



## MANAGEMENT INFORMATION CIRCULAR

### GENERAL INFORMATION

#### Solicitation of Proxies

This Management Information Circular (the “**Proxy Circular**”) is furnished in connection with the solicitation of proxies by the management of Orca Gold Inc. (“**Orca**” or the “**Corporation**”) for use at the annual general and special meeting (the “**Meeting**”) of the holders of common shares (the “**Shareholders**”) in the capital of the Corporation (the “**Common Shares**”) to be held at Suite 2000, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8, **on Tuesday, June 8, 2021 at 11:00 a.m. (PDT)**. It is expected that the solicitation will be primarily by mail. Proxies may also be solicited personally by directors, officers or employees of the Corporation. Costs of the solicitation of proxies for the Meeting will be borne by the Corporation. In addition to the use of mail, proxies may be solicited by personal interviews, personal delivery, telephone or any form of electronic communication or by directors, officers and employees of the Corporation who will not be directly compensated therefore. The Corporation has arranged for intermediaries to forward meeting materials to beneficial holders held of record by those intermediaries and the Corporation may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

The contents and the sending of this Proxy Circular have been approved by the directors of the Corporation.

Unless otherwise stated herein, all currency amounts indicated as “\$” in this Proxy Circular are expressed in Canadian Dollars, the Corporation’s reporting currency.

### PROXIES AND VOTING RIGHTS

#### General

The solicitation of proxies is being made on behalf of management. It is expected that solicitations of proxies will be made primarily by mail but proxies may also be solicited by telephone or other personal contact by directors, officers and employees of the Corporation without special compensation. The Corporation may reimburse Shareholders’ nominees or agents (including brokers holding shares on behalf of clients) for the costs incurred in obtaining authorization to execute forms of proxies from their principals.

**Only a Shareholder whose name appears on the certificate(s) representing its common shares (a “Registered Shareholder”) or its duly appointed proxy nominee is permitted to vote at the Meeting. A Shareholder is a non-registered Shareholder (a “Non-Registered Shareholder”) if its common shares are registered in the name of an intermediary, such as an investment dealer, brokerage firm, bank, trust company, trustee, custodian, administrator or other nominee, or a clearing agency in which the intermediary participates (each, an “Intermediary”). Accordingly, most Shareholders of the Corporation are Non-Registered Shareholders because the common shares they own are not registered in their names but are instead registered in the name of the Intermediary through which they own the common shares.**

More particularly, a person is a Non-Registered Shareholder in respect of common shares which are held on behalf of that person, but which are registered either: (a) in the name of an Intermediary that the Non-Registered Shareholder deals with in respect of the common shares; or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited (“**CDS**”)) of which the Intermediary is a participant. In Canada, the vast majority of securities are registered under the name of CDS, which acts as nominee for many Canadian brokerage firms. Common shares so held by brokers or their nominees can only be voted (for or against resolutions) upon the

instructions of the Non-Registered Shareholder. Without specific instructions, Intermediaries are prohibited from voting common shares held for Non-Registered Shareholders.

These proxy solicitation materials are being sent to both Registered Shareholders and Non-Registered Shareholders. If the Corporation or its agent has sent these materials directly to a Non-Registered Shareholder, such Non-Registered Shareholder's name and address and information about its holdings of common shares have been obtained in accordance with the requirements under applicable securities laws from the Intermediary holding the common shares on such Non-Registered Shareholder's behalf.

Non-Registered Shareholders who have not objected to their Intermediary disclosing certain information about them to the Corporation are referred to as non-objecting beneficial owners ("**NOBOs**"), whereas Non-Registered Shareholders who have objected to their Intermediary disclosing ownership information about them to the Corporation are referred to as objecting beneficial owners ("**OBOs**"). In accordance with National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), the Corporation has elected to send the Notice of Meeting, this Proxy Circular and the related form of proxy or voting instruction form (collectively, the "**Meeting Materials**") indirectly to the NOBOs and to the OBOs through their Intermediaries.

## **How to Vote**

**Due to the public health restrictions related to the Covid-19 virus and taking into account the health and safety of our employees, shareholders, service providers and other stakeholders, the Meeting will only be open to registered Shareholders and duly appointed proxy holders. The Corporation asks that anyone planning to attend the Meeting in person advise the Corporation at [info@orcagold.com](mailto:info@orcagold.com) (Attention: Corporate Secretary). Further restrictions with regard to the Meeting may be implemented by the Corporation as required in accordance with applicable law. Shareholders are requested to vote by proxy, by mail, by telephone or on the Internet, in advance of the deadline set forth in the Proxy Circular, rather than attend the Meeting. The Corporation is not aware of any items of business to be brought before the Meeting other than those described in the Proxy Circular and there will be no management presentation on the business and operations of the Corporation at the Meeting.**

Registered Shareholders can vote their common shares by proxy, by mail, by telephone or on the Internet. If you vote your common shares by proxy by mail, completed forms of proxies must be received by the Corporation's transfer agent, Computershare Trust Company of Canada Inc., Proxy Department, at 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1. Telephone and Internet voting can also be completed 24 hours a day, 7 days a week which is noted on your proxy form. If you vote by telephone, you cannot appoint anyone other than the appointees named on the proxy form as your proxyholder. For internet voting, go to [www.investorvote.com](http://www.investorvote.com) and follow the instructions on the screen. For either telephone or internet voting, you will need your 15 digit control number which is noted on your proxy form. Duly completed forms of proxy or a vote using the telephone or over the Internet must be completed no later than forty-eight (48) hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment thereof.

Non-Registered Shareholders will receive voting instructions from the Intermediary through which they hold their common shares. Please follow the instructions provided on your voting instruction form to vote your common shares.

## **Appointment of Proxies**

### ***Registered Shareholders***

The persons named in the accompanying form of proxy are nominees of the Corporation's management. **A Shareholder has the right to appoint a person or company (who need not be a Shareholder) to attend and act for and on the Shareholder's behalf at the Meeting other than the persons designated as proxyholders in the accompanying form of proxy. To exercise this right, the Shareholder must either:**

- (a) on the accompanying form of proxy, strike out the printed names of the individuals specified as proxyholders and insert the name of the Shareholder's nominee in the blank space provided; or**
- (b) complete another proper form of proxy.**

In either case, to be valid, a proxy must be dated and signed by the Shareholder or by the Shareholder's attorney authorized in writing. In the case of a company, the proxy must be signed by a duly authorized officer of, or attorney for, the company.

The completed proxy, together with the power of attorney or other authority, if any, under which the proxy was signed, or a notarially certified copy of the power of attorney or other authority, must be delivered to Computershare Trust Company of Canada Inc., Proxy Department, at 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1, or by telephone, internet or facsimile (in accordance with the instructions provided in the form of proxy delivered herewith), by 11:00 a.m. (PDT) on Friday, June 4, 2021 or at least 48 hours (excluding Saturdays, Sundays and holidays) before the time that the Meeting is to be reconvened after any adjournment of the Meeting. The deadline for the deposit of proxies may be waived or extended by the Chair of the Meeting at the Chair's discretion without notice.

### ***Non-Registered Shareholders***

**Only Registered Shareholders or duly appointed proxyholders for Registered Shareholders are permitted to vote at the Meeting. Non-Registered Shareholders (whether NOBOs or OBOs) are advised that only proxies from Shareholders of record can be recognized and voted at the Meeting.**

The Intermediary holding common shares on behalf of a Non-Registered Shareholder is required to forward the Meeting Materials to such Non-Registered Shareholder (unless such Non-Registered Shareholder has waived its right to receive the Meeting Materials) and to seek such Non-Registered Shareholder's instructions as how to vote its common shares in respect of each of the matters described in this Proxy Circular to be voted on at the Meeting. Each Intermediary has its own procedures which should be carefully followed by Non-Registered Shareholders to ensure that their common shares are voted by the Intermediary on their behalf at the Meeting. The instructions for voting will be set out in the form of proxy or voting instruction form provided by the Intermediary. Non-Registered Shareholders should contact their Intermediary and carefully follow the voting instructions provided by such Intermediary. Alternatively, Non-Registered Shareholders who wish to vote their common shares in person at the Meeting may do so by appointing themselves as the proxy nominee by writing their own name in the space provided on the form of proxy or voting instruction form provided to them by the Intermediary and following the Intermediary's instructions for return of the executed form of proxy or voting instruction form.

All references to Shareholders in this Proxy Circular and the accompanying Notice of Meeting and form of proxy are to Shareholders of record at the close of business on the Record Date (as defined below) unless specifically stated otherwise.

### **Revocation of Proxies**

A Shareholder who has given a proxy may revoke it at any time before the proxy is exercised:

- (a) by an instrument in writing that is:
- (i) signed by the Shareholder, the Shareholder's legal personal representative or trustee in bankruptcy or, where the Shareholder is a company, a duly authorized officer of, or attorney for, the company; and
  - (ii) delivered to Computershare Trust Company of Canada Inc., Proxy Department, at 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1 or to the registered office of the Corporation located at Suite 2600 – 595 Burrard Street, Vancouver, British Columbia, Canada V7X 1L3 at any time up to and including the last business day preceding the day of the Meeting or any adjournment of the Meeting;

- (b) by sending another proxy form with a later date to Computershare Trust Company of Canada Inc. before 11:00 a.m. (PDT) Friday, June 4, 2021 or at least 48 hours (excluding Saturdays, Sundays and holidays) before any adjourned or postponed Meeting;
- (c) by attending the Meeting and notifying the Chair of the Meeting in writing prior to the commencement of the Meeting that the Shareholder has revoked its proxy; or
- (d) in any other manner provided by law.

A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

#### **Voting and Exercise of Discretion by Proxyholders**

A Shareholder may indicate the manner in which the persons named in the accompanying form of proxy are to vote with respect to a matter to be acted upon at the Meeting by marking the appropriate space. **The common shares represented by the proxy will be voted or withheld from voting in accordance with the instructions given by the Shareholder in the proxy on any ballot that may be called for.**

**If the Shareholder specifies a choice in the proxy with respect to a matter to be acted upon, then the common shares represented thereby will be voted or withheld from the vote on that matter accordingly. If no choice is specified in the proxy with respect to a matter to be acted upon, it is intended that the proxyholder named by Management in the accompanying form of proxy will vote the common shares represented by the proxy in favour of each matter identified in the proxy, including for the nominees for election to the Corporation's board of directors and auditor.**

The accompanying form of proxy also confers discretionary authority upon the named proxyholder with respect to amendments or variations to the matters identified in the accompanying Notice of Meeting and with respect to any other matters which may properly come before the Meeting. **As of the date of this Proxy Circular, management of the Corporation is not aware of any such amendments or variations, or any other matters that will be presented for action at the Meeting other than those referred to in the accompanying Notice of Meeting. If, however, other matters that are not now known to management properly come before the Meeting, then the persons named in the accompanying form of proxy intend to vote on them in accordance with their best judgment.**

The Corporation is not relying on the notice-and-access delivery procedures outlined in NI 54-101 to distribute copies of Meeting Materials.

#### **RECORD DATE, VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

The Corporation is authorized to issue an unlimited number of Common shares of which **256,236,903** are issued and outstanding as of May 4, 2021. Each Common share is entitled to one vote. The Corporation's Common shares have been listing for trading on the TSX Venture Exchange ("**TSXV**") under the stock symbol "**ORG**" since April 9, 2013.

In accordance with applicable laws, the board of directors of the Corporation (the "**Board**") has fixed a record date as at April 22, 2021 (the "**Record Date**") for the purposes of determining Shareholders entitled to receive notice of, and to vote at, the Meeting, and has obtained a list of all persons who are Registered Shareholders at the close of business on the Record Date and the number of common shares registered in the name of each Registered Shareholder on that date. Each Registered Shareholder as at the close of business on the Record Date will be entitled to receive notice of the Meeting and will be entitled to one vote at the Meeting for each common share registered in his or her name as it appears on the list.

To the knowledge of the directors and executive officers of the Corporation, the following persons beneficially own or exercise control or direction over those shares carrying 10% or more of the voting rights attached to the Common shares of the Corporation:

Name of Holder	Number of Shares	Percentage (%)
Resolute Canada Pty Ltd.	39,092,233	15.3
Zebra Holdings and Investments S.à.r.l. Luxembourg ("Zebra") <sup>(1)</sup>	39,629,343	15.5
Ross J. Beaty	26,088,015	10.9
Lorito Holdings S.à.r.l. ("Lorito") <sup>(1)</sup>	4,000,000	1.5

Notes:

<sup>(1)</sup> Zebra and Lorito, who report their security holdings as joint actors, are private corporations owned by a trust whose settlor is the Estate of the late Adolf H. Lundin. Together, Lorito and Zebra hold a total of 43,629,343 Common Shares, which represents 17% of the current outstanding Common Shares of the Corporation.

### Interest of Certain Persons in Matters to be Acted Upon

Except as may be disclosed herein, no director or executive officer of the Corporation, or any person who has held such a position since the beginning of the last completed financial year end of the Corporation, nor any nominee for election as a director of the Corporation, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting. Directors and executive officers may, however, be interested in the annual approval of the Corporation's 10% rolling incentive Stock Option Plan (the "**Stock Option Plan**") as detailed in "**Particulars of Other Matters to be Acted Upon – Annual Approval of Stock Option Plan**".

## BUSINESS OF THE MEETING

### Receipt of Financial Statements

The audited consolidated annual financial statements of the Corporation for the year ended December 31, 2020 and accompanying auditor's report, and the management's discussion and analysis of the Corporation for the year ended December 31, 2020, which have been previously filed under the Corporation's profile on SEDAR at [www.sedar.com](http://www.sedar.com) and are available on the Corporation's website at [www.orcagold.com](http://www.orcagold.com), will be presented at the Meeting. No vote by the shareholders is required to be taken with respect to the Financial Statements for the year ended December 31, 2020.

### Appointment and Remuneration of Auditors

Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the appointment of PricewaterhouseCoopers LLP ("**PwC**") as auditors of the Corporation to hold office until the close of the next annual meeting of the Corporation, at a remuneration to be fixed by the directors of the Corporation. PwC were first appointed as auditors of the Corporation on June 29, 2015.

### Number of Directors

The Articles of the Corporation provide that the Board must consist of a minimum of three directors, to be elected annually by the Shareholders. The Board currently consists of six directors. At the Meeting, the Shareholders will be asked to set the number of directors of the Corporation at six (6). **The Board recommends a vote "FOR" the setting of the number of directors of the Corporation at six (6). In the absence of a contrary instruction, the persons designated by management of the Corporation in the enclosed form of proxy intend to vote FOR the setting of the number of directors of the Corporation at six (6).**

## **Election of Directors**

The term of office of each of the present directors expires at the Meeting. The Board proposes to nominate the persons named in the table below for election as directors of the Corporation. The nominees are all incumbent directors.

Each director elected will hold office until the next annual general meeting of the Corporation or until his or her successor is duly elected or appointed, unless the office is earlier vacated in accordance with the Articles of the Corporation or the *Canada Business Corporations Act* (“**CBCA**”) or he or she becomes disqualified to act as a director.

## **Advance Notice Policy**

The Corporation’s Articles include an advance notice policy (the “**ANP**”), which includes, among other things, a provision that requires advance notice be given to the Corporation in circumstances where nominations of persons for election to the Board are made by Shareholders of the Corporation. In the case of an annual meeting of shareholders, notice to the Corporation must be made not less than 30 days prior to the date of the annual meeting. In the case of a special meeting of shareholders (which is not also an annual meeting) notice to the Corporation must be made not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made.

Additionally, the ANP sets forth the information that a shareholder must include in the notice to the Corporation, and establishes the form in which the shareholder must submit the notice for that notice to be in proper written form. A copy of the Corporation’s Advance Notice Policy has been filed on and is accessible under the Corporations profile on SEDAR at [www.sedar.com](http://www.sedar.com) and is available on the Corporation’s website at [www.orcagold.com](http://www.orcagold.com).

The chair of the Meeting shall have the power and duty to determine whether a nomination was made in accordance with the notice procedures set forth in the Articles and, if any proposed nomination is not in compliance with such provisions, the discretion to declare that such defective nomination will be disregarded.

The Corporation filed the Notice of Meeting and Record date on SEDAR on March 25, 2021. As at the date hereof, no nominations for directors were received in accordance with the provisions of the ANP.

## **Majority Voting Policy**

In accordance with good corporate governance practices and procedures, the Board adopted a Majority Voting Policy at a meeting of the Board on April 12, 2013, which was amended and restated on May 4, 2021. The Majority Voting Policy provides that each director of the Corporation must be elected by the vote of a majority of the Corporation’s Common shares, represented in person or by proxy, at any meeting held for the election of directors. Forms of proxy for the election of directors will permit a shareholder to vote in favour of, or to withhold from voting, separately for each director nominee. A copy of the Corporation’s Majority Voting Policy is available on the Corporation’s website at [www.orcagold.com](http://www.orcagold.com).

If any nominee for director does not receive a majority vote in favour of his or her election from the shares voted at the meeting in person or by proxy, the Corporate Governance and Nominating Committee of the Corporation will expeditiously consider whether to recommend that the Board request that such director tender his or her resignation. In making this recommendation, the Corporate Governance and Nominating Committee of the Corporation may consider such extenuating circumstances as it deems appropriate including without limitation circumstances relating to the composition of the Board or the voting results.

The Board shall consider any recommendation in this regard within ninety days (90) of the relevant shareholders’ meeting.

## Director Nominees

The following table provides the name, residence, participation on the Board and Board committees, number of Common Shares beneficially owned or controlled or directed as of the date of this Proxy Circular and principal occupation during the preceding five years of each of the nominated directors of the Corporation. The Corporation has been advised that each of the nominated directors is willing to serve on the Board for the ensuing year.

**The Board recommends a vote “FOR” the appointment of each of the following nominees as directors. In the absence of a contrary instruction, the person(s) designated by management of the Corporation in the enclosed form of proxy intend to vote FOR the election as directors of the proposed nominees whose names are set forth below, each of whom has been a director since the date indicated below opposite the proposed nominee’s name.**

### Profiles of the Nominated Directors

The tables below set forth information about each nominated director as of May 4, 2021, including his or her background and experience, main areas of expertise, other exchange listed company boards of which he or she is a member and his or her equity holdings in the Corporation. Each director has provided the information about the securities that he or she owns or over which he or she exercises control or direction.

#### RICHARD P. CLARK<sup>(1)</sup>



London, United Kingdom

Director since: April 4, 2013

Not Independent

Other Public Company Directorships:

- Montage Gold Corp. (TSX-V)

**Occupation:**

Chief Executive Officer, Orca Gold Inc.

**Current Orca Committee Membership:**

- Compensation

**2020 Attendance:**

- Board (6/6; 100%)
- Compensation<sup>(3)</sup>

**Expertise:**

- Mining Operations
- Legal and Corporate Governance
- Mergers and Acquisitions

**Securities Held:**

Common Shares: 12,475,502

Options: 750,000

Restricted Share Units: 128,205

Mr. Clark is a lawyer with a geological background. Mr. Clark has been a senior executive with the Lundin Group of companies for the past 15 years. He served as president and CEO of RB Energy Inc. from April 4, 2013 to May 8, 2015, as President and CEO of Sirocco Mining Inc. from October 2011 to January 2014, and as President, CEO, and as a director of Red Back Mining Inc. from 2004 until the company’s takeover by Kinross Gold Corporation in 2010. Mr. Clark served as a director of Kinross Gold Corporation from November 2010 until July 2011. He currently serves as Chairman and a director of Montage Gold Corp.

## HUGH STUART<sup>(2)</sup>



London, United Kingdom  
Director since: December 19, 2014  
Not Independent  
Other Public Company Directorships:

- Montage Gold Corp. (TSX-V)

### Occupation:

President, Orca Gold Inc.; CEO, Montage Gold Corp.

### Current Orca Committee Membership:

- N/A

### 2020 Attendance

- Board (6/6; 100%)

### Expertise:

- Strategic Planning
- Risk Management
- Exploration

### Securities Held:

Common Shares: 1,734,201

Options: 750,000

Restricted Share Units: 128,205

Mr. Stuart, one of the founders of Orca, is a professional geologist with over 25 years of international experience in mineral exploration. Mr. Stuart is currently the President of Orca. Previously, he held the position of Vice President Exploration of Orca from April 2013 to December 2014, and the position of President and CEO from December 2014 to August 2016. Prior to joining Orca, Mr. Stuart was Vice President Exploration for Red Back Mining Inc. and oversaw the growth of Red Back's gold resources to over 18 million ounces. Prior to his involvement with Red Back, Mr. Stuart was Exploration Manager at the Geita Gold project in Tanzania, taking the project from initial exploration to production. He has extensive experience working in Arabian Nubian Shield having previously worked in Sudan, Egypt and Yemen.

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## ROBERT CHASE<sup>(2)</sup>



British Columbia, Canada  
Director since: April 4, 2013  
Independent  
Other Public Company Directorships:

- N/A

### Occupation:

Corporate Director

### Current Orca Committee Membership:

- Audit (Chair)
- Corporate Governance and Nominating

### 2020 Attendance:

- Board (6/6; 100%)
- Audit (4/4; 100%)
- Corporate Governance and Nominating <sup>(3)</sup>

### Expertise:

- Finance & Accounting
- Financial Literacy
- Mining Operations

### Securities Held:

Common Shares: 1,486,351

Options: 500,000

Deferred Share Units: 64,103

Mr. Chase was formerly a director of Red Back Mining Inc. prior to its takeover by Kinross Gold Corporation in September 2010. He has over 30 years' experience as a financial executive in the mining industry and has served as a senior board member for a number of public companies. Mr. Chase obtained his CA degree in 1969.

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## DAVID FIELD



London, United Kingdom  
Director since: March 6, 2017  
Independent  
Other Public Company Directorships:

- Montage Gold Corp. (TSX-V)

**Occupation:**  
Private Investor

**Current Orca Committee Membership:**

- Audit
- Compensation (Chair)
- Corporate Governance and Nominating

**2020 Attendance**

- Board (5/6; 83.3%)
- Audit (4/4; 100%)
- Corporate Governance and Nominating<sup>(3)</sup>

**Expertise:**

- Finance & Accounting
- Risk Management
- Mining Operations

**Securities Held:**

Common Shares: 759,015 (D); 486,026 (I)  
Options: 500,000  
Deferred Share Units: 64,103

Mr. Field has had 25 years' participation in the capital markets and a wealth of experience in evaluating, investing and financing mining projects globally. Mr. Field spent 10 years at Australia's largest retail fund manager, Bankers Trust Financial Group, as head of their Global Basic Materials Group. Mr. Field served as a Board Member of Carmignac Gestion from 2015 to December 2020. Mr. Field's indirect shareholdings are registered in the name of Medocloud Limited, a private French company.

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## DEREK WHITE



British Columbia, Canada  
Director since: March 6, 2017  
Independent  
Other Public Company Directorships:

- MAG Silver Corp. (TSX)

**Occupation:**

President and CEO of Ascot Resources Ltd, a gold mining development company

**Current Orca Committee Membership:**

- Audit
- Compensation
- Corporate Governance and Nominating (Chair)

**2020 Attendance**

- Board (6/6; 100%)
- Audit (4/4; 100%)
- Compensation<sup>(3)</sup>
- Corporate Governance and Nominating<sup>(3)</sup>

**Expertise:**

- Financing and Accounting
- Financial Literacy
- Mining Operations

**Securities Held:**

Common Shares: 374,426  
Options: 500,000  
Deferred Share Units: 64,103

Mr. White is the President and CEO of Ascot Resources Ltd, a gold mining development company from Oct 2017 to present. Prior to this Mr. White was a Principal, of Traxys Capital Partners from Oct. 2015 to Sept 2017, a private equity group focused on mining and minerals. Prior to this he was the President and CEO of KGHM International Ltd., a copper and precious metal producer. Prior to KGHM, he was EVP of business development of CFO from 2004 to 2012 of Quadra FNX Mining Ltd. Prior to this Mr. White held senior positions in BHP Biliton and Impala Platinum and held several board positions.

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## WILLIAM B. (BRAD) WHITE



Ontario, Canada

Director since: January 7, 2021

Independent

Other Public Company Directorships:

- N/A

### Occupation:

Mr. White is a Co-Founder and Principal at Blue Deer Capital Partners.

### Current Orca Committee Membership:

- N/A

### 2020 Attendance

- Mr. White was appointed to the Board on January 7, 2021

### Expertise:

- Financing and Accounting
- Financial Literacy
- Capital Markets

### Securities Held:

Common Shares: 1,000,000

Options: 300,000

Mr. White is a Co-Founder and Principal at Blue Deer Capital Partners, an Exempt Market Dealer headquartered in Toronto that provides advisory services to mission driven entrepreneurs. Mr. White has over 20 years of experience as a portfolio manager with a focus on alternative investments including public equities, hedge funds, private equity and venture capital. Mr. White was a Co-founder of EdgeHill Partners, a \$800mm+ alternative asset manager launched in 2010. Mr. White is a Director of Synaptive Medical Inc. as well as a member of both governance and nominating, and compensation committees. Mr. White is also the Founder and benefactor of the Embley Park Foundation, a private philanthropic organization, as well as the White Trading Lab at Memorial University. Mr. White holds a Bachelor of Commerce from the Memorial University of Newfoundland, and a CFA designation.

### Notes to Profiles of the Nominated Directors, including Corporate Cease Trade Orders/Bankruptcies:

- <sup>(1)</sup> On October 13, 2014, RB Energy Inc., a company pursuant to which Mr. Clark was both a director and President & CEO, announced that the Board of Directors of RB Energy Inc. approved a filing on October 14, 2014, for an Initial Order to commence proceedings under the Companies' Creditors Arrangement Act (the "CCAA") from the Quebec Superior Court. On October 15, 2014, RB Energy Inc. further announced that the Quebec Superior Court issued an Amended and Restated Initial Order in respect of RB Energy Inc. and certain of its subsidiaries under the CCAA. RB Energy Inc. was under the protection of the Quebec Superior Court and KPMG was the appointed monitor. On May 8, 2015, RB Energy announced that the Quebec Superior Court appointed a receiver, Duff & Phelps Canada Restructuring Inc, under the Bankruptcy and Insolvency Act, and terminated the CCAA proceedings. The TSX de-listed RB Energy's common shares effective at the close of business on November 24, 2014 for failure to meet the continued listing requirements of the TSX. Since that time, RB Energy's common shares have been suspended from trading. Although Mr. Clark resigned as a director of RB Energy Inc. and was terminated from his role of President & CEO on May 8, 2015, he is considered to have been a director and executive officer of a company that while he was acting as a director or executive officer filed for CCAA protection; and
- <sup>(2)</sup> As noted in paragraph 1 above, RB Energy Inc. filed for CCAA protection on October 13, 2014. Mr. Stuart resigned as a Vice President Exploration of RB Energy Inc. on October 7, 2014 and he is considered to have been an executive officer of a company within the period of 12 months preceding it filing for CCAA protection. Mr. Chase resigned as a director of RB Energy on October 6, 2014 and he is considered to have been a director of a company within the period of 12 months preceding it filing for CCAA protection.
- <sup>(3)</sup> The Compensation Committee and the Corporate Governance and Nominating Committee did not meet during 2020. All matters taken up by these two committees were done by unanimous consent resolution.

### Personal Bankruptcies

During the ten years preceding the date of this Proxy Circular, to the best of management's knowledge, no director or officer, or a personal holding company of any such person, has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceeding, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold his or her assets.

### Penalties or Sanctions

No director or officer of the Corporation, to the best of management's knowledge, has been the subject of any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority, or

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 investor in making an investment decision.

### Conflicts of Interest

The Corporation's directors and officers may serve as directors or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Corporation may participate, the directors of the Corporation may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Corporation's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation, or the terms of such participation. From time to time, several companies may participate in the acquisition, exploration and development of natural resource properties, thereby allowing for their participation in larger programs, the involvement in a greater number of programs or a reduction in financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. In accordance with the laws of Canada, the directors of the Corporation are required to act honestly, in good faith and in the best interests of the Corporation. In determining whether or not the Corporation will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Corporation may be exposed and the financial position at that time.

The directors and officers of the Corporation are aware of the existence of laws governing the accountability of directors and officers for corporate opportunity and requiring disclosure by the directors of conflicts of interest and the Corporation will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors and officers. All such conflicts will be disclosed by such directors or officers in accordance with the *Canada Business Corporations Act*.

## STATEMENT OF EXECUTIVE COMPENSATION

### Compensation Philosophy

The Corporation's core compensation philosophy is to pay the Corporation's executive officers competitive levels of compensation that best reflect their individual responsibilities and contributions to the Corporation, while providing incentives to achieve the Corporation's business and financial objectives.

### Compensation Discussion and Analysis

For the purposes of this Proxy Circular, "Named Executive Officer" or "NEO" means: (a) the Chief Executive Officer, (b) the Chief Financial Officer, (c) the three most highly compensated executive officers of the Corporation, whose total compensation was more than CDN\$150,000 for the most recently completed financial year; and (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of that financial year.

During the financial year ended December 31, 2020, the Corporation had five (5) NEOs, as follows:

Name	Title
CLARK, Richard P.	Chief Executive Officer
STUART, Hugh	President
ROSS, Kevin	Chief Operating Officer
KONDO, Glenn	Chief Financial Officer
REARDON, Chris	Country Manager, Sudan

The Corporation's compensation structure is designed to reward performance and to be competitive with the compensation arrangements of other Canadian resource companies of similar size and scope of operations. A number of factors are considered when determining NEO compensation including, the overall financial and operating performance of the Corporation, the NEO's individual performance and contribution to the benefit of the Corporation, the individual NEO's responsibilities and length of service, levels of compensation provided by industry competitors, and the long-term interests of the Corporation and its shareholders.

### **Role of the Compensation Committee**

The Board established a Compensation Committee to assist the Board in fulfilling its responsibilities to the Corporation's human resources and compensation issues. The Compensation Committee is comprised of three (3) directors, the majority of whom are independent, and meet at least annually. The Compensation Committee evaluates the CEO's performance and establishes executive and senior officer compensation, determines the general compensation structure, policies and programs of the Corporation, including the extent and level of participation in incentive programs, and makes recommendations to the Board for its consideration and approval. The Compensation Committee has also been mandated to review the adequacy and form of the compensation of directors and to ensure that such compensation realistically reflects the responsibilities and risk involved in being an effective director as well as the risk any such compensation policy or practice would have a material adverse effect on the Corporation.

The accountability for decisions on executive remuneration is clearly within the mandate of the Compensation Committee, but management has a key role in helping support the committee in fulfilling its obligations. For example, the CEO and other senior executives make recommendations to the Compensation Committee regarding executive officer base salary adjustments, stock-based grants and discretionary bonuses. The Compensation Committee reviews the basis for these recommendations and can exercise its discretion in modifying any of the recommendations prior to making its recommendations to the Board. The CEO does not make a recommendation to the Compensation Committee with respect to his own remuneration package.

### **Elements of Compensation**

Compensation for the NEOs is composed primarily of three components; namely, base salary, participation in the Corporation's long-term incentive plans and short-term incentive compensation in the form of discretionary performance bonuses. Other benefits do not form a significant part of the remuneration package of any of the NEOs. In most cases, employment benefits, health care and life insurance are provided in a manner which is appropriate to the country of employment.

Each compensation component has a different function, but all elements are intended to work in concert to maximize company and individual performance by establishing specific, competitive operational and financial goals and by providing financial incentives to executives based on their level of attainment of these goals. Each element of the Corporation's executive compensation program is described in more detail below.

### **Base Salaries**

An NEO's base salary is intended to remunerate the NEO for discharging job responsibilities and reflects the executive's performance over time. Individual salary adjustments take into account performance contributions in connection with their specific duties. The base salary of each executive officer is determined by the Compensation Committee based on an assessment of the NEO's sustained performance and consideration of competitive compensation levels for the markets in which the Corporation operates. In making its recommendations to the Board, the Compensation Committee also considers the particular skills and experience of the individual. The base salaries of executive officers are reviewed annually. As payment of base salaries does not depend on the performance of any specific targets or goals it is not viewed as "at risk" compensation.

### **Long Term Incentives – Stock Options and Restricted Share Units**

The Restricted Share Units (“RSUs”) issued under the Restricted Share Unit Plan (the “RSU Plan”), as well as options issued under the Stock Option Plan, comprise part of the Corporation’s overall executive compensation plan.

The stock option component of a NEO’s compensation, which includes a vesting element to ensure retention, serves to both motivate the executive toward increasing share value and to enable the executive to share in the future success of the Corporation. Individual stock options are granted by the Board on the recommendation of senior management, in the case of employees, and by the Compensation Committee, in the case of executive officers, including the NEOs. Options are normally awarded by the Board upon the commencement of an individual’s employment with the Corporation based on the level of responsibility within the Corporation. Additional option grants may be made periodically to ensure that the number of stock options granted to any particular individual is commensurate with the individual’s level of ongoing responsibility within the Corporation. In considering additional grants, a number of factors are considered, including, the role the individual plays in the Corporation, the number of stock options an individual has been granted, the exercise price and the value of the options and the term remaining on those options. The terms and conditions of the Corporation’s stock option grants, including vesting provisions and exercise prices, are governed by the terms of the Stock Option Plan, which are described under “**Securities Authorized for Issuance under Equity Compensation Plans**”.

The RSU component of a NEO’s compensation, reflect a philosophy of aligning the interests of executives with those of the shareholders by tying executive compensation to share price performance, since the value of RSUs increase or decrease with the price of the Corporation’s Common Shares. In addition, RSUs assist in the retention of qualified and experienced executives by rewarding those individuals who make a long term commitment to the Corporation. The terms and conditions of RSU awards, including vesting provisions, are governed by the terms of the RSU Plan, which are described under “**Securities Authorized for Issuance under Equity Compensation Plans**”.

### **Short Term Incentive Compensation – Discretionary Cash Bonuses**

The Corporation may award discretionary cash bonuses to executive officers and employees of Corporation from time to time. The amount of the bonus that each individual may be eligible for is not set in relation to any formula or specific criteria, but is the result of a subjective determination of the Corporation’s performance, overall industry conditions, as well as the individual’s performance and his or her contribution to overall corporate goals. The payment of bonuses is subject to the final approval of the Board and the Board has the discretion to amend or veto bonuses in its sole discretion, as this form of compensation is “at risk”.

### **Retirement Benefits**

The Corporation does not have formal pension plans for its executives. However, from time to time, in order to attract and retain the right level of skill, expertise and talent, the Corporation may structure the overall compensation arrangements of one or more of its executives to include retirement compensation arrangements.

### **Director and Officer Hedging Prohibition**

The Board and executive officers are not permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

### **Summary Compensation Table**

The following table sets forth a summary of the total compensation paid to, or earned by the Corporation’s NEO’s during the three most recently completed financial years.

Name and Principal Position	Year	Salary <sup>(1)</sup> (CDN\$)	Option-based Awards <sup>(2)</sup> (CDN\$)	Restricted Share Awards (CDN\$) <sup>(3)</sup>	Non-equity Annual Incentive Plan (CDN\$)	All Other Compensation (CDN\$)	Total Compensation (CDN\$)
CLARK, Richard P. <sup>(4)</sup> CEO and Director	2020	350,000	-	-	Nil	18,263	368,263
	2019	350,000	87,500	75,001	Nil	16,464	528,965
	2018	313,125	135,000	Nil	Nil	11,340	459,465
STUART, Hugh <sup>(5)</sup> President and Director	2020	47,450	-	-	Nil	956	48,406
	2019	265,304	87,500	75,001	Nil	8,798	436,603
	2018	314,281	135,000	Nil	Nil	10,783	460,064
ROSS, Kevin <sup>(6)</sup> Chief Operating Officer	2020	350,000	-	-	Nil	7,465	357,465
	2019	350,000	87,500	75,001	Nil	7,023	519,524
	2018	313,125	135,000	Nil	Nil	7,023	455,148
KONDO, Glenn <sup>(7)</sup> Chief Financial Officer	2020	150,860	-	-	Nil	5,833	156,693
	2019	280,501	87,500	75,001	Nil	13,296	456,298
	2018	205,750	162,000	Nil	n/a	8,501	376,251
REARDON, Chris <sup>(8)</sup> Country Manager, Sudan	2020	335,029	-	-	Nil	11,667	346,696
	2019	327,678	140,000	50,000	Nil	n/a	517,678
	2018	n/a	n/a	n/a	n/a	n/a	n/a

Notes to Summary Compensation Table:

- <sup>(1)</sup> In the interest of reducing operating costs, the Corporation opted to pay certain directors and employees a portion of their directors' fees or wages in Common Shares of the Corporation in lieu of cash. In this connection, the Corporation entered into share compensation agreements with certain directors and employees dated December 24, 2019, whereby such directors and employees received all or a portion of their director fees or wages for the period from September 1, 2019 to December 31, 2020 in Common Shares of the Corporation, with the remaining amount, if any, satisfied in cash (the "Share Compensation Agreements"). Pursuant to the Share Compensation Agreements, the Corporation proposed to issue up to 1,200,000 Common Shares on a quarterly basis at a deemed price per Common Share no less than the closing price of the Common Shares on the third trading day prior to the end of each quarter minus the discount permitted under applicable TSXV policies, provided that in any event, such price will be no lower than \$0.305. This arrangement was extendable with the mutual agreement of the parties; however, the Corporation had the right to cancel this arrangement at any time at its sole discretion. During fiscal 2020, a total of 1,857,799 shares were issued pursuant to the Share Compensation Agreements entered into with NEOs.
- <sup>(2)</sup> The value of the stock option grants has been determined using the Black-Scholes models on the date of grant and is consistent with the determinations used for financial statement purposes. The key assumptions used for this determination can be found in the notes to the consolidated financial statements of the year of the respective stock option grants. The amount presented in the table represents the fair value of the vested and unvested portion of the options granted in the period. For accounting purposes, the fair value of the award is amortized over the applicable vesting period. It should be recognized that the actual future value will be based on the difference between the market value at time of exercise and the exercise price. Therefore, the value attributed to the stock options under the Black-Scholes model does not necessarily correspond to the actual future value that will be realized. No stock options were granted during fiscal 2020.
- <sup>(3)</sup> This column represents RSUs issued on September 16, 2019 pursuant to the RSU Plan, which is described under the heading "Securities Authorized for Issuance under Equity Compensation Plans". These RSUs are subject to vesting as follows: one-third on September 16, 2020 (vested), one-third on September 16, 2021 and one-third on September 16, 2022. Additionally, the payout dates in respect of the RSUs are September 20, 2020, September 16, 2021 and September 16, 2022. Common Shares issuable upon payout of those vested RSUs shall be issued at a deemed price of \$0.39 per share. On October 9, 2020, a total of 235,044 Common shares were issued to NEOs pursuant to the redemption of 235,044 RSUs. No RSUs were granted during fiscal 2020.
- <sup>(4)</sup> Mr. Clark's salary from January 1, 2018 to June 30, 2018 was \$276,250 per annum and was increased to \$350,000 per annum for the period July 1, 2018 to December 31, 2018. Pursuant to the terms of a Share Compensation Agreement entered into with Mr. Clark on December 24, 2019, Mr. Clark's annual base salary was comprised of cash compensation of \$116,667 and Common Shares of the Corporation equivalent to \$233,333 net of any applicable taxes with effective from September 1, 2019. The Corporation issued Mr. Clark a total of 344,357 Common Shares of the Corporation at a deemed price of \$0.305 per share in lieu of salary for the the four (4) months ended December 31, 2019. During fiscal 2020, Mr. Clark received the equivalent of \$350,000 in Common shares of the Corporation, net of taxes. The Corporation issued a total of 821,820 Common Shares of the Corporation at a deemed price of between \$0.305 and \$0.6225 per share under the Share Compensation Scheme.
- <sup>(5)</sup> Mr. Stuart's salary from January 1, 2018 to June 30, 2018 was \$276,250 per annum and was increased to £207,000 per annum for the period July 1, 2018 to December 31, 2018. Mr Stuart's salary for fiscal 2019 and to October 31, 2020 was £207,000. The Corporation was charged 25% of Mr. Stuart's salary and employment benefits during this period for services provided as the Corporation's President. Mr Stuart's salary was increased to £235,000 from November 1, 2020 and the Corporation was charged 10% of Mr Stuart's salary and employment benefits from this date. The average exchange rate between July 1, 2018 to December 31, 2018 was UK£1.00 = CAD \$1.70.

The average exchange rate between January 1, 2019 to December 31, 2019 was UK£1.00 = CAD\$1.70. The average exchange rate between January 1, 2020 to December 31, 2020 was UK£1.00 = CAD\$1.73.

- (6) Mr. Ross's salary from January 1, 2018 to June 30, 2018 was \$276,250 per annum and was increased to \$350,000 per annum for the period July 1, 2018 to December 31, 2018. Pursuant to the terms of a Share Compensation Agreement entered into with Mr. Ross on December 24, 2019, Mr. Ross' annual base salary was comprised of cash compensation of \$272,222 and Common Shares of the Corporation equivalent to \$77,778 net of any applicable taxes with effective from September 1, 2019. The Corporation issued Mr. Ross a total of 132,344 Common Shares of the Corporation at a deemed price of \$0.305 per share in lieu of salary for the four (4) months ended December 31, 2019. During fiscal 2020, Mr Ross received cash compensation of \$116,667 and Common Shares of the Corporation equivalent to £233,333, net of any applicable taxes. The Corporation issued a total of 278,254 Common Shares of the Corporation at a deemed price of between \$0.305 and \$0.6225 per share under the Share Compensation Scheme for fiscal 2020.
- (7) Mr. Kondo was appointed Chief Financial Officer of the Corporation on May 30, 2018. Mr Kondo's salary for 2018 and 2019 was £207,000. From 1 September 31, 2019, 40% of Mr Kondo's salary and employment benefits were charged to the Corporation for services provided as the Corporation's Chief Financial Officer. Mr Kondo's salary was increased to £235,000 from November 1, 2020 and the Corporation was charged 50% of Mr Kondo's salary and employment benefits from this date. The average exchange rate between June 1, 2018 to December 31, 2018 was UK£1.00 = CAD £1.71. The average exchange rate between January 1, 2019 to December 31, 2019 was UK£1.00 = CAD\$1.70. The average exchange rate between January 1, 2020 to December 31, 2020 was UK£1.00 = CAD\$1.73.
- (8) Mr. Reardon was appointed Country Manager, Sudan, on December 24, 2019. Mr. Reardon's salary is US\$250,000 per annum. Pursuant to the terms of a Share Compensation Agreement entered into with Mr. Reardon on December 24, 2019, Mr. Reardon's annual base salary was comprised of cash compensation of US\$55,555 and Common Shares of the Corporation equivalent to US\$194,445 net of any applicable taxes with effective from September 1, 2019. The Corporation issued Mr. Reardon a total of 149,098 Common Shares of the Corporation at a deemed price of \$0.305 per share in lieu of salary for the four (4) months ended December 31, 2019. . During fiscal 2020, Mr Reardon received cash compensation of US\$83,333 and Common Shares of the Corporation equivalent to \$166,667, net of any applicable taxes. The Corporation issued a total of 299,268 Common Shares of the Corporation at a deemed price of between \$0.305 and \$0.6225 per share under the Share Compensation Scheme. The average exchange rate between January 1, 2020 and December 31, 2020 was US\$1.00 = CAD\$1.34. The average exchange rate between February 1, 2019 to December 31, 2019 was US\$1.00 = CAD\$1.31. The average exchange rate between January 1, 2020 to December 31, 2020 was US\$1.00 = CAD\$1.34.

## Outstanding Share-Based and Option-Based Awards

The following table sets forth all outstanding share based and option-based awards held by the NEOs at the end of the most recently completed financial year:

Name	Option-Based Awards				Share-Based (RSUs) Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (CDN\$)	Option Expiration Date	Value of Unexercised In-the-money Options <sup>(1)</sup> (CDN\$)	Number of Shares or Units that have not Vested (#)	Market or Payout Value of Share-Based Awards that have not Vested <sup>(2)</sup> (CDN\$)	Market or Payout Value of Vested Share-based awards not paid out or distributed <sup>(3)</sup> (CDN\$)
<b>CLARK, Richard P.</b> CEO and Director	250,000 500,000	0.35 0.51	May 2, 2022 July 17, 2021	137,500 195,000	128,205	\$115,385	Nil
<b>STUART, Hugh</b> President and Director	250,000 500,000	0.35 0.51	May 2, 2022 July 17, 2021	137,500 195,000	128,205	\$115,385	Nil
<b>ROSS, Kevin</b> Chief Operating Officer	250,000 500,000	0.35 0.51	May 2, 2022 July 17, 2021	137,500 195,000	128,205	\$115,385	Nil
<b>KONDO, Glenn</b> Chief Financial Officer	250,000 600,000	0.35 0.51	May 2, 2022 July 17, 2021	137,500 234,000	128,205	115,385	Nil
<b>REARDON, Chris</b> Country Manager, Sudan	400,000	0.35	May 2, 2022	220,000	85,470	76,923	Nil

Notes to Outstanding Option-Based Awards Table:

- (1) In-the-Money Options are those where the market value of the underlying securities as at the end of the most recent fiscal year end exceeds the option exercise price. Calculated, using the closing price of the Common shares on the TSXV on December 31, 2020 of CDN\$0.90 and subtracting the exercise price of in-the-money stock options. The remaining outstanding options may never be exercised and actual gains, if any, on exercise will depend on the value of the Common shares on the date of exercise.
- (2) The market or payout value of share-based awards that have not vested has been determined using the closing price of the Shares on the TSXV on December 31, 2020 of \$0.90 per share.
- (3) The market or payout value of vested share-based awards not paid out or distributed has been determined using the closing price of the Shares on the TSXV on December 31, 2020 of \$0.90 per share.

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

The following table provides information regarding the value on pay-out or vesting of option-based and share-based awards for each NEO for the financial year ended December 31, 2020:

Name	Option-based awards – Value vested during the year (CDN\$) <sup>(1)</sup>	Share-based awards – Value vested during the year (CDN\$) <sup>(2)</sup>	Non-equity incentive plan compensation – Value earned during the year (CDN\$)
<b>CLARK, Richard P.</b> CEO and Director	168,167	57,693	Nil
<b>STUART, Hugh</b> President and Director	168,167	57,693	Nil
<b>ROSS, Kevin</b> Chief Operating Officer	168,167	57,693	Nil
<b>KONDO, Glenn</b> Chief Financial Officer	123,833	57,693	Nil
<b>REARDON, Chris</b> Country Manager, Sudan	73,333	38,462	Nil

Notes to Incentive Plan Awards – Value Vested or Earned During the Year Table:

<sup>(1)</sup> Calculated using the closing price of the Common shares on the TSXV on the dates on which stock options vested during 2020, or if the TSXV was not open on such date, the closing price of the Common shares on the TSXV on the last date that the TSXV was open preceding the vesting date and subtracting the exercise price of in-the-money stock options.

<sup>(2)</sup> Calculated using the closing price of the Common Shares on the TSXV on December 31, 2020 of \$0.90 per share.

## Exercise of Compensation Securities (Stock Options) by NEOs

Name	Number of Underlying Securities Issued	Exercise Price of Security (\$)	Date of Exercise	Closing Price Per Security on Date of Exercise (\$)	Difference Between Exercise Price and Closing Price on Date of Exercise (\$)	Total Value on Exercise Date (\$)
<b>CLARK, Richard P.</b> CEO and Director	400,000	0.47	Sept 10, 2020	0.48	0.01	4,000
<b>STUART, Hugh</b> President and Director	Nil	Nil	Nil	Nil	Nil	Nil
<b>ROSS, Kevin</b> Chief Operating Officer	400,000	0.47	Sept 2, 2020	0.56	0.09	36,000
<b>KONDO, Glenn</b> Chief Financial Officer	Nil	N/A	N/A	N/A	N/A	Nil
<b>REARDON, Chris</b> Country Manager, Sudan	Nil	N/A	N/A	N/A	N/A	Nil

## Termination and Change of Control Benefits

As of December 31, 2019, Richard P. Clark, Chief Executive Officer was a party to an employment agreement with the Corporation (the “**Clark Agreement**”). The Clark Agreement commenced on August 29, 2016 as amended on July 1, 2018 and has no fixed term. The Clark Agreement sets forth certain instances where payments and other obligations would arise on the termination of Mr. Clark’s employment with the Corporation. In the event that Mr. Clark is terminated without cause, Mr. Clark shall be entitled to a payment equal to 12 months (the “**Severance Period**”) of his gross salary and continued benefits for a period of twelve months from the date of termination, to the extent permitted by applicable benefit plan terms. In the event that the Corporation’s benefit plan terms do not permit such benefits to be continued following termination, Mr. Clark shall be provided with reimbursement for the cost of obtaining comparable benefits for a twelve-month period following termination of his employment. In addition, any Option or other equity award granted to Mr Clark shall immediately vest and become exercisable in accordance with applicable plan terms. If such a termination of Mr. Clark’s employment occurred on December 31,

2020 it is estimated that the total termination payments to Mr. Clark would have been \$816,148. In the event of a Change of Control (as defined in the Clark Agreement) and, within 60 days of such Change of Control the following occurs: (a) Mr. Clark is terminated without cause, or (b) Mr. Clark provides written notice to the Corporation that the Clark Agreement shall be terminated, Mr. Clark shall be entitled to the same payments and benefits as in the event of a without cause termination, except that the Severance Period shall be 24 months rather than 12 months and Mr. Clark's entitlement to benefits coverage (or reimbursement for lost benefits coverage, as applicable), shall be 24 months rather than 12 months. If such a termination of Mr. Clark's employment occurred on December 31, 2020 it is estimated that the total termination payments to Mr. Clark would have been \$1,184,411.

As of December 31, 2019, Hugh Stuart, President, provided management and consulting services to the Corporation pursuant to a agreement with Hugh Stuart Exploration Consultants Ltd. (the "**HSEC Agreement**"). The HSEC Agreement commenced on December 19, 2014, as amended on July 11, 2018 and has no fixed term. The HSEC Agreement sets forth certain instances where payments and other obligations arise on the termination of Mr. Stuart's services. In the event that Mr. Stuart is terminated without cause, Mr. Stuart shall be entitled to a payment equal to 12 months (the "**Severance Period**") of his gross salary and continued benefits for a period of twelve months from the date of termination, to the extent permitted by applicable benefit plan terms. In the event that the Corporation's benefit plan terms do not permit such benefits to be continued following termination, Mr. Stuart shall be provided with reimbursement for the cost of obtaining comparable benefits for a twelve-month period following termination of his employment. In addition, any Option or other equity award granted to Mr Stuart shall immediately vest and become exercisable in accordance with applicable plan terms. If such a termination of Mr. Stuart's employment occurred on December 31, 2020 it is estimated that the total termination payments to Mr. Stuart would have been \$489,496. In the event of a Change of Control (as defined in the HSEC Agreement) and, within 60 days of such Change of Control the following occurs: (a) Mr. Stuart is terminated without cause, or (b) Mr. Stuart provides written notice to the Corporation that the HSEC Agreement shall be terminated, Mr. Stuart shall be entitled to the same payments and benefits as in the event of a without cause termination, except that the Severance Period shall be 24 months rather than 12 months and Mr. Stuart's entitlement to benefits coverage (or reimbursement for lost benefits coverage, as applicable), shall be 24 months rather than 12 months. If such a termination of Mr. Stuart's consultancy agreement occurred on December 31, 2020 it is estimated that the total termination payments to Mr. Stuart would have been \$531,107. The severance payment has been converted to Canadian dollars using the December 31, 2020 exchange rate UK£1=CAD1.73.

As of December 31, 2019, Kevin Ross, Chief Operating Officer was a party to an employment agreement with the Corporation (the "**Ross Agreement**"). The Ross Agreement commenced on August 29, 2016 and has no fixed term. The Ross Agreement set forth certain instances where payments and other obligations would arise on the termination of Mr. Ross's employment with the Corporation. In the event that Mr. Ross is terminated without cause, Mr. Ross shall be entitled to a payment equal to 12 months (the "**Severance Period**") of his gross salary and continued benefits for a period of twelve months from the date of termination, to the extent permitted by applicable benefit plan terms. In the event that the Corporation's benefit plan terms do not permit such benefits to be continued following termination, Mr. Ross shall be provided with reimbursement for the cost of obtaining comparable benefits for a twelve-month period following termination of his employment. In addition, any Option or other equity award granted to Mr Ross shall immediately vest and become exercisable in accordance with applicable plan terms. If such a termination of Mr. Ross's employment occurred on December 31, 2020 it is estimated that the total termination payments to Mr. Ross would have been \$805,350. In the event of a Change of Control (as defined in the Ross Agreement) and, within 60 days of such Change of Control the following occurs: (a) Mr. Ross is terminated without cause, or (b) Mr. Ross provides written notice to the Corporation that the Ross Agreement shall be terminated, Mr. Ross shall be entitled to the same payments and benefits as in the event of a without cause termination, except that the Severance Period shall be 24 months rather than 12 months and Mr. Ross's entitlement to benefits coverage (or reimbursement for lost benefits coverage, as applicable), shall be 24 months rather than 12 months. If such a termination of Mr. Ross's employment occurred on December 31, 2020 it is estimated that the total termination payments to Mr. Ross would have been \$1,162,816.

As of December 31, 2019, Glenn Kondo, Chief Financial Officer was a party to an employment agreement with Orca Gold Management Services Limited ("**OGMS**"), a wholly owned subsidiary of the Corporation (the "**Kondo Agreement**"). The Kondo Agreement commenced on June 1, 2018 and has no fixed term. The Kondo Agreement set

forth certain instances where payments and other obligations would arise on the termination of Mr. Kondo's employment with the OGMS. In the event that Mr. Kondo is terminated without cause, Mr. Kondo shall be entitled to a payment equal to 12 months (the "**Severance Period**") of his gross salary and continued benefits for a period of twelve months from the date of termination, to the extent permitted by applicable benefit plan terms. In the event that the Corporation's benefit plan terms do not permit such benefits to be continued following termination, Mr. Kondo shall be provided with reimbursement for the cost of obtaining comparable benefits for a twelve-month period following termination of his employment. In addition, any Option or other equity award granted to Mr. Kondo shall immediately vest and become exercisable in accordance with applicable plan terms. If such a termination of Mr. Kondo's employment occurred on December 31, 2020 it is estimated that the total termination payments to Mr. Kondo would have been \$695,994. In the event of a Change of Control (as defined in the Kondo Agreement) and, within 60 days of such Change of Control the following occurs: (a) Mr. Kondo is terminated without cause, or (b) Mr. Kondo provides written notice to the Corporation that the Kondo Agreement shall be terminated, Mr. Kondo shall be entitled to the same payments and benefits as in the event of a without cause termination, except that the Severance Period shall be 24 months rather than 12 months and Mr. Kondo's entitlement to benefits coverage (or reimbursement for lost benefits coverage, as applicable), shall be 24 months rather than 12 months. If such a termination of Mr. Kondo's employment occurred on December 31, 2020 it is estimated that the total termination payments to Mr. Kondo would have been \$905,102. The severance payment has been converted to Canadian dollars using the December 31, 2020 exchange rate UK£1=CAD1.73.

As of February 1, 2019, Chris Reardon, Country Manager, Sudan a party to an employment agreement with Orca Gold Management Services Limited ("**OGMS**"), a wholly owned subsidiary of the Corporation (the "Reardon Agreement"). The Reardon Agreement commenced on February 1, 2019 and has no fixed term. The Reardon Agreement set forth certain instances where payments and other obligations would arise on the termination of Mr. Reardon's employment with the OGMS. In the event that Mr. Reardon is terminated without cause, Mr. Reardon shall be entitled to a payment equal to 12 months (the "**Severance Period**") of his gross salary and continued benefits for a period of twelve months from the date of termination, to the extent permitted by applicable benefit plan terms. In the event that the Corporation's benefit plan terms do not permit such benefits to be continued following termination, Mr. Reardon shall be provided with reimbursement for the cost of obtaining comparable benefits for a twelve-month period following termination of his employment. In addition, any Option or other equity award granted to Mr. Reardon shall immediately vest and become exercisable in accordance with applicable plan terms. If such a termination of Mr. Reardon's employment occurred on December 31, 2020 it is estimated that the total termination payments to Mr. Reardon would have been \$643,619. In the event of a Change of Control (as defined in the Reardon Agreement) and, within 60 days of such Change of Control the following occurs: (a) Mr. Reardon is terminated without cause, or (b) Mr. Reardon provides written notice to the Corporation that the Reardon Agreement shall be terminated, Mr. Reardon shall be entitled to the same payments and benefits as in the event of a without cause termination, except that the Severance Period shall be 18 months rather than 12 months and Mr. Reardon's entitlement to benefits coverage (or reimbursement for lost benefits coverage, as applicable), shall be 18 months rather than 12 months. If such a termination of Mr. Reardon's employment occurred on December 31, 2020 it is estimated that the total termination payments to Mr. Reardon would have been \$816,967. The severance payment has been converted to Canadian dollars using the December 31, 2020 exchange rate US\$1=CAD1.34.

## **DIRECTORS' COMPENSATION**

Certain compensation was earned by directors of the Corporation in their capacity as members of the Board or of a committee of the Board or its subsidiaries, or as consultants or experts, during the Corporation's most recently completed financial year.

To encourage the directors to align their interests with Shareholders, directors are granted incentive stock options pursuant to the Stock Option Plan, from time to time. To further promote a greater alignment of long-term interests between non-executive directors and Shareholders of the Corporation, the Corporation adopted a Deferred Share Unit Plan ( the "**DSU Plan**") which was approved by Shareholders at the Corporation's Annual General Meeting of Shareholders held on May 30, 2019. Information regarding the terms and conditions of the RSU Plan is set forth under "**Securities Authorized for Issuance Under Equity Compensation Plans**" below.

Non-executive directors' (the "Eligible Directors") remuneration is adjusted periodically to provide competitive compensation for services provided as an Eligible Director. Current annual retainers for each Board position are as follows:

Board Position	Retainer (CDN\$)
Non-Executive Board Member	44,500
Chairman of the Board <sup>(1)</sup>	10,000
Lead Director <sup>(1)</sup>	10,000
Chair of Audit Committee <sup>(1)</sup>	10,000
Chair of other Committee <sup>(1)</sup>	5,000

Note:

<sup>(1)</sup> In addition to Non-Executive Board Member retainer.

A Director who is an employee of the Corporation does not receive Director's fees. Directors are also reimbursed for out-of pocket expenses incurred in attending meetings of the Board or committee meetings or otherwise on Corporation business. Annual retainers are paid semi-annually in arrears.

### Compensation for Services

No director was compensated either directly or indirectly by the Corporation or its subsidiaries during the most recently completed financial year for services as consultants or experts.

The following table provides details of compensation paid to the directors, other than the NEO's during the Corporation's financial year ended December 31, 2020:

Name	Fees Earned (CDN\$) <sup>(1)</sup>	Option-based Awards	Share-based Awards (CDN\$) <sup>(3)</sup>	All Other Compensation	Total (CDN\$)
CHASE, Robert <sup>(4)</sup>	54,500	Nil	Nil	Nil	54,500
FIELD, David <sup>(5)</sup>	50,401	Nil	Nil	Nil	50,401
WHITE, DEREK <sup>(6)</sup>	44,500	NIL	NIL	Nil	44,500
DAVIDSON, Alexander <sup>(7)</sup>	30,496	NIL	32,990	Nil	30,496

Notes to Compensation for Services Table:

<sup>(1)</sup> In the interest of reducing operating costs, the Corporation opted to pay all or a portion of directors' fees in Common Shares of the Corporation in lieu of cash. In this connection, the Corporation entered into share compensation agreements with its non-executive directors dated December 24, 2019, whereby such directors received all of their directors' fees for the period from September 1, 2019 to December 31, 2020 in Common Shares of the Corporation (the "Share Compensation Agreements"). Pursuant to the Share Compensation Agreements, the Corporation issued Common Shares on a semi-annual basis at a deemed price per Common Share no less than the closing price of the Common Shares on the third trading day prior to the end of each quarter minus the discount permitted under applicable TSXV policies, provided that in any event, such price will be no lower than \$0.305. This arrangement was extendable with the mutual agreement of the parties; however, the Corporation had the right to cancel this arrangement at any time at its sole discretion. During fiscal 2020, a total of 458,474 shares were issued pursuant to the Share Compensation Agreements entered into with non-executive directors.

<sup>(2)</sup> The value of the option based awards has been determined using the Black-Scholes models on the date of grant and is consistent with the determinations used for financial statement purposes. The key assumptions used for this determination can be found in the notes to the consolidated financial statements of the year of the respective stock option grants. The amount presented in the table represents the fair value of the vested and unvested portion of the options granted in the period. For accounting purposes, the fair value of the award is amortized over the applicable vesting period. It should be recognized that the actual future value will be based on the difference between the market value at time of exercise and the exercise price. Therefore, the value attributed to the stock options under the Black-Scholes model does not necessarily correspond to the actual future value that will be realized.

<sup>(3)</sup> There were no awards made under the DSU Plan for the financial year ended December 31, 2020.

<sup>(4)</sup> Pursuant to the terms of a Share Compensation Agreement entered into with Mr. Chase on December 24, 2019, Mr. Chase agreed that his director's fees will be paid solely in Common Shares of the Corporation effective September 1, 2019. This arrangement continued through to December 31, 2020. Mr. Chase receives the number of shares equivalent to \$27,250 within 5 business days after the end of June and December month end, subject to and in accordance with the terms of the Share Compensation Agreement. The Corporation issued Mr. Chase a total of 124,280 Common Shares of the Corporation at a deemed price of between \$0.305 and \$6225 per share in lieu of director's fees during the year ended December 31, 2020 in the amount of \$54,500.

- (5) Pursuant to the terms of a Share Compensation Agreement entered into with Mr. Field on December 24, 2019, Mr. Field agreed that his director's fees will be paid solely in Common Shares of the Corporation effective September 1, 2019. This arrangement continued through to December 31, 2020. Mr. Field receives the number of shares equivalent to \$22,250 within 5 business days after the end of June and December month end, subject to and in accordance with the terms of the Share Compensation Agreement. The Corporation issued Mr. Field a total of 132,732 Common Shares of the Corporation at a deemed price of between \$0.305 and \$6225 per share in lieu of director's fees during the year ended December 31, 2020 in the amount of \$50,401.
- (6) Pursuant to the terms of a Share Compensation Agreement entered into with Mr. White on December 24, 2019, Mr. White agreed that his director's fees will be paid solely in Common Shares of the Corporation effective September 1, 2019. This arrangement continued through to December 31, 2020. Mr. White receives the number of shares equivalent to \$22,250 within 5 business days after the end of June and December month end, subject to and in accordance with the terms of the Share Compensation Agreement. The Corporation issued Mr. White a total of 101,476 Common Shares of the Corporation at a deemed price of between \$0.305 and \$6225 per share in lieu of director's fees during the year ended December 31, 2020 in the amount of \$44,500.
- (7) Pursuant to the terms of a Share Compensation Agreement entered into with Mr. Alexander Davidson on December 24, 2019, Mr. Davidson agreed that his director's fees will be paid solely in Common Shares of the Corporation effective September 1, 2019. This arrangement continued until Mr. Davidson's resignation as a director on May 28, 2020. Mr. Davidson received the number of shares equivalent to \$37,250 within 5 business days after the end of June month end, subject to and in accordance with the terms of the Share Compensation Agreement. The Corporation issued Mr. Davidson a total of 99,986 Common Shares of the Corporation at a deemed price of \$0.305 per share in lieu of director's fees for the period January 1 – May 28, 2020 in the amount of \$30,496. On December 30, 2020, Mr. Davidson redeemed 36,655 Deferred Share Units ("DSUs") with a value of \$32,990 as at December 31, 2020.

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

To encourage directors to align their interests with shareholders, directors are granted incentive stock options pursuant to the Corporation's stock option plan, from time to time, as well as DSUs pursuant to the Corporation's DSU Plan. The following table provides information with respect to outstanding option-based and share-based awards held by the directors of the Corporation, other than NEOs, at the end of the most recently completed financial year:

Name	Option-Based Awards				Share-Based (DSUs) Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (CDN\$)	Option Expiration Date	Value of Unexercised In-the-money Options <sup>(1)</sup> (CDN\$)	Number of Shares or Units that have not Vested (#)	Market or Payout Value of Share-Based Awards that have not Vested <sup>(2)</sup> (CDN\$)	Market or Payout Value of Vested Share-based awards not paid out or distributed <sup>(3)</sup> (CDN\$)
CHASE, Robert	200,000	0.35	May 2, 2022	110,000	Nil	Nil	57,693
	300,000	0.51	July 17, 2021	117,000	Nil	Nil	
FIELD, David	200,000	0.35	May 2, 2022	110,000	Nil	Nil	57,693
	300,000	0.51	July 17, 2021	117,000	Nil	Nil	
WHITE, Derek	200,000	0.35	May 2, 2022	110,000	Nil	Nil	57,693
	300,000	0.51	July 17, 2021	117,000	Nil	Nil	
DAVIDSON, Alexander <sup>(4)</sup>	200,000	0.35	May 2, 2022	110,000	Nil	Nil	38,462
	300,000	0.51	July 17, 2021	117,000	Nil	Nil	

Notes to Outstanding Option-Based and Share-Based Awards Table:

- (1) In-the-Money Options are those where the market value of the underlying securities as at the end of the most recent fiscal year end exceeds the option exercise price. Calculated, using the closing price of the Common shares on the TSXV on December 31, 2020 of CDN\$0.90 and subtracting the exercise price of in-the-money stock options. Outstanding options may never be exercised and actual gains, if any, on exercise will depend on the value of the Common shares on the date of exercise.
- (2) As at December 31, 2020, there were no share-based awards (DSUs) awarded to non-executive directors that had not vested. All outstanding DSUs vested on September 16, 2020.
- (3) The market or payout value of vested share-based awards not paid out or distributed has been determined using the closing price of the Common shares on the TSXV on December 31, 2020 of CDN\$0.90.
- (4) Mr. Davidson resigned as a director of the Corporation on May 28, 2020. Mr. Davidson redeemed a total of 36,655 DSUs on December 31, 2020 having a value of \$32,989.50.

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

The following table sets forth details of the value vested or earned for all incentive plan awards during the most recently completed fiscal year by each director:

Name	Option-based awards – Value vested during the year (CDN\$) <sup>(1)</sup>	Share-based awards – Value vested or earned during the year (CDN\$) <sup>(2)</sup>	Non-equity incentive plan compensation – Value earned during the year (CDN\$)
CHASE, Robert	104,333	57,693	Nil
FIELD, David	104,333	57,693	Nil
WHITE, Derek	104,333	57,693	Nil
DAVIDSON, Alexander <sup>(3)</sup>	104,333	38,462	Nil

Notes to Incentive Plan Awards – Value Vested or Earned During the Year Table:

- <sup>(1)</sup> Calculated using the closing price of the Common shares on the TSXV on the dates on which stock options vested during 2020, or if the TSXV was not open on such date, the closing price of the Common shares on the TSXV on the last date that the TSXV was open preceding the vesting date and subtracting the exercise price of in-the-money stock options.
- <sup>(2)</sup> The DSUs issued under the DSU Plan do not have an exercise price and they entitle the holder to Common Shares upon vesting and settlement. The value of vested DSUs has been determined using the closing price of the Common shares on the TSXV on December 31, 2020 of CDN\$0.90.
- <sup>(3)</sup> Mr. Davidson resigned as a director of the Corporation on May 28, 2020. Mr. Davidson redeemed a total of 36,655 DSUs on December 31, 2020 having a value of \$32,989.50.

### Exercise of Compensation Securities (Stock Options) by Non-Executive Directors

Name	Number of Underlying Securities Issued	Exercise Price of Security (\$)	Date of Exercise	Closing Price Per Security on Date of Exercise (\$)	Difference Between Exercise Price and Closing Price on Date of Exercise (\$)	Total Value on Exercise Date (\$)
CHASE, Robert	200,000	0.47	Sept 1, 2020	0.58	0.11	22,000
WHITE, Derek	200,000	0.47	Sept 11, 2020	0.50	0.03	6,000
FIELD, David	200,000	0.47	Oct 27, 2020	0.57	0.10	20,000
DAVIDSON, Alexander	Nil	N/A	N/A	N/A	N/A	N/A

Note: Mr. Alexander Davidson resigned from the Board on May 28, 2020.

### DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Corporation has purchased and maintains liability insurance for its directors and officers acting in their respective capacities in an aggregate amount of CDN\$15 million, against liabilities incurred by such persons as directors and officers of the Corporation and its subsidiaries, except where the liability relates to such person's failure to act honestly and in good faith with a view to the best interests of the Corporation. The annual premium paid by the Corporation for this insurance in respect of the directors and officers as a group is CDN\$315,000. No premium for this insurance is paid by the individual directors and officers. The insurance contract underlying this insurance does not expose the Corporation to any liability in addition to the payment of the required premium.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The information provided in the following table is as of December 31, 2020:

Plan Category	Number of securities to be issued upon exercise of outstanding options (a)	Weighted-average exercise price of outstanding options (CDN\$)	Number of securities remaining available for future issuance under the Plan (excluding securities reflected in column (a))
Equity Compensation Plans approved by securityholders <sup>(1)</sup>			
- Stock Option Plan	8,600,000	0.46	9,018,690 <sup>(2)</sup>
- Restricted Share Unit Plan	1,282,060	N/A	3,717,940 <sup>(3)</sup>
- Deferred Share Unit Plan	192,308	N/A	807,692 <sup>(4)</sup>
Equity compensation plans not approved by security holders	N/A	N/A	N/A
<b>TOTAL:</b>	<b>10,074,368 (4.3%)</b>		<b>13,544,322 (5.7%)</b>

<sup>(1)</sup> The Corporation's shareholders approved equity plans are the Stock Option Plan, the Restricted Share Unit Plan and the Deferred Share Unit Plan. Reference is made to the disclosure regarding the Stock Option Plan, the Restricted Share Unit Plan and the Deferred Share Unit Plan in Note 11 in the Consolidated Financial Statements for the Year Ended December 31, 2020, which are available on SEDAR at [www.sedar.com](http://www.sedar.com).

<sup>(2)</sup> The maximum number of shares issuable under the Stock Option Plan as at December 31, 2020 is 17,618,690, which when combined any Common Shares issuable pursuant to any other security-based compensation arrangement of the Corporation, will not exceed 10% of the total number of outstanding Common Shares of the Corporation. The 8,600,000 stock options outstanding represents 3.6% of the Corporation's issued and outstanding shares as at December 31, 2020. As at May 4, 2021, there were a total of 8,600,000 stock options outstanding representing 3.4% of the Corporation's issued and outstanding as at that date.

<sup>(3)</sup> The maximum number of shares issuable under the Restricted Share Unit Plan is 5,000,000, which is approximately 2.1% of the Corporation's issued and outstanding shares as at December 31, 2020. During fiscal 2020, a total of 641,030 RSUs vested on September 16, 2020 and the Corporation issued an aggregate of 615,388 Common Shares and \$10,000.38 in cash upon payout of the vested RSUs at a deemed price of \$0.39 per share. The 1,282,060 RSUs outstanding as at December 31, 2020 vest as to one-third on September 16, 2021 and the remaining one-third on September 16, 2022. Additionally, the payout dates in respect of the 1,282,060 outstanding RSUs are September 16, 2021 and September 16, 2022. Common Shares issuable upon payout of those vested RSUs shall be issued at a deemed price of \$0.39 per share.

<sup>(4)</sup> The maximum number of shares issuable under the Deferred Share Unit Plan is 1,000,000, which is less than 1% of the Corporation's issued and outstanding shares as at December 31, 2020. As at December 31, 2020, the 192,308 outstanding DSUs issued under the DSU Plan do not have an exercise price and they entitle the holder to Common Shares upon vesting and settlement. The DSUs had a fair value of \$173,078.10, based on the closing price of the Corporation's shares on the TSXV on December 31, 2020 of \$0.90 per share.

### Stock Option Plan

The Corporation has a stock option plan (the "Option Plan") which governs the issuance of stock options. The Stock Option Plan was initially adopted at the Annual General and Special Meeting of Shareholders held on December 21, 2012 and most recently ratified and confirmed by Shareholders at the Annual General Meeting of Shareholders held on May 28, 2020.

Information regarding the terms and conditions of the Stock Option Plan are set forth under "Particulars of Other Matters to be Acted Upon" below.

### Restricted Share Unit Plan

The Board adopted the RSU Plan for the benefit of the Corporation's employees, directors and consultants which was approved by Shareholders at the Corporation's Annual General Meeting of Shareholders held on May 30, 2019. The RSU Plan was established to assist the Corporation in the recruitment and retention of highly qualified employees, directors and eligible consultants by providing a means to reward performance, to motivate participants under the RSU Plan to achieve important corporate and personal objectives and, through the proposed issuance by the Corporation of Common Shares under the RSU Plan, to better align the interests of participants with the long-term interests of Shareholders.

The “RSUs” issued under the RSU Plan, as well as options issued under the Stock Option Plan, comprise part of the Corporation’s overall executive compensation plan.

#### *Summary of the RSU Plan*

Set out below is a summary of the RSU Plan. A copy of the RSU Plan may be inspected at the head office of the Corporation, Suite 2000, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8 during normal business hours and at the Meeting. In addition, a copy of the RSU Plan will be mailed, free of charge, to any holder of Common Shares who requests a copy, in writing, from the Corporate Secretary of the Corporation. Any such requests should be mailed to the Corporation, at its head office, to the attention of the Corporate Secretary.

#### *Eligible Participants*

The RSU Plan is administered by the Compensation Committee of the Board or such other Committee of the Board as may be designated by the Board (the “**Committee**”). Employees, directors and eligible consultants of the Corporation and its designated subsidiaries are eligible to participate in the RSU Plan. In accordance with the terms of the RSU Plan, the Corporation, under the authority of the Board through the Committee, will approve those employees, directors and eligible consultants who are entitled to receive RSUs and the number of RSUs to be awarded to each participant. RSUs awarded to participants are credited to them by means of an entry in a notional account in their favour on the books of the Corporation. Each RSU awarded conditionally entitles the participant to receive one Common Share (or the cash equivalent) upon attainment of the RSU vesting criteria.

#### *Vesting*

The vesting of RSUs is conditional upon the expiry of a time-based vesting period. The duration of the vesting period and other vesting terms applicable to the grant of the RSUs shall be determined at the time of the grant by the Compensation Committee.

Once the RSUs vest, the participant is entitled to receive the equivalent number of underlying Common Shares or cash equal to the Market Value of the equivalent number of Common Shares. The vested RSUs may be settled through the issuance of Common Shares from treasury (subject to the Shareholder approval being sought at this Meeting), by the delivery of Common Shares purchased in the open market, in cash or in any combination of the foregoing (at the discretion of the Corporation). If settled in cash, the amount shall be equal to the number of Common Shares in respect of which the participant is entitled multiplied by the Market Value of a Common Share on the payout date. Market Value per share is defined in the RSU Plan and means, as at any date (if the Common Shares are listed and posted for trading on the TSXV), the arithmetic average of the closing price of the Common Shares traded on the TSXV for the five (5) trading days on which a board lot was traded immediately preceding such date. The RSUs may be settled on the payout date, which shall be the third anniversary of the date of the grant or such other date as the Committee may determine at the time of the grant, which in any event shall be no later than the expiry date for such RSUs. The expiry date of RSUs will be determined by the Committee at the time of grant. However, the maximum term for all RSUs is one year after the participant ceases to be an employee or eligible consultant of the Corporation. All unvested or expired RSUs are available for future grants.

#### *Maximum Number of Common Shares Issued*

RSUs may be granted in accordance with the RSU Plan provided the maximum number of Common Shares which may be reserved, set aside and made available for issuance under the RSU Plan shall not exceed Five Million (5,000,000) Common Shares of the Corporation.

The RSU Plan provides that the maximum number of Common Shares issuable pursuant to the RSU Plan, together with any Common Shares issuable pursuant to any other security-based compensation arrangement of the Corporation, will not exceed 10% of the total number of outstanding Common Shares. In addition, the maximum number of Common Shares issued to insiders under the RSU Plan, together with any Common Shares issued to insiders pursuant to any other security-based compensation arrangement of the Corporation within any one year

period, will not exceed 10% of the total number of outstanding Common Shares. Finally, the maximum number of Common Shares issued pursuant to the RSU Plan, together with any other security-based compensation arrangement of the Corporation within any one year period to any one participant shall not exceed 5% of the outstanding Common Shares and to any one eligible consultant shall not exceed 2% of the outstanding Common Shares.

#### *Cessation of Entitlement*

Unless otherwise determined by the Corporation in accordance with the RSU Plan, RSUs which have not vested on a participant's termination date shall terminate and be forfeited. If a participant who is an employee ceases to be an employee as a result of termination of employment without cause, in such case, at the Corporation's discretion, or for good reason (unless otherwise provided in the applicable Grant Agreement), all or a portion of such participant's RSUs may be permitted to continue to vest, in accordance with their terms, during any statutory or common law severance period or any period of reasonable notice required by law or as otherwise may be determined by the Corporation in its sole discretion. All forfeited RSUs are available for future grants.

#### *Transferability*

RSUs are not assignable or transferable other than by will or the laws of descent and distribution.

#### *Amendments to the RSU Plan*

Following receipt of the Shareholder approval contemplated hereunder, the Board may, without notice, at any time and from time to time, without shareholder approval, amend the RSU Plan or any provisions thereof in such manner as the Board, in its sole discretion, determines appropriate including, without limitation:

- (a) amendments to the terms and conditions of the RSU Plan necessary to ensure that the RSU Plan complies with the applicable regulatory requirements, including the rules of the TSXV, in place from time to time;
- (b) amendments to the provisions of the RSU Plan respecting administration of the RSU Plan and eligibility for participation under the RSU Plan;
- (c) amendments to the provisions of the RSU Plan respecting the terms and conditions on which RSUs may be granted pursuant to the RSU Plan, including the provisions relating to the payment of the RSUs;
- (d) amendments necessary to suspend or terminate the RSU Plan;
- (e) amendments to the RSU Plan that are of a "housekeeping" nature; and
- (f) any other amendment, fundamental or otherwise, not requiring shareholder approval under applicable laws or the applicable rules of the TSXV.

Provided, however, that:

- (a) no such amended of the RSU Plan may be made without the consent of each affected participant in the RSU Plan if such amendment would adversely affect the rights of such affect participant(s) under the RSU Plan; and
- (b) disinterested shareholder approval shall be obtained in accordance with the requirements of the TSXV for any amendment that results in:
  - (i) a change to the maximum number of Common Shares issuable pursuant to the RSU Plan other than as already contemplated in the RSU Plan;
  - (ii) a change in the method of calculation of the payout of RSUs held by participants; and
  - (iii) an extension of the payout date of RSUs held by participants.

#### **Deferred Share Unit Plan**

The Board adopted a DSU Plan for the benefit of the Corporation's non-executive directors of which currently there are four. The DSU Plan was approved by shareholders of the Corporation at the Annual General Meeting of Shareholders held on May 30, 2019. The DSU Plan was established to assist the Corporation in the recruitment and

retention of qualified persons to serve on the Board and, through the proposed issuance by the Corporation of Common Shares under the DSU Plan, to promote better alignment of the interests of directors and the long-term interests of Shareholders.

The DSUs issued under the DSU Plan, as well as options issued under the Stock Option Plan and RSUs issued under the RSU Plan, if any, form part of the Corporation's overall director compensation plan. Since the value of DSUs increase or decrease with the price of the Common Shares, DSUs reflect a philosophy of aligning the interests of directors with those of the Shareholders by tying compensation to share price performance.

#### *Summary of the DSU Plan*

Set out below is a summary of the DSU Plan. A copy of the DSU Plan may be inspected at the head office of the Corporation, Suite 2000, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8 during normal business hours and at the Meeting. In addition, a copy of the DSU Plan will be mailed, free of charge, to any holder of Common Shares who requests a copy, in writing, from the Corporate Secretary of the Corporation. Any such requests should be mailed to the Corporation, at its head office, to the attention of the Corporate Secretary.

#### *Administration of Plan*

The DSU Plan provides that non-executive directors may elect to receive up to 50% of their annual compensation amount (the "**Annual Base Compensation**") in DSUs. A DSU is a unit credited to a participant by way of a bookkeeping entry in the books of the Corporation, the value of which is equivalent to a Common Share. All DSUs paid with respect to Annual Base Compensation will be credited to the director by means of an entry in a notional account in their favour on the books of the Corporation (a "**DSU Account**") when such Annual Base Compensation is payable. The director's DSU Account will be credited with the number of DSUs calculated to the nearest thousandth of a DSU, determined by dividing the dollar amount of compensation payable in DSUs on the payment date by the Share Price of a Common Share at the time. Share Price is defined in the DSU Plan and means (if the Common Shares are listed and posted for trading on the TSXV) the closing price of a Common Share on the TSXV averaged over the five (5) consecutive trading days immediately preceding the date of grant or the redemption date, as the case may be. Fractional Common Shares will not be issued and any fractional entitlements will be rounded down to the nearest whole number.

Additionally, subject to certain participation limits prescribed by the TSXV, the Board may award such number of DSUs to a non-executive director as the Board deems advisable to provide the director with appropriate equity-based compensation for the services he or she renders to the Corporation. The Board shall determine the date on which such DSUs may be granted and the date as of which such DSUs shall be credited to the director's DSU Account. The Corporation and a director who receives such an additional award of DSUs shall enter into a DSU award agreement to evidence the award and the terms applicable thereto.

Generally, a participant in the DSU Plan shall be entitled to redeem his or her DSUs during the period commencing on the business day immediately following the date upon which the non-executive director ceases to hold any position as a director of the Corporation and its subsidiaries and is no longer otherwise employed by the Corporation or its subsidiaries, including in the event of death of the participant (the "**Termination Date**") and ending on the 90th day following the Termination Date. Redemptions under the DSU Plan may be in Common Shares issued from treasury subject to the Shareholder approval being sought at this Meeting, may be purchased by the Corporation on the open market for delivery to the director, may be settled in cash or any combination of the foregoing.

#### *Maximum Number of Common Shares Issued*

DSUs may be granted in accordance with the DSU Plan, provided that the maximum number of Common Shares which may be reserved, set aside and made available for issuance under the DSU Plan does not exceed One Million (1,000,000) Common Shares.

The DSU Plan provides that the maximum number of Common Shares pursuant to the DSU Plan, together with any

Common Shares issuable pursuant to any other security-based compensation arrangement of the Corporation, will not exceed 10% of the total number of outstanding Common Shares. In addition, the maximum number of Common Shares issued to insiders under the DSU Plan, together with any Common Shares issued to insiders pursuant to any other security-based compensation arrangement of the Corporation within any one year period, will not exceed 10% of the total number of outstanding Common Shares. Finally, the maximum number of Common Shares issued pursuant to the DSU Plan, together with any other security-based compensation arrangement of the Corporation within any one year period to any one participant shall not exceed 5% of the outstanding Common Shares.

#### *Transferability*

No right to receive payment of deferred compensation or retirement awards shall be transferable or assignable by any participant under the DSU Plan except by will or laws of descent and distribution.

#### *Amendments to the DSU Plan*

Following receipt of the Shareholder approval contemplated hereunder, the Board may at any time, and from time to time, and without shareholder approval, amend any provision of the DSU Plan, subject to any regulatory or stock exchange requirement at the time of such amendment, including, without limitation:

- (a) amendments to the terms and conditions of the DSU Plan necessary to ensure that the Plan complies with the applicable regulatory requirements, including the rules of the TSXV, in place from time to time;
- (b) amendments to the provisions of the DSU Plan respecting administration of the DSU Plan and eligibility for participation under the DSU Plan;
- (c) amendments to the provisions of the DSU Plan respecting the terms and conditions on which DSUs may be granted pursuant to the DSU Plan, including the provisions relating to the payment of the DSUs;
- (d) amendments necessary to suspend or terminate the DSU Plan;
- (e) amendments to the Plan that are of a “housekeeping” nature; and
- (f) any other amendment, fundamental or otherwise, not requiring shareholder approval under applicable laws or the applicable rules of the TSXV,

provided, however, that:

- (a) no such amendment of the DSU Plan may be made without the consent of each affected participant if such amendment would adversely affect the rights of such affected participant(s) under the plan; and
- (b) disinterested shareholder approval shall be obtained in accordance with the requirements of the TSXV for any amendment to:
  - (i) a change to the maximum number of Common Shares issuable pursuant to the DSU Plan other than as already contemplated in the DSU Plan;
  - (ii) a change in the method of calculation of the value of DSUs held by participants; and
  - (iii) an extension of the expiry date of DSUs held by participants.

#### **CORPORATE GOVERNANCE**

The Corporation is listed on the TSXV and discloses its corporate governance practices using the disclosure requirements in National Instrument 58-101, *Disclosure of Corporate Governance Practices (“NI 58-101”)* that apply to issuers listed on the TSXV. The Corporation’s statement of corporate governance practices is made with reference to National Policy 58-201, *Corporate Governance Guidelines* and NI 58-101 (collectively the “**Governance Guidelines**”) which are initiatives of the Canadian Securities Administrators (“**CSA**”). The corporate governance practices of the Corporation also conform to the TSXV corporate governance guidelines, which have essentially been supplanted by the Governance Guidelines. Copies of the Corporation’s governance materials, including Position Descriptions for the Chairman and Lead Director as well as the Board mandate and Board Committee charters can be found on the Corporation’s website at [www.orcagold.com](http://www.orcagold.com).

## **Board Governance**

The Board has the responsibility for the overall stewardship of the conduct of the business of the Corporation and the activities of management. Management is responsible for the day-to-day conduct of the business. The Board's fundamental objectives are to enhance and preserve long-term shareholder value, and to ensure the Corporation meets its obligations on an ongoing basis and that the Corporation operates in a reliable and safe manner. In performing its functions, the Board considers the legitimate interests that its other stakeholders, such as employees, customers and communities, may have in the Corporation. In overseeing the conduct of the business, the Board, through the Chief Executive Officer, sets the standards of conduct for the Corporation.

The Board operates by delegating certain of its authorities to management and by reserving certain powers to itself. The Board retains the responsibility for managing its own affairs including selecting its Chair, nominating candidates for election to the Board and constituting committees of the Board. Subject to the Articles and By-Laws of the Corporation and the *Canada Business Corporations Act*, the Board may constitute, seek the advice of and delegate powers, duties and responsibilities to committees of the Board.

## **Board Mandate**

The Board has a written mandate which includes responsibility to supervise and evaluate management, to oversee the conduct of the Corporation's business, to set policies appropriate for the business of the Corporation and to approve corporate strategies and goals. The Board is to carry out its mandate in a manner consistent with the fundamental objective of enhancing shareholder value. In discharging its duty of stewardship over the Corporation the Board expressly undertakes the following specific duties and responsibilities: (i) adopting, supervising and providing guidance on the Corporation's strategic planning process; (ii) identifying the principal risks of the Corporation's business and ensuring the implementation of appropriate risk management systems; (iii) ensuring that the Corporation has management of the highest caliber and maintaining adequate and effective succession planning for senior management; (iv) placing limits on management's authority; (v) overseeing the integrity of the Corporation's internal control and management information systems; and (vi) overseeing the Corporation's communication policy with its shareholders and with the public generally.

## **Composition of the Board**

The Board is currently comprised of six (6) directors, the majority of whom are "independent" directors within the meaning of the Governance Guidelines. A director is "independent" if he or she is independent of management and has no direct or indirect relationship with the Corporation which could, in the view of the Board, be reasonably expected to interfere with the exercise of the member's independent judgment.

The Board has considered the relationship of each director to the Corporation. At the date of this Proxy Circular, two (2) of the Corporation's directors are not considered to be independent. Messrs. Clark and Stuart are not independent because of their current management positions with the Corporation. Messrs. Chase, White, Field, and White are all independent directors.

As Messrs. Clark and Stuart are not considered to be independent within the meaning of the Governance Guidelines, the Board has instituted a practice, whereby at the conclusion of each regularly scheduled meeting of the Board, the Corporation's independent directors may request an in-camera session at which non-independent directors and members of management are not in attendance. In addition, on May 28, 2020, the Board appointed Mr. David Field as Lead Director of the Board to facilitate the independent function of the Board and provide leadership for the Board's independent directors.

## **Directorships**

The current directors of the Corporation may serve as directors of other reporting issuers. See the individual Directors biographies under "**Election of Directors – Principal Occupation/Biography**".

## **Position Descriptions**

The Board has adopted a written position description for each of the Chairman, Chief Executive Officer, the Lead Director, the chair of each Board committee and an individual Director mandate. The CEO position description addresses, among other things, reporting, integrity, strategic planning, business and risk management and organizational effectiveness.

## **Orientation and Education**

Under its mandate, the Corporate Governance and Nominating Committee is responsible for developing and implementing an orientation program for new directors, where necessary. Currently, new recruits to the board receive a comprehensive board manual which contains specific information on the Corporation's operations, information on the role of the board and each of its committees, industry information, corporate governance related materials and other information required to be addressed under an orientation program. In addition, trips to where the Corporation's operations are located are arranged for directors from time to time so they have an opportunity to meet operational management and site personnel.

Board members are encouraged to communicate with management and auditors, to keep themselves current with industry trends and development, and to attend related industry seminars. The Corporation also organizes corporate governance education through invitations to attend a series of web based seminars presented by a major law firm. Board members have full access to the Corporation's records.

## **Board Diversity**

The Corporation recognizes the importance of diversity among the Board to create a diverse and inclusive culture that solicits multiple perspectives and enriches the decision-making process. The Board formally adopted a Diversity Policy on May 4, 2021.

In that Policy, the Corporation set out its commitment to diversity to include representatives of "Designated Groups" as defined in the Employment Equity Act (Canada), which groups include women, Aboriginal peoples, people with disabilities and members of visible minorities. At this time, the Board has not set diversity targets for persons from Designated Groups for either the Board or for senior management.

Board appointments will be made on merit, in the context of the skills, experience, independence, knowledge and other qualities which the Board as a whole requires to be effective, with due regard for the benefits of diversity, including the level of representation of the Designated Groups on the Board.

## **Ethical Business Conduct**

The Board has adopted a formal written Code of Business Conduct and Ethics (the "**Code of Conduct**") for its directors, officers and employees.

Individuals governed by the Code of Conduct are required to disclose in writing all business, commercial or financial interests or activities which might reasonably be regarded as creating an actual or potential conflict with their duties. Individuals must avoid all situations in which their personal interests conflict or might conflict with their duties to the Corporation or with the economic interest of the Corporation. All business transactions with individuals, corporations or other entities that could potentially, directly or indirectly, be considered to be a related party, must be approved by the Board regardless of the amount involved.

Directors, officers and employees are encouraged to report violations of the Code of Conduct on a confidential and, if preferred, anonymous basis, in accordance with the complaints procedure set out in the Code of Conduct or the Corporation's Whistleblower Policy. The Audit Committee may request special treatment for any complaint, including the involvement of the Corporation's external auditors or outside counsel or other advisors. All complaints are required to be documented in writing by the person(s) designated to investigate the complaint, who shall report

forthwith to the Chair of the Audit Committee. On an annual basis, or otherwise upon request from the Board, the Code of Conduct requires the Chair of the Audit Committee to prepare a written report to the Board summarizing all complaints received during the previous year, all outstanding unresolved complaints, how such complaints are being handled, the results of any investigations and any corrective actions taken.

A copy of the Corporation's Code of Conduct has been filed on and is accessible under the Corporation's profile on SEDAR at [www.sedar.com](http://www.sedar.com). A copy of the Code of Conduct and the Corporation's Internal Employee Alert Policy are also available on the Corporation's website at [www.orcagold.com](http://www.orcagold.com).

### **Corporate Governance and Nominating Committee**

The purpose of the Corporate Governance and Nominating Committee is to provide a focus on corporate governance that will enhance corporate performance, and to ensure on behalf of the Board and Shareholders that the Corporation's corporate governance system is effective in the discharge of its obligations to the Corporation's shareholders.

The Corporate Governance and Nominating Committee also has the responsibility of proposing nominees for director. The Committee considers the competencies and skills that the Board as a whole should possess, the competencies and skills of existing Board members and the competencies and skills of proposed new Board members. The Committee members utilize their extensive knowledge of the industry and personal contacts to identify potential nominees that possess the desired skills and competencies.

The duties and responsibilities of the Corporate Governance and Nominating Committee include, without limitation, the following:

- (a) to develop and monitor the Corporation's overall approach to corporate governance issues and, subject to approval by the Board, to implement and administer a system of corporate governance which reflects superior standards of corporate governance practices;
- (b) to report annually to the Corporation's Shareholders, through the Corporation's annual management proxy circular or annual report to Shareholders, on the Corporation's system of corporate governance and the operation of its system of governance;
- (c) to analyze and report annually to the Board the relationship of each director to the Corporation as to whether such director is a related director or an unrelated director; and
- (d) to advise the Board or any of the committees of the Board of any corporate governance issues which the Corporate Governance and Nominating Committee determines ought to be considered by the Board or any such committee.

The Corporation has adopted a formal written mandate for the Corporate Governance and Nominating Committee. The mandate provides that the Corporate Governance and Nominating Committee shall consist of at least three members of the Board, and should generally be composed entirely of "independent" directors within the meaning of NI 58-101. During the period January 1, 2020 to May 27, 2020, the Corporate Governance and Nominating Committee members were Messrs. Alexander Davidson (Chair), David Field and Robert Chase. Following Mr. Davidson's resignation from the Board on May 28, 2020, the members of the Committee were Messrs. Derek White (Chair), David Field and Robert Chase. At all times during the recently completed financial year, the members of the Committee were considered to be independent.

The Board appoints the members of the Corporate Governance and Nominating Committee for the ensuing year at its organizational meeting held in conjunction with each annual general meeting of the Shareholders of the Corporation. The Board may at any time remove or replace any member of the Corporate Governance and Nominating Committee and may fill any vacancy in the committee.

The Corporate Governance and Nominating Committee meets regularly each year on such dates and at such locations as the Chair of the committee determines. The Corporate Governance and Nominating Committee has access to such officers and employees of the Corporation and to such information respecting the Corporation and

may engage independent counsel and advisors at the expense of the Corporation, all as it considers to be necessary or advisable in order to perform its duties and responsibilities.

## Audit Committee

The principal purpose of the Audit Committee is to ensure that the Corporation’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 of the Corporation and to review the Corporation’s compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of material facts on financial and tax related matters.

The Corporation has adopted a formal written mandate for the Audit Committee, a copy of which was attached as Schedule “A” to the Corporation’s Annual Information Form dated April 29, 2021 and is available on the Corporation’s website at [www.orcagold.com](http://www.orcagold.com). The mandate provides that the Audit Committee shall consist of at least three members of the Board, all of whom shall be “independent” within the meaning of National Instrument 52-110 *Audit Committees* (“NI 52-110”). NI 52-110 provides that a member of an audit committee is “independent” if the member has no direct or indirect relationship with the issuer, which could, in the view of the Board, reasonably interfere with the exercise of the member’s independent judgment. The Corporation is relying upon the exemption provided by Part 6 of NI 52-110, which exempts venture issuers from the requirement to comply with the restrictions on the composition of its Audit Committee and the disclosure requirements of its Audit Committee in the form as prescribed by NI 52-110.

During the most recently completed financial year, the Audit Committee was composed of the following three independent and financially literate (3) directors:

Name	Independent/non-independent	Financially literate or not financially literate
CHASE, Robert (Chair)	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
FIELD, David	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
WHITE, Derek	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>

Notes to Audit Committee Table:

<sup>(1)</sup> A member of an audit committee is independent if the member has no direct or indirect material relationship with the Corporation, which could, in the view of the Board, reasonably interfere with the exercise of a member’s independent judgment.

<sup>(2)</sup> An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements.

## Relevant Education and Experience

A general description of the education and experience of each Audit Committee member which is relevant to the performance of his responsibilities as an Audit Committee member is contained in their respective biographies set out under “**Election of Directors – Principal Occupation/Biography**”.

The Audit Committee meets a minimum of four times a year, including to review the annual financial statements prior to their submission to the Board. The Audit Committee has direct communication channels with internal personnel responsible for financial statement preparation and with the Corporation’s external auditors. The Audit Committee may also engage independent counsel or other advisors at the expense of the Corporation, all as it considers to be necessary or advisable in order to perform its duties and responsibilities.

The Board appoints the members of the Audit Committee for the ensuing year at its organizational meeting held in conjunction with each annual general meeting of the Corporation’s Shareholders. The Board may at any time remove or replace any member of the Audit Committee and may fill any vacancy in the committee.

Fees billed by the Corporation's external auditors during 2020 and 2019, were as follows:

	Year ended December 31, 2020 (\$)	Year ended December 31, 2019 (\$)
Audit Fees <sup>(1)</sup>	98,100	63,500
Audit-Related Fees <sup>(2)</sup>	Nil	33,100
Tax Fees <sup>(3)</sup>	16,940	Nil
All Other Fees <sup>(4)</sup>	Nil	34,900
Total	115,040	131,500

Notes:

(1) The aggregate fees billed for audit services.

(2) The aggregate fees billed in connection with the review of the Corporation's quarterly financial statements.

(3) The aggregate fees billed for tax compliance, tax advice, and tax planning services.

(4) The aggregate fees billed for professional services other than those listed in the other categories.

## Compensation Committee

The principal purpose of the Compensation Committee is to implement and oversee compensation policies approved by the Board. The duties and responsibilities of the Compensation Committee include, without limitation, the following:

- (a) to recommend to the Board compensation policies and guidelines for the Corporation; and
- (b) to review and approve corporate goals and objectives relevant to the compensation of the Chief Executive Officer and, in light of those goals and objectives, to recommend to the Board the annual salary, bonus and other benefits, direct and indirect, of the Chief Executive Officer and to approve compensation for all other designated officers of the Corporation, after considering the recommendations of the Chief Executive Officer, all within the human resources and compensation policies and guidelines approved by the Board.

The Corporation has adopted a formal written mandate for the Compensation Committee. The mandate provides that the committee shall consist of at least three members of the Board, a majority of whom shall be "independent" within the meaning of the Governance Guidelines. During the period January 1, 2020 to May 27, 2020, the Compensation Committee members were Messrs. Alexander Davidson (Chair), Richard P. Clark and Derek White. Following Mr. Davidson's resignation from the Board on May 28, 2020, the members of the Committee were Messrs. David Field (Chair), Richard P. Clark and Derek White. At all times during the recently completed financial year, the members of the Committee were considered to be independent, except for Mr. Clark, the Corporation's Chief Executive Officer.

All members of the Compensation Committee have direct experience that is relevant to their responsibilities as Compensation Committee members. All of the members of the Compensation Committee have acted as directors and/or Officers for a public company, and therefore have a good understanding of how compensation works and how to motivate staff. All of the members have good financial understanding, which allows them to assess the costs versus benefits of compensation plans. The members combined experience in the resource sector provides them with the understandings of the Corporation's success factors and risks which is very important when determining the metrics for measuring success. The Corporation did not retain any compensation consultants or advisors during or since the year ended December 31, 2020.

The Board appoints the members of the Compensation Committee for the ensuing year at its organizational meeting held in conjunction with each annual general meeting of the Corporation's Shareholders. The Board may at any time remove or replace any member of the Compensation Committee and may fill any vacancy in the committee.

The Compensation Committee meets at least once annually on such dates and at such locations as the Chair of the Compensation Committee determines. The Compensation Committee has access to such officers and employees of the Corporation and to such information respecting the Corporation and may engage independent counsel or advisors at the expense of the Corporation, all as it considers to be necessary or advisable in order to perform its

duties and responsibilities. During the 2020 financial year, the Corporation did not engage independent counsel or advisors to assist the Compensation Committee in performing its duties and responsibilities.

### **Assessment of the Board**

In accordance with the Board's mandate, the Board, through its Corporate Governance and Nominating Committee, undertakes assessments of itself, its committees and each individual director's effectiveness and contribution.

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

None of the Corporation's directors or executive officers, or former directors or executive officers, nor any associate of such individuals, is as at the date hereof, or has been, during the financial year ended December 31, 2020, indebted to the Corporation or any of its subsidiaries in connection with a purchase of securities or otherwise. In addition, no indebtedness of these individuals to another entity has been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding of the Corporation or any of its subsidiaries.

### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Other than as set out below and in this Proxy Circular, other than transactions carried out in the ordinary course of business of the Corporation, none of the directors or executive officers of the Corporation, a director or executive officer of a person or company that is itself an informed person or subsidiary of the Corporation, nor any shareholder beneficially owning, directly or indirectly, Common Shares of the Corporation, or exercising control or direction over Common Shares of the Corporation, or a combination of both, carrying more than 10% of the voting rights attached to the outstanding shares of the Corporation nor an associate or affiliate of any of the foregoing persons has since January 1, 2020 (being the commencement of the Corporation's last completed financial year) any material interest, direct or indirect, in any transactions which materially affected or would materially affect the Corporation or any of its subsidiaries.

Share Purchase Agreement: On August 27, 2019, the Corporation concluded a corporate restructuring of its assets in Côte d'Ivoire that resulted in the creation of a new entity, Montage Gold Corp ("**Montage**"). Orca transferred all of its permits and permit applications in Côte d'Ivoire to Montage and subsequently entered into a share purchase agreement with Avant Minerals Inc ("**Avant**") pursuant to which Avant transferred its assets in Côte d'Ivoire and Burkina Faso and cash of \$3.8 million to Montage. Montage was then valued at \$24.8 million with Orca and Avant owning 60% and 40% of Montage, respectively. Given the Corporation's current board representation and ownership interest, it has significant influence, rather than control over Montage and Montage is no longer considered a subsidiary of the Corporation. As at the date hereof, the Orca holds approximately 31.5% of the issued and outstanding Common Shares of Montage (on a non-diluted basis).

Orca Investor Rights Agreement: On September 22, 2020, Orca and Montage entered into the Orca Investor Rights Agreement. The Orca Investor Rights Agreement provides Orca with, among other things: (i) the right to maintain its percentage interest in Montage upon certain equity issuances undertaken by Montage so long as its ownership interest of the outstanding Common Shares is at least 20%; (ii) demand and piggy-back prospectus registration rights; and (iii) the right to nominate three directors to the Board of Montage so long as its ownership interest of the outstanding common shares of Montage is at least 20% and the right to nominate one director to the Board of Montage so long as its ownership interest of the outstanding common shares is at least 15%.

Private Placement Financing: On June 2, 2020, the Corporation closed a non-brokered private placement financing (the "Private Placement") pursuant to which a total of 18,333,334 Common Shares were sold at a price of \$0.30 per share for gross proceeds of approximately \$5,550,000. Subscribers to the Private Placement included certain directors and officers of the Corporation, as well as Zebra Holdings and Investments Ltd. (as to 4,000,000 Common

Shares), Ross Beaty (as to 1,833,333 Common Shares) and Resolute Mining Limited (as to 4,000,000 Common Shares).

## **MANAGEMENT CONTRACTS**

Hugh Stuart Exploration Consultants Ltd. (“**HSEC**”) and Geodex Consultants Ltd. (“**Geodex**”) companies that are owned by Mr. Hugh Stuart, director and President of the Corporation, provide exploration services to the Corporation through consultancy services agreements. The Corporation paid \$17,457 to Geodex for exploration services rendered during the year ended December 31, 2020. HSEC also provides executive management services to the Corporation through a management agreement. Please refer to the Summary Compensation Table provided herein for the Corporation’s payments to HSEC for executive management services provided to the Corporation during the year.

Other than as described herein, management functions of the Corporation and its subsidiaries are performed by directors, executive officers or senior officers of the Corporation and not, to any substantial degree, by any other person with whom the Corporation has contracted.

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

### **Annual Approval of Stock Option Plan**

The Stock Option Plan governing the issuance of stock options was initially adopted at the annual general and special meeting held on December 21, 2012 and most recently ratified and confirmed by Shareholders at the annual general and special meeting of Shareholders held on May 28, 2020.

The following is a description of material terms of the Stock Option Plan.

1. In combination with the aggregate number of Common Shares which may be issuable under any and all of the Corporation’s equity incentive plans in existence from time to time, including the RSU Plan and DSU Plan, shall not exceed 10% of the issued and outstanding Common Shares of the Corporation 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 Corporation’s Common Shares traded through the facilities of the TSXV on the date prior to the date of grant, less allowable discounts, in accordance with the policies of the TSXV, provided that the option price shall not be less than CDN \$0.05 per share.
2. The board of directors shall not grant options to any one person in any one year which will exceed 5% of the issued and outstanding Common Shares of the Corporation, or to any consultant in any one year which will exceed 2% of the issued and outstanding Common Shares of the Corporation or in any one year period to those persons employed by the Corporation who perform investor relations services which will, in aggregate, exceed 2% of the issued and outstanding Common Shares of the Corporation, as calculated on the date that that option is granted.
3. Shares subject to, but not issued or delivered under an option which expires or terminates, shall again be available for option under the Stock Option Plan. The maximum term of any option is ten years.
4. If the option holder ceases to be an eligible person, being a bona fide consultant, a director, an employee or a management company employee in relation to the Corporation (as those terms are defined in Policy 4.4 of the TSXV) the option shall terminate no longer than 90 days after such person ceases to be in at least one of those categories, or if an optionee dies, within one year after the date of such death. Options granted to an option holder who is engaged in investor relations activities must expire within 30 days after the option holder ceases to be so engaged.
5. The options may be subject to such vesting schedule over time as the board of directors may, in their discretion, implement or as may be required by the TSXV. Options granted to consultants engaged to perform

investor relations activities must be subject to vesting requirement, whereby such options must vest in stages over a 12 month period, with no more than 25% of the Shares vesting in any three month period.

6. The options are non-assignable. The Corporation may withhold from the optionee or its agent, as the case may be, any amounts required by applicable legislation to be withheld for any taxes, or otherwise, as a consequence of such participation in the Stock Option Plan.
7. The Corporation must obtain disinterested shareholder approval for any grant of stock options to insiders within a 12 month period, of a number of options exceeding 10% of the issued share capital of the Corporation.
8. Specific disinterested shareholder approval is required to reduce the exercise price of an option for an optionee who is an insider.
9. The exercise price and the number of Common Shares which are subject to an option may be adjusted from time to time for share dividends, and in the event of amalgamation or merger.

The Corporation does not provide any financial assistance to participants in order to facilitate the purchase of Common Shares under the Stock Option Plan. As at the date of this Proxy Circular, there were options outstanding under the Stock Option Plan to acquire 8,600,000 Common Shares, representing approximately 3.4% of the Corporation's current issued and outstanding shares.

A copy of the Stock Option Plan may be inspected at the head office of the Corporation, Suite 2000, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8 during normal business hours and at the Meeting. In addition, a copy of the Stock Option Plan will be mailed, free of charge, to any holder of Common Shares who requests a copy, in writing, from the Corporate Secretary of the Corporation. Any such requests should be mailed to the Corporation, at its head office, to the attention of the Corporate Secretary.

The policies of the TSXV require that rolling plans be approved by shareholders on a yearly basis. Accordingly, Shareholders are being asked to pass an ordinary resolution to ratify and confirm the Stock Option Plan as adopted by the Board which permits the issuance of up to 10% of the issued and outstanding Common Shares of the Corporation from time to time. To be effective, the resolution must be passed by a simple majority of the votes cast thereon by Shareholders present in person or by proxy at the Meeting. If the resolution to approve the Stock Option Plan is not approved by Shareholders of the Corporation, all unallocated stock options will be cancelled and the Corporation will not be permitted to make any further grants until Shareholder approval is obtained.

Shareholders will be asked to pass an ordinary resolution, in substantially the following form to re-approve the Stock Option Plan.

**"BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:**

1. the Stock Option Plan as adopted by the Board, and as described in the Proxy Circular dated May 4, 2021, be and is hereby approved and ratified, and the Corporation be and is hereby authorized to reserve for issuance pursuant to the Stock Option Plan up to 10% of the issued and outstanding Common Shares from time to time;
2. the Board be and is hereby authorized on behalf of the Corporation to make any amendments to the Stock Option Plan as may be required by regulatory authorities or otherwise made necessary by applicable legislation, without further approval of the shareholders of the Corporation, in order to ensure the adoption and efficient function of the Stock Option Plan; and
3. any director or officer of the Corporation be and is hereby authorized and directed to do such things and to execute and deliver all such instruments, deeds and documents, and any amendments thereto, as may be necessary or advisable in order to give effect to the foregoing resolutions, and to complete all transactions in connection with the implementation of the Stock Option Plan."

**The directors of the Corporation believe the passing of the foregoing ordinary resolution is in the best interests of the Corporation and recommend that Shareholders of the Corporation vote FOR the Stock Option Plan resolution.**

The persons named as proxies in the enclosed Proxy intend to cast the votes represented by proxy in favor of the foregoing resolution unless the holder of Common Shares who has given such proxy has directed that the votes be otherwise cast.

#### **ANY OTHER MATTERS**

Management knows of no matter to come before the Meeting other than those referred to in the Notice of Annual General and Special Meeting and this Proxy Circular. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the Proxy to vote with regard to those matters in accordance with their best judgement.

#### **ADDITIONAL INFORMATION**

The Board approves the Corporation's annual Financial Statements and annual MD&A, interim quarterly reports to shareholders and the content of the Corporation's other significant public disclosure documents. These and other prescribed documents are available on Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com). The Corporation has also established and maintains a corporate website at [www.orcagold.com](http://www.orcagold.com) that includes, among other things, an investors section containing past annual and quarterly reports and press releases. Financial information regarding the Corporation is provided in the annual financial statements and annual MD&A for the period ended December 31, 2020. The Corporation will provide, at no charge to the shareholder, a copy of its latest Financial Statements and MD&A for the year ended December 31, 2020, interim quarterly reports for subsequent periods, and a copy of this Proxy Circular upon request to the Corporation as follows:

- (i) e-mail: info@orcagold.com
- (ii) telephone: 604-689-7842
- (iii) mail: Orca Gold Inc.  
2000 - 885 West Georgia Street  
Vancouver, BC V6C 3E8  
Attn: Corporate Secretary

#### **DIRECTORS' APPROVAL**

The contents and the distribution of this Proxy Circular to the Shareholders of the Corporation have been approved by the Board.

#### **BY ORDER OF THE BOARD OF DIRECTORS**

Dated: May 4, 2021

(Signed) Richard P. Clark  
Chief Executive Officer and Director