

**SIGNATURE RESOURCES LTD.**  
2704-401 Bay Street Toronto, ON  
M5H 2Y4

## **INFORMATION CIRCULAR**

**in respect of an Annual General and Special Meeting to be held virtually on September 6, 2023**

### **PURPOSE OF SOLICITATION**

This Information Circular is furnished in connection with the solicitation of proxies by the management of Signature Resources Ltd. (“**SGU**” or the “**Company**”) for use at the annual general and special meeting (the “**Meeting**”) of the holders (“**Shareholders**”) of common shares in the capital of the Company (“**Common Shares**”). The Meeting will be held virtually through the platform of AGM Connect [www.agmconnect.com/sgu2023](http://www.agmconnect.com/sgu2023) on **September 6, 2023 at 10:00 a.m.** (Toronto time), for the purposes set forth in the notice of meeting of Shareholders (the “**Notice of Meeting**”) accompanying this Information Circular. References in this Information Circular to the Meeting include any adjournment or postponements thereof.

Information contained herein is given as of **July 21, 2023** unless otherwise specifically stated.

It is expected that the solicitation of proxies will be primarily by mail, subject to the use of the Notice and Access Provisions (as defined below) in relation to the delivery of the meeting materials, however, proxies may also be solicited by telephone, facsimile or in person by directors, officers and employees of the Company who will not be additionally compensated therefor. Brokers, nominees or other persons holding Common Shares in their names for others shall be reimbursed for their reasonable charges and expenses in forwarding proxies and proxy material to the beneficial owners of such Common Shares. The costs of soliciting proxies will be borne by the Company.

### **GENERAL INFORMATION RESPECTING THE MEETING**

The Company is utilizing the notice-and-access mechanism (the “**Notice-and-Access Provisions**”) concerning the delivery of proxy-related materials to shareholders found in section 9.1.1 of National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”) in the case of registered Shareholders, and section 2.7.1 of NI 54-101 in the case of Beneficial Shareholders (as defined below).

The Notice-and-Access Provisions are a mechanism that allows reporting issuers other than investment funds to choose to deliver proxy-related materials (such as information circulars and annual financial statements) to registered holders and beneficial owners of securities by posting such materials on the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) and one other website, rather than sending such materials by mail. Reporting issuers may still choose to continue to deliver such materials by mail, and beneficial owners will be entitled to request delivery of a paper copy of this Information Circular at the Company’s expense. The Company anticipates that notice-and-access will directly benefit the Company through a substantial reduction in both postage and material costs, and also promote environmental responsibility by decreasing the large volume of paper documents generated by printing proxy-related materials.

In order to use Notice-and-Access Provisions, a reporting issuer must set the record date for notice of the meeting to be on a date that is at least 40 days prior to the meeting in order to ensure there is sufficient time for the meeting materials to be posted on the applicable website and other materials to be delivered to Shareholders. The Notice-and- Access Provisions require a reporting issuer to provide basic information about the meeting and the matters to be voted on thereat, explain how a shareholder can obtain a paper copy of the Meeting materials and management's discussion and analyses, and explain the Notice-and-Access Provisions. All such matters are described in the Notice of Meeting. The Notice of Meeting has been delivered to Shareholders by the Company, along with the applicable voting document (a form of proxy in the case of registered Shareholders or a voting instruction form in the case of Beneficial Shareholders).

Electronic copies of this Information Circular, financial statements of the Company for the financial years ended October 31, 2021 and October 31, 2022 (the “**Financial Statements**”) and management's discussion and analysis for 2022 (the “**MD&A**”) may be found on the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com) and also at [www.agmconnect.com/sgu2023](http://www.agmconnect.com/sgu2023).

The Company will not use procedures known as “stratification” in relation to the use of Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of this Information Circular to some Shareholders with the Notice of Meeting. In relation to the Meeting, all Shareholders will receive the required documentation under the Notice-and-Access Provisions, which will not include a paper copy of this Information Circular.

**Shareholders are reminded to review this Information Circular before voting.**

Shareholders with questions about notice-and-access can call AGM Connect, toll-free at 1-855-839-3715.

### **APPOINTMENT AND REVOCATION OF PROXIES**

**Enclosed herewith is a form of proxy (the “Form of Proxy”) for use at the Meeting. The persons named in the Form of Proxy are officers of the Company. A Shareholder submitting a proxy has the right to appoint a nominee (who need not be a Shareholder) to represent him or her at the Meeting other than the persons designated in the enclosed Form of Proxy by inserting the name of his or her chosen nominee in the space provided.**

A Form of Proxy will not be valid for the Meeting unless it is signed by the Shareholder or by the Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, it is executed by a duly authorized officer or attorney thereof. A Shareholder who is unable to attend the Meeting in person is requested to complete and sign the enclosed form of proxy and to deliver it to AGM Connect by mail or hand delivery to 2704-401 Bay Street, Toronto, ON M5H 2Y4. In order to be valid and acted upon at the Meeting, the Form of Proxy must be received no later than 48 hours (excluding Saturdays, Sundays and statutory holidays) prior to the commencement of any adjourned Meeting. You may also send your proxies via email at [voteproxy@agmconnect.com](mailto:voteproxy@agmconnect.com) or vote your shares online at [www.agmconnect.com/sgu2023](http://www.agmconnect.com/sgu2023).

If you are a Beneficial Shareholder of Common Shares and have received these materials through your broker, custodian, nominee or other intermediary, please complete and return the form of proxy or voting instruction form provided to you by your broker, custodian, nominee or other intermediary in accordance with the instructions provided therein.

A Shareholder who has given a proxy may revoke it prior to its use, in any manner permitted by law, including by instrument in writing executed by the Shareholder or by the Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, executed by a duly authorized officer or attorney thereof and deposited at the registered office of the Company or the office of AGM Connect at any time prior to 10:00 a.m. September 5, 2023 (Toronto time), the last business day preceding the day of the Meeting at which the proxy is to be used, or with the Chairman of the Meeting on the day of the Meeting.

### **ADVICE TO BENEFICIAL HOLDERS OF COMMON SHARES**

**The information set forth in this section is of significant importance to many Shareholders who hold Common Shares through brokers and their nominees, 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, 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 the broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). In the United States, the vast majority of such Common Shares are registered under the name 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) 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. Each Beneficial Shareholder should therefore ensure that the 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 shareholders’ meetings. The various brokers and 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. Often the form 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 the 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 Beneficial Shareholder is requested to complete and return the VIF to them by mail or facsimile. Alternatively, the Beneficial Shareholder can call 1-855-839-3715 or visit [www.agmconnect.com/sgu2023](http://www.agmconnect.com/sgu2023) to vote the Common Shares held by the Beneficial Shareholder.

Beneficial Shareholders who have not objected to their intermediary disclosing certain ownership information about themselves to the Company are called Non-Objecting Beneficial Owners (“**NOBOs**”). Beneficial Shareholders who have objected to their intermediary disclosing ownership information about themselves to the Company are called Objecting Beneficial Owners (“**OBOs**”). **In accordance with the requirements of NI 54-101, the Company has elected to send the Notice of Meeting and this Information Circular (collectively, the “Meeting Materials”) directly to NOBOs.**

The Meeting Materials are being sent to both Registered Shareholders and Beneficial Shareholders. If you are a Beneficial Shareholder, and the Company or its agent has sent these materials 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 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 request for voting instructions.

The Meeting Materials sent to the NOBOs who have not waived the right to receive meeting materials are accompanied by a VIF, instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a NOBO can instruct the voting of the Common Shares owned by the NOBO. VIFs, whether provided by the Company or by an intermediary, should be completed and returned in accordance with the specific instructions of the VIF. The purpose of this procedure is to permit Beneficial Shareholders to direct the voting of the Common Shares which they beneficially own. Should a Beneficial Shareholder who receives a VIF wish to attend the Meeting or have someone else attend on the Beneficial Shareholder’s behalf, the Beneficial Shareholder may request a legal proxy as set forth in the VIF, which will grant the Beneficial Shareholder, or Beneficial Shareholder’s nominee, the right to attend and vote at the Meeting.

A Beneficial Shareholder who receives a VIF cannot use the form to vote Common Shares directly at the Meeting. The VIF must be returned to the intermediary (or instructions respecting the voting Common Shares must otherwise be communicated to the intermediary) well in advance of the Meeting in order to have the Common Shares voted. Although a Beneficial Shareholder may not be recognized at the Meeting for the purpose of voting Common Shares registered in the name of the broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the Registered Shareholder and vote Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered holder, should visit [www.agmconnect.com/sgu2022](http://www.agmconnect.com/sgu2022) well in advance of the Meeting to determine the steps necessary to permit them to indirectly vote their Common Shares as a proxyholder.

All references to Shareholders in this Information Circular and the accompanying VIF or proxy and Notice of Meeting are to Registered Shareholders unless specifically stated otherwise.

## VOTING OF PROXIES

All Common Shares represented at the Meeting by properly executed proxies will be voted for or against, or withheld from voting, as the case may be, on any ballot that may be called, in accordance with the instructions given by the Shareholder, and, if the Shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly. **In the absence of any such instruction, the persons whose names appear on the printed Form of Proxy will vote in favour of all the matters set out thereon.** The enclosed Form of Proxy confers discretionary authority upon the persons named therein. If any other business or amendments or variations to matters identified in the Notice of Meeting properly comes before the Meeting, discretionary authority is conferred upon the person appointed in the proxy to vote in the manner they see fit, in accordance with their best judgment.

## VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The board of directors of the Company (the “**Board**”) has fixed **July 21, 2023** as the record date. Holders of Common Shares at the close of business on July 21, 2023, are entitled to receive notice and vote at the Meeting on the basis of one vote for each Common Share held, except to the extent that: (i) a registered Shareholder has transferred the ownership of any Common Shares subsequent to July 21, 2023; and (ii) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he or she owns the Common Shares and demands, not later than ten days before the Meeting, that his or her name be included on the Shareholder list before the Meeting, in which case, the transferee shall be entitled to vote his or her Common Shares at the Meeting.

As at the date of this Information Circular the Company had 80,899,672 fully paid and non-assessable Common Shares issued and outstanding.

As at the date of this Information Circular, the directors and executive officers of SGU as a group beneficially owned, directly or indirectly, or exercised control or direction over, approximately 19,712,023 Common Shares, representing approximately 24.36% of the presently issued and outstanding Common Shares.

To the knowledge of the directors and executive officers of the Company, as of the date of this Information Circular, there are no other persons, firms or corporations that beneficially own, or control or direct, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Company.

## STATEMENT OF EXECUTIVE COMPENSATION

### COMPENSATION DISCUSSION AND ANALYSIS

#### Introduction

The purpose of this Compensation Discussion and Analysis is to provide information about the Company's philosophy, objectives and processes regarding compensation paid to those who acted as the Chief Executive Officer (“CEO”) or the Chief Financial Officer (“CFO”) of the Company (or in similar capacities) and each of the next three most highly compensated executive officers of the Company whose total compensation was, individually, more than \$150,000 at the end of the applicable financial year (each a “Named Executive Officer” and collectively, the “Named Executive Officers”).

#### Compensation Philosophy and Objectives of the Compensation Program

SGU has a balanced approach to compensation, seeking to maintain low overhead costs and expenses so as to attain the lowest possible burn rate while it plans its exploration activities, and providing sufficient incentives to attract and retain talented management that can achieve the Company’s objectives.

#### What the Compensation Program is Designed to Reward

The compensation program is intended to keep the Company's costs to a minimum while it continues to focus on its gold property in Ontario. In addition, the compensation program has been kept relatively simple while the Company is in the exploration stage. It is intended that the current Named Executive Officers will be appropriately compensated as the Company's exploration program advances.

Each executive officer is entitled to receive a base salary. Base salary is recognition for discharging job responsibilities and reflects the officer's performance over time, as well as that individual's particular experience and qualifications. An officer's base salary is reviewed by the Board on an annual basis and may be adjusted to take into account performance contributions for the year and to reflect sustained performance contributions over a number of years.

The Company entered into written consulting agreements with each of Mine Horizons Consulting Inc., Grove Corporate Services Ltd., MMW Consulting Inc. and Hanych Geological Consultants Ltd. with regards to services provided by Robert Vallis as CEO, Donna Mclean as CFO, Rickardo Welyhorsky as COO and Walter Hanych as Chief Geologist, respectively. On November 11, 2022 the Company amended the consulting agreements with Mine Horizons Consulting Inc., MMW Consulting Inc., and Hanych Geological Consultants Ltd.

The terms of the consulting agreements are described in this Information Circular under the heading “*Statement of Executive Compensation – Incentive Plan Awards – Termination of Employment or Change of Control*”.

In addition, officers are eligible under the Company's stock option plan (the “**Option Plan**”) to receive grants of stock options (the “**Options**”). For a summary of the Option Plan, see “*Securities Authorized for Issuance Under Equity Compensation Plans – Option Plan*”. The Option Plan is an important part of the Company's long-term incentive strategy for its officers, permitting them to participate in any appreciation of the market value of the Common Shares over a stated period of time. The Option Plan is intended to reinforce commitment to long-term growth in profitability and shareholder value. The size of stock option grants to officers is dependent on each officer's level of responsibility, authority and importance to the Company and the degree to which such officer's long-term contribution to the Company will be key to its long-term success.

## Each Element of Compensation and Why the Company Chooses to Pay Each Element

The compensation program for the Named Executive Officers is comprised of base salaries and Options. The following table provides a broad overview of the elements of the Company's current executive compensation program:

<b>ELEMENT</b>	<b>AWARD TYPE</b>	<b>OBJECTIVE</b>	<b>KEY FEATURES</b>
Base Salaries	Salary	To provide a basic level of reward while the Company is in a preliminary exploration period	Non-discretionary fixed regular cash payments to compensate for day-to-day executive level responsibilities.
Options	Option-based award	To reward long-term performance by allowing Named Executive Officers to participate in the long-term market appreciation of the Common Shares.	Annual and special awards granted at market price and having a term of five years

## How the Company Determines the Amount for Each Element

### *Base Salaries*

As of the date hereof, the current Named Executive Officers have agreed to receive monthly salaries which are below the salary norms in the industry and of the general marketplace to reduce costs. On November 11, 2022 the Company amended the Agreements with the CEO, COO, Grove Corporate Services and the Chief Geologist. Prior to the amendment and pursuant to the CEO Agreement (*as herein defined*), Mr. Vallis was paid a base salary of C\$25,000 monthly, being C\$300,000 per annum. The base fee paid to Mr. Vallis was subject to certain increases upon successful financing raises by the Company in accordance with the terms of the CEO Agreement. Prior to the contract amendment and pursuant to the terms of the COO Agreement with Rickardo Welyhorsky (*as herein defined*), Mr. Welyhorsky was paid a base salary of C\$16,666.67 monthly, being C\$ 200,000 per annum. Pursuant to the terms of the CFO Agreement with Grove Corporate Services Ltd. (*as herein defined*), the monthly retainer paid to Grove Corporate Services Ltd. is \$6,750, being \$81,000 per annum. Prior to the amendment and pursuant to the CG Agreement (*as herein defined*), the fee paid to Walter Hanych was C\$15,400 monthly, being C\$184,800 per annum.

### *Options*

Option grants are normally considered annually, and the number of Options granted to any particular individual is commensurate with the individual's performance and level of ongoing responsibility within the Company. In considering additional grants, the Board generally evaluates the number of Options an individual has been granted previously, the exercise price, value of the Options and the term remaining on those Options. Options granted Named Executive Officers are granted upon the commencement of an individual's engagement with the Company, based on their level of responsibility within the Company. Additional grants are subject to certain key performance indicators being met and vesting is subject to an annual review by the Board and compliance with the limitations under the Company's Option Plan, which limits the number of options to 10% of the issued and outstanding shares of the Company.

## Risk Assessment and Oversight

During fiscal 2022, the Board did not consider the implications of the risks associated with the Company's compensation policies and practices.

## Hedging Activities

Although the Company does not have a policy which prohibits any Named Executive Officer or director from purchasing financial instruments designed to hedge or offset a decrease in market value of equity securities granted as compensation or held by the Named Executive Officer or director, no Named Executive Officer or director has entered into any such agreement.

## Compensation Governance

The Company's executive compensation program is administered by the Board as a whole. All members of the Board possess the necessary experience and education and are familiar with compensation practices in the natural resource exploration

sector and understand the compensation matters relevant to the Company. In considering its executive compensation program, the Board performs the following analysis:

- reviews the compensation packages for the CEO and the other Named Executive Officers, including short- term and long-term incentive plan awards and grants;
- reviews the corporate goals, objectives and business performance measures which will be used in evaluating the CEO and the other Named Executive Officers;
- reviews the provision for effective succession for the Company's senior management team;
- reviews the grant of Options pursuant to the terms of the Option Plan; and
- annually reviews and ensures that compensation plans, in their design, structures and application have a clear link between pay and performance and do not encourage excessive risk taking.

The Board as a whole has evaluated the performance of the Named Executive Officers, reviewed compensation arrangements for the Named Executive Officers and directors and made awards under the incentive compensation plans.

### SUMMARY COMPENSATION TABLE FOR NAMED EXECUTIVE OFFICERS

The following table provides information concerning compensation of the Named Executive Officers for the year ended October 31, 2022:

Name and principal Position	Year	Salary (\$)	Share-Based (\$)	Non-equity incentive Option-based awards (\$)	plan compensation		Pension Value (\$)	All other Compensation (\$)	Total compensation (\$)
					Annual incentive plan (\$)	Long-term incentive plan (\$)			
Dan Denbow <sup>(1)</sup> <i>Interim CEO &amp; Director</i>	2022	Nil	Nil	20,826	Nil	Nil	Nil	Nil	20,826
	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Robert Vallis <sup>(2)</sup> <i>President, CEO &amp; Director</i>	2022	300,000	Nil	20,826	Nil	Nil	Nil	Nil	320,826
	2021	262,000	Nil	129,567	Nil	Nil	Nil	Nil	391,567
	2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Rickardo Welyhorsky <i>COO</i>	2022	200,000	Nil	Nil	Nil	Nil	Nil	Nil	200,000
	2021	6,667	Nil	117,900	Nil	Nil	Nil	Nil	184,567
	2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Donna McLean <i>CFO</i>	2022	81,000	Nil	Nil	Nil	Nil	Nil	Nil	81,000
	2021	18,485	Nil	Nil	Nil	Nil	Nil	Nil	18,485
	2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Walter Hanych <i>Chief Geologist</i>	2022	149,600	Nil	Nil	Nil	Nil	Nil	Nil	149,600
	2021	179,800	Nil	31,417	Nil	Nil	Nil	Nil	211,217
	2020	174,400	Nil	81,236	Nil	Nil	Nil	Nil	255,636

Notes:

- (1) On November 11, 2022 Dan Denbow was appointed as Interim CEO of the Company, to replace Mr. Robert Vallis. Mr. Denbow was not awarded any compensation for this role.
- (2) On November 11, 2022 Robert Vallis was relaced as President, CEO and Director of the Company by Dan Denbow.

## INCENTIVE PLAN AWARDS

### Outstanding Option-Based Awards

The following table sets forth all Option-based awards held by the Named Executive Officers which were outstanding as at October 31, 2022:

Name	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options <sup>(1)</sup> (\$)
Robert Vallis <i>President, CEO and Director</i>	3,000,000	\$0.07	November 11, 2025	-
Walter Hanych <i>Chief Geologist</i>	500,000	\$0.08	March 23, 2023	-
Dan Denbow <i>Interim CEO and Director</i>	500,000	\$0.06	May 27, 2027	-

Notes:

- (1) Calculated by multiplying the number of Common Shares purchasable on exercise of the Options by the difference between the market price of the Common Shares at October 31, 2022 and the exercise price of the Options. The closing price of the Company's Common Shares on the TSX Venture Exchange ("TSXV") on October 31, 2022 was \$0.01.
- (2) Under the Option Plan, the Board is authorized to grant Options to directors, senior officers, employees, consultants, consultant company or management company employees of the Company and its subsidiaries, such grants not exceeding 10% of the issued and outstanding Common Shares at any time. Options granted under the Option Plan are exercisable over a period not exceeding 10 years from the date granted. Exercise prices may not be less than the market price of the Common Shares at the time of the grant. An Option shall vest in the manner determined by the Board on the grant date.

### Incentive Plan Awards - Value Vested or Earned During the Year

The following table sets forth information in respect of the value of awards granted to the Named Executive Officers of the Company pursuant to the Option Plan vested during the financial year ended October 31, 2022:

Name	Option-Based Awards - Value Vested During Year (\$)	Share-Based Awards - Value Vested During Year (\$)	Non-Equity Incentive Plan Compensation Value Earned During Year (\$)
Dan Denbow <i>Interim CEO and Director</i>	9,310	-	-
Robert Vallis <i>President, CEO and Director</i>	9,310	-	-
Rickardo Welyhorsky <i>COO</i>	Nil	-	-
Walter Hanych <i>Chief Geologist</i>	Nil	-	-

Notes:

- (1) For this purpose, the Options are valued on the date of vesting. The "value vested" represents the aggregate dollar value that would have been realized if the Options had been exercised on the vesting date. This is calculated by multiplying the number of Common Shares that vested during the year by the difference between the market price of the Common Shares at the date of vesting and the exercise price of the Options.

### Pension Plan Benefits

The Company has not established a pension plan, defined benefit plan or any retirement savings program for the Named Executive Officers or other employees of the Company.

## **Deferred Compensation Plans**

The Company has not established a deferred compensation plan for the Named Executive Officers or other employees of the Company.

## **Termination of Employment or Change of Control**

The Company amended the CEO, COO and CG contracts, as described in greater detail below, to defer exploration activities and ongoing expenses due to the current environment for capital raising.

Other than as described below, no Named Executive Officers has an employment agreement or consulting agreement pursuant to which SGU would be obligated to make payments in the event of termination without “cause” or in the event of a “change of control”.

### ***CEO Agreement – Robert Vallis***

On November 11, 2022 the Company amended the consulting agreement in place with Mine Horizons Consulting Inc. which allowed for the immediate voluntary termination of the consulting agreement dated November 12, 2020 in regards to required monthly consulting fees. The Company was required to pay any consulting fees in arrears in three monthly installments after the closing of the equity raise completed March 8, 2023. The change of control provisions in the consulting agreement continue in effect until November 11, 2023.

Effective November 12, 2020, the Company and Mine Horizons Consulting Inc. entered into a consultant agreement pursuant to which Robert Vallis was employed as the Chief Executive Officer and President of the Company (“**CEO Agreement**”) at a salary of C\$25,000 monthly, being C\$300,000, annually. Prior to the amendment of the CEO agreement, the terms were as follows:

The base fee paid to Mr. Vallis is subject to certain increases upon successful financing raises by the Company in accordance with the terms of the CEO Agreement.

The CEO Agreement is for an initial term of two years, automatically extending for one-year periods unless written notice is given 30 days prior to the end of the applicable term. The CEO Agreement is subject to termination upon:

(a) mutual consent; (b) 60 days’ prior written notice by Mr. Vallis; (c) written notice by Mr. Vallis or the Company if either party is in material breach of the terms or conditions of the CEO Agreement and such breach is not remedied within 30 days after notice delivered; (d) five days written notice from the Company to Mr. Vallis where the termination is effective within 60 days following a change of control of the Company or (e) payment of certain termination entitlements by the Company to Mr. Vallis.

Pursuant to the terms of the CEO Agreement, Mr. Vallis may be entitled to a termination payment equal to half of one year’s annual base fee and any bonus paid, subject to an increase of up to two times one year’s annual base fee and any bonus paid in the event of certain successful financing raises by the Company. In the event of a change of control, the termination payment may be up to three times one year’s annual base fee and any bonus paid.

### ***COO Agreement – Rickardo Welyhorsky***

On November 11, 2022 the Company amended the consulting agreement in place with MMW Consulting Inc. dated June 23, 2021 which allowed for the immediate voluntary termination of the consulting agreement dated November 12, 2020 in regards to required monthly consulting fees. The Company was required to pay any consulting fees in arrears in three monthly installments after the closing of the equity raise completed March 8, 2023. The change of control provisions in the consulting agreement continue in effect until November 11, 2023.

Effective June 23, 2021, the Company entered into a consulting agreement (the “**COO Agreement**”) with MMW Consulting Inc. whereby Rickardo Welyhorsky was employed by the Company as the Chief Operations Officer at a salary of \$16,667 monthly or \$200,000 per annum. Prior to the amendment of the COO Agreement, the terms were as follows:

The base fee paid to Mr. Welyhorsky is subject to certain incentive bonus’ based upon certain metrics, including but not limited to, market capitalization, capital raising, fiscal budget and related site activities, and incremental resource ounces added in all resource categories accordance with the terms of the COO Agreement.

The COO Agreement is for an initial term of two years, automatically extending for one-year periods unless written notice is given 30 days prior to the end of the applicable term. The COO Agreement is subject to termination upon: (a) mutual consent; (b) 60 days’ prior written notice by Mr. Welyhorsky; (c) written notice by Mr. Welyhorsky or the Company if either party is in material breach of the terms or conditions of the COO Agreement and such breach is not remedied within 30 days after notice delivered; (d) five days written from the Company to Mr. Welyhorsky where the termination is effective within 60 days following a change of control of the Company or (e) payment of certain termination entitlements by the Company to Mr. Welyhorsky.



Mr. Welyhorsky is entitled to termination pay of  $\frac{1}{2} \times$  (Annual Base Fee + the Bonus paid for the first 6 months completed) and after the first completed year,  $1 \times$  (Annual Base Fee + the Bonus paid for the most recently completed year); and notwithstanding the terms of any applicable plan document or agreement, 50% of all unvested equity awards shall be deemed to vest immediately prior to the date of termination of the Agreement and shall be exercisable until the earlier of their expiry date and 6 months following the date of termination

### ***CFO Agreement – Donna McLean***

Effective August 1, 2021, the Company and Grove Corporate Services Ltd. (“Grove”) entered into a business services agreement (the “BSA”) pursuant to which Ms. Donna McLean was appointed as Chief Financial Officer of the Company. The BSA was entered into for an initial term of six months; to continue on a monthly basis until such time as the contract is amended or terminated. Under the terms of the BSA, termination by the Company is subject to the following conditions (a) termination of services without notice or payment in lieu thereof, for cause, as that term is defined at common law (b) termination of the services on ninety (90) days written notice with such notice only to be given on the last day of any given calendar month and (c) in lieu of notice, the Company may elect to pay to GCS on the date of termination an amount equal to three (3) months’ fees payable, in addition to any amounts outstanding as of the date of termination. Further, under the terms of the BSA, the contract can also be terminated by Grove on ninety (90) days written notice with such notice only to be given on the last day of any given calendar month.

### ***Chief Geologist Agreement – Walter Hanych***

On November 12, 2022 the Company amended the consulting agreement with Hanych Geological Consultants Ltd (“Hanych”) dated November 12, 2020. The amended agreement changed the base fee from an annual minimum fee paid to an hourly rate to be paid only when Hanych’s services are being utilized. Any fees in arrears will be paid in three monthly installments upon the completion of the equity offering completed March 8, 2023. The consulting agreement will expire November 11, 2023.

Effective March 1, 2018, the Company and Hanych Geological Consultants Ltd. entered into a consultant agreement pursuant to which Walter Hanych was employed as the Chief Executive and President of the Company (“CG Agreement”) at an annual salary of \$120,000. The CG Agreement was amended on November 12, 2020 to change the title of Mr. Hanych from Chief Executive and President to Chief Geologist. All other terms of the CG Agreement remained as is.

The CG Agreement was entered into for an initial term of one year, automatically extending for one-year periods unless written notice is given 60 days prior to the end of the applicable term. The CG Agreement is subject to termination upon: (a) 60 days’ prior written notice by either Mr. Hanych or the Company; (b) written notice by Mr. Hanych or the Company if either party is in material breach of the terms or conditions of the CG Agreement and such breach is not remedied within 30 days after notice delivered; (c) written notice to the Company if there is a material reduction in Mr. Hanych’s compensation or the services provided under the CG Agreement; (d) written notice that Hanych Geological Consultants Ltd. has failed to make Mr. Hanych available for the performance of the contracted services and such breach is not remedied within 30 days after notice delivered; (e) the occurrence of a material and irreparable breach of the CG Agreement by Mr. Hanych that causes significant detriment to the Company; (f) without notice if Mr. Hanych commits any material misrepresentation or any dishonest or fraudulent act in the performance of his obligations under the CG Agreement; (g) insolvency, bankruptcy or assignment for the benefit of creditors by Hanych Geological Consultants Ltd. or Mr. Hanych; or (h) the death of Mr. Hanych or upon the Company’s reasonable determination that Mr. Hanych has become unable, by reason of physical or mental disability, with or without reasonable accommodation, to perform the essential functions under the CG Agreement.

Pursuant to the terms of the CG Agreement, Mr. Hanych may be entitled to a termination payment equal to one year’s annual base fee and the average of any bonuses paid in the preceding two years.

## **COMPENSATION OF DIRECTORS**

### **Overview**

The only arrangement under which directors are compensated by the Company and its subsidiaries for their services in their capacity as directors is that each director is eligible under the Option Plan to receive grants of Options, at the discretion of the entire Board.

### Summary Compensation Table for Directors

The following table sets out all amounts of compensation provided to the directors of the Company (excluding directors who were also a Named Executive Officer) for the financial year ended October 31, 2022:

Name <sup>(1)</sup>	Fees Earned (\$)	Option-based awards (\$) <sup>(1)</sup>	All Other Compensation (\$)	Total (\$)
Paolo Lostritto	-	20,826	-	20,826
Lisa Davis	-	20,826	-	20,826
John Hayes	-	20,826	-	20,826
Den Denbow <sup>(2)</sup>	-	-	-	-
Stephen Timms	-	20,826	-	20,826
Robert Vallis <sup>(2)</sup>	-	-	-	-
Priya Patil	-	20,826	-	20,826

Notes:

- The Company follows the fair value method of accounting for all stock-based compensation arrangements. The values reported represent an estimate of the grant date fair value of the Options calculated in accordance with the Black-Scholes option pricing model. Please see the audited annual financial statements of the Company for the year ended October 31, 2022 for details regarding the assumptions underlying these Black-Scholes estimates. The Black-Scholes model is a pricing model that may or may not reflect the actual value of the Options. The Black-Scholes methodology was selected in order to maintain consistency with the Company's prior practice and because it is widely used by Canadian public companies for estimated option-based compensation.
- Any compensation received by Mr. Denbow and Mr. Vallis is reflected in the Summary Compensation Table for Named Executive Officers, above.

### Outstanding Option-Based Awards and Share-Based Awards

The following table sets forth all Option-based awards granted to directors (who are not also Named Executive Officers) during the year ended October 31, 2022:

Name	Number of Securities Underlying Unexercised Options (#)	Option exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options <sup>(1)</sup> (\$)
Paolo Lostritto	500,000	\$0.06	May 27, 2027	-
Lisa Davis	500,000	\$0.06	May 27, 2027	-
John Hayes	500,000	\$0.06	May 27, 2027	-
Den Denbow	-	-	-	-
Stephen Timms	500,000	\$0.06	May 27, 2027	-
Priya Patil	500,000	\$0.06	May 27, 2027	-

Notes:

- Calculated by multiplying the number of Common Shares purchasable on exercise of the Options by the difference between the market price of the Common Shares on October 31, 2022 and the exercise price of the Options. The closing price of the Common Shares on the TSXV on October 31, 2022 was \$0.01.
- Any compensation received by Mr. Denbow is reflected in the Summary Compensation Table for Named Executive Officers, above.

### Director Compensation - Incentive Plan Awards - Value Vested or Earned During the Year

The following table sets forth information in respect of the value of awards granted to the directors of the Company, who are not also Named Executive Officers of the Company, pursuant to the Option Plan, which vested during the financial year ended October 31, 2022:

Name	Option-Based Awards - Value Vested During Year <sup>(1)</sup> (\$)	Share-Based Awards - Value Vested During Year (\$)	Non-Equity Incentive Plan Compensation Value Earned During Year (\$)
Paolo Lostritto	9,310	-	-
Lisa Davis	9,310	-	-
John Hayes	9,310	-	-
Den Denbow <sup>(2)</sup>	-	-	-
Stephen Timms	9,310	-	-
Robert Vallis <sup>(2)</sup>	-	-	-
Priya Patil	9,310	-	-

Notes:

- (1) For this purpose, the Options are valued on the date of vesting. The “value vested” represents the aggregate dollar value that would have been realized if the Options had been exercised on the vesting date. This is calculated by multiplying the number of Common Shares that vested during the year by the difference between the market price of the Common Shares at the date of vesting and the exercise price of the Options.
- (2) Any compensation received by Mr. Denbow and Mr. Vallis is reflected in the Summary Compensation Table for Named Executive Officers, above.

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS OPTION PLAN

The Option Plan, dated January 25, 2012, as amended, is the Company’s only securities-based compensation plan. It was last approved by Shareholders on May 26, 2022 and is required to be approved at the Meeting. The following description of the Option Plan is qualified in its entirety by the full text of the Option Plan, a copy of which will be supplied free of charge to any Shareholder upon written request made directly to the Company at its office located at 2704-401 Bay Street, Toronto, Ontario, M5H 2Y4, attention, Corporate Secretary.

The Option Plan was initially adopted by the Board on January 25, 2012, and was subsequently amended, following approval by the Shareholders, effective June 16, 2014 and May 26, 2022.

The purpose of the Option Plan is to advance the interests of the Company, its Shareholders and subsidiaries by attracting, retaining and motivating the performance of selected directors, officers, employees or consultants of the Company of high caliber and potential and to encourage and enable such persons to acquire and retain a proprietary interest in the Company by ownership of its stock. The Option Plan provides that, subject to the requirements of the TSXV, the aggregate number of securities reserved for issuance, set aside and made available for issuance under the Option Plan may not exceed 10% of the issued and outstanding shares of the Company at any point in time (including all Options granted by the Company to date, if applicable). The number of Common Shares which may be reserved in any 12-month period for issuance to any one person upon exercise of all Options held by that individual may not exceed 5% of the issued and outstanding Common Shares of the Company unless the Company has obtained disinterested shareholder approval. The number of Common Shares which may be reserved in any 12-month period for issuance to any consultant may not exceed 2% of the issued and outstanding Common Shares of the Company at the time of the grant. The Option Plan provides that Options issued to eligible persons conducting investor relations activities may not exceed 2% of the issued and outstanding Common Shares of the Company in any 12 month period and will vest in stages over 12 months with no more than ¼ of the Options vesting in any three-month period. The number of Common Shares which may be reserved in any 12-month period for issuance to Insiders may not exceed 10% of the issued and outstanding Common Shares of the Company at the time of the grant, and the aggregate number of Common Shares reserved for issuance to Insiders in any 12 month period shall not exceed 10% of the outstanding Common Shares at any point in time.

The vesting of any Options (subject to the approval of the Exchange if such vesting is mandatory under the policies of the Exchange), including the accelerated vesting thereof on conditions the Board deems advisable. There is to be no acceleration of vesting requirements to an Investor Relations Service Provider without prior written approval of the Exchange; and

An Option may be exercised from time to time, and shall be deemed to be validly exercised by the Participant only upon the Participant's delivery to the Corporation at its registered office, a wire transfer, certified cheque or bank draft made payable to the Corporation for the aggregate exercise price for the number of Common Shares with respect to which the Option is being exercised.

Subject to approval from the Board and further subject to the Common Shares being traded on the Exchange, consideration may be paid by reducing the number of Common Shares otherwise issuable under the Options such that, in lieu of a cash payment to the Corporation, a Participant, excluding a person providing Investor Relations Activities, only receives the number of Common Shares that is equal to the quotient obtained by dividing: (i) the product of the number of Options being exercised by the difference between the VWAP of the underlying Common Shares and the Exercise Price of the subject Options, by (ii) the VWAP of the underlying Common Shares. The number of Common Shares delivered to the Participant from the exercise of the Options may be further reduced to satisfy applicable tax withholding obligations. In the event of a cashless exercise, the number of Options exercised, surrendered or converted, and not the number of Common Shares issued, must be included in calculating the limits set forth in Section 4.3 and in Section 2.2 of the Company's Option Plan.

The Option Plan is administered by the Board, which will have full and final authority with respect to the granting of all Options thereunder. Options may be granted under the Option Plan to such directors, officers, employees or consultants of the Company and its affiliates, if any, as the Board may from time to time designate. Options may also be granted to employees of management companies providing management services to the Company. The exercise price of any Options granted under the Option Plan shall be determined by the Board, but may not be less than the market price of the Company's shares on the TSXV on the date of the grant (less any discount permissible under TSXV rules) subject to a minimum price of \$0.05. The term of any Options granted under the Option Plan shall be determined by the Board at the time of grant but, subject to earlier termination in the event of dismissal for cause, termination other than for cause or in the event of death, the term of any Options granted under the Option Plan may not exceed ten years. If desired by the Board, Options granted under the Option Plan may be subject to vesting. Options granted under the Option Plan are not to be transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession. Subject to certain exceptions, in the event that a director or officer ceases to hold office, Options granted to such director or officer under the Option Plan will expire 90 days after such director or officer ceases to hold office or such longer period as determined by the Board, always provided that the Board may, in its discretion, extend the date of such termination and the resulting period in which such Option remains exercisable to a date not exceeding the earlier of the Expiry Date and the date which is twelve months after such event. Subject to certain exceptions, in the event that an employee, consultant or management company employee ceases to act in that capacity in relation to the Company, Options granted to such employee, consultant or management company employee under the Option Plan will expire 90 days after such individual or entity ceases to act in that capacity in relation to the Company or such longer period as determined by the Board, always provided that the Board may, in its discretion, extend the date of such termination and the resulting period in which such Option remains exercisable to a date not exceeding the earlier of the Expiry Date and the date which is twelve months after such event. In the event of death of an option holder, Options granted under the Option Plan expire six months from the date of the death of the option holder, subject to the Board having the authority to extend the expiry date to a maximum of twelve months from the date of death of the option holder.

As of October 31, 2022 there were 24,187,500 Options outstanding pursuant to the Option Plan, representing approximately 8.77% of the issued and outstanding Common Shares as at October 31, 2022. See "*Particular Matters To Be Acted On – Approval of Option Plan*".

## EQUITY COMPENSATION PLAN INFORMATION AS AT OCTOBER 31, 2022

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of Securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders <sup>(1)</sup>	24,187,500	0.096	3,382,316 <sup>(2)</sup>
Equity compensation plans not approved by security holders	N/A	N/A	N/A
<b>Total</b>	24,187,500	0.096	3,382,316 <sup>(2)</sup>

Notes:

- (1) The Company's only equity compensation plan is the Option Plan. The Option Plan provides for a rolling maximum limit of 10% of the outstanding Common Shares on the date of any grant of Options thereunder.
- (2) Based on a total of 275,698,162 Common Shares issued and outstanding as at October 31, 2022.

### CORPORATE GOVERNANCE DISCLOSURE

Under National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101"), the Company is required to include in its information circular the disclosure required under Form 58-101F2 with respect to its corporate governance practices. In establishing its corporate governance practices, the Board has been guided by Canadian securities legislation and the TSXV guidelines for effective corporate governance, including National Policy 58-201 *Corporate Governance Guidelines* and other regulatory requirements such as National Instrument 52-110 *Audit Committees* ("NI 52-110").

#### Board

The Board is currently comprised of six (6) individuals, five (5) of whom are independent within the meaning of that term set out in NI 58-101. Dan Denbow, Interim CEO and director is not considered independent within the meaning of that term set out in NI 58-101.

#### Orientation and Continuing Education

The Company does not currently have an orientation or continuing education program for new directors.

#### Directorships

John Hayes is a Director and Chairman of Maritime Resources Corp. and Paolo Lostrillo is a Director of Sailfish Royalty Corp.

#### Ethical Business Conduct

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

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction.

#### Nomination of Directors

The Board as a whole is responsible for identifying and evaluating qualified candidates for nomination to the Board. In identifying candidates, the Board considers the competencies and skills that the Board considers to be necessary for the Board as a whole to possess, the competencies and skills that the Board considers each existing director to possess, the competencies and skills each new nominee will bring to the Board and the ability of each new nominee to devote sufficient time and resources to his or her duties as a director. The Board also considers candidate independence and financial acumen in making recommendations for nomination.

## Compensation

At this time, the Board as a whole reviews the compensation of the Named Executive Officers and the directors. See “*Information Concerning the Company - Statement of Executive Compensation*” above.

## Assessments

The Board does not consider that formal assessments would be useful at this stage of the Company’s development. The Board conducts informal annual assessments of the Board’s effectiveness, the individual directors and each of its committee members. To assist in its review, the Board conducts informal surveys of its directors and committee members.

## Board Committees

There are no committees of the Board other than the Audit Committee. The Audit Committee is comprised of Lisa Davis, Dan Denbow and Stephen Timms. For further information relating to the Audit Committee, see “*Information Concerning the Company - Audit Committee Disclosure*” below.

## AUDIT COMMITTEE DISCLOSURE

### AUDIT COMMITTEE TERMS OF REFERENCE

The overall purpose of the Audit Committee is to ensure that the Company's management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the consolidated financial statements and related financial disclosure of the Company, and to review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information. It is the intention of the Board that through the involvement of the Audit Committee, the external audit will be conducted independently of the Company's management to ensure that the independent auditors serve the interests of Shareholders rather than the interests of management of the Company. The Audit Committee will act as a liaison to provide better communication between the Board and the external auditors. The Audit Committee will monitor the independence and performance of the Company's independent auditors. The charter of the Audit Committee is attached to this Information Circular as **Schedule “A”**.

### COMPOSITION OF AUDIT COMMITTEE

The Audit Committee is comprised of Stephen Timms (Chair), Lisa Davis and Dan Denbow. Each member of the Audit Committee is considered to be “financially literate” as such term is defined in NI 52-110, which includes 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 Company’s financial statements. Stephen Timms and Lisa Davis are considered “independent” as such term is defined in NI 52-110.

The following sets out the education and experience of each director relevant to the performance of his or her duties as a member of the Audit Committee.

**Stephen Timms** Mr. Timms is currently an IBM Canada executive who brings 25+ years of his broad-based functional expertise in operations, business transformation, change management, corporate strategy and finance. Mr. Timms drives made-in-Canada innovation to IBM which helps accelerate social and economic growth in Canada through a proven model working cooperatively and collaboratively with industry, governments and academia. These initiatives leverage transformational and emerging technology including high-performance computing, advanced data analytics, AI and machine learning, digital trust technologies such as Blockchain, and now Quantum Computing. Mr. Timms is a results-oriented problem solver who has a proven ability to successfully analyze an organization’s critical business requirements, lead change, implement best practices, and execute disciplined performance management systems to drive successful business outcomes. In his career with IBM Mr. Timms has participated in numerous executive, management and leadership development courses.

**Lisa Davis** is the Chief Executive Officer of Peartree Securities Inc., a boutique financing and advisory firm focused on the junior Canadian resource sector. Drawing on the in-depth knowledge of securities regulation gained in part while on secondment to the Ontario Securities Commission Ms. Davis is also responsible for the legal and compliance aspects of the firm's business as well as for PearTree Financial Services Ltd., the originator and leading provider of flow through donation financing services in Canada. Prior to joining Peartree, Lisa was General Counsel for a specialized investment fund business with more than \$3B in assets under administration. A graduate of Osgoode Hall Law School, Ms. Davis was a partner at Fraser Milner Casgrain LLP (currently Dentons) where she specialized in corporate and securities law. Ms. Davis has earned the ICD.D designation from the Institute of Corporate Directors and has served as a Director of the Prospectors & Developers Association of Canada (PDAC) as well as a member of the PDAC’s Executive Committee and co-chair of the Finance & Taxation Committee of the PDAC.

**Dan Denbow** Mr. Denbow has spent over 28 years in the capital markets with his most recent experience associated with USAA Investment Management Company. As a portfolio manager for USAA Mr. Denbow was responsible for managing over US\$4 billion in three strategies; a domestic dividend and global dividend strategy and the USAA Precious Metals and Minerals Fund. Dan and his team have received eight Lipper Fund awards, six Lipper Fund Achievement certificates, a TopGun Investment Mind award in 2018 from Brendan Wood International, and the USAA Precious Metals Fund was named the “Fund of the Decade” for the ten-year period ending 2009. Dan is also an independent director for the Denver Gold Group, a non-profit organization, and Gemdale Gold a private exploration company with properties located in Finland. Dan holds an MBA from Texas Christian University, Neeley School of Business and is a CFA charter holder

## AUDIT COMMITTEE OVERSIGHT

The Audit Committee reviews the interim and annual financial statements and related financial reporting of the Company. The members of the Audit Committee have direct access to the external auditors of the Company. The Audit Committee and the full Board reviews the unaudited quarterly financial statements and related management's discussion and analysis of financial results. At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

## FEES CHARGED BY EXTERNAL AUDITORS

Fees billed from the Company's external auditor, McGovern Hurley LLP for the year ended October 31, 2022 are detailed below.

	Year Ended October 31, 2022
<u>Category</u>	<u>(\$)</u>
Audit Fees <sup>(1)</sup>	48,150
Audit-Related Fees <sup>(2)</sup>	-
Tax Fees <sup>(3)</sup>	3,500
All Other Fees <sup>(4)</sup>	-
Totals	51,650

Notes:

- (1) “Audit Fees” include fees necessary to perform the annual audit and quarterly reviews of the Company's financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) “Audit-Related Fees” include services that are traditionally performed by the auditor. These audit-related services 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 fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. 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 all other non-audit services.

All permissible categories of non-audit services require pre-approval by the Audit Committee, subject to certain statutory exemptions.

## EXEMPTION

In respect of the most recently completed financial year, the Company is relying on the exemption set out in section 6.1 of NI 52-110 with respect to compliance with the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors or officers of the Company, nominees for election as a director of the Company, or associates of such persons have been indebted to the Company or any of its subsidiaries at any time since the beginning of the most recently completed fiscal year. No such person has been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Company or any of its subsidiaries in respect of the purchase of securities or otherwise.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No director or executive officer of SGU, proposed nominee for election as a director of the Company, Shareholder who beneficially owns more than 10% of the Common Shares, or any associates or affiliates of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any material transaction since the commencement of the Company's last financial year. None of the foregoing persons has any interest in any proposed transaction which has materially affected or would materially affect the Company.

## INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON

No person who has been a director or an officer of the Company at any time since the beginning of its last completed financial year, no proposed nominee for election as a director of the Company nor any associate of any such director, director nominee or officer 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 Information Circular.

## PARTICULAR MATTERS TO BE ACTED ON

### 1. FINANCIAL STATEMENTS AND AUDITOR'S REPORT

The audited financial statements of the Company for the financial year ended October 31, 2022 (the “**Financial Statements**”), together with the auditor's reports thereon (the “**Auditor's Reports**”), will be presented to Shareholders at the Meeting.

### 2. FIX THE NUMBER OF DIRECTORS

At the Meeting, it is proposed that the number of directors of the Company be fixed at five (5). The term of office for each director is from the date of the Meeting at which he or she is elected until the next following annual meeting or until his or her successor is elected or appointed. Shareholders will be asked to vote on the following resolution, with or without variation:

**“BE IT RESOLVED that the number of directors of the Company be fixed at five (5).”**

### 3. ELECTION OF DIRECTORS

The Company's articles provide for a flexible number of directors, subject to a minimum of three and a maximum of

12. At the Meeting, the Shareholders will be asked to consider, and, if thought fit, approve with or without variation a resolution electing five (5) directors to the Board, to serve until the next annual meeting of Shareholders or until their successors are elected or appointed. In order to be effective, this resolution requires the approval of not less than 50% of the votes cast by Shareholders represented at the Meeting in person or by proxy.

Shareholders have the option to: (i) vote for all of the directors of the Company listed in the table below; (ii) vote for some of the directors and withhold for others; or (iii) withhold for all of the directors.

**It is the intention of the persons named in the enclosed Form of Proxy, if not expressly directed to the contrary in such Form of Proxy, to vote such proxies FOR the election of each of the nominees specified below as directors of the Company.** If, prior to the Meeting, any vacancies occur in respect to any proposed nominees herein submitted, the persons named in the enclosed Form of Proxy intend to vote FOR the election of any substitute nominee or nominees recommended by management of the Company and FOR the remaining proposed nominees. Management of SGU has been informed that each of the proposed nominees listed below is willing to serve as a director if elected.



The following table states the names of all persons proposed to be nominated for election as directors, the position or office now held by them, their principal occupation or employment, the date on which they became directors of SGU and the number of Common Shares of SGU beneficially owned directly or indirectly or over which they exercise control or direction as of July 21, 2023.

<b>Name, Province and Country of Residence</b>	<b>Office Held</b>	<b>Principal Occupation<sup>(1)</sup></b>	<b>Director Since</b>	<b>Number of Common Shares owned or controlled<sup>(1)</sup></b>
Paolo Lostritto Ontario, Canada	Chairman	Consultant and registered P.Eng in Ontario	Nov 2020	8,546,309
Stephen Timms <sup>(2)(3)</sup> Ontario, Canada	Director	Business and Operations Executive at IBM Canada Limited	July 2015	2,250,000
Lisa Davis <sup>(2)</sup> Ontario Canada	Director	Chief Executive Officer of Peartree Securities Inc.	August, 2021	285,714
Dan Denbow <sup>(2)</sup>	Director	Interim CEO & Director	August, 2021	8,340,000
John Hayes	Director	Director and Chairman of Maritime Resources Corp.	August, 2021	290,000

Notes:

- (1) Information about principal occupation, business or employment and number of Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, not being within the knowledge of the Company, has been furnished by respective persons set forth above.
- (2) Member of the Audit Committee.
- (3) Chairman of the Audit Committee.

Biographical information about the proposed nominees is found below.

***Paolo Lostritto, Chairman***

Mr. Lostritto has an extensive background in mining capital markets and working with companies across the globe since 1997. He has helped assess different companies/projects and helped finance them as they advanced through exploration, development, and production. Some of the companies where Mr. Lostritto was involved early include: Kirkland Lake Gold, Novagold and Lake Shore Gold in 2004, Romarco Minerals in 2006, Victoria Gold and Volta Resources in 2009. Mr. Lostritto is a co-founder and board member of Interstellar Mining Inc which is focused on leveraging a leading Canadian space mining robotics group (Deltion Innovations Ltd.) along with Watts, Griffis, and McOuat Ltd.'s space mining group to develop and produce energy commercially for the rapidly growing space industry. Over his career, Mr. Lostritto was a Director of the Mining Equity Research at National Bank Financial and worked in equity research at Wellington West, Scotia Capital and TD Securities. He served as an Independent Director at Savary Gold Corp. which was sold to SEMAFO in 2019. Mr. Lostritto holds a Bachelor of Applied Science in Geological and Mineral Engineering in Rock Mechanics from the University of Toronto and he is a registered Professional Engineer in the Province of Ontario.

***Stephen Timms, Director***

Mr. Timms is currently an IBM Canada executive who brings 25+ years of his broad-based functional expertise in operations, business transformation, change management, corporate strategy and finance to the Signature's Board of Directors. Mr. Timms drives made-in-Canada innovation to IBM which helps accelerate social and economic growth in Canada through a proven model working cooperatively and collaboratively with industry, governments and academia. These initiatives leverage transformational and emerging technology including high-performance computing, advanced data analytics, AI and machine learning, digital trust technologies such as Blockchain, and now Quantum Computing. Mr. Timms is a results-oriented problem solver who has a proven ability to successfully analyze an organization's critical business requirements, lead change, implement best practices, and execute disciplined performance management systems to drive successful business outcomes. In his career with IBM Mr. Timms has participated in numerous executive, management, and leadership development courses.

***Lisa Davis, Director***

Ms. Davis is the Chief Executive Officer of Peartree Securities Inc., a boutique financing and advisory firm focused on the junior Canadian resource sector. Drawing on the in-depth knowledge of securities regulation gained in part while on secondment to the Ontario Securities Commission Lisa is also responsible for the legal and compliance aspects of the firm's business as well as for PearTree Financial Services Ltd., the originator and leading provider of flow through donation financing services in Canada. Prior

to joining Peartree, Lisa was General Counsel for a specialized investment fund business with more than \$3B in assets under administration. A graduate of Osgoode Hall Law School, Lisa was a partner at Fraser Milner Casgrain LLP (currently Dentons) where she specialized in corporate and securities law. Lisa has earned the ICD.D designation from the Institute of Corporate Directors and has served as a Director of the Prospectors & Developers Association of Canada (PDAC) as well as a member of the PDAC's Executive Committee and co-chair of the Finance & Taxation Committee of the PDAC

***Dan Denbow, Interim CEO & Director***

Mr. Denbow has spent over 28 years in the capital markets with his most recent experience associated with USAA Investment Management Company. As a portfolio manager for USAA Mr. Denbow was responsible for managing over US\$4 billion in three strategies; a domestic dividend and global dividend strategy and the USAA Precious Metals and Minerals Fund. Dan and his team have received eight Lipper Fund awards, six Lipper Fund Achievement certificates, a TopGun Investment Mind award in 2018 from Brendan Wood International, and the USAA Precious Metals Fund was named the "Fund of the Decade" for the ten-year period ending 2009. Dan is also an independent director for the Denver Gold Group, a non-profit organization, and Gemdale Gold a private exploration company with properties located in Finland. Dan holds an MBA from Texas Christian University, Neeley School of Business and is a CFA charter holder

***John Hayes, Director***

Mr. Hayes is a professional geologist with over 20 years of exploration, and many years of capital markets experience. John worked for ten years in mining equity research at BMO Capital Markets and at the time of his retirement in 2014 was a managing director covering global precious and base metal companies as they advanced projects from exploration to production. Most recently, Mr. Hayes served in senior roles at Pretium Resources and Osisko Mining. He is currently a Director and Chairman of Maritime Resources Corp. Mr. Hayes graduated from Memorial University of Newfoundland with an Honours Bachelor of Science in Geology (1989) and a Master of Science in Geology (1997). He also holds an MBA from Dalhousie University (2003) and is a member (P. Geo.) of the Professional Engineers and Geoscientists Newfoundland and Labrador.

**Penalties or Sanctions**

No proposed director of SGU has been subject to: (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority, nor has any proposed director ever entered into a settlement agreement with a securities regulatory authority, or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

**Corporate Cease Trade Orders**

No proposed director of SGU has, within the ten years prior to the date of this Information Circular, been a director, chief executive officer or chief financial officer of any company that, while such person was acting in that capacity (or after such person ceased to act in that capacity but resulting from an event that occurred while that person was acting in such capacity) was the subject of a cease trade order, an order similar to a cease trade order, or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days.

**Bankruptcies**

No proposed director of SGU is at the date hereof, or has been within the ten years prior to the date of this Information Circular, a director or executive officer of any company 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.

**Personal Bankruptcies**

No proposed director of SGU is as at the date hereof, or has within the ten years preceding the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the individual.

### 3. APPOINTMENT OF AUDITORS

At the Meeting, Shareholders will be asked to reappoint McGovern Hurley LLP, Chartered Professional Accountants, as auditors of the Company, to hold office until the next annual meeting of the Company at such remuneration as may be fixed by the Board. McGovern Hurley LLP, Chartered Professional Accountants, have been the Company's auditors since January 2, 2014.

**It is the intention of the persons named in the enclosed Form of Proxy, if not expressly directed to the contrary in such Form of Proxy, to vote such proxies FOR the re-appointment of McGovern Hurley LLP, Chartered Professional Accountants, as auditors of the Company.**

### 4. APPROVAL OF OPTION PLAN

The policies of the TSXV require all listed companies with a “rolling” stock option plan (such as the Option Plan), under which the maximum number of shares that may be reserved for issuance pursuant to the exercise of stock options is determined as a percentage of an issuer’s issued and outstanding shares, to obtain approval of their stock option plan at their annual meeting of shareholders. Accordingly, management of the Company will seek Shareholder approval of the Option Plan at the Meeting.

The Shareholders first approved the Company's Option Plan on June 16, 2014 and most recently re-approved the Option Plan on May 26, 2022. The terms of the Option Plan are described in this Information Circular under the heading “*Information Concerning the Company - Securities Authorized for Issuance under Equity Compensation Plans – Option Plan*”.

**At the Meeting, Shareholders will be asked to consider and, if deemed advisable, pass an ordinary resolution re-approving the Option Plan. To be effective, the resolution must be passed by at least a majority of the votes cast at the Meeting. It is the intention of the persons named in the enclosed Form of Proxy, if not expressly directed to the contrary in such Form of Proxy, to vote such proxies FOR the approval of the Option Plan.**

### OTHER BUSINESS

Management is not aware of any other business to come before the Meeting other than as set forth in the Notice of Meeting of Shareholders. **If any other business properly comes before the Meeting, it is the intention of the persons named in the Form of Proxy to vote the Common Shares represented thereby in accordance with their best judgment on such matter.**

### ADDITIONAL INFORMATION

Financial information relating to SGU is provided in the Company's Financial Statements and related MD&As for the financial year ended October 31, 2022, which are available on SEDAR. Copies of this Information Circular, the Financial Statements and any interim financial statements of the Company subsequent to the Financial Statements may be obtained without charge by writing to the Corporate Secretary of the Company at:

Signature Resources Ltd. 2704-401  
Bay Street  
Toronto, ON M5H 2Y4  
[sarah@signatureresources.ca](mailto:sarah@signatureresources.ca)

Additional information relating to SGU is available on SEDAR at [www.sedar.com](http://www.sedar.com).

### APPROVAL

The contents and the sending of this Information Circular to the Shareholders of the Company have been approved by the Board.

**DATED** at Toronto, Ontario as of the 21st day of July 2023

**BY ORDER OF THE BOARD OF DIRECTORS OF  
SIGNATURE RESOURCES INC.**

/s/ “Dan Denbow”

Dan Denbow  
Interim Chief Executive Officer & Director

## SCHEDULE "A"

### AUDIT COMMITTEE CHARTER

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#### COMPOSITION, PROCEDURES AND ORGANIZATION

1. The Committee shall consist of at least three members of the Board of Directors (the "**Board**").
2. At least two (2) members of the Committee shall be independent and the Committee shall endeavour to appoint a majority of independent directors to the Committee, who in the opinion of the Board, would be free from a relationship which would interfere with the exercise of the Committee members' independent judgment. At least one (1) member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices applicable to the Company. For the purposes of this Charter, 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.
3. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
4. Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair and a secretary from among their number.
5. The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.
6. The Committee shall have access to such officers and employees of the Company and to the Company's external auditors, and to such information respecting the Company, as it considers to be necessary or advisable in order to perform its duties and responsibilities.
7. Meetings of the Committee shall be conducted as follows:
  - (a) the Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;
  - (b) the external auditors shall receive notice of and have the right to attend all meetings of the Committee; and
  - (c) management representatives may be invited to attend all meetings except private sessions with the external auditors.
8. The internal auditors and the external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Company as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

#### ROLES AND RESPONSIBILITIES

9. The overall duties and responsibilities of the Committee shall be as follows:
  - (a) to assist the Board in the discharge of its responsibilities relating to the Company's accounting principles, reporting practices and internal controls and its approval of the Company's annual and quarterly consolidated financial statements and related financial disclosure;

- (b) to establish and maintain a direct line of communication with the Company's internal and external auditors and assess their performance;
  - (c) to ensure that the management of the Company has designed, implemented and is maintaining an effective system of internal financial controls; and
  - (d) to report regularly to the Board on the fulfillment of its duties and responsibilities.
10. The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:
- (a) to recommend to the Board a firm of external auditors to be engaged by the Company, and to verify the independence of such external auditors;
  - (b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;
  - (c) review the audit plan of the external auditors prior to the commencement of the audit;
  - (d) to review with the external auditors, upon completion of their audit;
  - (e) re non-audit services provided by the external auditors:
    - (i) to discuss with the external auditors the quality and not just the acceptability of the Company's accounting principles; and
    - (ii) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management.
11. The duties and responsibilities of the Committee as they relate to the internal control procedures of the Company are to:
- (a) review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;
  - (b) review compliance under the Company's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Committee may deem appropriate;
  - (c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and
  - (d) periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.
12. The Committee is also charged with the responsibility to:
- (a) review the Company's quarterly statements of earnings, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto;
  - (b) review and approve the financial sections of:
    - (i) the annual report to Shareholders;
    - (ii) the annual information form, if required;

- (iii) annual and interim MD&A;
  - (iv) prospectuses;
  - (v) news releases discussing financial results of the Company; and
  - (vi) other public reports of a financial nature requiring approval by the Board,
  - (vii) and report to the Board with respect thereto;
- (c) review regulatory filings and decisions as they relate to the Company's consolidated financial statements;
  - (d) review the appropriateness of the policies and procedures used in the preparation of the Company's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;
  - (e) review and report on the integrity of the Company's consolidated financial statements;
  - (f) review the minutes of any audit committee meeting of subsidiary companies;
  - (g) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Company and the manner in which such matters have been disclosed in the consolidated financial statements;
  - (h) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and
  - (i) develop a calendar of activities to be undertaken by the Committee for each ensuing year and to submit the calendar in the appropriate format to the Board following each annual general meeting of shareholders.

13. The Committee shall have the authority:

- (a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,
- (b) to set and pay the compensation for any advisors employed by the Committee; and
- (c) to communicate directly with the internal and external auditor.