Stock Option Plan. This summary does not purport to be a complete summary of the Stock Option Plan and is qualified in its entirety by reference to the full text of the Stock Option Plan. Capitalized terms used but not defined in this summary have the meanings ascribed thereto in the Stock Option Plan. The Stock Option Plan is attached in its entirety as Schedule “A” to this Circular.

The Stock Option Plan is a “rolling” plan, as the aggregate number of Shares reserved for issuance upon the exercise of options pursuant to the Stock Option Plan is such number of Shares as is equal to 10% of the total number of Shares issued and outstanding from time to time. Further, the total number of Shares reserved for issuance under the Stock Option Plan, together with any Shares issuable under and any other Security Based Compensation Plan of the Corporation, may not exceed 10% of the total number of Shares issued and outstanding from time to time (on a non-diluted basis).

The Board may from time to time, in its discretion, grant to Participants under the Stock Option Plan, non-transferable options to purchase Shares.

The exercise price of an option shall be determined by the Board at the time the option is granted, but shall not be less than the closing price of the Shares on the TSX-V, less any applicable discount permitted by the policies of the TSX-V, on the last trading day preceding the date of grant.

The term of an option must not exceed 10 years from the date of grant, and must expire not later than one (1) year after the optionee ceases to be a director, officer or employee of, or Consultant to, the Corporation, as the case may be, subject to any earlier expiry date of such option; provided that, in the event that the term of any option expires within a “blackout period” imposed by the Corporation, the option shall then expire on the date that is 10 business days following the end of such blackout period.

The Board may also determine, in its discretion, at the time of grant any vesting provisions attached to options granted under the Stock Option Plan. Options granted to any Investor Relations Service Provider must vest in stages over a period of not less than 12 months, with no more than one-quarter (1/4) of such Options vesting in any three-month period.

Pursuant to the Stock Option Plan, unless disinterested Shareholder approval is obtained in accordance with the policies of the TSX-V:

- (i) the aggregate number of Shares issuable pursuant to options granted to all Insiders (as a group) pursuant to the Stock Option Plan and any other Security Based Compensation Plan of the Corporation may not exceed 10% of the issued and outstanding Shares at any point in time;
- (ii) the aggregate number of Shares issuable to all Insiders (as a group) pursuant to the Stock Option Plan and any other Security Based Compensation Plan of the Corporation may not exceed 10% of

- the issued and outstanding Shares in any 12-month period (determined as of date of grant to the Insider);
- (iii) the aggregate number of Shares issuable to any one Participant, other than a Consultant or Eligible Charitable Organization, pursuant to the Stock Option Plan and any other Security Based Compensation Plan of the Corporation may not exceed 5% of the issued and outstanding Shares in any 12-month period (determined as of date of grant to the Participant);
 - (iv) the aggregate number of options granted to any one Consultant in any 12-month period may not exceed 2% of the issued and outstanding Shares (determined as of date of grant to the Consultant);
 - (v) the aggregate number of options granted to an Eligible Charitable Organization in any 12-month period may not exceed 1% of the issued and outstanding Shares (determined as of date of grant to the Eligible Charitable Organization); and
 - (vi) the aggregate number of options granted to all persons engaged to conduct Investor Relations Activities in any 12-month period may not exceed 2% of the issued and outstanding Shares (determined as of date of grant to the Investor Relations Service Provider).

In certain circumstances (including but not limited to a liquidation or dissolution of the Corporation, a re-organization, plan of arrangement, merger or consolidation of the Corporation), the Board may, at its sole discretion, determine that options granted under the Stock Option Plan may be vested on an accelerated basis. Further, vesting of options granted under the Stock Option Plan may also be accelerated if a take-over bid is made for the Corporation that is supported by the Corporation.

The Stock Option Plan also allows for option holders to exercise options on a “Cashless Exercise” or “Net Exercise” basis, as permitted by TSX-V Policy 4.4. “Cashless Exercise” is a method of exercising stock options in which a securities dealer loans funds to the option holder or sells the same shares as those underlying the option, prior to or in conjunction with the exercise of options, to allow the option holder to fund the exercise of some or all of their options. “Net Exercise” is a method of option exercise under which the option holder does not make any payment to the issuer for the exercise of their options and receives on exercise a number of shares equal to the intrinsic value (current market price less the exercise price) of the option valued at the current market price. Under TSX-V Policy 4.4, the current market price must be the five-day volume weighted average trading price prior to option exercise. The “Net Exercise” provision may not be utilized by Investor Relations Service Provider.

The following amendments to the Stock Option Plan require approval from Shareholders (in addition to the prior approval of the TSX-V), including disinterested Shareholders if applicable, in accordance with the policies of the TSX-V:

- (i) any change to the definition of Participants which would have the potential of broadening or increasing the scope of participation in the Plan;
- (ii) any increase to the fixed maximum percentage of Shares issuable under the Plan;
- (iii) an increase in the maximum number of Shares that may be issued to Insiders (as a group) within any 12-month period;
- (iv) an increase in the maximum number of Shares that may be issued to any one Participant within any 12-month period;
- (v) a reduction in the exercise price or purchase price of an Option (other than for standard anti-dilution purposes) or the extension of the term of an Option, in either case held by or benefiting an Insider;
- (vi) the addition of any form of financial assistance relating to Plan;
- (vii) any amendment to a financial assistance provision of the Plan which is more favourable to Participants; and

- (viii) any other amendments that may lead to significant or unreasonable dilution in the Corporation's outstanding securities or may provide additional benefits to Participants, in particular Insiders, at the expense of the Corporation and its existing shareholders.

The Board may, without approval from Shareholders (but subject to receipt of any approval as required by the TSX-V), in its sole discretion, make all other amendments to the Plan that are not of the type described above, including, without limitation: a change to the expiry date of an Option; a change to the vesting provisions of an Option or the Plan, except for the vesting provisions for Options granted to an Investor Relations Service Provider; a reduction in the exercise price or purchase price of an Option held by or benefiting a non-Insider; amendments of a housekeeping nature; and amendments to clarify existing provisions of the Plan that do not have the effect of altering the scope, nature or intent of such provisions.

Restricted Share Unit Plan

The Restricted Share Unit Plan allows for certain discretionary bonuses and similar awards as an incentive and reward for selected eligible persons related to the achievement of long-term financial and strategic objectives of the Corporation and the resulting increases in the Corporation's shareholder value. The Restricted Share Unit Plan is intended to promote a greater alignment of interests between the Corporation's shareholders and the selected eligible persons by providing an opportunity to participate in increases in the value of the Corporation. RSUs are akin to "phantom shares" that track the value of the underlying shares of the Corporation but do not entitle the recipient (an "**RSU Grantee**") to the actual underlying shares until such restricted share units vest. Eligible Participants Participation in the Restricted Share Unit Plan is restricted to employees and officers of the Corporation. Employees, including directors who are also employees, are eligible to participate in the Restricted Share Unit Plan. The Restricted Share Unit Plan will permit the Board to grant awards of RSUs to an RSU Grantee. Upon vesting, the RSUs will be converted on a one-for-one basis for freely tradable, non-restricted Shares. The Board shall have the discretion to stipulate the length of time for vesting and to determine various performance objectives based on certain business criteria as a pre-condition to a RSU vesting. It is the Board's intent that all RSUs will only vest upon the lapse of a certain time period or the achievement of performance objectives designed to advance the Corporation's business interests and increase the value of the Corporation. The performance objectives to be met will be established by the Board at the time of grant of the RSU. RSUs shall expire if they have not vested prior to an expiry date to be set by the Resulting Board, which shall be no later than December 31 of the third calendar year after the year in which the RSUs have been granted, and will be terminated to the extent the performance objectives or other vesting criteria have not been met. RSUs will remain outstanding and vest in accordance with their terms notwithstanding the subsequent termination of employment of an RSU Grantee, unless the RSU Grantee is terminated by the Corporation with cause, in which case all RSU awards of the RSU Grantee, whether vested or unvested will be forfeited and cancelled without payment.

The maximum number of Shares available for issuance upon the vesting of RSUs under the Restricted Share Unit Plan, in the aggregate, shall not exceed 1,367,098 Shares, subject to any adjustments under the terms of the Restricted Share Unit Plan. The maximum number of post-consolidated shares issuable pursuant to the Restricted Share Unit Plan, together with the Stock Option Plan, shall not exceed 10% of the Corporation's issued and outstanding shares.

The Restricted Share Unit Plan may be amended or discontinued by the Board at any time, subject to applicable regulatory and shareholder approvals, provided that no such amendment may materially and adversely affect any RSU previously granted under the Restricted Share Unit Plan without the consent of the RSU holder, except to the extent required by law.

The Restricted Share Unit Plan is attached in its entirety as Schedule "B" to this Circular.

Pursuant to the transition provisions of TSX-V Policy 4.4, the Restricted Share Unit Plan is a Legacy Security Based Compensation Plan and, notwithstanding the adoption of certain amendments to the TSX-V Policy 4.4 in November 2021, remains in force in accordance with its existing terms.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

No current or former directors, executive officers or employees of the Corporation or any of its subsidiaries, no proposed nominees for election as directors, or any associates of such persons, is currently or has, at any time since the beginning of the Corporation's most recently completed financial year, been indebted to the Corporation or any of its subsidiaries, and no indebtedness of such persons is the subject of a guarantee, support agreement, letter of credit or other similar arrangement provided by the Corporation.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as described below, no "informed person" (as such term is defined under applicable securities laws) of the Corporation, no proposed director of the Corporation or any associate or affiliate of any informed person or proposed director, has or had a material interest, direct or indirect, in any transaction since the beginning of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation or its subsidiaries.

AUDIT COMMITTEE

National Instrument 52-110 – "Audit Committees" ("NI 52-110") requires the Corporation to disclose annually in its management information circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor, as set forth below.

Audit Committee Charter

The Corporation's Audit Committee is governed by an audit committee charter, the text of which is attached as Schedule "C" to this Circular.

Composition of the Audit Committee

During the financial year ended December 31, 2023, the Audit Committee was comprised of James Henderson (Chairman), Joseph Conway and William Pugliese. Mr. Pugliese ceased to be a director of the Corporation effective February 27, 2024.

The Audit Committee is currently comprised of James Henderson (Chairman) and Joseph Conway. Each of James Henderson and Joseph Conway is considered "independent" under NI 52-110.

Each member of the Audit Committee is considered to be "financially literate" which is defined under NI 52-110 as 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 reasonably be expected to be raised by the Corporation's financial statements.

It is anticipated that an additional director will be appointed to the Audit Committee following the Meeting in accordance with NI 52-110 and the applicable policies of the TSX-V.

Relevant Education and Experience

Biographical information regarding the members of the Corporation's Audit Committee is set forth above under the heading "Business to be Transacted at the Meeting – Election of Directors".

Pre-Approval Policies and Procedures

The Audit Committee charter of the Corporation requires the Audit Committee to pre-approve all non-audit services to be provided by the external auditors. In the event that the Corporation wishes to retain the services of the Corporation's external auditors for tax compliance, tax advice or tax planning, the Chief Financial Officer of the Corporation or the officer of the Corporation in charge of financial matters shall consult with the Chair of the Audit Committee, who shall have the authority to approve or disapprove on behalf of the Audit Committee, such non-audit services. All other non-audit services shall be approved or disapproved by the Audit Committee as a whole.

Audit Fees

The following chart summarizes the aggregate fees billed by the external auditors of the Corporation for professional services rendered to the Corporation for audit and non-audit related services for the financial years ended December 31, 2023 and 2022:

	Fees Billed During the Year Ended December 31, 2023	Fees Billed During the Year Ended December 31, 2022
Audit Fees ⁽¹⁾	\$50,000	\$40,488
Audit-related Fees ⁽²⁾	Nil	Nil
Tax Fees ⁽³⁾	\$4,700	\$4,700
All Other Fees	Nil	Nil
Total	\$54,700	\$45,188

Notes:

- (1) Aggregate fees billed for the Corporation's annual financial statements and services normally provided by the auditor in connection with the Corporation's statutory and regulatory filings.
- (2) Aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation's financial statements and are not reported as "Audit Fees", including: assistance with aspects of tax accounting, attest services not required by state or regulation and consultation regarding financial accounting and reporting standards.
- (3) Aggregate fees billed for tax compliance, advice, planning and assistance with tax for specific transactions.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

National Policy 58-201 – "Corporate Governance Guidelines" sets out a series of guidelines for effective corporate governance (the "**Guidelines**"). The Guidelines address matters such as the constitution and independence of corporate boards, the functions to be performed by boards and their committees and the effectiveness and education of board members. National Instrument 58-101 – "Disclosure of Corporate Governance Practices" ("**NI 58-101**") requires the disclosure by each listed corporation of its approach to corporate governance with reference to the Guidelines as it is recognized that the unique characteristics of individual corporations will result in varying degrees of compliance. Set out below is a description of the Corporation's approach to corporate governance in relation to the Guidelines.

The Board of Directors

NI 58-101 defines an "independent director" as a director who has no direct or indirect material relationship with the Corporation. A "material relationship" is a relationship which could, in the view of the Board, be reasonably expected to interfere with such member's independent judgment.

The Board is currently comprised of four members. Larry Phillips and Madani Diallo are not considered to be "independent" within the meaning of NI 58-101. Mr. Phillips acts as the Chief Executive Officer of the Corporation, and Mr. Diallo acts as the Vice President of Exploration of the Corporation.

Each of James Henderson and Joseph Conway is considered to be "independent" within the meaning of NI 58-101.

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

Directorships

The following directors of the Corporation are also directors of other reporting issuers (or the equivalent in a jurisdiction outside of Canada) as set out below:

Director	Reporting Issuer	Symbol	Stock Exchange
Larry Phillips	Star Diamond Corporation	DIAM	Toronto Stock Exchange
Joseph Conway	Orezone Gold Corporation	ORE	TSX-V

Orientation and Continuing Education

While the Corporation currently has no formal orientation and education program for new Board members, sufficient information (such as recent annual reports, financial statements, management discussion and analysis, proxy solicitation materials, technical reports and various other operating, property and budget reports) is provided to any new Board member to ensure that new directors are familiarized with the Corporation's business and the procedures of the Board. As well, new directors meet with management of the Corporation to receive a detailed overview of the operations of the Corporation. All directors are encouraged to visit and meet with management on a regular basis. The Corporation also encourages continuing education of its directors and officers where appropriate in order to ensure that they have the necessary skills and knowledge to meet their respective obligations to the Corporation.

Ethical Business Conduct

The Board has adopted a Code of Business Conduct and Ethics which reflects the Corporation's commitment to a culture of honesty, integrity and accountability and outlines the basic principles and policies with which all directors, officers, employees and consultants are expected to comply. The Code of Business Conduct and Ethics addresses such matters as compliance with laws, conflicts of interest, confidential information, protection and proper use of the Corporation's assets, rules and regulations and the reporting of illegal and unethical behaviour.

We encourage personnel who become aware of a conflict or potential conflict or departures from the Code of Business Conduct and Ethics to bring it to the attention of management. We have also established additional procedures for confidential and anonymous reporting of complaints concerning accounting, internal accounting controls and auditing matters. The Board requires every director and executive officer to disclose any direct or indirect conflict of interest that he or she has and obtains annually from each director and executive officer formal confirmation of compliance with the Code of Business Conduct and Ethics.

Any waivers of the Code of Business Conduct and Ethics for directors or members of senior management may only be granted by the Board (or a committee to whom that authority has been delegated), while any waiver for all other employees may only be made by the Chief Executive Officer and upon prior review and disclosure with the Board.

Nomination of Directors

While there are no specific criteria for Board membership, the Corporation attempts to attract and maintain directors with strong general business knowledge and, in particular, knowledge of mineral exploration and development or other areas necessary for the proper oversight of the Corporation (such as finance). The goal is to have a well-rounded board of directors capable of assisting in guiding the officers of the Corporation in all facets of the business. As such, nominations tend to be the result of recruitment efforts by management of the Corporation and discussions among the directors prior to the consideration of the Board as a whole.

Compensation

The Board meets on an annual basis for the purpose of reviewing the adequacy and form of compensation of directors and the Chief Executive Officer to ensure that such compensation reflects the responsibilities, time commitment and risks involved in being an effective director and/or officer of the Corporation. The Corporation has formed a Compensation Committee which will make recommendations to the Board on all matters relating to the compensation

of directors, members of the various committees of the Board and officers and employees of the Corporation, in order to ensure that the Corporation is in a position to attract, motivate and retain high-calibre individuals. Among other functions, the Compensation Committee will monitor and evaluate the performance of the Chief Executive Officer and other members of senior management.

The Compensation Committee is currently comprised of James Henderson (Chair) and Joseph Conway. Each of James Henderson and Joseph Conway is considered independent under NI 58-101. The Compensation Committee does not have a written charter or mandate. Additional information pertaining to the compensation of directors and officers can be found under the heading “Statement of Executive Compensation” above.

Assessments

The Board assesses, on an annual basis, its contribution as a whole and the contribution of each of the constituent directors, in order to determine whether each is functioning effectively. No formal assessment criteria have been established and assessments are informal in nature. Given the size of the Board and the candid and open nature of its operation, formal assessment criteria are not considered to be required or warranted at this time; however, the Board may establish more formal assessment criteria in the future.

MANAGEMENT CONTRACTS

Management functions of the Corporation are not performed by any person other than the directors or executive officers of the Corporation.

Mr. Phillips provides Chief Executive Officer services to the Corporation through his wholly-owned management company. Mr. Phillips’ contract for such services renews monthly. As part of the contract for Mr. Phillips’ services, the Corporation must give Mr. Phillips’ management company six months’ notice of termination.

Mr. Nagy provides Chief Financial Officer and Secretary services to the Corporation through his wholly-owned management company. Mr. Nagy’s contract for such services renews monthly. As part of the contract for Mr. Nagy’s services, the Corporation must give Mr. Nagy’s management company sixty days’ notice of termination.

OTHER MATTERS WHICH MAY COME BEFORE THE MEETING

Management of the Corporation knows of no matters to come before the Meeting other than as set forth in the accompanying Notice of Meeting. However, if other matters which are not known to management should properly come before the Meeting, the accompanying proxy will be voted on such matters in accordance with the best judgment of the persons voting the proxy.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available under the Corporation's profile on SEDAR+ at www.sedarplus.ca. Copies of the Corporation's audited financial statements and corresponding management's discussion and analysis for the financial year ended December 31, 2023 are available on SEDAR+, or Shareholders may request that copies be sent to them upon written request to the Corporation at 330 Bay Street, Suite 1400, Toronto, Ontario M5H 2S8.

The Board has approved the contents and the filing of this Circular.

DATED: June 14, 2024

BY ORDER OF THE BOARD

(signed) "Larry Phillips"
Chief Executive Officer and Director

Schedule “A”

COMPASS GOLD CORPORATION

2022 STOCK OPTION PLAN

1. Purpose of the Plan

The purpose of the Plan is to provide the Participants with an opportunity to purchase Common Shares and benefit from the appreciation thereof. This proprietary interest in the Corporation will provide an increased incentive for the Participants to contribute to the future success and prosperity of the Corporation, thus enhancing the value of the Common Shares for the benefit of all the shareholders and increasing the ability of the Corporation and its Subsidiaries, if any, to attract and retain individuals of exceptional skill.

2. Defined Terms

2.1 Where used herein, the following terms shall have the following meanings:

- (a) “**Acceleration Right**” means the Participant’s right, in certain circumstances, to exercise its outstanding Option as to any or all of the Common Shares in respect of which such Option has not previously been exercised and which the Participant is entitled to exercise, including in respect of Common Shares not otherwise vested at such time;
- (b) “**Board**” means the board of directors of the Corporation;
- (c) “**Business Day**” means each day other than a Saturday, Sunday or statutory holiday in Ontario, Canada;
- (d) “**Common Shares**” means the common shares in the capital of the Corporation or, in the event of an adjustment contemplated by Article 8, such shares to which a Participant may be entitled upon the exercise of an Option as a result of such adjustment;
- (e) “**Corporation**” means Compass Gold Corporation, and includes any successor corporation thereof;
- (f) “**Eligible Charitable Organization**” has the meaning ascribed thereto in Policy 4.4 – *Security Based Compensation* of the Exchange Corporate Finance Manual;
- (g) “**Exchange**” means the TSX Venture Exchange or, if the Common Shares are not then listed and posted for trading on the TSX Venture Exchange, then on any stock exchange in Canada on which such shares are listed and posted for trading or any other regulatory body having jurisdiction as may be selected for such purpose by the Board;
- (h) “**Exercise Notice**” means the notice in writing signed by the Participant or the Participant’s legal personal representatives addressed to the Corporation specifying an intention to exercise all or a portion of the Participant’s Options;
- (i) “**Expiry Time**” means the time at which the Options will expire, being 4:00 p.m. (Toronto time) on a date to be fixed by the Board at the time the Option is granted, which date will not be more than ten (10) years from the date of grant;
- (j) “**Insider**” has the meaning ascribed thereto in Policy 1.1 – *Interpretation* of the Exchange

Corporate Finance Manual;

- (k) “**Investor Relations Service Provider**” has the meaning ascribed thereto in Policy 4.4 – *Security Based Compensation* of the Exchange Corporate Finance Manual;
- (l) “**Option**” means an option to purchase Common Shares from treasury granted by the Corporation to a Participant, subject to the provisions contained herein;
- (m) “**Option Price**” means the price per share at which Common Shares may be purchased under the Option, as the same may be adjusted herein;
- (n) “**Participants**” means the directors, officers and employees of, and Consultants to, the Corporation or its Subsidiaries, if any, any Eligible Charitable Organization and, subject to compliance with the applicable requirements of the Exchange, the Personal Holding Companies of such persons, to whom an Option has been granted by the Board pursuant to the Plan and which Option or a portion thereof remains unexercised;
- (o) “**Personal Holding Company**” means a corporation of which 100% of the voting shares are beneficially owned, directly or indirectly, by a director, officer or employee of, or Consultant to, the Corporation or its Subsidiaries, if any, and such entity shall be bound by the Plan in the same manner as if the Options were held directly;
- (p) “**Plan**” means this stock option plan of the Corporation, as the same may be amended or varied from time to time;
- (q) “**Security Based Compensation Plan**” has the meaning ascribed thereto in Policy 4.4 – *Security Based Compensation* of the Exchange Corporate Finance Manual;
- (r) “**Subsidiary**” means any corporation that is a subsidiary of the Corporation, as such term is defined in National Instrument 45-106 – *Prospectus Exemptions*;
- (s) “**Take-Over Bid**” has the meaning ascribed thereto in the *Securities Act* (Ontario), as such provision is from time to time amended, varied or re-enacted; and
- (t) “**VWAP**” means the volume weighted average trading price of the Common Shares listed on the Exchange calculated by dividing the total value by the total volume of such securities traded for the five (5) trading days immediately preceding the exercise of the subject Option, provided that where appropriate, the Exchange may exclude internal crosses and certain other special trade terms from the calculation.

2. 2 All other capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the TSX Venture Exchange Corporate Finance Manual.

3. Administration of the Plan

3. 1 The Board shall administer the Plan. Options granted under the Plan shall be granted in accordance with determinations made by the Board pursuant to the provisions of the Plan as to: (a) the Participants to whom and the time or times at which the Options will be granted; (b) the number of Common Shares which shall be the subject of each Option; (c) any vesting provisions attaching to the Options; and (d) the terms and provisions of the respective stock option agreements; provided however, that each director, officer, employee or Consultant shall have the right not to participate in the Plan and any decision not to participate therein shall not affect such person’s employment by or engagement with the Corporation. The Board shall ensure that Participants under the Plan are eligible to participate under the Plan, and, if required by the

Exchange, shall represent and confirm that the Participant is a *bona fide* employee, Consultant or Management Company Employee (as such term is defined in Policy 4.4 – *Security Based Compensation* of the Exchange Corporate Finance Manual).

3. 2 The Board may, from time to time, adopt such rules and regulations for administering the Plan as it may deem proper and in the best interests of the Corporation and may, subject to applicable law, delegate its powers hereunder to administer the Plan to a committee of the Board (the “**Committee**”). The Committee shall be comprised of three or more members of the Board who shall serve at the pleasure of the Board. Vacancies occurring on the Committee shall be filled by the Board.

3. 3 The Committee (or the Board where the Committee has not been constituted) shall have the power to delegate to any member of the Board or officer so designated (the “**Administrator**”), the power to determine which Participants are to be granted Options and to grant such Options, the number of Common Shares purchasable under each Option, the Option Price and the time or times when and the manner in which Options are exercisable, and the Administrator shall make such determinations in accordance with the provisions of the Plan and with applicable securities and stock exchange regulatory requirements, subject to final approval by the Committee or Board.

4. Granting of Option

4. 1 Participants may be granted Options from time to time. The grant of Options will be subject to the conditions contained herein and may be subject to additional conditions determined by the Board from time to time. Each Option granted hereunder shall be evidenced by an agreement in writing, signed on behalf of the Corporation and by the Participant, in substantially the form attached hereto as Schedule “A” or such other form as the Board may approve from time to time. Each such agreement shall recite that any such grant of Options will be subject to the provisions of the Plan.

4. 2 The aggregate number of Common Shares of the Corporation allocated and made available to be granted to Participants under the Plan, together with any Common Shares allocated and made available to Participants under any other Security Based Compensation Plan of the Corporation, shall not exceed 10% of the issued and outstanding Common Shares of the Corporation as at the date of grant (on a non-diluted basis).

4. 3 The Plan shall be a “rolling” plan as described under Policy 4.4 – *Security Based Compensation* of the Exchange Corporate Finance Manual. Any issuance of Common Shares from treasury pursuant to the exercise of Options shall automatically replenish the number of Common Shares available for Option grants under the Plan. Common Shares in respect of which Options are cancelled or not exercised prior to expiry, for any reason, shall be available for subsequent Option grants under the Plan. No fractional shares may be purchased or issued hereunder.

4. 4 The Corporation shall at all times, during the term of the Plan, reserve and keep available such number of Common Shares as will be sufficient to satisfy the requirements of the Plan.

4. 5 Any grant of Options under the Plan shall be subject to the following restrictions:

- (a) the aggregate number of Common Shares issuable pursuant to Options granted to all Insiders (as a group) pursuant to the Plan and any other Security Based Compensation Plan of the Corporation may not exceed 10% of the Corporation’s total issued and outstanding Common Shares at any point in time, unless disinterested shareholder approval is obtained in accordance with the policies of the Exchange;
- (b) the aggregate number of Common Shares issuable to all Insiders (as a group) pursuant to the Plan and any other Security Based Compensation Plan of the Corporation in any 12-

month period may not exceed 10% of the Corporation's total issued and outstanding Common Shares (determined as of date of grant to Insider), unless disinterested shareholder approval is obtained in accordance with the policies of the Exchange;

- (c) the aggregate number of Common Shares issuable to any one Participant, other than a Consultant or Eligible Charitable Organization, pursuant to the Plan and any other Security Based Compensation Plan of the Corporation in any 12-month period may not exceed 5% of the Corporation's total issued and outstanding Common Shares (determined as of date of grant to Participant), unless disinterested shareholder approval is obtained in accordance with the policies of the Exchange;
- (d) the aggregate number of Options granted to any one Consultant in any 12-month period may not exceed 2% of the Corporation's total issued and outstanding Common Shares (determined as of date of grant to Consultant);
- (e) the aggregate number of Options granted to an Eligible Charitable Organization in any 12-month period may not exceed 1% of the Corporation's total issued and outstanding Common Shares (determined as of date of grant to Eligible Charitable Organization); and
- (f) the aggregate number of Options granted to all persons engaged to conduct Investor Relations Activities (as such term is defined in Policy 1.1 – *Interpretation* of the Exchange Corporate Finance Manual) in any 12-month period may not exceed 2% of the of the Corporation's total issued and outstanding Common Shares (determined as of date of grant to Investor Relations Service Provider).

4.6 Subject to the other terms and conditions applicable to any Option granted under the Plan, a Participant shall be permitted to elect to exercise any Option granted under the Plan on a “cashless basis” or “net exercise basis” as follows:

- (a) “*cashless basis*” – a cashless exercise occurs when the Corporation has an arrangement with a brokerage firm pursuant to which the brokerage firm will loan money to a Participant to purchase the shares underlying the Options and then the brokerage firm sells a sufficient number of shares underlying the Options to cover the exercise price of the Options in order to repay the loan made to the Participant. The brokerage firm receives an equivalent number of shares underlying the Options from the exercise of the Options and the Participant then receives the balance of the shares or the cash proceeds from the balance of such shares underling the Options; and
- (b) “*net exercise basis*” – under a net exercise the Options, excluding Options held by an Investor Relations Service Provider, are exercised without the Participant making any cash payment so the Corporation does not receive any cash from the exercise of the subject Options, and instead the Participant receives only the number of shares underlying the Options equal to the number which results when dividing: (i) the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying shares and the exercise price of the subject Options by (ii) the VWAP of each underlying share.

4.7 All Options granted pursuant to the Plan shall be subject to rules and policies of the Exchange and any other regulatory body having jurisdiction.

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

5. Option Price

5.1 Subject to applicable Exchange approval, the Option Price shall be fixed by the Board at the time the Option is granted to a Participant. In no event shall the Option Price be less than the Discounted Market Price (as such term is defined in Policy 1.1 – *Interpretation* of the Exchange Corporate Finance Manual).

5.2 If a press release fixing the price is not issued, the Discounted Market Price is the closing price per Common Share on the Exchange on the last trading day preceding the date of grant on which there was a closing price (less the applicable discount) or, if the Common Shares are not listed on any stock exchange, a price determined by the Board; provided that, if the Board, in its sole discretion, determines that the closing price on the last trading day preceding the date of grant would not be representative of the market price of the Common Shares, then the Board may base the price on the greater of the closing price and the volume weighted average price per share for the Common Shares for five (5) consecutive trading days ending on the last trading day preceding the date of grant on which there was a closing price on the Exchange. The volume weighted average price shall be determined by dividing the aggregate sale price of all Common Shares sold on the Exchange during the said five (5) consecutive trading days, by the total number of Common Shares so sold.

5.3 Once the Option Price has been determined by the Board, accepted by the Exchange and the Option has been granted, if the Participant is an Insider, the Option Price may only be reduced if disinterested shareholder approval is obtained in accordance with the policies of the Exchange; provided that such disinterested shareholder approval is then a requirement of the Exchange or other regulatory body having jurisdiction.

6. Term of Option

6.1 The term of the Option shall be a period of time fixed by the Board, not to exceed ten (10) years from the date of grant. The term of any Option granted to Insiders may only be extended if disinterested shareholder approval is obtained in accordance with the policies of the Exchange. Unless the Board determines otherwise, Options shall be exercisable in whole or in part at any time during this period in accordance with such vesting provisions, conditions or limitations (including applicable hold periods) as are herein contained or as the Board may from time to time impose, or as may be required by the Exchange or under applicable securities law.

6.2 Each Option and all rights thereunder shall be expressed to expire at the Expiry Time, but shall be subject to earlier termination in accordance with Section 11.

6.3 Subject to any specific requirements of the Exchange and Section 6.4 the Board shall determine the vesting period or periods within the Option term, during which a Participant may exercise an Option or a portion thereof.

6.4 Options granted to any Investor Relations Service Provider must vest in stages over a period of not less than 12 months, with no more than one-quarter (1/4) of such Options vesting in any three-month period.

6.5 In addition to any resale restriction under securities laws, an Option may be subject to a four-month Exchange hold period commencing on the date the Option is granted (in accordance with Policy 3.2 – *Filing Requirements and Continuous Disclosure* of the Exchange Corporate Finance Manual).

6.6 Except in the case of a Participant's Option that terminates pursuant to Section 11.3, in the event that the term of any Option expires within a "blackout period" imposed by the Corporation, the Option shall expire on the date (the "**Blackout Expiration Date**") that is ten (10) Business Days following the end of such blackout period. The Blackout Expiration Date shall not be subject to the discretion of the Board.

7. Exercise of Option

7.1 Subject to the provisions of the Plan and the terms of any stock option agreement, an Option or a portion thereof may be exercised, from time to time, by delivery of the Exercise Notice to the Corporation's principal office in Toronto, Ontario. The Exercise Notice shall state the intention of the Participant or the Participant's legal personal representative to exercise the said Option or a portion thereof and specify the number of Common Shares in respect of which the Option is then being exercised, and shall be accompanied by the full purchase price of the Common Shares which are the subject of the exercise (or, alternatively, indicating that the Participant is exercising such Option on a cashless basis or net exercise basis, as applicable). Such Exercise Notice shall contain the Participant's undertaking to comply, to the satisfaction of the Corporation, with all applicable requirements of the Exchange and any applicable regulatory authorities.

8. Adjustments in Shares

8.1 If the outstanding shares of the Corporation are increased, decreased, changed into or exchanged for a different number or kind of shares or securities of the Corporation through a re-organization, plan of arrangement, merger, re-capitalization, re-classification, stock dividend, subdivision or consolidation, an appropriate and proportionate adjustment shall be made by the Board in its discretion, subject to the prior approval of the Exchange for all such share capital adjustments other than a share subdivision or consolidation, in the number or kind of shares optioned and the exercise price per share with respect to: (a) previously granted and unexercised Options or portions thereof; and (b) Options which may be granted subsequent to any such change in the Corporation's capital.

8.2 Determinations by the Board as to what adjustments shall be made, and the extent thereof, shall be final, binding and conclusive. The Corporation shall not be obligated to issue fractional securities in satisfaction of any of its obligations hereunder.

9. Accelerated Vesting

9.1 In the event that certain events such as a liquidation or dissolution of the Corporation or a re-organization, plan of arrangement, merger or consolidation of the Corporation with one or more corporations, as a result of which the Corporation is not the surviving corporation, or the sale by the Corporation of all or substantially all of the property and assets of the Corporation to another corporation prior to the Expiry Time, is proposed or contemplated, the Board may, notwithstanding the terms of the Plan or any stock option agreements issued hereunder, exercise its discretion, by way of resolution, to permit accelerated vesting of Options on such terms as the Board sees fit at that time. If the Board, in its sole discretion, determines that the Common Shares subject to any Option granted hereunder shall vest on an accelerated basis, all Participants are entitled to exercise an unexercised portion of Options then outstanding shall have the right at such time, upon written notice being given by the Corporation, to exercise such Options to the extent specified and permitted by the Board and within the time period specified by the Board, which shall not extend past the Expiry Time.

9.2 An Option may provide that whenever the Corporation's shareholders receive a Take-Over Bid and the Corporation supports this bid, pursuant to which the "offeror" would, as a result of such Take-Over Bid being successful, beneficially own in excess of 50% of the outstanding Common Shares, the Participant may exercise the Acceleration Right. The Acceleration Right shall commence on the date of the mailing of the Board circular recommending acceptance of the Take-Over Bid and end on the earlier of:

- (a) the Expiry Time; and
- (b) (i) in the event the Take-Over Bid is unsuccessful, the expiry date of the Take-Over Bid; and (ii) in the event the Take-Over Bid is successful, the tenth day following the expiry

date of the Take-Over Bid.

9.3 At the time of the termination of the Acceleration Right, the original vesting terms of the Options shall be reinstated with respect to the Common Shares issuable thereunder which were not acquired by the holders of such Options pursuant to the terms thereof. Notwithstanding the foregoing, the Acceleration Right may be extended for such longer period as the Board may resolve.

10. Decisions of the Board

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

11. Ceasing to be a Director, Officer, Employee or Consultant

11.1 Subject to the terms of the applicable stock option agreements and subject to Sections 11.3 and 11.4, in the event of the Participant ceasing to be a director, officer, employee or Consultant of the Corporation or a Subsidiary, if any, for any reason other than death, including the resignation or retirement of the Participant or the termination by the Corporation or a Subsidiary of the employment of the Participant, prior to the Expiry Time, all then vested Options (including those Options held by a Participant's Personal Holding Company) may be exercised as to such Common Shares in respect of which the Option has not previously been exercised (and as the Participant would have been entitled to exercise) at any time up to and including (but not after) the earlier of: (a) the Expiry Time; and (b) a date that is 90 days (or such other period as may be determined by the Board, provided that such period is not more than 12 months) following the effective date of such resignation or retirement or a date that is 90 days (or such other period as may be determined by the Board, provided that such period is not more than 12 months) following termination of employment, whether such termination is with or without reasonable notice, and subject to such shorter period as may be otherwise specified in the stock option agreement, after which date all unexercised Options shall forthwith expire and terminate and be of no further force or effect whatsoever.

11.2 In consideration of the Option hereby granted, in the event of the resignation or retirement of the Participant or the termination of employment by the Corporation without cause, the Participant hereby covenants not to sue the Corporation for damages arising from the loss of rights granted hereunder and releases the Corporation from any damages.

11.3 Notwithstanding the foregoing, in the event of termination for cause, all vested and unvested Options (including those Options held by a Participant's Personal Holding Company) shall expire and terminate immediately at the time of delivery of notice of termination of employment for cause to the Participant by the Corporation or a Subsidiary, if any, and shall be of no further force or effect whatsoever as to the Common Shares in respect of which an Option has not previously been exercised.

11.4 In the event of the death of a Participant on or prior to the Expiry Time, all then vested Options (including those Options held by a Participant's Personal Holding Company) may be exercised as to such of the Common Shares in respect of which such Option has not previously been exercised (and as the Participant would have been entitled to purchase), by the legal personal representatives of the Participant at any time up to 12 months from the date of death of the Participant, after which date all unexercised Options shall forthwith expire and terminate and be of no further force or effect whatsoever.

11.5 For greater certainty, no unvested Options as at the date that a Participant ceases to be a director, officer or employee of, or Consultant to, the Corporation or a Subsidiary, as applicable, shall be exercisable by such Participant or legal personal representatives of such Participant.

11.6 Options shall not be affected by any change of employment of the Participant where the Participant continues to be employed by the Corporation or any of its Subsidiaries, if any.

12. Transferability

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

13. Amendment or Discontinuance of Plan

13.1 The approval of the Board, and the requisite approval from the Exchange and the shareholders of the Corporation (including disinterested shareholder approval if required by the policies of the Exchange), shall be required for any of the following amendments to be made to the Plan:

- (a) any change to the definition of "Participants" which would have the potential of broadening or increasing the scope of participation in the Plan;
- (b) any increase to the fixed maximum percentage of Common Shares issuable under the Plan (from time to time);
- (c) an increase in the maximum number of Common Shares that may be issued to Insiders (as a group) within any 12-month period;
- (d) an increase in the maximum number of Common Shares that may be issued to any one Participant within any 12-month period;
- (e) a reduction in the exercise price or purchase price of an Option (other than for standard anti-dilution purposes) or extension of the term of an Option, in either case held by or benefiting an Insider;
- (f) the addition of any form of financial assistance relating to Plan;
- (g) any amendment to a financial assistance provision of the Plan which is more favourable to Participants; and
- (h) any other amendments that may lead to significant or unreasonable dilution in the Corporation's outstanding securities or may provide additional benefits to Participants, in particular Insiders, at the expense of the Corporation and its existing shareholders.

13.2 The Board may, without shareholder approval but subject to receipt of requisite approval as required by the Exchange, in its sole discretion, make all other amendments to the Plan that are not of the type contemplated in Section 13.1 including, without limitation:

- (a) a change to the expiry date of an Option;
- (b) a change to the vesting provisions of an Option or the Plan, except for the vesting provisions for Options granted to an Investor Relations Service Provider;
- (c) a reduction in the exercise price or purchase price of an Option held by or benefiting a non-Insider;
- (d) amendments of a housekeeping nature; and

- (e) amendments to clarify existing provisions of the Plan that do not have the effect of altering the scope, nature or intent of such provisions.

14. Participants' Rights

14.1 A Participant shall not have any rights as a shareholder of the Corporation until the issuance of the underlying Common Shares upon the exercise of an Option or a portion thereof.

14.2 Nothing in the Plan or any Option shall confer upon any Participant any rights to continue in the employ of the Corporation or any Subsidiary, if any, or affect in any way the right of the Corporation or any such Subsidiary to terminate the employment of the Participant at any time; nor shall anything in the Plan or any Option be deemed or construed to constitute an agreement, or an expression of intent, on the part of the Corporation or any such Subsidiary to extend the employment of any Participant beyond the time such Participant would normally retire pursuant to the provisions of any present or future retirement plan of the Corporation or any Subsidiary, or beyond the time at which he or she would otherwise be retired pursuant to the provisions of any contract of employment with the Corporation or any Subsidiary.

15. Approvals

15.1 The Plan shall be subject, if applicable, to the approval of the Exchange or other regulatory body having jurisdiction at that time and, if so required thereby, to the approval of the shareholders of the Corporation.

15.2 Any Options granted prior to such approval and acceptance shall be conditional upon such approval and acceptance being given and no such Options may be exercised unless such approval and acceptance is given.

16. Securities Laws / Regulations

16.1 The Corporation's obligation to issue and deliver Common Shares under any Option is subject to:

- (a) the satisfaction of all requirements under applicable securities laws in respect thereof and obtaining all regulatory approvals as the Corporation shall determine to be necessary or advisable in connection with the authorization, issuance or sale thereof;
- (b) the admission of such Common Shares to listing on any stock exchange on which such Common Shares may then be listed; and
- (c) the receipt from the Participant of such representations, warranties, agreements and undertakings as to future dealings in such Common Shares as the Corporation determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction.

16.2 In this regard, the Corporation shall take all reasonable steps to obtain such approvals and registrations as may be necessary for the issuance of such Common Shares and for the listing of such Common Shares on the Exchange, in compliance with applicable securities laws. If any Common Shares cannot be issued to any Participant for whatever reason, the obligation of the Corporation to issue such shares shall terminate and the Option Price paid to the Corporation will be returned to the Participant.

17. Withholding Obligations

17.1 It is the responsibility of the Participant to complete and file any tax returns that may be required under Canadian or other applicable jurisdiction's tax laws within the periods specified in those laws

as a result of the Participant's participation in the Plan. Notwithstanding any other provision of the Plan, a Participant shall be solely responsible for all Applicable Withholding Taxes resulting from the receipt of Common Shares or other property pursuant to the Plan. In connection with the issuance of Common Shares pursuant to the Plan, a Participant shall, at the Participant's discretion:

- (a) pay to the Corporation an amount as necessary so as to ensure that the Corporation is in compliance with the applicable provisions of any federal, provincial, local or other law relating to the Applicable Withholding Taxes in connection with such issuance;
- (b) authorize a securities dealer designated by the Corporation, on behalf of the Participant, to sell in the capital markets a portion of the Common Shares issued hereunder to realize cash proceeds to be used to satisfy the Applicable Withholding Taxes; or
- (c) make other arrangements acceptable to the Corporation to fund the Applicable Withholding Taxes.

17.2 For the purposes of this Section 17, "**Applicable Withholding Taxes**" means any and all taxes and other source deductions or other amounts that an employer is required by law to withhold from any amounts to be paid or credited hereunder.

18. Outstanding Options

All outstanding stock options granted prior to the effective date of the Plan shall, subject to compliance with the terms and conditions of such outstanding stock options, be governed by the provisions of the Plan.

19. Costs

The Corporation shall pay all costs of administering the Plan.

20. Interpretation

The Plan shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

21. Compliance with Applicable Law

If any provision of the Plan or any Option contravenes any law or any order, policy, bylaw or regulation of any regulatory body or the Exchange, then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

(Plan adopted by shareholders: August 2, 2022)

SCHEDULE "A"

FORM OF OPTION AGREEMENT

OPTION AGREEMENT

This Option Agreement is made as of _____, 20__ between _____ (the "**Participant**") and Compass Gold Corporation (the "**Corporation**") pursuant to the terms of the 2022 Stock Option Plan of the Corporation (which plan, as the same may from time to time be modified, supplemented or amended and in effect is herein referred to as the "**Plan**"), and confirms that:

1. on _____ (the "**Grant Date**");
2. the Participant was granted stock options (the "**Options**"), each Option exercisable to acquire _____ common shares of the Corporation (the "**Optioned Shares**") at an exercise price of \$ _____ per Optioned Share; and
3. the Options expire at 4:00pm (Toronto time) on _____, 20__ (the "**Expiration Date**") and shall vest in accordance with the following schedule:

Vesting Schedule
Total

all on the terms and subject to the conditions set out in the Plan.

In consideration of the grant of Options pursuant to the Plan (the receipt and sufficiency of which are hereby acknowledged), the Participant hereby:

- (i) acknowledges that he or she has received a copy of the Plan, has read and understands the Plan and that he or she will abide by its terms and conditions, which terms and conditions include the right of the Corporation to amend or terminate the Plan or any of its terms and to determine vesting and other matters in respect of an Option;
- (ii) acknowledges and agrees that this Option Agreement amends and restates in its entirety, and supersedes, any and all agreements, commitments and understandings between the Corporation and the Participant with respect to the grant of Options to acquire common shares of the Corporation prior to the date hereof;
- (iii) agrees that an Option does not carry any voting rights or the right to receive dividends or distributions of the Corporation, if and when declared;
- (iv) recognizes that: (A) during the period between granting of an Option and the exercise, expiry or cancellation of the Option, the value of the Option and Optioned Shares may be subject to a number of factors; and (B) the Corporation accepts no responsibility for any fluctuations in the value of the Option or the Optioned Shares;
- (v) accepts and consents to and shall be deemed conclusively to have accepted and consented to, and agrees to be bound by, the provisions and all terms of the Plan and all *bona fide* actions or decisions made by the board of directors of the Corporation (the "**Board**") or any person to

whom the Board may delegate administrative duties and powers in relation to the Plan, which terms and consent shall also apply to and be binding on the legal representatives, permitted assigns, beneficiaries and successors of the Participant;

- (vi) agrees that the Participant shall not make any claim under any consulting, employment or other agreement for any rights or entitlement under the Plan or damages in lieu thereof, except as expressly provided in the Plan;
- (vii) represents and warrants to, and covenants with, the Corporation (and agrees to execute an instrument in a form acceptable to the Corporation confirming the following, if so requested by the Corporation) that if the Participant is or becomes a resident of the United States of America, that the Participant:
 - a. will acquire any Optioned Shares as an investment and not with a view to distribution;
 - b. undertakes not to offer or sell or otherwise dispose of the Optioned Shares unless such shares are subsequently registered under the Securities Act of 1933 (United States) (the “**Securities Act**”), as amended, or an exemption from registration is available;
 - c. consents to the placing of a restrictive legend on any share certificates issued to the Participant should such be necessary in order to comply with securities laws and stock exchange rules applicable to the Participant and/or the Corporation; and
 - d. acknowledges that securities laws applicable to the Participant and/or the Corporation may require the Participant to hold any shares issued to the Participant for a certain period prior to resale thereof;
- (viii) if the Participant is a corporation wholly-owned by individuals eligible for an option grant under the Plan, the Participant agrees to complete and deliver to the Corporation the TSX Venture Exchange (the “**Exchange**”) the required *Certification and Undertaking Required from a Company Granted Security Based Compensation* (in the form of Schedule “A” to Exchange Form 4G – *Summary Form – Security Based Compensation*);
- (ix) acknowledges that neither the Corporation nor any subsidiary or other person or corporation that controls or is controlled by the Corporation or that is controlled by the same person or corporation as the Corporation (each, an “**Affiliated Entity**”), nor their respective advisors, assume any responsibility in regards to the tax consequences that participation in the Plan, the issuance of Options hereunder, the vesting thereof and/or the exercise by the Participant thereof will have for the Participant and the Participant is urged to consult his or her own tax advisors in such regard;
- (x) acknowledges that he or she is solely liable for any taxes or penalties which may be payable pursuant to the Canada Revenue Agency under the *Income Tax Act* (Canada), or any other applicable taxing authority, in respect of the grant or vesting of the Options and the issuance of Optioned Shares or payment of cash upon such exercise and agrees to make arrangements satisfactory to the Corporation for the payment of cash to the Corporation sufficient to satisfy any income or employment taxes in respect of the grant or vesting of the Option and the issuance of Optioned Shares or, if applicable, payment of cash upon the exercise of the Option under this Option Agreement, and provided further that the delivery of Optioned Shares or the

payment of cash pursuant to the exercise of the Option is contingent upon satisfaction of applicable withholding requirements and applicable taxes may be withheld from any payments due to him or her, including, if applicable, such payment in settlement of an exercise of the Option;

- (xi) agrees that he or she will, at all times, act in strict compliance with applicable laws and all policies of the Corporation applicable to the Participant in connection with the Plan and the Option, which applicable laws and policies shall include, without limitation, those governing “insiders” and “reporting issuers” as those terms are defined in applicable securities laws;
- (xii) confirms and acknowledges that he or she has not been induced to enter into this Option Agreement or acquire any Options or Optioned Shares by expectation of employment or continued employment with the Corporation or any of its Affiliated Entities or Associates (as such term is defined in the *Securities Act* (Ontario)); and
- (xiii) agrees and consents to the Corporation:
 - a. collecting Personal Information (as hereinafter defined) of the Participant for the purposes of this Option Agreement;
 - b. retaining such Personal Information for as long as permitted or required by applicable law or business practices; and
 - c. providing to various governmental and regulatory authorities, as may be required by applicable laws, including securities laws, stock exchange rules, and the rules of the Investment Industry Regulatory Organization of Canada (“IIROC”), or to give effect to this Option Agreement such Personal Information, including: (a) the disclosure of Personal Information by the Corporation to the Exchange pursuant to the filing of an Exchange Form 4G – *Summary Form – Security Based Compensation* (the “Form”); (b) the disclosure of Personal Information by the Corporation to the Exchange pursuant to the filing of required under the policies of the Exchange (including, if applicable, *Certification and Undertaking Required from a Company Granted Security Based Compensation*); and (c) the collection, use and disclosure of Personal Information by the Exchange for the purposes described in Appendix 6A and Appendix 6B of the Exchange’s Corporate Finance Manual or as otherwise identified by the Exchange, from time to time. “**Personal Information**” means any information about an identifiable individual, and includes the information contained in the tables, as applicable, found in the Form.

The grant of the Option and the issuance/and or delivery of the underlying Optioned Shares are subject to the terms and conditions of the Plan (as modified or varied by this Option Agreement), all of which are incorporated into and form an integral part of this Option Agreement.

The exercise of any Option will be conditional upon receipt by the Corporation at its head office of a written “Notice of Election to Exercise Option” addressed to the Corporation, substantially in the form of Appendix A attached hereto, specifying the number of Optioned Shares in respect of which the Option is being exercised, accompanied by cash payment, certified cheque or bank draft of immediately available funds for the full purchase price of such Optioned Shares with respect to which the Option is being exercised (or, alternatively, indicating that the Participant is exercising such Option on a cashless basis or net exercise basis, if and as applicable).

This Option Agreement shall enure to the benefit of and be binding upon the Corporation and the Participant and their respective successors (including any successor by reason of amalgamation), transferees, permitted assigns, legal representatives and beneficiaries, as applicable.

This Option Agreement, the grant of the Option hereunder and under the Plan, and the exercise of the Option and delivery of Optioned Shares shall be, as applicable, governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein without regard to principles of conflicts of laws that would impose the laws of another jurisdiction. The Courts of the Province of Ontario shall have the exclusive jurisdiction to hear and decide any disputes or other matters arising under the Plan or this Option Agreement.

Capitalized terms used herein and not otherwise defined shall have the respective meanings ascribed to them in the Plan.

In the event of any conflict or inconsistency between the provisions of this Option Agreement and the Plan, the provisions of the Plan shall govern and rank paramount.

[Signature page follows.]

IN WITNESS WHEREOF the Corporation and the Participant have executed this Option Agreement effective as of the date first written above.

COMPASS GOLD CORPORATION

By: _____
Authorized signatory

_____)	_____
Name of Witness:)	Name of Participant:
)	Title:

(Where the Participant is a corporation, an officer or director should execute this agreement and the title should be entered)

Appendix A

NOTICE OF ELECTION TO EXERCISE OPTION

TO: COMPASS GOLD CORPORATION (the "Corporation")

The undersigned hereby irrevocably gives notice, pursuant to the Corporation's Stock Option Plan (the "**Plan**"), of the exercise of the Option to acquire and hereby subscribes for (cross out inapplicable item):

- (a) all of the common shares (the "**Shares**") which are the subject of the option agreement attached hereto; or
- (b) _____ of the Shares which are the subject of the option agreement attached hereto.

Calculation of total Exercise Price:

- (a) number of Shares to be acquired on exercise: _____ Shares
- (b) times the Exercise Price per Share: \$ _____

Total Exercise Price, as enclosed herewith: \$ _____

The undersigned tenders herewith a certified cheque or bank draft in the amount of \$ _____, payable to "Compass Cold Corporation" in an amount equal to the total Exercise Price of the Shares, as calculated above, and directs the Corporation to issue the share certificate evidencing the Shares as follows:

Name: _____
(Print name as name is to appear on share certificate)

Address: _____

DATED this _____ day of _____, 20_____.

Name of Witness:)

Name of Participant:)
Title:)

(Where the Participant is a corporation, an officer or director should execute this agreement and the title should be entered)

Schedule “B”

COMPASS GOLD CORPORATION

RESTRICTED SHARE UNIT PLAN

PART 1

GENERAL PROVISIONS

Establishment and Purpose

1.1 The Company hereby establishes a restricted share unit plan known as the “Compass Gold Corporation Restricted Share Unit Plan.”

1.2 The purpose of this Plan is to allow for certain discretionary bonuses and similar awards as an incentive and reward for selected Eligible Persons related to the achievement of long-term financial and strategic objectives of the Company and the resulting increases in shareholder value. This Plan is intended to promote a greater alignment of interests between the shareholders of the Company and the selected Eligible Persons by providing an opportunity to participate in increases in the value of the Company. The Plan is designed to comply with both United States federal and Canadian tax laws.

Definitions

1.3 In this Plan:

- (a) “**Affiliate**” means any corporation which is an affiliate, as such term is used in the *Canada Business Corporations Act*, of the Company;
- (b) “**Associates**” has the meaning ascribed thereto in the Securities Act (Ontario);
- (c) “**Applicable Withholding Tax**” has the meaning set forth in §3.9;
- (d) “**Award Agreement**” means a written agreement evidencing the grant of a Restricted Share Unit;
- (e) “**Award Payout**” means the applicable Share issuance in respect of a vested Restricted Share Unit pursuant and subject to the terms and conditions of this Plan and the applicable Award Agreement;
- (f) “**Board**” means the Board of Directors of the Company;
- (g) “**Change of Control**” in respect of any Recipient has the meaning ascribed to such term (in a relevant context) in either i) the Recipient’s then existing employment agreement with the Company, ii) the Recipient’s then existing Change of Control letter agreement with the Company or, if no meaning is so ascribed, means the acquisition by any person or by any person and its joint actors (as such term is defined in the Securities Act), whether directly or indirectly, of voting securities (as such term is defined in Securities Act) of the Company which, when added to all of the voting securities of the Company at the time held by such person and its joint actors, totals for the first time not less than 50% of the outstanding voting securities of the Company;
- (h) “**Code**” means the United States Internal Revenue Code of 1986, as amended.
- (i) “**Committee**” means the Compensation Committee of the Board or other committee of the Board, consisting of not less than three directors, to whom the authority of the Board is delegated in accordance with §1.5;

- (j) “**Company**” means Compass Gold Corp., and includes any successor company thereto;
- (k) “**Eligible Person**” means any person who is an Employee or Officer;
- (l) “**Employee**” means an employee of the Company or of a Related Entity;
- (m) “**Expiry Date**” means December 31 of the third calendar year after the Grant Date, or such earlier date as may be established by the Board and set forth in an applicable Award Agreement;
- (n) “**Fair Market Value**” means, as at a particular date, for the purpose of calculating the applicable Vesting Date Value and Award Payout,
- (i) if the Shares are listed on the TSX-V, the volume weighted average price per Share traded on the TSX-V over the last five trading days preceding that date,
 - (ii) if the Shares are not listed on the TSX-V, the value established by the Board based on the volume weighted average price per Share traded on any other public exchange on which the Shares are listed over the same period, or
 - (iii) if the Shares are not listed on any public exchange, the value per Share established by the Board based on its determination of the fair value of a Share;
- (o) “**Grant Date**” means the date of grant of any Restricted Share Unit;
- (p) “**IFRS**” means the International Financial Reporting Standards as adopted by the Accounting Standards Board of Canada;
- (q) “**Insider**” means any insider, as such term is defined in Subsection 1(1) of the Securities Act (Ontario), of the Company, other than a person who falls within that definition solely by virtue of being a director or senior officer of an Affiliate, and includes any Associate of any such insider;
- (r) “**Just Cause**” means termination of Recipient’s employment without notice or pay in lieu of notice for reasons including (but not limited to):
- (i) the Recipient’s wilful failure to follow the Company’s instructions or to perform the reasonable duties assigned to the Recipient by the Company;
 - (ii) the Recipient’s wilful misconduct or fundamental breach of any of the provisions of any employment agreement;
 - (iii) any conduct by the Recipient that brings the Recipient or the Company into disrepute; and
 - (iv) any other matter constituting just cause at common law.
- (s) “**Officer**” means an individual who is an officer of the Company or of a Related Entity as an appointee of the Board or the board of directors of the Related Entity, as the case may be;
- (t) “**Restricted Share Unit**” means a right granted under this Plan to receive the Award Payout on the terms contained in this Plan;
- (u) “**Plan**” means this Compass Gold Restricted Share Unit Plan, as amended from time to time;
- (v) “**Recipient**” means an Eligible Person who may be granted Restricted Share Units from time to time under this Plan;

- (w) “**Related Entity**” means a person that is controlled by the Company. For the purposes of this Plan, a person (first person) is considered to control another person (second person) if the first person, directly or indirectly, has the power to direct the management and policies of the second person by virtue of
- (i) ownership of or direction over voting securities in the second person,
 - (ii) a written agreement or indenture,
 - (iii) being the general partner or controlling the general partner of the second person, or
 - (iv) being a trustee of the second person;
- (x) “**Required Approvals**” has the meaning contained in §1.7.
- (y) “**Retirement**” means, with respect to a Recipient, the early or normal retirement of the Recipient within the meaning of the pension plan of the Company for salaried employees, whether or not such Recipient is a member of that pension plan, or, if the Company does not have such a plan, the date on which the Recipient reaches age 65;
- (z) “**Securities Act**” means the *Securities Act*, R.S.B.C. 1996, c. 418, as amended from time to time;
- (aa) “**Share**” means a common share in the capital of the Company as from time to time constituted after giving effect to the consolidation of the Company’s common shares disclosed in the Company’s news release of August 23, 2017;
- (bb) “**Termination**” means, with respect to a Recipient, that the Recipient has ceased to be an Eligible Person, other than as a result of Retirement, and has ceased to fulfil any other role as employee or officer of the Company or any Related Entity, including as a result of termination of employment, resignation from employment, removal as an officer, death or Total Disability;
- (cc) “**Termination Date**” means the date of Termination of a Recipient and, in the case of a Recipient who is an Employee, where the employment is terminated by the Company or a Related Entity, as applicable, whether wrongful or for Just Cause or otherwise, such date shall be the date notice of Termination is provided;
- (dd) “**Total Disability**” means, with respect to a Recipient, that, solely because of disease or injury, within the meaning of the long-term disability plan of the Company, the Recipient is deemed by a qualified physician selected by the Company to be unable to work at any occupation which the Recipient is reasonably qualified to perform;
- (ee) “**Trigger Date**” means, with respect to a Restricted Share Unit, the date set by the Board in the applicable Award Agreement, and if no date is set by the Board, then December 1 of the third calendar year following the Grant Date of the Restricted Share Unit;
- (ff) “**TSX-V**” means The TSX Venture Exchange;
- (gg) “**United States**” means the United States of America, its territories and possessions and any state of the United States;
- (hh) “**U.S. Taxpayer**” means any Recipient who is a citizen or resident of the United States (including its territories, possessions and all areas subject to the jurisdiction) or is otherwise subject to income taxation under the laws of the United States; and
- (ii) “**Vesting Date Value**” means the notional value, as at a particular date, of the Fair Market Value of one Share.

Administration

1.4 The Board will, in its sole and absolute discretion, but taking into account relevant corporate, securities and tax laws,

- (a) interpret and administer this Plan,
- (b) establish, amend and rescind any rules and regulations relating to this Plan, and
- (c) make any other determinations that the Board deems necessary or appropriate for the administration of this Plan;

provided that nothing in this §1.4 shall permit the Board to amend this Plan to allow the grant of Restricted Share Units to non-employee directors without obtaining Shareholder approval of such amendment. The Board may correct any defect or any omission or reconcile any inconsistency in this Plan in the manner and to the extent the Board deems, in its sole and absolute discretion, necessary or appropriate. Any decision of the Board in the interpretation and administration of this Plan will be final, conclusive and binding on all parties concerned. All expenses of administration of this Plan will be borne by the Company.

Delegation to Committee

1.5 All of the powers exercisable hereunder by the Board may, to the extent permitted by law and as determined by a resolution of the Board, be delegated to a Committee including, without limiting the generality of the foregoing, those referred to under §1.4).

Incorporation of Terms of Plan

1.6 Subject to specific variations approved by the Board and set forth in an Award Agreement, all terms and conditions set out herein will be incorporated into and form part of each Restricted Share Unit granted under this Plan.

Effective Date

1.7 This Plan will be effective on upon completion of the Company's acquisition of Mali Gold Exploration Pty Ltd. After such date, the Board may, in its discretion, at any time, and from time to time, issue Restricted Share Units to Eligible Persons as it determines appropriate under this Plan. However, any such issued Restricted Share Units may not be paid out in Shares in any event until receipt of the necessary approvals from disinterested shareholders of the Company, the TSX-V, and any other regulatory bodies (the "Required Approvals"). This Plan shall also be subject to Policy 4.4 of the TSX-V, where applicable.

Maximum Number of Shares and Maximum Award Value

1.8 The aggregate number of Shares available for issuance from treasury under this Plan, in the aggregate, is 1,367,098 Shares, subject to adjustment pursuant to §2.8, provided that the maximum number of Shares issuable pursuant to this Plan, or when combined with all of the Company's other security-based compensation arrangements, shall not exceed 10% of the Resulting Issuer's issued and outstanding shares, subject to any adjustments; and

Any Shares subject to a Restricted Share Unit which has been granted under the Plan and which is settled, cancelled or terminated in accordance with the terms of the Plan shall again be available under the Plan.

1.9 Notwithstanding anything in this Plan, the maximum number of Shares which may be issued to:

- (a) any individual at the time of grant under this Plan may be no more than one percent (1%) of the outstanding Shares of the Company; and

(b) any individual in any twelve (12) month period may be, in aggregate, no more than two percent (2%) of the outstanding Shares of the Company,

less the aggregate number of shares reserved for issuance or issuable under any other share compensation arrangement of the Company.

PART 2

AWARDS UNDER THIS PLAN

Recipients

2.1 Only Eligible Persons are eligible to participate in this Plan and receive one or more Restricted Share Units. Restricted Share Units that may be granted hereunder to a particular Eligible Person in a calendar year will (subject to any applicable terms and conditions) represent a right to a bonus or similar award to be received for services rendered by such Eligible Person to the Company or a Related Entity, as the case may be, in the Company's or the Related Entity's fiscal year ending in, or coincident with, such calendar year.

Grant

2.2 The Board may, in its discretion, at any time, and from time to time, grant Restricted Share Units to Eligible Persons as it determines is appropriate, subject to the limitations set out in this Plan. In making such grants the Board may, in its sole discretion but subject to §2.4, in addition to Performance Conditions set out below, impose such conditions on the vesting of the Restricted Share Units as it sees fit, including imposing a vesting period on grants of Restricted Share Units.

Performance Conditions

2.3 At the time a grant of a Restricted Share Unit is made, the Board may, in its sole discretion, establish such performance conditions for the vesting of Restricted Share Units as may be specified by the Committee in the applicable Award Agreement (the "**Performance Conditions**"). The Board may use such business criteria and other measures of performance as it may deem appropriate in establishing any Performance Conditions, and may exercise its discretion to reduce the amounts payable under any Award Agreement subject to Performance Conditions. The Board may determine that a Restricted Share Unit shall vest in whole or in part upon achievement of any one performance condition or that two or more Performance Conditions must be achieved prior to the vesting of a Restricted Share Unit. Performance Conditions may differ for Restricted Share Units granted to any one Grantee or to different Grantees.

Vesting

2.4 Except as otherwise provided in §§ 3.5, 3.6 or 3.7 or elsewhere in this Plan, Restricted Share Units issued under this Plan will vest on the Trigger Date provided that any applicable Performance Conditions have been satisfied on or before the Trigger Date and provided further, that the Recipient has continued to be an Employee or Officer until the applicable Trigger Date. For the avoidance of doubt, the term "vest" or "vested" as pertaining to U.S. Taxpayers under this Plan shall mean that a Restricted Share Unit is no longer subject to a "substantial risk of forfeiture" as such term is defined in Section 409A(d)(4) of the Code and Section 1.409A-1(d)(1) of the Treasury Regulations promulgated by the United States Treasury Department.

No Restricted Share Unit will remain outstanding for any period which exceeds the Expiry Date of such Restricted Share Unit.

Forfeiture and Cancellation Upon Expiry Date

2.5 Restricted Share Units which do not vest on or before the Expiry Date of such Restricted Share Unit will be automatically cancelled, without further act or formality and without compensation. Any Restricted Share

Units granted to a U.S. Taxpayer which do not vest either as a result of termination of employment or services prior to the Trigger Date or as a result of a failure to satisfy any applicable Performance Conditions as of the applicable time will be automatically cancelled, without further act or formality and without compensation, as of the earlier of the termination of employment or services or the Trigger Date.

Account

2.6 Restricted Share Units issued pursuant to this Plan (including fractional Restricted Share Units, computed to three digits) will be credited to a notional account maintained for each Recipient by the Company for the purposes of facilitating the determination of amounts that may become payable hereunder. A written confirmation of the number of Restricted Share Units in each Recipient's account will be sent by the Company to the Recipient upon request of the Recipient.

Dividend Equivalents

2.7 On any date on which a cash dividend is paid on Shares, a Recipient's account will be credited with the number and type of Restricted Share Units (including fractional Restricted Share Units, computed to three digits) calculated by

(a) multiplying the amount of the dividend per Share by the aggregate number of Restricted Share Units that were credited to the Eligible Person's notional account as of the record date for payment of the dividend, and

(b) dividing the amount obtained in §(a) by the Fair Market Value on the date on which the dividend is paid.

Any additional Restricted Share Units resulting from the application of this §2.7 shall become vested and payable at the same time that the Restricted Share Units under §2.7(a), to which such new Restricted Share Units are allocable, become vested and payable. The new Restricted Share Units shall be allocable pro-rata to the Restricted Share Units under §2.7(a).

Adjustments and Reorganizations

2.8 In the event of any dividend paid in shares, share subdivision, combination or exchange of shares, merger, consolidation, spin-off or other distribution of Company assets to shareholders, or any other change in the capital of the Company affecting Shares, the Board, in its sole and absolute discretion, will make, with respect to the number of Restricted Share Units outstanding under this Plan, any proportionate adjustments as it considers appropriate to reflect that change.

Notice and Acknowledgement

2.9 No certificates will be issued with respect to the Restricted Share Units issued under this Plan, unless and until Shares are actually issued upon settlement of the Restricted Share Unit. Each Eligible Person will, prior to being granted any Restricted Share Units, deliver to the Company a signed acknowledgement substantially in the form of Schedule "A" to this Plan.

PART 3

PAYMENTS UNDER THIS PLAN

Payment of Restricted Share Units

3.1 Subject to the terms of this Plan and, in particular, §3.9 of this Plan, the Company will pay out vested Restricted Share Units issued under this Plan by paying or issuing (net of any Applicable Withholding Tax) to such Recipient, on or subsequent to the Trigger Date but no later than the Expiry Date of such Vested Restricted Share

Unit, or, with respect to Restricted Share Units held by a U.S. Taxpayer, no later than thirty (30) days after the Trigger Date (or any earlier date upon which the Restricted Share Unit is no longer subject to a substantial risk of forfeiture under Section 409A of the Code), an Award Payout of either:

- (a) subject to receipt of the Required Approvals, one Share for such whole vested Restricted Share Unit. Fractional Shares shall not be issued and where a Recipient would be entitled to receive a fractional Share in respect of any fractional vested Restricted Share Unit, the Company shall pay to such Recipient, in lieu of such fractional Share, cash equal to the Vesting Date Value as at the Trigger Date of such fractional Share. Each Share issued by the Company pursuant to this Plan shall be issued as fully paid and non-assessable, or
- (b) if the Company has not received the Required Approvals or is prohibited from issuing Shares pursuant to §3.2, a cash amount equal to the Vesting Date Value as at the Trigger Date of such vested Restricted Share Unit.

Limitation on Issuance of Shares to Insiders

3.2 Notwithstanding anything in this Plan, the Company shall not issue Shares under this Plan to any Eligible Person who is an Insider of the Company where such issuance would result in:

- (a) the total number of Shares issuable at any time under this Plan to Insiders, or when combined with all other Shares issuable to Insiders under any other equity compensation arrangements then in place, exceeding 10% of the total number of issued and outstanding equity securities of the Company on a non-diluted basis; and
- (b) the total number of Shares that may be issued to Insiders during any one year period under this Plan, or when combined with all other Shares issued to Insiders under any other equity compensation arrangements then in place, exceeding 10% of the total number of issued and outstanding equity securities of the Company on a non diluted basis.

Where the Company is precluded by this §3.2 from issuing Shares to an Insider of the Company, the Company will pay to the relevant Insider a cash Award Payout in an amount equal to the Vesting Date Value as at the Trigger Date of the Restricted Share Unit.

Consultants and Advisors

3.3 The Board may engage such consultants and advisors as it considers appropriate, including compensation or human resources consultants or advisors, to provide advice and assistance in determining the amounts to be paid under this Plan and other amounts and values to be determined hereunder or in respect of this Plan including, without limitation, those related to a particular Fair Market Value.

Cancellation on Termination for Just Cause or Resignation

3.4 Subject to §3.5, §3.6 and §3.7 of this Plan, unless the Board at any time otherwise determines, all unvested Restricted Share Units held by any Recipient and all rights in respect thereof will be automatically cancelled, without further act or formality and without compensation, immediately in the event of a Termination arising from the termination of employment or removal from service by the Company or a Related Entity for Just Cause, or for the resignation of a Recipient.

Retirement, Total Disability, Death and Termination Without Cause

3.5 Except as provided in §3.6 with respect to a Recipient who is a U.S. Taxpayer, if any Recipient (other than a U.S. Taxpayer) ceases to be an Eligible Person for any of the following reasons, unvested Restricted Share Units will continue to remain outstanding and vest in accordance with the terms of this Plan for a period of sixty (60) days after the Termination Date as if such person was an Eligible Person:

- (a) Retirement of the Recipient;
- (b) death or Total Disability of a Recipient; and
- (c) the Termination of employment or removal from service by the Company or a Related Entity without cause.

Any Restricted Share Units granted to such Recipient which have not become vested Restricted Share Units on or before the date that is sixty (60) days from the Termination Date shall terminate and become null and void as of such date.

Total Disability and Death and Termination Without Cause for U.S. Taxpayers

3.6 Unless otherwise provided in an applicable Award Agreement, if a Recipient who is a U.S. Taxpayer ceases to be an Eligible Person as a result of the following events:

- (a) death or Total Disability;
- (b) the Termination of employment or removal from service by the Company or a Related Entity without cause,

then, any Restricted Share Units granted to such Recipient that are then outstanding but unvested shall become fully vested as of the occurrence of such event. The Award Payout for all Restricted Share Units that become vested under this §3.6 shall be made within thirty (30) days after such Restricted Share Units first became vested.

Termination on Change of Control

3.7 Notwithstanding anything else in this Plan, all unvested Restricted Share Units held by any Recipient will automatically vest, without further act or formality, immediately in the event of a Termination arising from the resignation or cessation of employment or service by the Recipient based on a material reduction or change in position, duties or remuneration of the Recipient at any time within 12 months after the occurrence of a Change of Control (the “**Early Trigger Date**”). Notwithstanding the foregoing, with respect to Restricted Share Units granted to a U.S. Taxpayer, such an Early Trigger Date will occur only if the resignation or cessation of employment or service by the Recipient within 12 months after the occurrence of a Change of Control is based on a material reduction in base compensation or material adverse change in the Recipient’s authority, duties or responsibilities during such period, without the Recipient’s consent, provided that the Recipient notifies the Company in writing of the existence of such circumstance within sixty (60) days of the initial existence of such circumstance and the Company does not remedy such circumstance within thirty (30) days of the Recipient’s notice.

3.8 Upon the occurrence of an Early Trigger Date of this Plan, the Company will pay out on such vested Restricted Share Units issued under this Plan and by paying (net of any Applicable Withholding Tax) to such Recipient on or subsequent to the Early Trigger Date, but no later than 10 days after the Early Trigger Date, an Award Payout in an amount equal to the Vesting Date Value as at the Early Trigger Date of such Restricted Share Units. Payments in respect of Restricted Share Units credited to the accounts of persons who are deceased will be made to or for the benefit of the legal representative of such person in accordance with §3.1.

Tax Matters and Applicable Withholding Tax

3.9 The Company does not assume any responsibility for or in respect of the tax consequences of the receipt by Recipients of Restricted Share Units, or payments received by Recipients pursuant to this Plan. The Company or relevant Related Entity, as applicable, is authorized to deduct such taxes and other amounts as it may be required or permitted by law to withhold (“**Applicable Withholding Tax**”), in such manner (including, without limitation, by withholding or selling Shares otherwise issuable to Recipients, on such terms as the Company determines) as it determines so as to ensure that it will be able to comply with the applicable provisions of any federal, provincial, state or local law relating to the withholding of tax or other required deductions, or the remittance of tax

or other obligations. The Company or relevant Related Entity, as applicable, may require Recipients, as a condition of receiving amounts to be paid to them under this Plan, to deliver undertakings to, or indemnities in favour of, the Company or Related Entity, as applicable, respecting the payment by such Recipients of applicable income or other taxes.

PART 4

MISCELLANEOUS

Compliance with Applicable Laws

4.1 The issuance by the Company of any Restricted Share Units and its obligation to make any payments hereunder is subject to compliance with all applicable laws. As a condition of participating in this Plan, each Recipient agrees to comply with all such applicable laws and agrees to furnish to the Company all information and undertakings as may be required to permit compliance with such applicable laws. The Company will have no obligation under this Plan, or otherwise, to grant any Restricted Share Unit or make any payment under this Plan in violation of any applicable laws. In addition, any certificates representing Restricted Share Units or Shares issued in the United States shall bear a legend restricting transfer under United States federal state securities laws.

Non-Transferability

4.2 Restricted Share Units and all other rights, benefits or interests in this Plan are non-transferable and may not be pledged or assigned or encumbered in any way and are not subject to attachment or garnishment, except that if a Recipient dies the legal representatives of the Recipient will be entitled to receive the amount of any payment otherwise payable to the Recipient hereunder in accordance with the provisions hereof.

No Right to Service

4.3 Neither participation in this Plan nor any action under this Plan will be construed to give any Eligible Person or Recipient a right to be retained in the service or to continue in the employment of the Company or any Related Entity, or affect in any way the right of the Company or any Related Entity to terminate his or her employment at any time.

Successors and Assigns

4.4 This Plan will enure to the benefit of and be binding upon the respective legal representatives of the Eligible Person.

Plan Amendment

4.5 The Board may amend this Plan as it deems necessary or appropriate, subject to the requirements of applicable laws, but no amendment will, without the consent of the Recipient or unless required by law, adversely affect the rights of a Recipient with respect to Restricted Share Units to which the Recipient is then entitled under this Plan. For greater certainty and without limiting the foregoing, prior approval of the disinterested shareholders of the Company and the TSX-V shall be required for any amendment to the Plan that would increase the maximum number of Shares that may be issuable from treasury pursuant to Restricted Share Units granted under this Plan (as set out in §1.8), other than an adjustment pursuant to §2.8.

4.6 The Board may, without notice, at any time and from time to time, and without shareholder approval, amend the Plan or any provisions thereof in such manner as the Board, in its sole discretion, determines appropriate, including, without limitation:

- (a) for the purposes of making formal minor or technical modifications to any of the provisions of the Plan;

- (b) to correct any ambiguity, defective provision, error or omission in the provisions of the Plan;
- (c) to change the vesting provisions of Restricted Share Units;
- (d) to change the termination provisions of Restricted Share Units or the Plan which does not entail an extension beyond the original Expiry Date of the Restricted Share Units; or
- (e) to make any amendments necessary or advisable because of any change in Applicable Law;

provided, however, that no such amendment of the Plan may be made without the consent of each affected Recipient in the Plan if such amendment would adversely affect the rights of such affected Recipient(s) under the Plan.

Plan Termination

4.7 The Board may terminate this Plan at any time, but no termination will, without the consent of the Recipient or unless required by law, adversely affect the rights of a Recipient with respect to Restricted Share Units to which the Recipient is then entitled under this Plan. In no event will a termination of this Plan accelerate the vesting of Restricted Share Units or the time at which a Recipient would otherwise be entitled to receive any payment in respect of Restricted Share Units hereunder.

Governing Law

4.8 This Plan and all matters to which reference is made in this Plan will be governed by and construed in accordance with the laws of British Columbia and the federal laws of Canada applicable therein.

Reorganization of the Company

4.9 The existence of this Plan or Restricted Share Units will not affect in any way the right or power of the Company or its shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, or to create or issue any bonds, debentures, Shares or other securities of the Company or to amend or modify the rights and conditions attaching thereto or to effect the dissolution or liquidation of the Company, or any amalgamation, combination, merger or consolidation involving the Company or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.

No Shareholder Rights

4.10 Restricted Share Units are not considered to be Shares or securities of the Company, and a Recipient who is issued Restricted Share Units will not, as such, be entitled to receive notice of or to attend any shareholders' meeting of the Company, nor entitled to exercise voting rights or any other rights attaching to the ownership of Shares or other securities of the Company, and will not be considered the owner of Shares by virtue of such issuance of Restricted Share Units.

No Other Benefit

4.11 No amount will be paid to, or in respect of, a Recipient under this Plan to compensate for a downward fluctuation in the Fair Market Value or price of a Share, nor will any other form of benefit be conferred upon, or in respect of, a Recipient for such purpose.

Unfunded Plan

4.12 For greater certainty, this Plan will be an unfunded plan, including for tax purposes and for purposes of the Employee Retirement Income Security Act (United States). Any Recipient to which Restricted Share Units are credited to his or her account or holding Restricted Share Units or related accruals under this Plan will have the status of a general unsecured creditor of the Company with respect to any relevant rights that may arise thereunder.

U.S. Code Section 409A for U.S. Taxpayers

It is intended that all Award Payouts made under the Plan to U.S. Taxpayers shall be exempt from Section 409A of the Code as a short-term deferral within the meaning of Section 1.409A-1(b)(4) of the Treasury Regulations. Towards that end, each Restricted Share Unit granted under the Plan to U.S. Taxpayers shall be construed to contain such terms as will qualify the Restricted Stock Unit for such exemption from Section 409A of the Code. Notwithstanding the foregoing, however, the Company shall not be liable to any Recipient or any beneficiary of a Recipient if any Restricted Share Unit under this Plan or any payment thereunder is subject to Section 409A of the Code or the Recipient or any beneficiary of a Recipient is otherwise subject to any additional tax, interest or penalty for failure to comply with Section 409A of the Code.

Securities Law Matters

If a grant under this Plan is made to a director, officer, promoter or other insider of the Company, and unless the grant is qualified by prospectus, or issued under a securities take-over bid, rights offering, amalgamation, or other statutory procedure, then the Restricted Share Unit will be subject to a four month resale restriction imposed by the TSX-V.

Schedule “C”

COMPASS GOLD CORPORATION

TEXT OF THE AUDIT COMMITTEE CHARTER

General

The Audit Committee is a committee of the Board, the primary function of which is to assist the Board in fulfilling its oversight responsibilities by reviewing the financial information to be provided to the shareholders and others, the systems of internal controls and management information systems that management has established under supervision of the Audit Committee, the Company’s internal and external audit process and monitoring compliance with the Company’s legal and regulatory requirements with respect to its financial statements.

The Audit Committee is accountable to the Board. In the course of fulfilling its specific responsibilities hereunder, the Audit Committee is expected to attempt to maintain an open communication between the Company’s external auditors and the Board.

The responsibilities of a member of the Audit Committee are in addition to such member’s duties as a member of the Board.

The Audit Committee does not plan or perform audits or warrant the accuracy or completeness of the Company’s financial statements or financial disclosure or compliance with generally accepted accounting procedures as these are the responsibility of management and the external auditors.

Membership

The Audit Committee consists of at least three directors who shall serve on behalf of the Board. The members are appointed annually by the Board and shall meet the independence, financial literacy and experience requirements of the TSX-V and other regulatory agencies as required.

Procedural Matters

The Audit Committee shall be governed by the following Audit Committee Terms of Reference adopted by the Board, save as modified by the following procedural requirements and powers. The Audit Committee:

- (a) shall meet at least four times per year, either by telephone conference or in person.
- (b) may invite the Company’s external auditors, the CFO, and such other persons are deemed appropriate by the Audit Committee to attend meetings of the Audit Committee.
- (c) shall report material decisions and actions of the Audit Committee to the Board, together with such recommendations as the Audit Committee may deem appropriate, at the next Board meeting.
- (d) shall review the performance of the Audit Committee on an annual basis and report to the Board.
- (e) shall review and assess the Mandate for the Audit Committee at least annually and submit any proposed revisions to the Board for approval.
- (f) has the power to conduct or authorize investigations into any matter within the scope of its responsibilities. It has the right to engage independent counsel and other advisors as it determines necessary to carry out its duties and the right to set the compensation for any advisors employed by the Audit Committee.
- (g) has the right to communicate directly with the CFO and other members of management who have responsibility for the audit process (“**internal audit management**”), if applicable, and external auditors.
- (h) has the right to pre-approve non-audit services (subject to ratification by the Board at its next meeting) to be performed by the external auditors. The Audit Committee may delegate certain pre-approval functions for non-audit services to one or more independent members of its Audit Committee if it first adopts specific

policies and procedures respecting same and provided such decisions are presented to the full Audit Committee for approval at its next meeting.

No business may be transacted by the Audit Committee except at a meeting of its members at which a quorum of the Audit Committee is present or by resolution in writing signed by all the members of the Audit Committee. A majority of the members of the Audit Committee shall constitute a quorum, provided that if the number of members of the Audit Committee is an even number, one-half of the number of members plus one shall constitute a quorum.

The Audit Committee shall have the authority to engage independent counsel and other advisors as the Audit Committee may deem appropriate in its sole discretion and to set and pay the compensation for any advisors employed by the Audit Committee. The Audit Committee shall not be required to obtain the approval of the Board in order to retain or compensate such consultants or advisors.

The Audit Committee shall have access to any and all books and records of the Company necessary for the execution of the Audit Committee's obligations and shall discuss with the CEO or CFO such records and other matters considered appropriate.

Responsibilities

The Audit Committee has primary responsibility for the selection, appointment, dismissal, compensation and oversight of the external auditors, subject to the overall approval of the Board. For this purpose, the Audit Committee may consult with management.

External Auditors

The responsibilities of the Audit Committee are to:

- (a) recommend to the Board:
 - (i) whether the current external auditor should be reappointed for the ensuing year and the amount of compensation payable; and
 - (ii) if the current external auditor is not to be reappointed, select and recommend a suitable alternative;
- (b) oversee the work of the external auditors engaged for the purpose of preparing or issuing an auditors' report or performing other audit, review or attest services for the Company;
- (c) resolve disagreements, if any, between management and the external auditors regarding financial reporting. It accomplishes this by querying management and the external auditors. The Audit Committee provides the Board with such recommendations and reports with respect to the financial statements of the Company as it deems advisable;
- (d) take reasonable steps to confirm the independence of the external auditors, including but not limited to pre-approving any non-audit related services provided by the external auditors to the Company or the Company's subsidiaries, if any, with a view to ensuring independence of the auditors, and in accordance with any applicable regulatory requirements, including the requirements of TSX-V with respect to approval of non-audit related services performed by the external auditors;
- (e) obtain from the external auditors confirmation that the external auditors are a 'participating audit' firm for the purpose of National Instrument 52-108, *Auditor Oversight*, and are in compliance with governing regulations;
- (f) review and evaluate the performance of the external auditors including the external auditors' internal quality-control procedures; and
- (g) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the Company's external auditors.

Internal Auditors

The Audit Committee is to assist Board oversight of the performance of the Company's internal audit function, if any. In connection with the Corporation's internal audit function, if any, the Audit Committee shall:

- (a) review the terms of reference of the internal auditor, if any, and meet with the internal auditor as the Audit Committee may consider appropriate to discuss any concerns or issues;
- (b) in consultation with the external auditor and the internal audit group, review the adequacy of the Company's internal control structure and procedures designed to ensure compliance with laws and regulations and any special audit steps adopted in light of material deficiencies and controls;
- (c) review the internal control report prepared by management, including management's assessment of the effectiveness of the Company's internal control structure and procedures for financial reporting; and
- (d) periodically review with the internal auditor, if any, any significant difficulties, disagreements with management or scope restrictions encountered in the course of the work of the internal auditor.

Audit and Review Process and Results

The Audit Committee has a duty to receive, review and make any inquiry regarding the completeness, accuracy and presentation of the Company's financial statements to ensure that the financial statements fairly present the financial position and risks of the organization and that they are prepared in accordance with generally accepted accounting principles. To accomplish this, the Audit Committee is required to:

- (a) review annually the Company's internal system of audit and financial controls, internal audit procedures and results of such audits;
- (b) prior to the annual audit by external auditors, consider the scope and general extent of the external auditors' review, including their engagement letter;
- (c) ensure the external auditors have full, unrestricted access to required information and have the cooperation of management;
- (d) review with the external auditors, in advance of the audit, the audit process and standards, as well as regulatory or Company-initiated changes in accounting practices and policies and the financial impact thereof, and selection or application of appropriate accounting principles;
- (e) review with the external auditors and, if necessary, legal counsel, any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the financial statements. Review the appropriateness and disclosure of any off-balance sheet matters. Review disclosure of related-party transactions;
- (f) receive and review with the external auditors, the external auditors' audit report and the audited financial statements. Make recommendations to the Board respecting approval of the audited financial statements;
- (g) meet with the external auditors separately from management to review the integrity of the Company's financial reporting, including the clarity of financial disclosure and the degree of conservatism or aggressiveness of the accounting policies and estimates, performance of internal audit management, any significant disagreements or difficulties in obtaining information, adequacy of internal controls over financial reporting and the degree of compliance of the Company with prior recommendations of the external auditors. The Audit Committee shall direct management to implement such changes as the Audit Committee considers appropriate, subject to any required approvals of the Board arising out of the review; and
- (h) meet at least annually with the external auditors, independent of management, and report to the Board on such meetings.

Interim Financial Statements and MD&A

The Board has delegated to the Audit Committee the power to approve the Company's interim financial statements and management's discussion and analysis. The Audit Committee shall:

- (a) review on an annual basis the Company's practice with respect to review of interim financial statements by the external auditors;
- (b) conduct all such reviews and discussions with the external auditors and management as it deems appropriate;
- (c) review and, if appropriate approve the interim financial statements and management's discussion and analysis; and
- (d) review the interim financial statements with the external auditors if the external auditors conduct a review of the interim financial statements.

Involvement with Management

The Audit Committee has primary responsibility for overseeing the actions of management in all aspects of financial management and reporting. The Audit Committee:

- (a) shall review all public disclosure of financial information extracted from the Company's financial statements prior to such information being made public by the Company and for such purpose, the CEO assumes responsibility for providing the information to the Audit Committee for their review;
- (b) review material financial risks with management, the plan that management has implemented to monitor and deal with such risks and the success of management in following the plan;
- (c) consult annually and otherwise as required with the Company's CEO and CFO respecting the adequacy of the internal controls and review any breaches or deficiencies;
- (d) obtain such certifications by the CEO and CFO attesting to internal controls, disclosure and procedures as deemed advisable;
- (e) review management's response to significant written reports and recommendations issued by the external auditors and the extent to which such recommendations have been implemented by management;
- (f) review as required with management annual financial statements, quarterly financial statements, management's discussion & analysis, annual information forms, future-oriented financial information or pro-forma information and other financial disclosure in continuous disclosure documents;
- (g) review with management the Company's compliance with applicable laws and regulations respecting financial matters;
- (h) review with management proposed regulatory changes and their impact on the Company; and
- (i) review with management and approve public disclosure of the Audit Committee Mandate in the Company's *annual information form, information circular and on the Company's website*.

Complaints

Complaints regarding accounting, internal accounting controls, or auditing matters may be submitted to the Audit Committee, to the attention of the Chair of the Audit Committee. Complaints may be made anonymously and, if not made anonymously, the identity of the person submitting the complaint will be kept confidential. Upon receipt of a complaint, the Chair of the Audit Committee will conduct or designate a member of the Audit Committee to conduct an initial investigation. If the results of that initial investigation indicate there may be any merit to the complaint, the matter will be brought before the Audit Committee for a determination of further investigation and action. Records of complaints made and the resulting action or determination with respect to the complaint shall be documented and kept in the records of the Audit Committee for a period of three years.

Reporting

The Audit Committee shall report to the Board at its regularly scheduled meetings.

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