

**LASALLE EXPLORATION CORP.**

**Annual General Meeting  
to be held on June 24, 2021**

**Notice of Annual General Meeting  
and  
Information Circular**

**May 20, 2021**

**LASALLE EXPLORATION CORP.**  
**2080 - 777 HORNBY STREET**  
**VANCOUVER, B.C. CANADA, V6Z 1S4**

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**Meeting**”) of the shareholders of LaSalle Exploration Corp. (the “**Company**”) will be held at the offices of Armstrong Simpson, located at Suite 2080-777 Hornby Street, Vancouver, British Columbia on Thursday, June 24, 2021 at 10:00 am. At the Meeting, the shareholders will receive the financial statements for the year ended December 31, 2020, together with the auditor’s report thereon, and consider resolutions to:

1. receive the report of the Directors
2. receive the audited financial statements of the Company for the year ended December 31, 2020
3. fix the number of directors to be elected for the ensuing year at five;
4. elect Directors of the Company for the ensuing year;
5. appoint Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, as auditors of the Company for the ensuing year and authorize the directors to determine the remuneration to be paid;
6. ratify and confirm the Company’s 10% Rolling Stock Option Plan, as required annually by the policies of the TSX Venture Exchange and approve previous stock option grants; and
7. transact such other business as may properly be put before the Meeting.

All shareholders are entitled to attend and vote at the Meeting in person or by proxy, HOWEVER, given COVID 19, shareholders are strongly encouraged to submit their votes by Proxy rather than attending in person. The Board of Directors (the “**Board**”) requests that all shareholders who will not be attending the Meeting in person read, date and sign the accompanying proxy and deliver it to Computershare Investor Services Inc. (“**Computershare**”). If a shareholder does not deliver a proxy to Computershare, Attention: Proxy Department, 3<sup>rd</sup> Floor, 510 Burrard Street, Vancouver, BC, V6C 3B9 or fax a proxy to Computershare, Attention: Proxy Department, at (604) 661-9549, by 10:00 a.m. (Vancouver, British Columbia time) on Tuesday, June 22, 2021 (or not less than 48 hours, excluding Saturdays, Sundays and holidays before any adjournment of the meeting at which the proxy is to be used) then the shareholder will not be entitled to vote at the Meeting by proxy. Only shareholders of record at the close of business on May 20, 2021 will be entitled to vote at the Meeting.

An information circular and a form of proxy accompany this notice.

DATED at Vancouver, British Columbia, the 20<sup>th</sup> day of May 2021.

**ON BEHALF OF THE BOARD**

(signed) “*Ian Campbell*”

Ian Campbell  
President & CEO

**LASALLE EXPLORATION CORP.**  
**2080 - 777 HORNBY STREET**  
**VANCOUVER, B.C. CANADA, V6Z 1S4**

**INFORMATION CIRCULAR**  
(as at May 20, 2021 except as otherwise indicated)

**SOLICITATION OF PROXIES**

This information circular (the “**Circular**”) is provided in connection with the solicitation of proxies by the Management of LaSalle Exploration Corp. (the “**Company**”). The form of proxy which accompanies this Circular (the “**Proxy**”) is for use at the annual general meeting of the shareholders of the Company to be held on Thursday, June 24, 2021 (the “**Meeting**”), at the time and place set out in the accompanying notice of Meeting (the “**Notice of Meeting**”). The Company will bear the cost of this solicitation. The solicitation will be made by mail but, may also be made by telephone.

**APPOINTMENT AND REVOCATION OF PROXY**

The persons named in the Proxy are directors and/or officers of the Company. **A registered shareholder who wishes to appoint some other person to serve as their representative at the Meeting may do so by striking out the printed names and inserting the desired person’s name in the blank space provided.** The completed Proxy should be delivered to Computershare Investor Services Inc. (“**Computershare**”) by 10:00 a.m. (local time in Vancouver, British Columbia) on Thursday, June 24, 2021, or before 48 hours (excluding Saturdays, Sundays and holidays) before any adjournment of the Meeting at which the Proxy is to be used.

The Proxy may be revoked by:

- (a) signing a proxy with a later date and delivering it at the time and place noted above;
- (b) signing and dating a written notice of revocation and delivering it to Computershare, or by transmitting a revocation by telephonic or electronic means, to Computershare, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment of it, at which the Proxy is to be used, or delivering a written notice of revocation and delivering it to the Chair of the Meeting on the day of the Meeting or adjournment of it; or
- (c) attending the Meeting or any adjournment of the Meeting and registering with the scrutineer as a shareholder present in person.

**Provisions Relating to Voting of Proxies**

**The shares represented by Proxy in the form provided to shareholders will be voted or withheld from voting by the designated holder in accordance with the direction of the registered shareholder appointing him. If there is no direction by the registered shareholder, those shares will be voted for all proposals set out in the Proxy and for the election of directors and the appointment of the auditors as set out in this Circular. The Proxy gives the person named in it the discretion to vote as such person sees fit on any amendments or variations to matters identified in the Notice of Meeting, or any**

**other matters which may properly come before the Meeting. At the time of printing of this Circular, the management of the Company (the “Management”) knows of no other matters which may come before the Meeting other than those referred to in the Notice of Meeting.**

#### **Advice to Beneficial Holders of Common Shares**

**The information set forth in this section is of significant importance to many shareholders, as a substantial number of shareholders do not hold common shares in their own name.** Shareholders who hold their common shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their common shares in their own name (referred to herein as “**Beneficial Shareholders**”) should note that only proxies deposited by shareholders who appear on the records maintained by the Company’s registrar and transfer agent as registered holders of common shares will be recognized and acted upon at the Meeting. If common shares are listed in an account statement provided to a Beneficial Shareholder by a broker, then those common shares will, in all likelihood, not be registered in the shareholder’s name. Such common shares will more likely be registered under the name of the shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). In the United States, the vast majority of such common shares are registered under the name of Cede & Co., the registration name for The Depository Trust Company, which acts as nominee for many United States brokerage firms. Common shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted or withheld at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker’s clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

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

The Notice of Meeting, Circular, Proxy and VIF, as applicable, are being provided to both registered shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories - those who object to their identity being known to the issuers of securities which they own (“OBOs”) and those who do not object to their identity being made known to the issuers of the securities which they own (“NOBOs”). Subject to the provisions of National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”), issuers may request and obtain a list of their NOBOs from intermediaries directly or via their transfer agent and may obtain and use the NOBO list for the distribution of proxy-related materials directly (not via Broadridge) to such NOBOs. If you are a Beneficial Shareholder and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of common shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the common shares on your behalf.

Pursuant to the provisions of NI 54-101, the Company is providing the Notice of Meeting, Circular and Proxy or VIF, as applicable, to both registered owners of the securities and non-registered owners of the securities. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Company (and not the intermediary holding common shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the VIF. As a result, if you are a non-registered owner of the securities, you can expect to receive a scannable VIF from Computershare. Please complete and return the VIF to Computershare in the envelope provided or by facsimile. In addition, internet voting instructions can be found on the VIF. Computershare will tabulate the results of the VIFs received from the Company’s NOBOs and will provide appropriate instructions at the Meeting with respect to the common shares represented by the VIFs they receive.

The Company’s OBOs can expect to be contacted by Broadridge or their brokers or their broker’s agents as set out above. The Company does not intend to pay for intermediaries to deliver the Notice of Meeting, Circular and VIF to OBOs and accordingly, if the OBO’s intermediary does not assume the costs of delivery of those documents in the event that the OBO wishes to receive them, the OBO may not receive the documentation.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the common shares in that capacity. NI 54-101 allows a Beneficial Shareholder who is a NOBO to submit to the Company or an applicable intermediary any document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder. If such a request is received, the Company or an intermediary, as applicable, must arrange, without expenses to the NOBO, to appoint such NOBO or its nominee as a proxyholder and to deposit that proxy within the time specified in this Circular, provided that the Company or the intermediary receives such written instructions from the NOBO at least one business day prior to the time by which proxies are to be submitted at the Meeting, with the result that such a written request must be received by 10:00 a.m. (Vancouver time) on the day which is at least three business days prior to the Meeting. **A Beneficial Shareholder who wishes to attend the Meeting and to vote their common shares as proxyholder for the registered shareholder, should enter their own name in the blank space on the VIF or such other document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker.**

All references to shareholders in the Notice of Meeting, Circular and the accompanying Proxy are to registered shareholders of the Company as set forth on the list of registered shareholders of the Company

as maintained by the registrar and transfer agent of the Company, Equity, unless specifically stated otherwise.

### **Financial Statements**

The audited financial statements of the Company for the year ended December 31, 2020, together with the auditor's report on those statements and Management's Discussion and Analysis, will be presented to the shareholders at the Meeting.

### **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

As at the date of the accompanying Notice of Meeting, the Company's authorized capital consists of an unlimited number of common shares of which 86,968,505 common shares are issued and outstanding. All common shares in the capital of the Company carry the right to one vote.

Shareholders registered as at May 20, 2021 are entitled to attend and vote at the Meeting. Shareholders who wish to be represented by proxy at the Meeting must, to entitle the person appointed by the Proxy to attend and vote, deliver their Proxies at the place and within the time set forth in the notes to the Proxy.

To the knowledge of the directors and executive officers of the Company, as of the date of this Circular, the following persons beneficially own, directly or indirectly, or exercise control or direction over, 10% or more of the issued and outstanding common shares of the Company:

| <b>Name of Shareholder</b> | <b>Number of Shares</b> | <b>Percentage of Issued and Outstanding Shares</b> |
|----------------------------|-------------------------|--|
| Nil                        | Nil                     | Nil  |

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

No director or executive officer of the Company or any proposed nominee of Management of the Company for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, since the beginning of the Company's last financial year in matters to be acted upon at the Meeting, other than the election of directors, the appointment of auditors and the confirmation of the Stock Option Plan.

### **PARTICULARS OF MATTERS TO BE ACTED UPON**

#### **AUDITED FINANCIAL STATEMENTS**

The audited financial statements for the Company for the financial year ended December 31, 2020 and the report of the auditors thereon will be presented before the meeting. The audited financial statements for the year ended December 31, 2020, the report of the auditors thereon and Management's Discussion and Analysis were mailed to those shareholders of the Company that have so requested through the completion and return of the supplemental mailing card provided.

## NUMBER OF DIRECTORS

The board of directors of the Company (the “Board”) presently consists of five directors. Management proposes that the number of directors on the Board be fixed at five. Shareholders will therefore be asked at the Meeting to approve an ordinary resolution that the number of directors elected be fixed at five (5) for the ensuing year, subject to such increases as may be permitted by the Articles of the Company and the provisions of the Business Corporations Act (British Columbia) (“BCBCA”). **The Board recommends a vote “FOR” the approval of the resolution setting the number of directors at five (5). In the absence of contrary instructions, the Management proxy nominees named as proxyholders in the enclosed Proxy or Voting Instruction Form will cast the votes represented by any Proxy or Voting Instruction Form FOR the approval of the resolution setting the number of directors at five (5).**

## ELECTION OF DIRECTORS

The directors of the Company are elected annually and hold office until the next annual general meeting of the shareholders or until their successors are elected or appointed. The Management of the Company proposes to nominate the persons listed below for election as directors of the Company to serve until their successors are elected or appointed. In the absence of instructions to the contrary, Proxies given pursuant to the solicitation by the Management will be voted for the nominees listed in this Circular. Management does not contemplate that any of the nominees will be unable to serve as a director. The number of directors of the Company has been set at five.

The following table sets out the names of the nominees for election as directors, the offices they hold within the Company, their occupations, the length of time they have served as directors of the Company, and the number of shares of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised, as of the date of this Circular.

| Name, province or state and country of residence and position, if any, held in the Company | Principal occupation during the past five years  | Served as director of the Company since | Number of common shares of the Company beneficially owned, directly or indirectly, or controlled or directed at present <sup>(1)</sup> |
|--|--|---|--|
| Ian Campbell, Ontario, Canada, Director  | Project Manager, Tahoe Resources Inc.; Consultant to Lake Shore Gold Corp.; President, Temex Resources Corp.   | November 1, 2018                        | 787,374  |
| Daniel G. Innes, British Columbia, Canada, Director and Chair <sup>(3)</sup>               | President, Pembroke Copper Corp; Director Radon Environmental Management Corp.                                 | November 30, 2011                       | 3,270,175  |
| Alan Moon, Alberta, Canada, Director <sup>(2,3)</sup>                                      | Director, Tahoe Resources Inc.; Chair, Lake Shore Gold Corp.   | March 5, 2012                           | 263,158  |
| Karen Rees, Ontario, Canada, Director <sup>(2,3)</sup>                                     | Technical Support Specialist, Lake Shore Gold, a subsidiary of Pan American Silver; Resource Sector Consultant | November 15, 2018                       | 100,000  |
| Laurent Eustache, Quebec, Canada, Director <sup>(2)</sup>                                  | Investment Advisor and Portfolio Manager, SIDEX sec; (VP Corp Dev & Director, Vior Inc – since last September) | January 13, 2021                        | 30,000   |

Notes:

- (1) The information as to common shares beneficially owned or controlled has been provided by the nominees themselves.
- (2) A member of the audit committee.
- (3) A Member of the Compensation Committee

No proposed director is being elected under any arrangement or understanding between the proposed director and any other person or company.

To the best of Management's knowledge, no director or proposed director of the Company is, or within the ten years prior to the date of this Circular, has been a director or executive officer of any company, including the Company, that while that person was acting in that capacity:

- (d) was the subject of a cease trade order or similar order or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days; or
- (e) was subject to an event that resulted, after the director ceased to be a director or executive officer of the company being the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (f) 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.

To the best of Management's knowledge, no director or proposed director of the Company has, within the ten years prior to the date of this Circular, become bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

To the best of Management's knowledge, no director or proposed director has, within the ten years prior to the date of this Circular, been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority, has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable security holder making a decision about whether to vote for the proposed director.

#### **APPOINTMENT OF AUDITOR**

It is proposed that Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, of Vancouver, British Columbia, be reappointed as the auditor of the Company to hold office until the next annual general meeting of the Shareholders or until a successor is appointed, and that the directors be authorized to determine the auditor's remuneration.

At the Meeting, Shareholders will be asked to consider, and if thought advisable, pass an ordinary resolution appointing Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, of Vancouver, BC, as auditor of the Company until the next annual general meeting of Shareholders or until a successor is appointed, at remuneration to be fixed by the Board.

**The Board recommends a vote "FOR" the approval of the resolution appointing Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, as auditor of the Company at remuneration to be fixed by the Board. In the absence of contrary instructions, the Management**



**proxy nominees named as proxyholders in the enclosed Proxy or Voting Instruction Form will cast the votes represented by any Proxy or Voting Instruction Form FOR the appointment of Dale Matheson Carr-Hilton Labonte LLP as auditor of the Company at remuneration to be fixed by the Board.**

### **RATIFICATION AND CONFIRMING STOCK OPTION PLAN**

Shareholders are being asked to confirm approval of the Company's stock option plan (the "**Plan**") which was initially approved by shareholders of the Company at the meeting of shareholders held on June 10, 2019. There have been no changes to the Stock Option Plan since it was adopted by the directors and approved by the Exchange.

The following information is intended as a brief description of the Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan, which will be available for review at the Meeting.

1. The maximum number of shares that may be issued upon the exercise of stock options granted under the Stock Option Plan shall not exceed 10% of the issued and outstanding common shares of the Company at the time of grant, the exercise price of which, as determined by the board of directors in its sole discretion, shall not be less than the closing price of the Company's shares traded through the facilities of the Exchange prior to the announcement of the option grant, or, if the shares are no longer listed for trading on the Exchange, then such other exchange or quotation system on which the shares are listed or quoted for trading.
2. The board of directors shall not grant options to any one person in any 12 month period which will, when exercised, exceed 5% of the issued and outstanding shares of the Company or to any one consultant or to those persons employed by the Company who perform investor relations services which will, when exercised, exceed 2% of the issued and outstanding shares of the Company.
3. Upon expiry of an option, or in the event an option is otherwise terminated for any reason, the number of shares in respect of the expired or terminated option shall again be available for the purposes of the Stock Option Plan. All options granted under the Stock Option Plan may not have an expiry date exceeding ten years from the date on which the board of directors grant and announce the granting of the option.
4. If the option holder ceases to be a director of the Company or ceases to be employed by the Company (other than by reason of death), or ceases to be a consultant of the Company as the case may be, then the option granted shall expire on no later than the 60th day following the date that the option holder ceases to be a director, ceases to be employed by the Company or ceases to be a consultant of the Company, subject to the terms and conditions set out in the Stock Option Plan.

In accordance with the policies of the Exchange, a plan with a rolling 10% maximum must be confirmed by shareholders at each annual general meeting.

Accordingly, at the Meeting, the shareholders will be asked to pass the following resolution:

**"BE IT RESOLVED THAT** the Stock Option Plan authorizing the directors to grant options on shares up to a maximum of 10% of the Company's shares issued and outstanding from time to time, as at the date of the relevant Grant, be and it is hereby approved, together with all options granted thereunder as at the date hereof, and that the board of directors be and they are hereby authorized, without further shareholder approval, to carry out the intent of this resolution."

## GENERAL MATTERS

It is not known whether any other matters will come before the Meeting other than those set forth above and in the Notice of Meeting, but if any other matters do arise, the person named in the Proxy intends to vote on any poll, in accordance with his or her best judgement, exercising discretionary authority with respect to amendments or variations of matters set forth in the Notice of Meeting and other matters which may properly come before the Meeting or any adjournment of the Meeting.

## EXECUTIVE COMPENSATION

### Named Executive Officers

During the financial year ended December 31, 2020, the Company had two Named Executive Officers (“NEOs”) being Ian Campbell, President (“**President**”) and Chief Executive Officer (“**CEO**”) and Arnold Klassen, Chief Financial Officer (“**CFO**”).

“Named Executive Officer” means: (a) each CEO, (b) each CFO, (c) each of the three most highly compensated executive officers of the company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000; and (d) each individual who would be a NEO under (c) above but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

### Director and Named Executive Officer Compensation

The following table (presented in accordance with National Instrument Form 51-102F6V, is a summary compensation (excluding compensation securities)) paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, to the directors and NEOs for each of the Company’s two most recently completed financial years.

| Table of compensation excluding compensation securities      |      |   |            |                                |                           |                                      |                         |
|--|------|---|------------|--------------------------------|---------------------------|--------------------------------------|-------------------------|
| Name and position  | Year | Salary, consulting fee, retainer or commission (\$) | Bonus (\$) | Committee or meeting fees (\$) | Value of perquisites (\$) | Value of all other compensation (\$) | Total compensation (\$) |
| Ian Campbell <sup>(1)</sup> ,<br>President, CEO and Director | 2020 | \$115,000   | Nil        | Nil                            | Nil                       | \$8,711                              | \$123,711               |
|  | 2019 | \$72,500  | Nil        | Nil                            | Nil                       | \$37,720                             | \$110,220               |
| Arnold Klassen <sup>(2)</sup> ,<br>CFO                       | 2020 | \$15,950  | Nil        | Nil                            | Nil                       | \$871                                | \$16,821                |
|  | 2019 | \$11,200  | Nil        | Nil                            | Nil                       | \$3,772                              | \$14,972                |
| Brigitte Dejou <sup>(3)</sup> ,<br>VP exploration            | 2020 | \$114,099   | Nil        | Nil                            | Nil                       | \$66,667                             | \$180,766               |
|  | 2019 | \$125,380   | Nil        | Nil                            | Nil                       | \$10,059                             | \$135,439               |

Notes:

1. Mr. Campbell provides his services pursuant to a Consulting Agreement dated November 1, 2018, renewed January 1, 2021.
2. Mr. Klassen provides his services pursuant to a Consulting Agreement formalized January 1, 2021.
3. Ms. Dejou’s employment ended in August, 2020.

### CEO Consulting Agreement

The CEO provides his services pursuant to a Consulting Agreement dated November 1, 2018 (“CEO Agreement”), whereby the CEO is paid a maximum of \$10,000 per month and based on a minimum of 10 days and maximum of 20 working days per month, plus HST, plus allowed expenses. The CEO Agreement was renewed January 1, 2021 at \$12,500 per month, and provides that if the CEO is terminated within six months of any change of control of the Company, he will be entitled to a payment on termination of two years fees.

### CFO Consulting Agreement

The CFO provided his service during the year pursuant to a Consulting Agreement whereby the CFO was paid a fee of \$100 per hour on an as-needed basis and received total compensation of \$11,200. The CFO Agreement was formalized January 1, 2021 (“CFO Agreement”) to provide the CFO a fee of \$1,000 per month plus \$100 per hour on an as-needed basis and provides that if the CFO is terminated within six months of any change of control of the Company, he will be entitled to a payment on termination of 25% of the fees that would have been paid to the CEO, at the rate in effect at the time of termination.

### External Management Companies

There are no external companies providing management services to the Company.

### Stock Options and Other Compensation Securities

There were no compensation securities granted or issued to any NEO or director by the Company in the year ended December 31, 2020.

| Compensation Securities      |                               |   |                        |  |   |  |                   |
|------------------------------|-------------------------------|---|------------------------|--|---|--|-------------------|
| Name and position            | Type of compensation security | Number of compensation securities, number of underlying securities, and percentage of class | Date of Issue or grant | Issue, conversion or exercise price (\$) | Closing price of security or underlying security on date of grant (\$) <sup>(1)</sup> | Closing price of security or underlying security at year end (\$) <sup>(2)</sup> | Expiry date       |
| Ian Campbell, CEO, President | Option                        | 1,500,000   | December 20, 2019      | \$0.10                                   | \$0.10  | \$0.14   | December 19, 2024 |
| Dan Innes, Director          | Option                        | 250,000   | December 20, 2019      | \$0.10                                   | \$0.10  | \$0.14   | December 19, 2024 |
| Steve Cook, Director         | Option                        | 300,000   | December 20, 2019      | \$0.10                                   | \$0.10  | \$0.14   | December 19, 2024 |
| Alan Moon, Director          | Option                        | 250,000   | December 20, 2019      | \$0.10                                   | \$0.10  | \$0.14   | December 19, 2024 |
| Karen Rees, Director         | Option                        | 250,000   | December 20, 2019      | \$0.10                                   | \$0.10  | \$0.14   | December 19, 2024 |
| Arnold, Klassen, CFO         | Option                        | 150,000   | December 20, 2019      | \$0.10                                   | \$0.10  | \$0.14   | December 19, 2024 |

The above table also discloses the total amount of compensation securities held by the NEOs and directors as at the Company’s financial year ended December 31, 2020. No compensation securities were re-priced, cancelled and replaced, had their term extended, or otherwise materially modified in the Company’s financial year ended December 31, 2020.

There are no restrictions or conditions for converting, exercising or exchanging the compensation securities.

No compensation securities were exercised by NEOs and directors during the financial year ended December 31, 2020.

### **Stock option plans and other incentive plans**

At the Company's last annual general meeting, the Shareholders ratified the Company's incentive stock option plan for the Company (the "**Plan**") under which the Directors were authorized to grant options to purchase up to 10% of the Company's common shares from time to time. The purpose of Plan is to attract and motivate directors, officers and employees of and consultants to the Company and its subsidiaries and thereby advance the Company's interests by affording such persons with an opportunity to acquire an equity interest in the Company through the stock options.

The Board retains the discretion to impose vesting periods on any options granted. In accordance with the policies of the Exchange, stock options granted to consultants performing investor relations services must vest in stages over a minimum of 12 months with no more than one-quarter of the stock options vesting in any three-month period.

The Company is currently listed on Tier 2 of the TSX Venture Exchange (the "**TSXV**").

The Plan must be approved yearly by the shareholders of the Company in order to re-set the number of shares that can be granted under the Plan.

### **Employment, consulting and management agreements**

Other than as disclosed herein, the Company does not have any contracts, agreements, plans or arrangements that provides for payments to a director or NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company or a change in an NEO's responsibilities.

### **Oversight and Description of Director and Named Executive Officer Compensation**

The compensation of the Company's NEOs is determined by the Company's Board of Directors (the "**Board**") pursuant to the recommendations of the Compensation Committee.

The general objectives of the Company's compensation decisions are:

- to encourage Management to achieve a high level of performance and results with a view to increasing long-term shareholder value;
- to align Management's interests with the long-term interest of shareholders;
- to provide compensation commensurate with peer companies in order to attract and retain highly qualified executives; and
- to ensure that total compensation paid takes into account the Company's overall financial position.

The Company's compensation program is designed to provide competitive levels of compensation, a significant portion of which is dependent upon individual and corporate performance and contribution to increasing shareholder value. The Board recognizes the need to provide a total compensation package that will attract and retain qualified and experienced executives as well as align the compensation level of each executive to that executive's level of responsibility. In general, a NEO's compensation is comprised of consulting fees or salary payments and stock option grants.

The Company does not grant share-based awards. The Board is responsible for granting options to the NEOs. Stock option grants are designed to reward the NEOs for success on a similar basis as the

shareholders of the Company, but these rewards are highly dependent upon the volatile stock market, much of which is beyond the control of the NEOs. When new options are granted, the Board takes into account the previous grants of options, the number of stock options currently held, position, overall individual performance, anticipated contribution to the Company's future success and the individual's ability to influence corporate and business performance. The purpose of granting such stock options is to assist the Company in compensating, attracting, retaining and motivating the officers, directors and employees of the Company and to closely align the personal interest of such persons to the interest of the shareholders. The exercise price of the stock options granted is determined by the trading price of the Company's shares at the time of grant

Compensation for this fiscal year and prior fiscal years have been based upon a negotiated salary, with stock options and bonuses potentially being issued and paid as an incentive for performance.

Compensation for the most recently completed financial year should not be considered an indicator of expected compensation levels in future periods. All compensation is subject to and dependent on the Company's financial resources and prospects.

### Pension Disclosure

The Company does not have any pension or retirement plan which is applicable to the NEOs or directors. The Company has not provided compensation, monetary or otherwise, to any person who now or previously has acted as an NEO of the Company, in connection with or related to the retirement, termination or resignation of such person, and the Company has provided no compensation to any such person as a result of a change of control of the Company.

### EQUITY COMPENSATION PLAN INFORMATION

The following table sets out those securities of the Company which have been authorized for issuance under equity compensation plans, as at the end of the most recently completed financial year:

| <b>Plan Category</b>  | <b>Number of securities to be issued upon exercise of outstanding options, warrants and rights<br/>(a)</b> | <b>Weighted-average exercise price of outstanding options, warrants and rights<br/>(b)</b> | <b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))<br/>(c)</b> |
|---|--|--|--|
| Equity compensation plans approved by the securityholders     | 1,650,000  | \$0.10   | 4,586,650  |
| Equity compensation plans not approved by the securityholders | N/A  | N/A  | N/A  |
| <b>Total</b>  | 1,650,000  | \$0.10   | 4,586,650  |

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the current or former directors, executive officers, employees of the Company, the proposed nominees for election to the Board, or their respective associates or affiliates, are or have been indebted to the Company since the beginning of the most recently completed financial year of the Company.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

None of the persons who were directors or executive officers of the Company or a subsidiary at any time during the Company's last completed financial year, the proposed nominees for election to the Board, any person or company who beneficially owns, directly or indirectly, or who exercises control or direction over (or a combination of both) more than 10% of the issued and outstanding common shares of the Company, nor the associates or affiliates of those persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or proposed transaction which has materially affected or would materially affect the Company.

## MANAGEMENT CONTRACTS

Other than as disclosed elsewhere in this Circular, no Management functions of the Company are to any substantial degree performed by a person or company other than the NEOs of the Company.

## AUDIT COMMITTEE

The Company is required to have an audit committee (the "**Audit Committee**") comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company.

### **Audit Committee Charter**

The text of the Audit Committee's charter is attached as Schedule "A" to this Circular.

### **Composition of Audit Committee and Independence**

The Company's current audit committee consists of Steve Cook, Alan Moon and Laurent Eustache. Assuming the election of the proposed nominees as directors as set forth above, the Company's audit committee is proposed to be re-constituted to comprise Alan Moon, Laurent Eustache and Karen Rees.

National Instrument 52-110 - *Audit Committees* ("**NI 52-110**") provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Company, which could, in the view of the Company's Board, reasonably interfere with the exercise of the member's independent judgment. All of the Company's current Audit Committee members are "independent" within the meaning of NI 52-110.

NI 52-110 provides that an individual is "financially literate" if he or she has 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 Company's financial statements. All of the members of the Audit Committee are "financially literate" as that term is defined. The following sets out the Audit Committee members' education and experience that is relevant to the performance of his responsibilities as an audit committee member.

## **Relevant Education and Experience**

### ***Steve Cook (Chair)***

Mr. Cook, B.Comm and LLB, UBC, is a partner at the tax law firm, Thorsteinssons LLP, Law Society of BC 1982. He has served as a director of several public companies including Brett Resources Inc. and Cayden Resources Inc. during their takeovers by Osisko Mining Corporation Ltd. and Agnico Eagle Mines Limited. He is currently a Director for Auryl Resources Inc. and Torq Resources Inc. Mr. Cook chose not to stand for re-election this year.

### ***Alan Moon***

Mr. Moon has a BSc Chem Eng. from the University of Alberta and an MBA from the University of Western Ontario. He earned his ICD.D designation in 2005. For the past 20 years Mr. Moon has served on the Board of Directors, including Board Chair, for companies operating both internationally and in Canada in a variety of industries, including oil and gas exploration and production, electrical generation and distribution and mineral exploration and production. Mr. Moon was Chair of Lake Shore Gold Corp. from 2005 until it was acquired by Tahoe Resources Inc. in 2016 and a Director of Tahoe until it was acquired in 2019 by Pan American Silver.

### ***Laurent Eustache***

Mr. Eustache has held a number of progressive positions in the mining industry over the past 15 years. As an exploration geologist, Mr. Eustache has contributed to different exploration successes; with Aurizon Mines at their Casa Berardi mine in Abitibi, and with Agnico-Eagle Mines with the early-stage recon of the Amaruq area in Nunavut. Since 2014, he has held positions in mining finance both as Portfolio Manager and Investment Advisor for SIDEX, a Quebec based institutional fund specializing in mining exploration Companies. Mr. Eustache holds a Master's degree in Economic Geology from Université d'Orléans (FR) and Université du Québec à Montréal (UQAM) and an MBA with Honours from École des sciences de la gestion of Université du Québec à Montréal (ESG-UQAM) and Paris Dauphine (FR). He is currently a Director and Vice-President of Corporate Development at Vior Inc., a junior mining exploration company based in Québec, Canada.

## **Audit Committee Oversight**

Since the commencement of the Company's most recently completed financial year, the Audit Committee of the Company has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board.

## **Reliance on Certain Exemptions**

Since the commencement of the Company's most recently completed financial year, the Company has not relied on:

- (a) the exemption in section 2.4 (De Minimis Non-audit Services) of NI 52-110; or
- (b) an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions).

## Pre-Approval Policies and Procedures

The Audit Committee has not adopted any specific policies and procedures for the engagement of non-audit services.

## Audit Fees

The following table sets forth the fees paid by the Company and its subsidiaries to Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, for services rendered in the last two fiscal years:

|   | <u>2020</u>          | <u>2019</u>          |
|---|----------------------|----------------------|
|   | (\$)                 | (\$)                 |
| Audit fees <sup>(1)</sup> .....         | 17,500               | 12,000               |
| Audit related fees <sup>(2)</sup> ..... | -                    | 2,500                |
| Tax fees <sup>(3)</sup> .....           | 7,500                | 3,000                |
| All other fees <sup>(4)</sup> .....     | -                    | 0                    |
| <b>Total</b>                            | <u><b>25,000</b></u> | <u><b>17,500</b></u> |

Notes:

- (1) "Audit fees" include aggregate fees billed by the Company's external auditor in each of the last two fiscal years for audit fees.
- (2) "Audited related fees" include the aggregate fees billed in each of the last two fiscal years for assurance and related services by the Company's external auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under "Audit fees" above. The services provided include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax fees" include the aggregate fees billed in each of the last two fiscal years for professional services rendered by the Company's external auditor for tax compliance, tax advice and tax planning. The services provided include tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All other fees" include the aggregate fees billed in each of the last two fiscal years for products and services provided by the Company's external auditor, other than "Audit fees", "Audit related fees" and "Tax fees" above.

## Exemption in Section 6.1

The Company is a "venture issuer" as defined in NI 52-110 and is relying on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of Audit Committee*) and 5 (*Reporting Obligations*).

## CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101 - *Disclosure of Corporate Governance Practices*, requires all reporting issuers to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines (the "**Guidelines**") adopted in National Policy 58-201. These Guidelines are not prescriptive but have been used by the Company in adopting its corporate governance practices. The Board and Management consider good corporate governance to be an integral part of the effective and efficient operation of Canadian corporations. The Company's approach to corporate governance is set out below.

## Board of Directors

Management is nominating five individuals to the Board, all of whom are current directors of the Company, being **Ian Campbell, Daniel G. Innes, Alan Moon, Karen Rees and Laurent Eustache**.



The Guidelines suggest that the board of directors of every reporting issuer should be constituted with a majority of individuals who qualify as “independent” directors under NI 52-110, which provides that a director is independent if he or she has no direct or indirect “material relationship” with the Company. The “material relationship” is defined as a relationship which could, in the view of the Company’s Board, reasonably interfere with the exercise of a director’s independent judgement. Four of the current members of the Board are considered “independent” and one member is not considered “independent” within the meaning of NI 52-110.

The Board has a stewardship responsibility to supervise the management of and oversee the conduct of the business of the Company, provide leadership and direction to Management, evaluate Management, set policies appropriate for the business of the Company and approve corporate strategies and goals. The day-to-day management of the business and affairs of the Company is delegated by the Board to the CEO. The Board will give direction and guidance through the CEO to Management and will keep Management informed of its evaluation of the senior officers in achieving and complying with goals and policies established by the Board.

The Board recommends nominees to the shareholders for election as directors, and immediately following each annual general meeting appoints an Audit Committee. The Board establishes and periodically reviews and updates the committee mandates, duties and responsibilities of each committee, elects a chair of the Board and establishes his or her duties and responsibilities, appoints the CEO, CFO and President of the Company and establishes the duties and responsibilities of those positions and on the recommendation of the CEO, appoints the senior officers of the Company and approves the senior management structure of the Company.

The Board exercises its independent supervision over Management by its policies that require periodic meetings of the Board be held to obtain an update on significant corporate activities and plans. The Board attempts to meet not less than three times during each year and endeavours to hold at least one meeting in each fiscal quarter. The Board also meets at any other time at the call of the CEO, or subject to the Articles of the Company, or any director.

The mandate of the Board, as prescribed by the *Business Corporations Act* (British Columbia) (the “Act”), is to manage or supervise management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company’s affairs directly and through its committees

The following directors of the Company are also directors of other reporting issuers as stated:

**Directorships**

**Name of Director**

**Other Reporting Issuer(s)**

Laurent Eustache

Vior Inc.

Karen Rees

Cleghorn Minerals Ltd.

### **Orientation and Continuing Education**

The Board's practice is to recruit for the Board only persons with extensive experience in business and public company matters and with an understanding of mining and the mineral exploration business. Prospective new board members are provided a reasonably detailed level of background information, verbal and documentary, on the Company's affairs and plans prior to obtaining their consent to act as a director.

The Board provides training courses to the directors as needed, to ensure that the Board is complying with current legislative and business requirements.

### **Ethical Business Conduct**

The Board has adopted a formal written Code of Business Conduct and Ethics which is available for review on the Company's website [www.lasallecorp.com](http://www.lasallecorp.com). The Board monitors on an ongoing basis the activities of Management and to ensure that the highest standard of ethical conduct is maintained in accordance with the Code.

### **Nomination of Directors**

The Board identifies new candidates for board nomination by an informal process of discussion and consensus-building on the need for additional directors, the specific attributes being sought, likely prospects, and timing. Prospective directors are not approached until consensus is reached. This process takes place among the Chair and the other members of the Board.

### **Compensation Committee**

The quantity and quality of the Management and Board compensation is reviewed on an annual basis by the Compensation Committee, which is comprised of Dan Innes, Karen Rees and Alan Moon (Chair), all of whom are independent. At present, the Board is satisfied that the current compensation arrangements adequately reflect the responsibilities and risks involved in being an effective director of the Company. As well, the number of options to be granted is determined by the Board as a whole, which allows any independent directors to have input into compensation decisions.

### **Assessments**

The Board annually reviews its own performance and effectiveness as well as the effectiveness and performance of its committees. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of individual directors are informally monitored by other Board members, bearing in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

The Board monitors the adequacy of information given to directors, communication between Board and Management and the strategic direction and processes of the Board and its committees. The Board believes its corporate governance practices are appropriate and effective for the Company, given its size and operations. The Company's corporate governance practices allow the Company to operate efficiently, with checks and balances that control and monitor Management and corporate functions without excessive administration burden.

### **Other Board Committees**

At the present time, the only standing committee is the Audit Committee. The written charter of the Audit Committee, as required by NI 52-110, is contained in Schedule “A” to this Circular. The Company has written charters in place and will immediately after the Annual Meeting designate members to the following committees: Corporate Governance and Nomination Committee; Environmental Social Governance Committee and a Compensation Committee.

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company may be found on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information about the Company is provided in the Company’s comparative annual financial statements to December 31, 2020, a copy of which, together with Management’s Discussion and Analysis thereon, can be found on the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com). Additional financial information concerning the Company may be obtained by any securityholder of the Company free of charge by contacting the Company at 604-647-3966.

#### **BOARD APPROVAL**

The contents of this Circular have been approved and its mailing authorized by the directors of the Company.

DATED at Vancouver, British Columbia, the 20<sup>th</sup> day of May, 2021.

#### **ON BEHALF OF THE BOARD**

(signed) “*Ian Campbell*”

Ian Campbell  
President & CEO

## SCHEDULE “A”

### LASALLE EXPLORATION CORP. CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS (Dated as of May 2021)

#### I. PURPOSE

The Audit Committee (“**Committee**”) is appointed by the Board of Directors (the “**Board**”) of LaSalle Exploration Corp. (the “**Company**”) to assist the Board in fulfilling its oversight responsibilities with respect to accounting and financial reporting processes, the integrity of the financial statements of the Company, compliance with legal and regulatory requirements, the overall adequacy and maintenance of the systems of internal controls that management has established and the overall responsibility for the Company’s external audit processes including the external Auditor’s qualifications, independence and performance.

The Company’s management is responsible for preparing the Company’s financial statements and other financial information and for presenting the information contained in the financial statements fairly and in accordance with International Financial Reporting Standards (“**IFRS**”). Management is also responsible for establishing internal controls and procedures and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations.

The Auditor’s responsibility is to audit the Company’s financial statements and provide its opinion, based on its audit conducted in accordance with generally accepted auditing standards, whether the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Company in accordance with IFRS.

Although the Committee has the powers and responsibilities set forth in this Charter, the role of the Committee is oversight. The members of the Committee are not full-time employees of the Company and may or may not be accountants or auditors by profession or experts in the fields of accounting or auditing and, in any event, do not serve in such capacity. Consequently, it is not the duty of the Committee to conduct audits or to determine that the Company’s financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations.

#### II. COMPOSITION AND MEETINGS

Refer to Committee Operations – General Guidelines

The Committee shall consist of not less than three directors appointed by the Board, all of whom shall be “financially literate” and “independent” (except while listed on the TSX Venture Exchange when it is acceptable to have a majority of the Committee “independent”) as required by National Instrument 52-110 – *Audit Committees*, applicable securities legislation and related requirements. The authority, structure, operations, purpose, responsibilities and specific duties of the Committee are described below.

The members of the Committee shall be appointed by the Board at the annual organizational meeting of the Board and such Committee members shall serve until the following organizational meeting of the Board or until

their successors are duly appointed and qualified. The Board may remove a member of the Committee at any time in its sole discretion by resolution of the Board. The Chairperson of the Committee shall be designed by the Board from among the Committee members.

The Committee will meet at least once per quarter or more frequently as circumstances require to perform the duties described above in a timely manner. Meetings may be held at any time deemed appropriate by the Committee.

Quorum for the transaction of business at any meeting of the Committee shall be a majority of the number of members of the Committee. A Committee member who is unable to attend in person may attend a Committee meeting by telephone, video conference or other telecommunication device that permits all persons participating in the meeting to speak and hear each other. The Committee shall hold in camera sessions without the presence of management after each meeting.

The Committee may request any officer or employee of the Company or the Company's outside counsel or independent Auditors to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee. In addition, the Committee or, at a minimum, the Chairperson, may meet with the Company's external legal counsel to discuss the Company's policies and practices relevant to the scope of responsibilities of the Committee.

Meetings of the Committee shall be held from time to time as the Committee or the Chairperson shall determine upon 48 hours notice to each of its members. The notice period may be waived by a quorum of the Committee.

The Chairperson will appoint a secretary of each meeting of the Committee who need not be a member of the Committee and who will maintain the minutes of the meeting and circulate copies of the minutes to each Committee member on a timely basis. The minutes of the Committee meetings will be made available for review by the Board.

### **Authority**

The Committee shall have access to such officers and employees of the Company, its external auditor (the "Auditor") and legal counsel, and to such information respecting the Company, and may engage separate independent counsel and advisors at the expense of the Company, all as it considers to be necessary or advisable in order to perform its duties and responsibilities.

The Committee has the authority to communicate directly with and to meet with the Auditor, without management involvement. The Auditor shall report directly to the Committee. The Committee shall be responsible to resolve disagreements, if any, between management and the Auditor regarding financial reporting.

The Committee will be provided by the Company with appropriate funding, as determined by the Committee, for payment of: (i) compensation to any Auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company; (ii) compensation to any advisors employed by the Committee; and (iii) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The Committee will provide the Board with such recommendations and reports with respect to the financial disclosures of the Company as it deems advisable.

### **III. RESPONSIBILITIES AND DUTIES**

The role of the Committee is principally one of oversight. Accordingly, the Committee shall:

1. recommend to the Board the appointment, retention and level of compensation of the Company's Auditor;

2. be responsible for oversight of the work of the Company's Auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting;
3. approve, in advance, all non-audit services provided to the Company by the Auditor and the related compensation;
4. evaluate the work of the Auditor and confirm its independence;
5. provide independent and objective monitoring of the Company's internal control systems and financial reporting processes;
6. provide a means of communication between the Board, management and the Auditor on matters relating to financial reporting;
7. provide the necessary oversight over:
  - a) the integrity, adequacy and timeliness of the Company's financial reporting and disclosure practices, including the preparation of financial statements;
  - b) the processes for identifying the Company's principal financial risks and the control systems to monitor those risks;
  - c) the Company's compliance with legal and regulatory requirements related to financial reporting; and
  - d) perform any other activities consistent with its mandate, the Company's constating documents and laws of general application as the Committee or Board deems necessary or desirable.

## **Responsibilities**

In performing its oversight responsibilities, the Committee shall:

1. review and assess, on an annual basis, the adequacy of its mandate and recommend any proposed changes to the Board for approval;
2. review annually its own performance;
3. monitor, on a regular basis, the independence of the Auditor by reviewing all relationships between the Auditor and the Company and all non-audit work performed for the Company by the Auditor and the Committee or a member thereof shall pre-approve all non-audit services to be provided to the Company or a subsidiary by the Auditor;
4. review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the Auditor and any former Auditor;
5. review with the Auditor and management the annual plan for the audit of the financial statements before commencement of the work;
6. review with the Auditor the results of the Auditor's work and any problems or difficulties that were encountered, including any disagreements between the Company's management and the Auditor regarding financial reporting, and assess management's responses thereto;
7. review with management and the Auditor the annual audited financial statements and 'Management Discussion and Analysis' reports, before filing or distribution, including matters requiring review pursuant to laws and regulations of general application;
8. review with management (or ensure that the Board does so) the quarterly unaudited financial statements and Management Discussion and Analysis reports, before filing or distribution, including matters required to be reviewed under laws and regulations of general application;

9. review with management the annual budget, and any required interim adjustments, including the assumptions (for reasonableness, accuracy and timeliness), for recommendation to the Board;
10. review with management, as appropriate, news releases and any other form of disclosure containing earnings and other material financial information;
11. satisfy itself that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from its financial statements, other than the public disclosure referred to in paragraph 5 and must periodically assess the adequacy of those procedures;
12. review with management the adequacy and effectiveness of the Company's internal controls over financial reporting including any significant or material deficiencies and the adequacy and timeliness of its financial reporting processes and the quality and acceptability of the Company's accounting principles and estimates, including the clarity of financial disclosure and the degree of conservatism or aggressiveness of the accounting policies and estimates;
13. review with management and the Auditor the quality and appropriateness of the Company's financial reporting and accounting standards and principles and significant changes to those standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives thereto and the rationale for decisions made;
14. annually, obtain and review a report by the Auditor describing: the firm's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues;
15. review with management and the Auditor the treatment and disclosure of significant related party transactions and potential conflicts of interest;
16. review with management the risk of frauds within the operations or financial reporting and consider the actions taken by management and the systems implemented to address these risks;
17. ensure that adequate procedures are in place for the receipt, retention and treatment of:
  - a) complaints and expressions of concern regarding accounting, financial disclosure, internal controls, auditing or legal and regulatory matters; and
  - b) confidential, anonymous submission by employees regarding questionable accounting, auditing and financial reporting and disclosure matters;
18. examine the process for identifying, categorizing, evaluating and mitigating the Company's principal risks and the potential impact or consequences they might have, individually or compounded, on the sustainability of the Company, as well as measures available to ensure the latter, and report to the Board, members of which shall use their reasonable efforts to ensure the adequacy of the oversight of management and that management duly carries out its required functions;
19. review the appointment of the Company's Chief Financial Officer and any other key financial executives involved in the financial reporting process;
20. review disclosures made to the Committee by the Company's Chief Executive Officer and Chief Financial Officer during their certification process required under applicable Canadian securities laws. Review any significant deficiencies in the design and operation of internal controls over financial reporting or disclosure controls and procedures and any fraud; and
21. conduct or authorize investigations into any matter that the Committee believes is within the scope of its responsibilities.