



## **Rathdowney Resources Ltd.**

### **NOTICE OF ANNUAL GENERAL MEETING AND INFORMATION CIRCULAR**

**For the Annual General Meeting of Securityholders to be Held on June 6, 2024**

*Unless otherwise stated, the information herein is given as of April 30, 2024*

**RATHDOWNEY RESOURCES LTD.**  
**Suite 1400 – 1040 West Georgia Street**  
**Vancouver, British Columbia, V6E 4H1**  
**Telephone No. (604) 684-6365**

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

TAKE NOTICE that the Annual General Meeting (the "Meeting") of Shareholders of **Rathdowney Resources Ltd.** (the "Company") will be held at Suite 1400 – 1040 West Georgia Street, Vancouver, British Columbia, on June 6, 2024 at 10:00 AM (Pacific Time) for the following purposes:

1. To receive the annual financial statements of the Company for its fiscal year ended December 31, 2023, the report of the auditor thereon and related management discussion and analysis (the "Financial Statements");
2. To set the number of directors of the Company at four;
3. To elect directors of the Company for the ensuing year;
4. To appoint the auditor of the Company for the ensuing year, and to authorize the directors to fix the auditors' remuneration;
5. To ratify and approve the Company New Share Option Plan, as described in the Information Circular prepared for the Meeting.

An Information Circular accompanies this Notice. The Information Circular contains further particulars of matters to be considered at the Meeting. The Meeting will also consider any permitted amendment to or variation of any matter identified in this Notice, and will transact such other business as may properly come before the Meeting or any adjournment thereof. Copies of the Financial Statements will be made available at the Meeting and are available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

**Shareholders who are unable to attend the Meeting in person and who wish to ensure that their shares will be voted at the Meeting are requested to complete, date and sign the enclosed form of proxy or another suitable form of proxy and deliver it in accordance with the instructions set out in the form of proxy and in the Information Circular.**

**Non-registered (beneficial) shareholders who plan to attend the Meeting must follow the instructions set out in the form of proxy or voting instruction form and in the Information Circular to ensure that their shares will be voted at the Meeting. If you hold your shares in a brokerage account you are not a registered shareholder.**

DATED at Vancouver, British Columbia, May 6, 2024.

BY ORDER OF THE BOARD

*/s/ Rene Carrier*

Rene Carrier  
Interim Chairman

## **RATHDOWNEY RESOURCES LTD.**

Suite 1400 – 1040 West Georgia Street  
Vancouver, British Columbia, V6E 4H1  
Telephone No. (604) 684-6365

### **INFORMATION CIRCULAR**

as at April 30, 2024, except as otherwise indicated

This Information Circular is furnished in connection with the solicitation of proxies by the management of Rathdowney Resources Ltd. (the "Company") for use at the annual general meeting (the "Meeting") of its shareholders to be held on June 06, 2024 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.

In this Information Circular, references to the "Company", "we" and "our" refer to Rathdowney Resources Ltd. "Common Shares" means common shares without par value in the capital of the Company. "Beneficial Shareholders" means shareholders who do not hold Common Shares in their own name and "intermediaries" refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

### **GENERAL PROXY INFORMATION**

#### **Solicitation of Proxies**

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

#### **Appointment of Proxyholders**

The individuals named in the accompanying form of proxy (the "Proxy") are officers and/or directors of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than the persons designated in the Proxy, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

#### **Voting by Proxyholder**

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the Proxy, the management appointee acting as a proxyholder will vote in favour of each matter identified on the Proxy and, if applicable, for the nominees of management for directors and auditors as identified in the Proxy.

#### **Registered Shareholders**

Registered shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. A registered shareholder may submit a proxy using one of the following methods:

- (a) complete, date and sign the Proxy and return it to the Company's transfer agent, Computershare Investor Services, Inc. ("Computershare"), by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail to 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 or by hand delivery at 2nd Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9; or
- (b) use a touch-tone phone to transmit voting choices to the toll free number given in the Proxy. Registered shareholders who choose this option must follow the instructions of the voice response system and refer to the enclosed Proxy for the toll free number, the holder's account number and the proxy access number; or
- (c) log on to Computershare's website at [www.investorvote.com](http://www.investorvote.com). Registered shareholders must follow the instructions provided and refer to the enclosed Proxy for the holder's account number and the proxy access number.

Whatever method a registered shareholder uses to submit their Proxy, they must ensure that the Proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof.

### **Beneficial Shareholders (Unregistered Shareholders)**

**The following information is of significant importance to shareholders who do not hold Common Shares in their own name.** Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares) or as set out in the following disclosure.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of intermediaries. In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of meetings of shareholders. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

Beneficial Shareholders should follow the instructions of their intermediary carefully to ensure that their Common Shares are voted at the Meeting.

The voting instruction form "VIF" supplied to you by your broker will be similar to the proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("Broadridge") in the United States and in Canada. Broadridge mails a VIF in lieu of a proxy provided by the Company. A Non-Registered Shareholder receiving a Broadridge proxy cannot use that proxy to vote Shares directly at the Meeting. The VIF will name the same persons as the Company's Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than any of the persons designated in the VIF, to represent your Common Shares at the Meeting and that person may be you. To exercise this right, insert the name of the desired representative (which may be you) in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting and the appointment of any shareholder's representative.

### **Rathdowney may utilize the Broadridge QuickVote™ service to assist eligible beneficial holders with voting their shares**

If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Common Shares voted or to have an alternate representative duly appointed to attend the Meeting and vote your Common Shares at the Meeting. Without specific

instructions, Intermediaries will be prohibited from voting for their clients. Please take time to provide your financial intermediary with your voting instructions.

### **Notice to Shareholders in the United States**

The solicitation of proxies involves securities of an issuer located in Canada and are being effected in accordance with the corporate laws of the Province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States Securities Exchange Act of 1934, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the corporate and securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the corporate and securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by Shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the Business Corporations Act (British Columbia), as amended ("BCA"), substantially all of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

### **Revocation of Proxies**

In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by:

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder's authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to the Company's transfer agent, Computershare, by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail to 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 or by hand delivery at 2nd Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or
- (b) personally attending the Meeting and voting the registered shareholder's Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

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

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year of the Company, 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 on at the Meeting, except as otherwise set out in this Information Circular.

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

The Board of Directors (the "Board") of the Company has fixed April 30, 2024 as the record date (the "Record Date") for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting. A quorum for the Meeting is one or more persons present and being, or representing by proxy, one or more shareholders entitled to attend and vote at the Meeting.

The Company is authorized to issue an unlimited number of Common Shares. As of the Record Date, there were 230,427,450 Common Shares issued and outstanding, each carrying the right to one vote. Except as described

below, no group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares of the Company.

To the knowledge of the directors and executive officers of the Corporation, the only person or corporation that beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Corporation as of the Record Date is

Shareholder Name	Number of Common Shares Held <sup>(1)</sup>	Percentage of Issued Common Shares
Copeland, David James	26,378,352	11.45%

Notes:

(1) The above information was derived from information publicly available at [www.sedi.ca](http://www.sedi.ca).

## FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company for the fiscal year ended December 31, 2023, report of the auditor, and related management discussion and analysis will be placed before the Meeting. These documents have been filed with the securities commissions or similar regulatory authorities in Alberta and British Columbia. Copies of the documents may be obtained upon request without charge from Investor Relations, Rathdowney Resources Ltd., 14<sup>th</sup> Floor, 1040 West Georgia Street, Vancouver, British Columbia, V6E 4H1, telephone: (604) 684-6365. These documents are also available through the Internet on SEDAR+ under the Company's profile at [www.sedarplus.ca](http://www.sedarplus.ca).

## VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein. If there are more nominees for election as directors or appointment of the Company's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed by acclamation.

## ELECTION OF DIRECTORS

The Company currently has four directors. The Board proposes that the number of directors be set at four. Shareholders will be asked to approve an ordinary resolution that the number of directors to be elected be fixed at five.

The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director's office is vacated earlier in accordance with the provisions of the BCA, each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

The Company's Articles include advance notice provisions (the "Advance Notice Provisions"). The Advance Notice Provisions provide Shareholders, directors and management of the Company with a clear framework for nominating directors. Among other things, the Advance Notice Provisions fix a deadline by which holders of Common Shares must submit director nominations to the Company prior to any annual or special meeting of Shareholders and sets forth the minimum information that a Shareholder must include in such notice to the Company for the notice to be in proper written form.

As of the date hereof, the Company has not received notice of any additional director nomination in compliance with the Advance Notice Provisions of the Company's Articles. If no nominations are received by the Company in compliance with these provisions prior to the Meeting, any nominations which are not by or at the direction of the Board, or an authorized officer of the Company, will be disregarded at the Meeting.

The following table sets out the names of management's four nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal

occupation, business or employment for the five preceding years for new director nominees, the period of time during which each has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at April 30, 2024.

<b>Name of Nominee; Current Position with the Company and Province and Country of Residence <sup>(1)</sup></b>	<b>Period as a Director of the Company</b>	<b>Common Shares Beneficially Owned or Controlled <sup>(1)</sup></b>
<b>Lena K. Brommeland</b> Senior Vice-President (“VP”), General Manager of Poland and Director British Columbia, Canada	Since November 2011	185,000 Common Shares
<b>Rene G. Carrier</b> <sup>(3)(4)(5)</sup> Director, Interim Chairman British Columbia, Canada	Since March 2011	423,855 Common Shares <sup>(2)</sup> 1,398,546 Deferred Share Units
<b>T. Barry Coughlan</b> <sup>(3)(4)(5)</sup> Director British Columbia, Canada	Since March 2011	70,000 Common Shares 1,741,238 Deferred Share Units
<b>Michael H. Nolan</b> <sup>(3)(4)</sup> Director Leinster, Ireland	Since March 2011	2,000,000 Common Shares 1,002,994 Deferred Share Units

Notes:

1. The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the knowledge of the Company's management and has been provided by the respective nominees.
2. 100,000 of these Common Shares controlled by Mr. Carrier are held through Euro American Capital Corporation, a private company controlled by Mr. Carrier.
3. Member of the Audit Committee.
4. Member of the Compensation Committee.
5. Member of the Nominating and Governance Committee.

A shareholder can vote for all of the above nominees, vote for some of the above nominees and withhold for other of the above nominees, or withhold for all of the above nominees. Unless otherwise instructed, the named proxyholders will vote FOR the election of each of the proposed nominees set forth above as directors of the Company.

None of the proposed nominees for election as a director of the Company are proposed for election pursuant to any arrangement or understanding between the nominee and any other person, except the directors and senior officers of the Company acting solely in such capacity.

### **Biographical Information**

The following information as to principal occupation, business or employment is not within the knowledge of the management of the Company and has been furnished by the respective nominees.

#### *Lena K. Brommeland – Senior VP, General Manager of Poland, and Director*

Ms. Brommeland has a BSc in geology and more than 20 years of experience in mineral project evaluation and on-site management of large-scale mineral projects, including the Pebble project located in Alaska and the Prosperity project in British Columbia. Ms. Brommeland is Executive Vice President of Project Services with HDI where she manages on-site drill programs, co-ordinates environmental planning and permitting, and develops community relations activities for exploration and feasibility-level projects associated to the HDI group of companies.

*Rene G. Carrier – Director, Interim Chairman*

Mr. Carrier has been the President of Euro-American Capital Corporation, a private investment company, since May 1991. He served as Vice-President of Pacific International Securities Inc. where he worked for ten years until 1991. He served as Lead Director of International Royalty Corp. ("IRC") from 2003 to 2010. IRC was a global mineral royalty company engaged in the acquisition and creation of natural resource royalties, which was acquired by Royal Gold Inc. in 2010. He also served as an independent director of various other public companies involved in the mining industry.

*T. Barry Coughlan – Director*

Mr. Coughlan is a self-employed businessman and financier who has been involved in the financing of publicly traded companies for over 25 years. His principal occupation is President and Director of TBC Ventures Ltd., a private investment company.

*Michael H. Nolan – Director*

Mr. Nolan is a Chartered Accountant and has worked in the junior resource sector, in various capacities, for 30 years. He has gained industry knowledge through founding, investment in and serving on the boards of a number of public exploration and mining companies, including Minmet PLC, Tiger Resource Finance PLC, Lapp Plats PLC, MeDa Vinci PLC and Gold Quest Mining Corp. In 2009 he was involved in the formation of Cove Energy plc ("Cove") which traded on AIM in London until it was acquired in 2012. He is currently Director and CFO of Discover Exploration Limited, a company involved in offshore oil and gas exploration and production and with interests in Netherlands and Germany.

**Orders, Bankruptcies, Penalties and Sanctions**

Within the last 10 years before the date of this Information Circular no proposed nominee for election as a director of the Company was a director or executive officer of any company (including the Company in respect of which this Information Circular is prepared) acted in that capacity for a company that was:

- (a) subject to a cease trade or similar order or an order denying the relevant company access to any exemptions under securities legislation, for more than 30 consecutive days;
- (b) subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under the securities legislation, for a period of more than 30 consecutive days;
- (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director;
- (d) subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) subject to any other penalties or sanctions imposed by a court or a regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

**APPOINTMENT OF AUDITOR**

DeVisser Gray LLP will be nominated at the Meeting for re-appointment as auditors of the Company at a remuneration to be fixed by the directors. DeVisser Gray LLP, were first appointed as the Company's auditor in January 2019.



## **AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR**

National Instrument 52-110 of the Canadian Securities Administrators ("NI 52-110") requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor. Such disclosure is set forth below:

### **The Audit Committee's Charter**

The Audit Committee's charter sets out the Audit Committee's mandate and responsibilities. The charter is contained in the Company's Corporate Governance Policies and Procedures Manual (the "Manual") in Appendix 6, which is available for viewing on the Company's website under Corporate Governance at <http://rathdowneyresources.com>.

### **Composition of the Audit Committee**

The members of the Audit Committee are Rene Carrier (Chair), Michael Nolan and Barry Coughlan. Each member of the Audit Committee is an independent director and is financially literate.

### **Relevant Education and Experience**

By virtue of his education and experience each member of the Audit Committee has:

- an understanding of the accounting principles used by the issuer to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the issuer's financial statements, or experience actively supervising individuals engaged in such activities; and
- an understanding of internal controls and procedures for financial reporting.

### **Audit Committee Oversight**

The Audit Committee did not make any recommendations to the Board to nominate or compensate any auditor other than DeVisser Gray LLP for the financial year ended on December 31, 2023.

### **Reliance on Certain Exemptions**

The Company's auditor, DeVisser Gray LLP, has not provided any material non-audit services for the financial year ended on December 31, 2023.

### **Pre-Approval Policies and Procedures**

Section 1(a) (iv) of the Audit Committee Charter states that the Audit Committee must review and approve in advance all permitted non-audit services with DeVisser Gray LLP and the Audit Committee may delegate the ability to pre-approve such services to a subcommittee, provided such subcommittee shall present its decision to the full Audit Committee at the following audit committee meeting. Other than the foregoing, the audit committee has not adopted specific policies and procedures for the engagement of non-audit services.

## External Auditor Service Fees

Nature of Services	Description of Services	Fees Paid to Auditor in Year Ended December 31, 2023	Fees Paid to Auditor in Year Ended December 31, 2022
Audit Fees	Include fees necessary to perform the annual audit and quarterly reviews of the Company's consolidated financial statements. Includes fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Also includes audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.	\$17,500	\$19,500
Audit-Related Fees	Include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.	—	—
Tax Fees	Include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". Includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.	—	—
All Other Fees	All other non-audit services.	—	—
<b>Total</b>		<b>\$17,500</b>	<b>\$19,500</b>

The Audit Committee has reviewed the nature and amount of the non-audited services provided by DeVisser Gray LLP for the year ended December 31, 2023 to the Company to ensure auditor independence. Fees incurred with DeVisser Gray LLP for audit and non-audit services in the most recent and previous fiscal years respectively for audit fees are outlined in the above table.

### Exemption

The Company is a "venture issuer" as defined in NI 52-110, and is relying upon the exemption set forth in section 6.1 of NI 52-110 with respect to Part 5 (Reporting Obligations) of NI 52-110.

## CORPORATE GOVERNANCE

### General

Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The Board is committed to sound corporate governance practices; as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

### Board of Directors

Applicable governance policies require that a listed issuer's board of directors determine the status of each director as independent or not, based on each director's interest in or other relationship with, the Company. Applicable governance policies recommend that a board of directors be constituted with a majority of directors who qualify as independent directors (as defined below). A board of directors should also examine its size with a view to determining the impact of the number of directors upon the effectiveness of the board of directors, and the board of directors should implement a system which enables an individual director to engage an outside advisor at the expense of the Company in appropriate circumstances. The Company's policies allow for retention of independent advisors for members of the board of directors when they consider it advisable.

Under the policies, an "independent" director is one who "has no direct or indirect material relationship" with the Company. Generally speaking, a director is independent if he or she is free from any employment, business or other relationship which could, or could reasonably be expected to, materially interfere with the exercise of the director's independent judgment. A material relationship includes having been (or having a family member who has been) within the last three years an employee or executive of the Company or having been employed by the Company's external auditor. Any individual (or whose family members or partners) received directly or indirectly, any consulting, advisory, accounting or legal fee or investment banking compensation from the Company (other than compensation for acting as a director or as a part time chairman or vice-chairman) is deemed to have a material relationship with the Company.

The independent members of the Board are Rene Carrier, Michael Nolan, and Barry Coughlan.

The non-independent director (and the reason she is not independent) is Lena Brommeland (provides management and geological services to the Company).

Barry Coughlan serves on the board of directors of another publicly traded company associated with a private management company, Hunter Dickinson Services Inc. ("HDSI"). HDSI is a private company which provides technical, geological, accounting and administrative services to several publicly traded resource companies. HDSI employs members of the executive management of these companies (of which the Company is one) and HDSI, in turn, invoices the companies for their share of these executive and director services as well as other services, including geological, accounting and administrative services, pursuant to annually set rates.

The Board monitors the activities of the senior management through regular meetings and discussions amongst the Board members and between the Board and senior management. Meetings of the independent directors are not held on a regularly scheduled basis, but communication between the independent directors occurs on an ongoing basis and as needs arise from regularly scheduled meetings of the Board or otherwise. The number of these meetings has not been recorded but it would be less than five in the financial year that commenced on January 1, 2023. The Board also encourages independent directors to bring up and discuss any issues or concerns and the Board is advised of and addresses any such issues or concerns raised thereby. The Board is of the view that its communication policy between senior management, members of the Board and shareholders is good. The Board believes that adequate structures and processes are in place to facilitate the functioning of the Board with a sufficient level of independence from the Company's management. The Board is satisfied with the integrity of the Company's internal controls and financial management information systems.

### **Directorships**

The following directors are also directors of the following public companies.

<b>Director</b>	<b>Public Company (Exchange)</b>
Rene G. Carrier	RE Royalties Ltd. (TSXV)
T. Barry Coughlan	Amarc Resources Ltd. (TSXV, OTCBB) Northcliff Resources Ltd. (TSX) Quadro Resources Ltd. (TSXV) Vatic Ventures Corp. (TSXV)
Michael H. Nolan	Tiger Royalties and Investments PLC (AIM)

### **Orientation and Continuing Education**

When new directors are appointed, they receive an orientation commensurate with their previous experience on the Company's properties, business, technology and industry and on the responsibilities of directors. The Company will focus on retaining experienced mining candidates as directors and hence the orientation needed should be minimized.

Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business.

### **Ethical Business Conduct**

The Board has published a Code of Ethics and Trading Restrictions, which deals with issues concerning ethical conduct and insists that all members of management of the Company, and all employees adhere to this code. The Code of Ethics can be viewed as Appendix 4 to the Manual available via the internet at <http://rathdowneyresources.com>. In addition, the Board has also found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation, the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest also ensure that the Board operates independently of management and in the best interests of the Company.

### **Nomination of Directors**

The Nominating and Governance Committee will consider the size of the Board each year when it considers the number of directors to recommend to the Board and shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience. The specific duties of the Nominating and Governance Committee are prescribed in the Nominating and Governance Committee Charter, which is set out as Appendix 8 to the Manual available via the internet at <http://rathdowneyresources.com>.

The members of the Nominating and Governance Committee are T. Barry Coughlan (Chairman) and Rene Carrier.

### **Compensation**

The Compensation Committee determines compensation for the directors and CEO, and its specific duties are prescribed in the Compensation Committee Charter, which is set out as Appendix 7 to the Manual available via the internet at <http://rathdowneyresources.com>. See Statement of Executive Compensation Discussion and Analysis below for more information concerning the Compensation Committee.

The Compensation Committee members are Barry Coughlan (Chairman), Rene Carrier, and Michael Nolan. See disclosure under "Biographical Information of Nominees for Director" for relevant education and experience of policies of the Compensation Committee.

### **Other Board Committees**

There are no committees of the Board other than the Audit Committee, the Compensation Committee, and the Nominating and Governance Committee.

### **Assessments**

The Board and the Nominating and Governance Committee monitor the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and its committees. Under its charter, the Nominating and Governance Committee oversees an annual formal assessment of the Board and all its committees.

## **STATEMENT OF EXECUTIVE COMPENSATION**

"Named Executive Officer" (an "NEO") means each of the following individuals:

- (a) a Chief Executive Officer ("CEO");
- (b) a Chief Financial Officer ("CFO");
- (c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and

- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company, nor acting in a similar capacity, at the end of the most recently completed financial year.

David J. Copeland (former Chairman, former Director, and former Interim President and CEO), Andrew Ing (CFO), and Lena Brommeland, (Senior VP and General Manager Poland and Director), are each NEO's of the Company for the purposes of the following disclosure.

## **Compensation Discussion and Analysis**

### *Compensation Committee*

The Company has established a Compensation Committee whose function it is to assist the Board in fulfilling its responsibilities relating to the compensation practices pertaining to the Company's executive officers.

The members of the Compensation Committee of the Company are Barry Coughlan (Chairman), Rene Carrier, and Michael Nolan. All members of the Compensation Committee are independent members of the Board.

The members of the Compensation Committee possess the skills and experience that enable the Committee to make decisions on the suitability of the Company's compensation policies and practices.

As a result of their education and experience, each member of the Compensation Committee has familiarity with, an understanding of, or experience in:

- (a) reviewing compensation philosophy including base compensation structures & incentive programs;
- (b) reviewing specific executive and director compensation;
- (c) administering of stock option and other equity based compensation plans and the determination of stock options grants; and,
- (d) reviewing performance goals and the assessments of corporate officers.

To achieve this purpose, the Compensation Committee's duties, responsibilities and authority include the following:

- (a) The Committee recommends to the Board the form and amount of compensation to be paid by the Company to directors for service on the Board and on Board committees. The Committee reviews director compensation at least annually;
- (b) The Committee annually reviews the Company's compensation philosophy including base compensation structure, incentive compensation, stock option and other equity-based compensation programs and recommends changes in or additions to such structure and plans to the Board as needed;
- (c) The Committee annually reviews and recommends to the Board the annual base compensation of the Company's CEO, executive officers and senior managers (collectively the "Officers");
- (d) The Committee recommends to the Board the annual corporate goals and objectives under any incentive compensation plan adopted by the Company for Officers and establishes incentive compensation participation levels for Officers under any such incentive compensation plan. In determining the incentive component of compensation, the Committee will consider the Company's performance and relative shareholder return, the values of similar incentives at comparable companies and the awards given in past years;
- (e) The Committee evaluates the performance of Officers generally and in light of annual corporate goals and objectives under any incentive compensation plan and recommends to the Board incentive compensation payable to Officers under any such incentive compensation plan;
- (f) The Committee periodically reviews with the Chairman and CEO their assessments of corporate officers and senior managers and succession plans, and makes recommendations to the Board regarding appointment of officers and senior managers;

- (g) The Committee administers the Company's stock option and other equity based compensation plans and determines the annual grants of stock options and other equity based compensation;
- (h) The Committee recommends to the nominating and governance committee the qualifications and criteria for membership on the compensation committee;
- (i) The Committee reviews all proposed material actions with respect to any pension plans adopted by the Company for approval by the Board;
- (j) The Committee provides oversight to the preparation of the Company's annual report to shareholders concerning executive compensation for inclusion in the Company's Information Circular;
- (k) The Committee retains such outside lawyers, consultants and advisors at the Company's expense, as it deems necessary from time to time to fulfill its duties and responsibilities; and
- (l) The Committee annually reviews the adequacy of the Compensation Committee Charter and recommends changes to the Board.

Mr. Coughlan (Chairman of the Compensation Committee) is a director and serves on the Compensation Committees of a number of public companies. Mr. Carrier has been a director of a number of public companies and has served on the Compensation Committee of a number of public companies. Mr. Nolan is a director of a public company and served as a director of a number of public companies.

### **Report on Executive Compensation**

This report on executive compensation has been authorized by the Board and the Board assumes responsibility for reviewing and monitoring the long-range compensation strategy for the senior management of the Company although the Compensation Committee guides it in this role. As part of its mandate, the Board determines the type and amount of compensation for the Company's executive officers. The Compensation Committee shall review competitive market information on compensation levels for executives. The Company's compensation policies and programs are designed to be competitive with similar junior mining exploration companies, and to recognize and reward executive performance consistent with the success of the Company's business.

#### *Philosophy and Objectives*

The compensation program for the senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including:

- (a) attracting and retaining talented, qualified and effective executives;
- (b) motivating the short and long-term performance of these executives; and
- (c) better aligning their interests with those of the Company's shareholders.

In compensating its senior management, the Company expects to employ a combination of base salary, bonus compensation and equity participation through its share option plan.

#### *Base Salary*

In the Board's view, paying base salaries that are competitive in the markets in which the Company operates is a first step to attracting and retaining talented, qualified and effective executives. The NEO's are paid a salary in order to ensure that the compensation package offered by the Company is in line with that offered by other companies in our industry, and as an immediate means of rewarding the NEO for efforts expended on behalf of the Company.

The salary to be paid to a particular NEO is determined by gathering competitive salary information on comparable companies within the industry from a variety of sources, including surveys conducted by independent consultants and national and international list publications. Payment of a cash salary fits within the objective of the compensation program since it rewards each NEO for performance of his or her duties and responsibilities. Compensation of the CEO is required to be approved annually by the Board. Base salary and bonus levels are determined taking into account independent market survey data.

Mr. Copeland, former director of HDSI, did not serve the Company solely on a full-time basis. Mr. Ing and Ms. Brommeland are employees of HDSI. The compensation amounts shown in the compensation tables herein reflect the amounts paid by the Company in respect of these individuals. Their compensation from the Company for time spent providing services is allocated based on time incurred (based on timesheets or other reasonable estimates) as follows: 53.37% (2022 – 48.77%, 2021 – 42.3%) for Ms. Brommeland and 9.14% (2022 – 17.82%, 2021 – 48.11%) for Mr. Ing. The compensation amount shown for Mr. Copeland is that which is paid to a private company controlled by Mr. Copeland for Mr. Copeland's technical and management services.

#### *Executive Compensation-Related Fees*

The Company obtained salary and bonus information through its affiliation with HDSI, and the receipt of such information was part of the overall services rendered by HDSI to the Company. No compensation was paid directly to HDSI or any compensation consultants in respect of executive compensation studies for the two most recently completed financial years.

#### *All Other Fees*

There were no other fees paid to any consultants or advisors relating to executive compensation.

#### *Bonus Compensation*

There are currently no formal performance goals or milestones set by the Company for executive bonus compensation. Bonus compensation is awarded at the discretion of the Board and the Board considers performance, shareholder benefits, competitive factors and other matters in awarding bonuses, including if sufficient cash resources are available for the granting of bonuses. No bonuses were paid in 2023 and 2022.

#### *Option-Based Awards*

The Company has a share option plan in place, which was established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. Management proposes share option grants to the Board based on such criteria as performance, previous grants, and hiring incentives. The share option plan is administered by the Compensation Committee of the Company and provides that options will be issued only to directors, officers, employees or consultants of the Company or a subsidiary of the Company. All grants require approval of the Compensation Committee.

Share options are granted to senior executives taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive factors. Options generally vest on terms established by the Compensation Committee.

Given the evolving nature of the Company's business, the Board and the Compensation Committee continue to review the overall compensation plan for senior management so as to continue to address the objectives identified above.

The Black-Scholes method is used to value stock options. The share price on the date of grant is used to value share units. Stock options provide employees with the opportunity to participate in the growth of the Company's share price as well as benefit from the favourable tax treatment applicable to this form of compensation. See disclosure under "Particulars of Matters to be Acted upon" for a description of the material terms of the Company's share option plan.

#### *Option Plan*

The Compensation Committee reviews the grants of share options to directors, management, employees and consultants. The Company has a share option plan in place, which was established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. Management proposes share option grants to the Board based on such criteria as performance, previous grants, and hiring incentives. The share option plan is administered by the Compensation Committee of the Company and provides that options will be issued only to directors, officers, employees or consultants of the Company or a subsidiary of the Company. All grants require approval of the Compensation Committee.

### *DSU Plan*

The Board of Directors approved a Deferred Share Unit Plan (“DSU Plan”) which was ratified by the Company’s shareholders at the 2016 AGM held on June 24, 2016. On April 21, 2020 the Board approved amendments to the DSU Plan to increase the maximum common share reserve to a maximum of 4 million and the Amended DSU Plan was ratified by the Company’s shareholder at the AGM held on June 5, 2020.

### *RSU Plan*

The Board of Directors approved a Restricted Share Unit Plan (the “RSU Plan”) which was ratified by the Company’s Shareholders at the 2017 AGM held on June 14, 2017.

### ***Compensation of Chief Executive Officer***

As noted above under the heading "Bonus Compensation", incentives that may be paid to the CEO and any other member of the executive or senior management team are determined in respect of the performance of individuals and management.

### *General*

The Compensation Committee considered the implications of the risks associated with the Company's compensation policies and practices and concluded that, given the nature of the Company's business and the role of the Compensation Committee in overseeing the Company's executive compensation practices, the compensation policies and practices do not serve to encourage any NEO or individual at a principal business unit or division to take inappropriate or excessive risks, and no risks were identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

There is a restriction on NEO's or directors regarding the purchase of financial instruments including 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. During the year ended December 31, 2023, no NEO or director, directly or indirectly, employed a strategy to hedge or offset a decrease in market value of equity securities of the Company granted as compensation or held.

### **Summary Compensation Table**

#### *Summary Compensation Table – NEO's*

Compensation paid to the NEO's for during the Company's three most recently completed financial year ended December 31, 2023, 2022 and 2021 is set out below and expressed in Canadian dollars unless otherwise noted.



Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-Equity incentive plan compensation		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans (\$)	Long-term incentive plans (\$)			
David J. Copeland <sup>(1)(2)</sup> Former Chairman, Director, and Interim President and CEO	2023	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2021	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Andrew Ing <sup>(3)</sup> CFO	2023	18,697	Nil	Nil	Nil	Nil	Nil	Nil	18,697
	2022	32,920	Nil	Nil	Nil	Nil	Nil	Nil	32,920
	2021	72,265	Nil	Nil	Nil	Nil	Nil	Nil	72,265
Lena Brommeland <sup>(4)</sup> Senior VP, General Manager of Poland and Director	2023	77,114	Nil	Nil	Nil	Nil	Nil	Nil	77,114
	2022	68,305	Nil	Nil	Nil	Nil	Nil	Nil	68,305
	2021	60,554	Nil	Nil	Nil	Nil	Nil	Nil	60,554

Notes:

1. Mr. Copeland, Chairman of the Board, assumed the role of interim President and CEO of the Company as a result of the resignation of the previous President & CEO which was effective January 15, 2020. Mr. Copeland is a director of HDSI and does not serve the Company solely on a full time basis. Due to health concerns, Mr. Copeland ceased to be the Company's Chairman, Director and Interim President and Chief Executive Officer on February 20, 2024.
2. Mr. Copeland provided services through CEC Engineering Ltd. Due to the market challenges being experienced by the junior mining sector, the directors of the Company agreed to suspend and accrued the payment of director fees. As a result no compensation was paid to CEC Engineering Ltd. by Rathdowney Resources Ltd for the year ending December 31, 2023 and 2022 respectively, unpaid compensation amounts to an estimated \$125,000 for the year ending 2023.
2. Mr. Ing does not serve the Company solely on a full-time basis, and his compensation from the Company is calculated based on an estimated percentage of his time spent providing services to the Company.
3. Ms. Brommeland does not serve the Company solely on a full-time basis, and her compensation from the Company is calculated based on an estimated percentage of her time spent providing services to the Company. The compensation amount was paid to HDSI in respect of Ms. Brommeland services.

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## Incentive Plan Awards

### *Outstanding Share-based Awards and Option-based Awards*

There were no awards to NEOs in the year ended December 31, 2023. The following table discloses the particulars of all awards for each NEO outstanding at the end of the Company's financial years ended December 31, 2023 including awards granted by the Company or any subsidiary of the Company before this most recently completed financial year:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of vested share-based awards not paid out or distributed (\$)
David J. Copeland Former Chairman, Director and Interim President and CEO	Nil	Nil	Nil	Nil	Nil	Nil
Andrew Ing CFO	Nil	Nil	Nil	Nil	Nil	Nil
Lena Brommeland Senior VP, General Manager of Poland, and Director	Nil	Nil	Nil	Nil	Nil	Nil

### *Value Vested or Earned During the Year*

The following table summarizes the value of each incentive plan award vested or earned by each NEO during the financial year ended December 31, 2023:

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
David J. Copeland Former Chairman, Director and Interim President and CEO	Nil	Nil	Nil
Andrew Ing, CFO	Nil	Nil	Nil
Lena Brommeland, Senior VP, General Manager of Poland and Director	Nil	Nil	Nil

## Pension Plan Benefits

The Company has no pension or deferred compensation plans for its directors, officers or employees.

## Termination and Change of Control Benefits

There is no written employment contract between the Company and any NEO except as described below:

Mr. Ing and Ms. Brommeland are employed by HDSI and are seconded to the Company.

Each of Mr. Ing and Ms. Brommeland have a change of control agreement with the Company. Under the change of control agreements for Ms. Brommeland upon termination without cause, including constructive dismissal, following a change of control, Ms. Brommeland would be entitled to receive a payment equal to two times her annual salary under her HDSI employment agreement.

Under the change of control agreement for Mr. Ing, upon termination without cause, including constructive dismissal following a change of control, Mr. Ing would be entitled to receive a payment equal to one time his annual salary payable under Mr. Ing’s HDSI employment agreement and any amounts payable under any incentive plan.

In addition to the foregoing, Mr. Ing and Ms. Brommeland would be entitled to receive any amount earned and payable under any Company incentive plan, or if no amount is earned for the year in question any incentive plan payment made in the previous year, and all stock options held thereby will fully vest and be exercisable until their normal expiry date.

Except as described herein there are no other compensatory plans or arrangements with respect to any NEO resulting from the resignation, retirement or any other termination of employment of the officer's employment or from a change of the NEO's responsibilities following a change in control.

## Director Compensation

### *Summary Compensation Table – Directors (excluding NEO's)*

The compensation provided to the directors, excluding all directors for whom disclosure as an NEO is presented above, for the Company's most recently completed financial year ended December 31, 2023 was:

Name	Fees earned (\$)	Share-based awards (\$) <sup>(1)</sup>	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Rene G. Carrier	29,040	Nil	Nil	Nil	Nil	3,000	32,040
T. Barry Coughlan	31,200	Nil	Nil	Nil	Nil	3,000	34,200
Michael H. Nolan	20,160	Nil	Nil	Nil	Nil	4,000	24,160

Notes:

- The Board has determined that each director of the Company would receive an annual retainer fee of \$16,800 (\$1,400 per month) in his or her capacity as a director. A director receives an additional annual fee of \$5,520 for serving as chairperson of any committee, or \$3,360 per annum for serving as a member of a committee. Directors are also reimbursed for transportation and other out-of-pocket expenses incurred for attendance at Board meetings and in connection with discharging their functions as director. Due to the market challenges being experienced by the junior mining sector, in 2017 the directors of the Company agreed to suspend the payment of director fees. In 2018, the Company agreed to issue DSU in lieu of directors fees. No DSUs were issued in the year ended December 31, 2023 and 2022 as the Company reached the 4 millions DSU limit.

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*Outstanding Share-based Awards and Option-based Awards*

The following table sets out all option-based awards and share-based awards outstanding as at December 31, 2023, for each director, excluding all directors for whom disclosure as an NEO is presented above:

Name	Option-based Awards			
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)
Rene G. Carrier	Nil	Nil	Nil	Nil
T. Barry Coughlan	Nil	Nil	Nil	Nil
Michael H. Nolan	Nil	Nil	Nil	Nil

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

The following table sets out the value vested or earned under incentive plans during the year ended December 31, 2022, for each director, excluding all directors for whom disclosure as an NEO is presented above:

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Rene G. Carrier	Nil	Nil	Nil
T. Barry Coughlan	Nil	Nil	Nil
Michael H. Nolan	Nil	Nil	Nil

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## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

See disclosure under *Statement of Executive Compensation – Equity Participation – Option Based Awards* concerning the Company’s Rolling Share Option Plan (the “Option Plan”) which was last approved and ratified by shareholders on October 13, 2022. The Plan has been established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. The Plan is administered by the Compensation Committee of the Company, and provides that options will be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company. The Plan provides that the number of Common Shares issuable under the Plan, including any issuance from the Company’s Deferred Share Unit and Restricted Share Unit plans (discussed below) may not exceed 10% of the total number of issued and outstanding Common Shares. All options expire on a date not later than 10 years after the date of grant of such option. See Particulars of Matters to be Acted On for further information with respect to the terms of the Plan.

The following table sets out equity compensation plan information as at the Company's December 31, 2023 financial year end:

### *Equity Compensation Plan Information*

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) <sup>1</sup>
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders	Nil (Options) 4,000,000 (DSU)	N/A (Options) N/A (DSU)	19,042,745 (Options)
Equity compensation plans not approved by securityholders	Nil	N/A	Nil
<b>Total</b>	<b>4,000,000</b>	<b>N/A</b>	<b>19,042,745</b>

Note:

- The number of securities remaining available for future issuance has been determined based on the maximum number of eligible Common Shares permitted to be issued under the Share Option Plan, the DSU Plan and the RSU Plan being, in the aggregate, 10% of the outstanding Common Shares as at December 31, 2023, and assuming no further DSUs or RSUs will be issued. Notwithstanding the foregoing, to the extent that any additional DSUs or RSUs are issued, the aggregate number of such additional DSUs and RSUs will be deducted from and reduce accordingly the number of available securities disclosed. The maximum number of DSUs outstanding from time to time may not exceed 4,000,000 of the number of outstanding Common Shares and the maximum number of RSUs outstanding from time to time may not exceed 2,000,000 of the outstanding Common shares.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company as of the end of the most recently completed financial year or as at the date hereof.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of management of the Company, no informed person of the Company, any proposed director of the Company, or any associate or affiliate of any informed person or proposed director, had any interest in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

## MANAGEMENT CONTRACTS

There are no management functions of the Company, which are to any substantial degree performed by a person or company other than the directors or executive officers of the Company except for services provided under a corporate services agreement dated July 2, 2010 between HDSI and the Company. HDSI is a private company which provides geological, corporate development, administrative and management services to, and incurs third

party costs on behalf of a group of several public and private mining companies, including Rathdowney, and its subsidiaries, and HDSI continues to provide these services.

For the year ended December 31, 2023, the Company accrued fees for HDSI and its affiliate of approximately \$601,317 (2022 - \$615,395, 2021 - \$650,244) for services rendered by HDSI, and \$243,338 (2022 – \$257,090, 2021 – \$242,421) for third party costs incurred by HDSI on the Company's behalf.

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

In addition to the annual matters requiring Shareholder approval which are described in detail above, the Company is seeking Shareholder approval to continuation of the Company Share Option Plan until the next annual shareholder meeting.

### **A. Share Option Plan**

#### **INTRODUCTION**

The Company has a Share Option Plan dated for reference May 25, 2011, (the “**2011 Plan**”). The principal purpose of the 2011 Plan is to advance the interests of the Company by encouraging the directors, employees and consultants of the Company and of its subsidiaries or affiliates, if any, by providing them with the opportunity, through options, to acquire Common Shares in the share capital of the Company, thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its affairs.

On November 24, 2021, the TSX Venture Exchange (the “**TSX-V**”) adopted a new policy 4.4 governing security based compensation. The changes to the policy generally relate to the expansion of the policy to cover a number of types of security based compensation in addition to stock options. On November 22, 2022, the TSX-V issued a Corporate Finance Bulletin whereby the Exchange Hold Period was applied to stock options granted to Consultants in addition to Insiders. The Company has adopted a new form of 10% rolling stock option plan in order to comply with the recent TSX-V policy changes (the “**New Plan**”).

The New Plan has been conditionally approved by the TSX Venture Exchange, subject to receipt of shareholder approval at the Company’s upcoming shareholder meeting scheduled for June 6, 2024 (the “**Meeting**”).

The New Plan provides that the aggregate number of securities reserved for issuance will be 10% of the number of Common Shares of the Company issued and outstanding from time to time.

The New Plan is administered by the Board of Directors of the Company, which has full and final authority with respect to the granting of all options thereunder.

Options may be granted under the New Plan to such service providers of the Company and its affiliates, if any, as the Board of Directors may from time to time designate. The exercise prices will be determined by the Board of Directors, but will, in no event, be less than the closing market price of Common Shares on (a) the trading day prior to the date of grant of the stock options; and (b) the date of grant of the stock options. All options granted under the New Plan will expire not later than the date that is ten years from the date that such options are granted. Options granted under the New Plan are not transferable or assignable other than by testamentary instrument or pursuant to the laws of succession.

As at April 30, 2024 there were 0 options outstanding under the 2011 Plan. As at April 30, 2024 there were 230,427,714 issued and outstanding Common Shares and accordingly, there are a further 23,042,771 Common Shares available for reserve for grant of options. If approved at the Meeting, all options issued under the 2011 Plan will be governed by the terms of the New Plan.

The Board is of the view that the New Plan permits the Company to attract and maintain the services of executives, employees and other service providers with other companies in the industry, and therefore will seek shareholder approval at the Meeting of the New Plan.

*Material Terms of the New Plan*

The following is a summary of the material terms of the New Plan that will remain from the 2021 Plan:

- (a) Persons who are Service Providers to the Company or its affiliates, or who are providing services to the Company or its affiliates, are eligible to receive grants of options under the New Plan;
- (b) Options granted under the New Plan are non-assignable and non-transferable and are issuable for a period of up to 10 years and the exercise price must be paid in full upon exercise of options;
- (c) For options granted to Service Providers, both the Company and the Service Provider must ensure that the proposed Optionee is a bona fide Service Provider of the Company or its affiliates;
- (d) An Option granted to any Service Provider will expire 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option), after the date the Optionee ceases to be employed by or provide services to the Company, but only to the extent that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Company;
- (e) If an Optionee dies, any vested option held by him or her at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such option;
- (f) In the case of an Optionee being dismissed from employment or service for cause, such Optionee's options, whether or not vested at the date of dismissal, will immediately terminate without right to exercise same;
- (g) The exercise price of each option will be set by the Board on the effective date of the option and will not be less than the Market Price (as defined in Policy 1.1 of the Policies);
- (h) Vesting of options shall be at the discretion of the Board, and will generally be subject to: (i) the Service Provider remaining employed by or continuing to provide services to the Company or its affiliates, as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or its affiliates during the vesting period; or (ii) the Service Provider remaining as a Director of the Company or its affiliates during the vesting period; and (i) in the event of a change of control occurring, all options subject to vesting provisions shall be deemed to have immediately vested, subject to the TSXV approval;
- (i) Vesting of options granted to Investor Relations Providers will vest over a period of not less than 12 months as to 25% on the date that is three months from the date of grant, and a further 25% on each successive date that is three months from the date of the previous vesting, or such longer vesting period as the Board may determine;
- (j) Subject to the requirements of the TSXV Policies and the prior receipt of any necessary Regulatory or Shareholder Approval, the Board may in its absolute discretion to amend, suspend, terminate or discontinue the New Plan with respect to all New Plan shares in respect of options which have not yet been granted under the New Plan.

- (k) The Company must not grant an option to any one director, officer, employee, or management company employees (the "Service Provider") in any 12 month period that exceeds 5% of the outstanding shares, unless the Company has obtained approval by a majority of the votes cast by the shareholders of the Company eligible to vote at a shareholders' meeting, excluding votes attaching to shares beneficially owned by Insiders and their Associates (defined below) ("Disinterested Shareholder Approval");
- a) The aggregate number of options granted to Investor Relations Service Providers in any 12 month period must not exceed 2% of the outstanding shares calculated at the date of the grant, without the prior consent of the TSXV;
  - b) The Company must not grant an option to any one consultant in any 12 month period that exceeds 2% of the outstanding shares, when combined with all of the Company's other Security Based Compensation Plans, calculated at the date of the grant of the option;
  - c) The Company is required to obtain Disinterested Shareholder Approval prior to any of the following actions becoming effective:
    - i. The New Plan, together with all of the Company's previous Share Compensation Arrangements (as defined in the New Plan), could result at any time in:
      - Common Shares being issuable to Insiders under the New Plan, when combined with all of the Company's other Security Based Compensation Plans, exceeding 10% of the Outstanding Shares;
      - Common Shares being issuable to Insiders under the New Plan, when combined with all of the Company's other Security Based Compensation Plans, exceeding 10% of the Outstanding Shares in any 12 month period;
    - ii. the issuance of an aggregate number of Common Shares issuable pursuant to Security Based Compensation granted or issued within any 12 month period to any one Participant exceeding 5% of the Outstanding Shares calculated at the date of grant or issue;
    - iii. a reduction in the exercise price of an Option granted hereunder to an Insider or an extension of the term of an Option granted hereunder benefiting an Insider; and
    - iv. any amendments that will increase the Company's ability to amend the New Plan without shareholder approval or any other amendment to an Option that would provide any benefit to an Insider of the Company.
- (l) A black-out period will be in place during which a restriction has been formally imposed by the Company, pursuant to its internal trading policies as a result of the bona fide existence of undisclosed material information, on all or any of its Participants whereby such Participants are prohibited from exercising, redeeming or settling their Options, provided that any black-out period must expire following the general disclosure of the undisclosed material information.

A copy of the New Plan will be available for inspection at the Meeting.

*Material Changes to the New Plan to conform with TSX Venture Exchange updated Policy 4.4 – Security Based Compensation ("Policy 4.4")*



The New Plan now includes the following:

- (a) the addition of certain definitions in the New Plan in accordance with Policy 4.4 definitions;
- (b) disinterested shareholder approval of any extensions to stock options granted to individuals that are Insiders at the time of the proposed amendment as set out in Section 4.12(c) Policy 4.4;
- (c) specific restrictions with respect to adjustments to security based compensation. Any adjustment to stock options granted or issued (except in relation to a consolidation or share split) is subject to the prior acceptance of the TSX Venture Exchange;
- (d) Investor Relations Service Providers may not receive any Security Based Compensation other than Stock Options; and
- (e) The TSX Venture Exchange four month hold period will now apply to Options granted to Consultants in addition to Options granted to Options granted to Insiders or granted at any discount to the Market Price.

The New Plan also allows for option holders to exercise options on a “Cashless Exercise” or “Net Exercise” basis, as now expressly permitted by Policy 4.4. “Cashless Exercise” is a method of exercising stock options in which a securities dealer loans funds to the option holder or sells the same shares as those underlying the option, prior to or in conjunction with the exercise of options, to allow the option holder to fund the exercise of some or all of their options. “Net Exercise” is a method of option exercise under which the option holder does not make any payment to the issuer for the exercise of their options and receives on exercise a number of shares equal to the intrinsic value (current market price less the exercise price) of the option valued at the current market price. Under Policy 4.4, the current market price must be the 5-day volume weighted average trading price prior to option exercise. “Net Exercise” may not be utilized by persons performing investor relations services.

### **Shareholder Approval**

At the Meeting, shareholders will be asked to consider, and if thought fit, approve an ordinary resolution to ratify, confirm and approve the New Plan (the “**Option Plan Ratification Resolution**”). The full text of the Option Plan Ratification Resolution is set out below. In order to be passed, the resolution requires the approval of a majority of the votes cast thereon by shareholders of the Company present in person or represented by proxy at the Meeting. The directors of the Company unanimously recommend that shareholders vote in favour of the Option Plan Ratification Resolution.

**RESOLVED** as an ordinary resolution that:

1. the New Plan dated for reference April 23, 2024, be ratified, confirmed and approved until the next annual general meeting of the Company;
2. the number of Common Shares of the Company reserved for issuance under the New Option Plan shall not exceed 10% of the Company’s issued and outstanding share capital as set out in the New Option Plan;
3. to the extent permitted by law, the Company be authorized to abandon all or any part of the New Option Plan if the Board deems it appropriate and in the best interest of the Company to do so; and
4. any one or more directors and officers of the Company be authorized to perform all such acts, deeds and things and execute, under seal of the Company or otherwise, all such documents as may be required to give effect to this resolution.”

An ordinary resolution is a resolution passed by the shareholders of the Company at a general meeting by a simple majority of the votes cast in person or by proxy. **In the absence of a contrary instruction, the persons named in the enclosed form of proxy intend to vote in favour of the above ordinary resolution.**

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available from Trevor Thomas, Secretary of the Company, at 14th Floor, 1040 West Georgia Street, Vancouver, British Columbia, V6E 4H1. Telephone (604) 684-6365. Copies of documents will be provided free of charge to security holders of the Company. The Company may require payment of a reasonable charge from any person or company who is not a security holder of the Company, who requests a copy of any such document.

#### **OTHER MATTERS**

The Board is not aware of any other matters which it anticipates will come before the Meeting as of the date of mailing of this Information Circular.

The contents of this Information Circular and its distribution to shareholders have been approved by the Board of the Company.

DATED at Vancouver, British Columbia, May 6, 2024.

BY ORDER OF THE BOARD

*/s/ Rene Carrier*

Rene Carrier  
Interim Chairman