

SCORPIO

Gold Corporation



www.scorpiongold.com

Unit 1 – 15782 Marine Drive,
White Rock, British Columbia, V4B 1E6 Canada

MANAGEMENT INFORMATION CIRCULAR FOR THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD

Monday, October 25th, 2021

Containing information as at September 20th, 2021

SOLICITATION OF PROXIES

This Management Information Circular (the “**Information Circular**”) is furnished in connection with the solicitation of proxies by the management of Scorpio Gold Corporation (the “**Company**” or “**Scorpio Gold**”) for use at the Annual General and Special Meeting (the “**Meeting**”) of the Company’s shareholders (the “**Shareholders**”) (and any adjournment(s) or postponement(s) thereof) to be held on October 25th, 2021, at the hour of 10:00 a.m. (PST), in the Company’s office located at Unit 1 – 15782 Marine Drive, White Rock, British Columbia.

While it is expected that the solicitation will be made primarily by mail, proxies may be solicited in person or by telephone by directors, officers and employees of the Company. All costs of this solicitation will be borne by the Company.

The contents and the sending of this Information Circular have been approved by the directors of the Company.

References to dollars (\$) in this Information Circular shall mean US dollars unless otherwise indicated.

PART 1 - VOTING

APPOINTMENT OF PROXYHOLDER

The individuals named in the accompanying form of proxy (the “**Proxy**”) are Brian Lock, Chief Executive Officer and Director of the Company, Doris Meyer, Corporate Secretary of the Company and Dan O’Brien, Chief Financial Officer of the Company. **A SHAREHOLDER OF THE COMPANY WISHING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR THE SHAREHOLDER AND ON THE SHAREHOLDER’S BEHALF AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY INSERTING SUCH PERSON’S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY AND STRIKING OUT THE TWO PRINTED NAMES, OR BY COMPLETING ANOTHER FORM OF PROXY.**

A vote cast in accordance with the terms of a proxy will be valid notwithstanding the previous death, incapacity or bankruptcy of the Shareholder or intermediary on whose behalf the proxy was given or the revocation of the appointment, unless written notice of such death, incapacity, bankruptcy or revocation is received by the chairman of the Meeting at any time before the vote is cast.

REVOCAION OF PROXY

A Shareholder who has given a Proxy may revoke it by an instrument in writing executed by the Shareholder or by the Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered to the Company's Registered Office at Unit 1 – 15782 Marine Drive, White Rock, B.C. V4B 1E6 (facsimile: +1 (604) 536-2788) at any time up to and including the last business day preceding the day of the Meeting or any adjournment of it or to the Chair of the Meeting on the day of the Meeting or any adjournment of it. A Proxy may also be revoked in any other manner permitted by law. A revocation of a Proxy does not affect any matter on which a vote has been taken prior to the revocation.

Only registered Shareholders have the right to revoke a Proxy. Non-Registered Holders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective intermediaries to revoke the Proxy on their behalf.

VALIDITY OF PROXY

A Proxy will not be valid unless it is signed by the Shareholder or intermediary or by the Shareholder's or intermediary's agent duly authorized in writing or, if the Shareholder or intermediary is a corporation, under its corporate seal and signed by an officer of the Shareholder or intermediary. The instrument empowering the agent, or a notarial copy thereof, should accompany the Proxy. The Proxy, if not dated, is deemed to be dated on the date mailed by the person making the solicitation.

JOINT HOLDERS

A Proxy given on behalf of joint holders must be executed by all of them and may be revoked only by all of them.

If more than one of several joint holders is present at the Meeting and they do not agree as to which of them is to exercise any vote to which they are jointly entitled, they will for the purpose of voting, be deemed not to be present.

DEPOSIT OF PROXY

A Proxy will not be valid unless it is completed, dated and signed and delivered by hand or mail to Computershare Investor Services Inc. at Proxy Dept., 100 University Avenue 8th Floor, Toronto, Ontario M5J 2Y1, or by fax to: (within North America) +1 (866) 249-7775 (outside North America) +1 (416) 263-9524, not less than 48 hours (excluding Saturdays and holidays) prior to the Meeting or to the Chair of the Meeting prior to the commencement of the Meeting. Proxies delivered after that time will not be accepted.

NON-REGISTERED HOLDERS OF SHARES

Only registered Shareholders of record as of the Meeting Record Date (as hereinafter defined) or duly appointed proxyholders are permitted to vote at the Meeting. Most Shareholders of the Company are "non-registered" Shareholders because the shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the shares. More particularly, a person is not a registered Shareholder in respect of shares which are held on behalf of such person (the "**Non-Registered Holder**") but which are registered either: (a) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Holder deals with in respect of the shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and directors or administrators of self-administered RRSP's, RRIFs, RESPs and similar plans); 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 accordance with the requirements of National

Instrument 54-101 (“**NI 54-101**”) of the Canadian Securities Administrators, the Company has distributed copies of the Notice of Meeting, this Information Circular and the Proxy (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials, or where there is a special meeting involving abridged timing under NI 54-101, will either:

- (a) be given a Proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the Non-Registered Holder, but which is otherwise not completed. Because the Intermediary has already signed the Proxy, this Proxy is not required to be signed by the Non-Registered Holder when submitting the Proxy. In this case, the Non-Registered Holder who wishes to submit a Proxy should otherwise properly complete the Proxy and **deliver it to Computershare Investor Services Inc.** as provided above; or
- (b) more typically, be given a voting instruction form which is not signed by the Intermediary, and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions (often called a “**proxy authorization form**”) which the Intermediary must follow. Typically, the proxy authorization form will consist of a one-page pre-printed form. Sometimes, instead of the one-page pre-printed form, the proxy authorization form will consist of a regular printed Proxy accompanied by a page of instructions, which contains a removable label containing a bar code and other information. In order for the Proxy to validly constitute a proxy authorization form, the Non-Registered Holder must remove the label from the instructions and affix it to the Proxy, properly complete and sign the Proxy and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In either case, this procedure permits Non-Registered Holders to direct the voting of the shares, which they beneficially own. Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the management proxyholders and insert the Non-Registered Holder’s name in the blank space provided. **In either case, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the Proxy or proxy authorization form is to be delivered.**

The Meeting Materials are not being sent to registered or beneficial owners using the Notice and Access procedures contained in NI 54-101. The Company is sending the Meeting Materials directly to non-objecting beneficial holders (as defined in NI 54-101). The Company will not pay for intermediaries to deliver the Meeting Materials to objecting beneficial holders (as defined in NI 54-101) and objecting beneficial holders will not receive the Meeting Materials unless their intermediary assumes the cost of delivery.

VOTING OF SHARES REPRESENTED BY PROXY AND EXERCISE OF DISCRETION

Voting at the Meeting will be by a show of hands, each Shareholder having one vote, unless a ballot or poll is requested or required in accordance with the Company’s By-Laws or the *Business Corporations Act* (British Columbia), in which case each Shareholder is entitled to one vote for each share held. **The Shares represented by a Proxy will be voted on any ballot or poll by the persons named in the Proxy, and, where a choice with respect to any matter to be acted upon has been specified in the Proxy, the Shares represented thereby will, on a ballot or poll, be voted or withheld from voting in accordance with the specifications so made. Where no choice has been specified by the Shareholder, such**

Shares will be voted in favour of the motions proposed to be made at the Meeting as described in this Information Circular.

A proxy in the enclosed form, when properly completed and delivered and not revoked, confers discretionary authority on the persons named proxyholders therein to vote on any amendments or variations of matters identified in the Notice of Meeting and on any other matters which may properly come before the Meeting. As of the date of this Information Circular, the management of the Company knows of no such amendment, variation or other matter which may be presented to the Meeting.

HOW A VOTE IS PASSED

Certain of the special business to be conducted at the Meeting as described in the attached Notice of Meeting requires approval by a special resolution, which is a resolution approved by a majority of not less than three-quarters (3/4) of the votes cast by shareholders who vote, in person or by proxy on the special resolution, at the Meeting. Any other matter that may be put forth at the Meeting which does not require approval by a special resolution will require a simple majority of greater than 50% of the votes cast by shareholders who vote, in person or by proxy on the ordinary resolution, at the Meeting.

PART 2 - VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized voting share capital of Scorpio Gold consists of an unlimited number of common shares. Each holder of common shares (the “Shares”) is entitled to one vote for each Share registered in his or her name at the close of business on September 20th, 2021, the date fixed by our directors as the record date (the “**Meeting Record Date**”) for determining who is entitled to receive notice of and to vote at the Meeting.

At the close of business on September 20th, 2021, there were 112,100,106 Shares outstanding. To the best knowledge of the directors and senior officers of the Company, except as noted below, no persons or corporations beneficially own, directly or indirectly, or exercise control or direction over, Shares carrying more than 10% of the voting rights attached to all outstanding Shares of the Company.

Shareholder	No. of Common Shares	% of outstanding Common Shares
Augusta Investments Inc.	29,031,250	25.90%

PART 3 - BUSINESS OF THE MEETING

1. FINANCIAL STATEMENTS

The audited financial statements and management discussion and analysis of Scorpio Gold for the fiscal year ended December 31, 2020, will be placed before you at the Meeting. These financial statements may be requested by completing the enclosed Financial Statement Request Form that accompanies this Information Circular, or they may be viewed on www.sedar.com or on the Company’s website www.scorpogold.com.

2. NUMBER OF DIRECTORS

At the Meeting, the Shareholders will be asked to pass an ordinary resolution to set the number of directors at five (5).

At the Meeting, the Shareholders will be asked to vote on a resolution to elect as directors the nominees

set out in the table below. **In the absence of contrary instructions, the persons named in the accompanying form of Proxy intend to vote the Shares represented thereby in favour of election to set the number of directors of the Company at five (5).**

3. ELECTION OF DIRECTORS

The board of directors of the Company (the “**Board**” or “**Board of Directors**”) presently consists of five directors and it is intended to fix the number of directors at five (5) for the ensuing year.

Directors of Scorpio Gold are elected for a term of one year and the term of office of each of the nominees proposed for election as a director will expire at the Meeting, and each of them, if elected, will serve until the close of the next annual general meeting, unless he resigns or otherwise vacates office before that time. The persons named below will be presented for election at the Meeting as management’s nominees, and unless otherwise instructed, the persons named in the accompanying form of proxy intend to vote for the election of each of these nominees. You can vote for all the nominees, vote for some of the nominees and withhold for others, or withhold for all of the nominees. Management does not contemplate that any of these nominees will be unable to serve as a director. Each director elected will hold office until the next annual general meeting of the Company or until his successor is elected or appointed, unless his office is earlier vacated in accordance with the Articles of the Company or the provisions of the *Business Corporations Act* (British Columbia).

Pursuant to the Advance Notice Policy adopted by the Board on April 23rd, 2013, which was approved by shareholders at the annual and special meeting of the Company held on June 25th, 2013 and is filed on SEDAR under the Company’s profile at www.sedar.com, any additional director nominees for the Meeting must have been received by the Company in compliance with the Advance Notice Policy on or before the close of business on September 20th, 2021. No additional director nominations were received.

On April 26, 2019, the Company entered into the convertible secured subordinated debenture indenture (the “**Indenture**”) with Computershare Trust Company of Canada (the “**Trustee**”) to govern the \$7,175,000 debentures (the “**Convertible Debentures**”) issued pursuant to a non-brokered private placement offering. The Convertible Debentures are secured by a security interest subordinate to all existing and future senior indebtedness of the Company as approved by the Company’s board of directors, subject to certain board composition requirements. The board composition requirements shall be met if at least half of the Board of Directors are nominees of the Lead Debentureholder, provided that Ian Dawson and Bruce Dawson shall be deemed to be the two of the three eligible nominees of the Lead Debentureholder. The Lead Debentureholders means collectively Ianco Holdings Ltd. and Matco Holdings Ltd.

At the Meeting, the Shareholders will be asked to vote on a resolution to elect as directors the nominees set out in the table below. **In the absence of contrary instructions, the persons named in the accompanying form of Proxy intend to vote the Shares represented thereby in favour of election to the Board of the nominees set out in the table below.**

The following table and notes thereto set out the names of each person proposed to be nominated by management for election as a director, the province in which he is ordinarily resident, all offices of the Company now held by him, his principal occupation or employment during the past five years if such nominee is not presently an elected director, the period of time for which he has been a director of the Company, and the number of Shares of the Company beneficially owned by him, directly or indirectly, or over which he exercises control or direction, as at the date hereof.

Name, Position(s), Province or State and Country of Residence ⁽¹⁾	Principal Occupation and if not present and elected director, occupation during last five-years ⁽¹⁾	Date Served as a Director Since	Ownership or Control Over Voting Shares Held ⁽²⁾
Brian Lock CEO and Director <i>British Columbia, Canada</i>	CEO of the Company.	June 11, 2009	2,283,927 ⁽⁶⁾ \$20,000 ⁽⁸⁾
Peter Brieger ^{(3) (4)} Director <i>Ontario, Canada</i>	Honorary Chairman of GlobelInvest Capital Management Inc., a portfolio management firm.	July 4, 2013	941,112 ⁽⁷⁾ \$-
Ian Dawson ^{(3) (4) (5)} Director <i>British Columbia, Canada</i>	President of Dawson Group Limited since 1995. The Dawson Group is primarily involved in Construction (1922), Road Maintenance (1988) and Truck Sales, Service and Leasing (1991).	October 30, 2019	3,322,627 ⁽⁹⁾ \$1,466,000 ⁽⁸⁾
Bruce Dawson ^{(4) (5)} Director <i>British Columbia, Canada</i>	Bruce Dawson, ASCT, is Chair of Dawkam Holdings Ltd., a consortium of construction and real estate assets.	May 21, 2020	2,394,811 ⁽¹⁰⁾ \$1,467,000 ⁽⁸⁾
Chris Zerga ⁽³⁾ Director <i>Nevada, U.S.A.</i>	President of the Company from August 10, 2016 until July 31, 2020 and a Director of the Company since August 2020. Director of NSJ Gold Corp since August 2020.	October 2, 2020	- \$-

Notes:

- (1) The information as to province or state and country of residence and principal occupation is not within the knowledge of the management of the Company and has been furnished by the respective directors individually.
- (2) The information as to the number of Shares beneficially owned by the nominees (directly or indirectly or over which control or direction is exercised) is not within the knowledge of the management of the Company and has been furnished by the respective directors individually.
- (3) Member of the Company's Audit Committee.
- (4) Member of the Company's Compensation Committee.
- (5) The Company has agreed with the Lead Debentureholders to nominate Messer's I. Dawson and B. Dawson as nominees for election as a director.
- (6) Of these Shares, an aggregate of 2,183,927 are held by Brian Lock, and 100,000 are held by Gillian Lock, the spouse of Mr. Lock. Mr. Lock has control or direction over these Shares.
- (7) Of these Shares, an aggregate of 614,465 are held by Peter Brieger, and 326,647 are held by Beverly Gwendolyn Hamblin, the spouse of Mr. Brieger. Mr. Brieger has control or direction over these Shares.
- (8) Position of held of the Convertible Debentures. Each Convertible Debenture is convertible into Shares at the option of the holder at any time prior to maturity at a conversion price of \$0.08 per Share, which is equivalent to 12,500 Shares for each \$1,000 principal amount of Convertible Debenture, subject to adjustment in certain circumstances.
- (9) These Shares and Convertible Debentures are held by Ianco Holdings Ltd., a private company controlled by Ian Dawson.
- (10) Of these Shares, 306,000 are held by Bruce Dawson and 2,088,811 Shares and the Convertible Debentures are held by Matco Holdings Ltd., a private company controlled by Bruce Dawson.

CEASE TRADE ORDERS AND BANKRUPTCY

No director or proposed director of Scorpio Gold is, as at the date of this Information Circular, or was within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including Scorpio Gold), that:

- (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days, that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days, that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No director or proposed director of Scorpio Gold, and no shareholder holding a sufficient number of securities of Scorpio Gold to affect materially the control of Scorpio Gold:

- (a) is, as at the date of this Information Circular, or has been within the 10 years before the date of this Information Circular, a director or executive officer of any company (including Scorpio Gold) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

No director or proposed director of Scorpio Gold, and no shareholder holding a sufficient number of securities of Scorpio Gold to affect materially the control of Scorpio Gold has been subject to:

- (a) 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
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

4. APPOINTMENT AND REMUNERATION OF AUDITOR

Davidson and Company, LLP, Chartered Professional Accountants have served as Auditor of the Company since August 30, 2017.

The Company's management recommends that shareholders vote FOR the appointment of Davidson and Company, LLP, Chartered Professional Accountants, as the Company's auditor for the ensuing year and grant the Board of Directors the authority to determine the remuneration to be paid to the auditor.

Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the appointment of Davidson and Company, LLP to act as our auditor until the close of our next annual general meeting and to authorize the Board of Directors to fix the remuneration to be paid to the auditor.

5. APPROVAL OF RENEWAL OF STOCK OPTION PLAN

The directors of the Company wish to have shareholders approve the renewal of its stock option plan (the “**2013 Option Plan**”) pursuant to which the Company may grant incentive stock options to directors, officers, employees, and consultants of the Company or any of its affiliates (“**Eligible Persons**”). In accordance with the rules and policies of the TSX Venture Exchange (the “**TSX-V**”), shareholders must each year approve the renewal of the 2013 Option Plan. The policies require that a stock option plan must specify a maximum number of shares issuable under it, which number can later be increased to a higher specified number only if authorized by the shareholders and accepted by the TSX-V. The 2013 Option Plan has been conformed to the TSX-V policies and is reported here on that basis:

The 2013 Option Plan permits the granting of options of up to 10% of the Shares of the Company issued and outstanding at the date of grant.

The directors are of the view that it is in the best interests of the Company to renew the 2013 Option Plan, which will enable the directors to grant options to Eligible Persons as a means of rewarding positive performance and providing incentive to attract and retain personnel to effectively manage the affairs of the Company.

To summarize, the 2013 Option Plan authorizes the Board of Directors to grant stock options to the Eligible Persons on the following terms:

1. The number of shares subject to each option is determined by the Board of Directors provided that the 2013 Option Plan, together with all other previously established or proposed share compensation arrangements may not, during any 12-month period, result in:
 - (a) the issuance of stock options to any one person, within that period, of a number of shares exceeding 5% of the issued shares of the Company;
 - (b) the issuance, within that period, to insiders of the Company of a number of shares exceeding 10%, or to one insider of a number exceeding 5%, or to a consultant of a number exceeding 2%; the aggregate number of shares granted to all eligible recipients employed to provide investor relations activities (as defined by the TSX-V) must not exceed 2% of the issued shares of the Company.
2. The aggregate number of shares which may be issued pursuant to options granted under the 2013 Option Plan, inclusive of options granted and outstanding under the previous stock option plan, may not exceed 10% of the issued and outstanding shares of the Company as at the date of the grant (after giving effect to the amendment described above).
3. The exercise price of options must be determined by the Board of Directors in compliance with applicable stock exchange policies.
4. The 2013 Option Plan provides that options are exercisable for ten years unless the Board of Directors provides for another exercise period when the options are granted in compliance with applicable stock exchange policies.

5. Options granted under the 2013 Option Plan are non-assignable and non-transferable. The options can only be exercised by the option holder as long as the option holder remains an Eligible Person pursuant to the 2013 Option Plan or within a period of not more than 90 days (30 days for providers of Investor Relations Activities) after ceasing to be an Eligible Person or, if the option holder dies or can no longer serve the Company due to disability, within the earlier of (a) a period following such death or disability equal to the period of such option holder's service to the Company, and (b) 365 days from the date of the optionee's death or disability.
6. The options granted pursuant to the 2013 Option Plan will be vested on a basis to be determined by the directors and may be vested immediately upon granting. For Eligible Persons conducting Investor Relations Activities options granted must vest in stages over a period of not less than 12 months with no more than ¼ of the options vesting in any three-month period.
7. On the occurrence of certain "substitution events" (including certain reorganizations, amalgamations, mergers or business combinations and takeover bids), all outstanding options will vest, except for options granted to Eligible Persons performing Investor Relations Activities, no acceleration of the vesting provisions on any options granted are permitted without prior TSX-V approval.
8. The 2013 Option Plan provides that the options of a deceased option holder expire on the earlier of (a) a period equal to the period the deceased option holder served the Company and (b) 365 days following death.
9. The 2013 Option Plan treats options held by employees who are no longer able to serve the Company due to disability the same way as options held by deceased option holders.
10. The 2013 Option Plan provides that if a consultant holding options becomes another kind of Eligible Person at the termination of a consulting contract - (e.g. if a consultant is hired as an employee), he or she will continue to hold the options granted when a consultant. Similarly, if an Eligible Person who is not a consultant becomes a consultant, he or she will continue to hold the options granted to him or her prior to becoming a consultant.
11. The Board of Directors has the discretion (subject to applicable stock exchange rules) to extend the expiry dates of options granted to consultants following the termination of a consulting agreement in the same way it can extend the expiry dates of options granted to other option holders following termination of service to the Company.

RECOMMENDATION

The Company is of the view that the 2013 Option Plan, provides the Company with the flexibility necessary to attract and maintain the services of senior management and other employees in competition with other companies in the mineral resource industry. A copy of the 2013 Option Plan will be available for inspection at the Meeting. A Shareholder may also obtain a copy of the 2013 Option Plan by contacting the Company at +1 (604) 536-2711. Directors shall also have the authority to amend the 2013 Option Plan to reduce the benefits to its participants if in their discretion it is necessary or advisable in order to obtain any necessary regulatory approvals.

SHAREHOLDER APPROVAL

The Company is asking its Shareholders to vote affirmatively on the following ordinary resolution to adopt and approve the 2013 Option Plan (the "**Option Plan Resolution**"):

"IT IS RESOLVED THAT, subject to regulatory approval, the 2013 Option Plan, authorizing the directors to grant options on shares totalling up to a maximum of 10% of the Company's Shares

issued and outstanding from time to time, as at the date of the relevant grant, be and it is hereby approved, together with all options granted thereunder as at the date hereof, and that the Board of Directors be and they are hereby authorized, without further shareholder approval, to carry out the intent of this resolution.”

If this resolution is approved by Shareholders, it is expected that the Board of Directors will in due course grant further options under the 2013 Option Plan as the Board deems fit in light of the overall compensation program and the relative efforts and contributions of the eligible participants under the 2013 Option Plan.

The Board of Directors recommend that Shareholders vote FOR the Option Plan Resolution. In the absence of contrary instructions, the persons named in the enclosed form of proxy intend to vote FOR the Option Plan Resolution. The discretionary authority granted by the enclosed proxy will be used by management to approve any amendments to the above resolution acceptable to it.

6. ADOPTION OF NEW ARTICLES

Adoption of New Articles

The Board has determined that it would be appropriate and in the best interests of the Company to replace its current Articles (the “**Existing Articles**”) in their entirety with a new form of Articles (the “**New Articles**”) attached hereto as Appendix “B”, subject to the acceptance of the Exchange, in order to bring the Existing Articles in line with the current provisions of the *Business Corporations Act* (British Columbia) (the “**BCBCA**”) and good corporate governance policies. The adoption of the New Articles will ensure that the Company’s Articles are up to date with the current legislation and standard practices with respect to the management and administration of a reporting issuer. A complete copy of the New Articles is attached as Appendix “B” hereto.

Comparison of Existing Articles to New Articles

The main differences between the Existing Articles and the New Articles are that the New Articles provide for each of the following provisions, whereas the Existing Articles do not: (i) flexibility to the Board to make certain alterations to the Company’s authorized share structure by way of directors’ resolution as opposed to the Company having to incur the additional costs of obtaining shareholder approval; (ii) allowing for a change of the Company’s name by directors’ resolution instead of by an ordinary resolution of the Shareholders; (iii) addition of “notice-and-access” as one of the ways in which notice can be provided; and (iv) expanded provisions on deemed receipt of notice to include other methods of notice, including electronic delivery; (v) an updated majority voting requirement with respect to special resolutions; and (vi) an updated quorum requirement. The following summary of the material differences between the Existing Articles and the New Articles, is qualified in its entirety by the full text of the New Articles as set out in Appendix “B”.

Under the New Articles, subject to the provisions of the BCBCA, the Company may, by resolution of the Board:

1. create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares;
2. increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares or establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established;
3. subdivide or consolidate all or any of its unissued, or fully paid issued, shares;

4. if the Company is authorized to issue shares of a class of shares with par value:
 - (a) decrease the par value of those shares, or
 - (b) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares,
5. change all or any of its unissued or fully paid issued shares with par value into shares without par value or all or any of its unissued shares without par value into shares with par value;
6. alter the identifying name of any of its shares; or
7. otherwise alter its shares or authorized share structure when required or permitted to do so by the BCBCA.

If the BCBCA does not specify the type of resolution and the Articles do not specify another type of resolution, the Company may by resolution of the directors or by ordinary resolution authorize any act of the Company. If the BCBCA does not specify the type of shareholders' resolution and the Articles do not specify another type of shareholders' resolution, the Company may by ordinary resolution authorize any act of the Company.

Under the Existing Articles, certain of the alterations described above require approval of the Shareholders by ordinary or special resolution. The New Articles allow the Company to make these alterations by directors' resolution without the Company having to incur the costs of calling and holding a meeting of Shareholders for this purpose.

Under the New Articles:

1. The majority of votes required for the Company to pass a special resolution at a meeting of shareholders is two-thirds of the votes cast on the resolution. Currently, the Existing Articles state that the majority of votes required for the Company to pass a special resolution at a meeting of shareholders is three-quarters of the votes cast on the resolution. A two-thirds majority for special resolutions is far more common for Canadian public companies.
2. Subject to the special rights and restrictions attached to the shares of any class or series of shares, the quorum for the transaction of business at a shareholder meeting is two shareholders who in person or by proxy, in the aggregate, hold at least 5% of the issued shares of the Company entitled to be voted at the meeting. Currently, the Existing Articles state that a quorum for a shareholder meeting is one person entitled to vote at the meeting whether present in person or by proxy who, in the aggregate, hold or represent at least 5% of the shares entitled to vote at the meeting, subject to the special rights and restrictions attached to the shares of any class or series of shares.
3. The Company may provide notice to a person by making the notice available for public electronic access in accordance with the procedures referred to as "notice-and-access" under National Instrument 54-101 and National Instrument 51-102, as applicable of the Canadian Securities Administrators, or in accordance with any similar electronic delivery or access method permitted by applicable securities legislation. Currently, there is no equivalent provision in the Existing Articles.
4. A notice that is faxed to a person is deemed to be received by such person on the day it was faxed. A notice that is e-mailed to a person is deemed to be received by such person on the

day it was e-mailed. A notice that is made available for public electronic access in accordance with the “notice-and-access” or similar delivery procedures is deemed to be received by a person on the day it was made available for public electronic access. Currently, there are no equivalent provisions in the Existing Articles.

Under the Existing Articles, the adoption of the New Articles requires approval by a special resolution of the Shareholders at a meeting called to consider the resolution. The shareholders of the Company will be requested at the Meeting to approve the adoption of the New Articles by passing the following special resolution (the “**New Articles Resolution**”), which requires approval of not less than three-quarters (3/4) of the votes cast by shareholders who vote, in person or by proxy on the special resolution, at the Meeting:

“BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:

1. the current Articles of Scorpio Gold Corporation (the “Company”) be cancelled;
2. the form of articles (the “New Articles”) attached as Appendix “B” to the Company’s management information circular dated September 20, 2021, be adopted as the articles of the Company in substitution for, and to the exclusion of, the current articles of the Company;
3. any officer or director of the Company is hereby authorized and directed for and on behalf of and in the name of the Company to execute, under the seal of the Company or otherwise, and to deliver, all documents, agreements and instruments and to do all such other acts and things, including delivering such documents as are necessary or desirable to the Registrar of Companies (British Columbia), as such officer or director, in his or her absolute discretion, determines to be necessary or desirable to give full effect to the foregoing resolution and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of any such documents, agreements or instruments or doing of any such act or thing; and
4. notwithstanding that this special resolution has been duly passed by the shareholders of the Company, the directors of the Company be and are hereby authorized and empowered to revoke this resolution at any time and to determine not to proceed with the New Articles Resolution without further approval of the shareholders of the Company.”

The Board considers the New Articles Resolution to be in the best interests of the Company and recommends that Shareholders vote FOR the New Articles Resolution. To be effective, the New Articles Resolution must be approved by not less than three-quarters of the votes cast by the Shareholders of the Company who vote in person or by proxy at the Meeting. In the absence of any contrary directions, it is the intention of management to vote proxies in the accompanying form FOR the New Articles Resolution.

PART 4 - EXECUTIVE COMPENSATION

Scorpio Gold’s statement of executive compensation for the year ended December 31, 2020, a copy of which was filed on Scorpio Gold’s profile on SEDAR on June 25th, 2021, is incorporated by reference in this Information Circular. A copy of Scorpio Gold’s statement of executive compensation for the year ended December 31, 2020, may also be obtained from Scorpio Gold, free of charge, by writing to Ben Meyer, Assistant Corporate Secretary of the Company, at ben@gocs.ca.

PART 5 – SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth information in respect of securities authorized for issuance under the Company's equity compensation plans as at December 31, 2020.

Plan Category	Number of securities to be issued on exercise	Weighted-average exercise price of outstanding securities	Number of securities available for future issuance
Equity compensation plans approved by shareholders ⁽¹⁾	7,355,000	C\$0.18	3,855,011
Equity compensation plans not approved by shareholders	-	-	-
Total	7,355,000	C\$0.18	3,855,011

Notes: The Stock Option Plan is detailed under the heading Part 3: Business of the Meeting – “Renewal of Stock Option Plan”.

PART 6 – AUDIT COMMITTEE DISCLOSURE

Under National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”), companies are required to provide disclosure with respect to their audit committee including the text of the audit committee's charter, composition of the audit committee and the fees paid to the external auditor. Accordingly, the Company provides the following disclosure with respect to its Audit Committee.

CHARTER OF THE AUDIT COMMITTEE

The Audit Committee has a charter that sets out its mandate and responsibilities. A copy of the charter is attached to this Information Circular as Appendix “A”.

COMPOSITION OF THE AUDIT COMMITTEE

The current members of the Audit Committee are Peter Brieger, Ian Dawson and Chris Zerga⁽¹⁾ all of whom are financially literate⁽²⁾.

(1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company which could, in the view of the Board of Directors, reasonably interfere with the exercise of a member's independent judgement. In accordance with NI 52-110,.

(2) 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 Company's financial statements.

RELEVANT EDUCATION AND EXPERIENCE

In accordance with NI-52-110 Peter Brieger, the Chair of the Audit Committee, and Ian Dawson are independent, and Chris Zerga having been a member of management within the prior three years is not considered to be independent. The relevant education and experience of such members is as follows:

PETER BRIEGER

Peter Brieger has over 50 years' experience in Canadian investment business as a securities research analyst, market strategist and portfolio manager. Mr. Brieger is the co-founder of GlobelInvest Capital Management Inc. and built it into a nationally recognized portfolio management firm where he is currently Honorary Chairman.

IAN DAWSON

Ian G. Dawson BA, MBA, President Dawson Group Limited. The Dawson Group is primarily involved in Construction (1922), Road Maintenance (1988) and Truck Sales, Service and Leasing (1991). Mr. Dawson is considered to be "financially literate" in that he has the ability to read and understand financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's consolidated financial statements.

CHRIS ZERGA

Chris Zerga has more than 35 years of mining experience through-out the USA., with a focus in Nevada. He has held several senior level executive positions, including General Manager and President of the Company until June 2020 and since August 2020 a director and General Manager of NSJ Gold Corp, active in Nevada and listed on the Canadian Securities Exchange and in the past with multiple major and junior mining companies. Mr. Zerga is well qualified to have the ability to read and understand financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's consolidated financial statements.

Based on their business and educational experiences, each Audit Committee member has a reasonable understanding of the accounting principles used by the Company; an ability to assess the general application of such principles in connection of the accounting for estimates, accruals and reserves; experience analyzing and evaluating financial statements that present a breadth and level of complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more individuals engaged in such activities; and an understanding of internal controls and procedures for financial reporting.

AUDIT COMMITTEE OVERSIGHT

At no time was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board of Directors.

RELIANCE ON CERTAIN EXEMPTIONS

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

During the most recently completed financial year, the Company has not relied on certain exemptions set out in NI 52-110, namely section 2.4 (De Minimis Non-audit Services), subsection 6.1.1(4) (Circumstance Affecting the Business or Operations of the Venture Issuer), subsection 6.1.1(5) (Events Outside Control of Member), subsection 6.1.1(6) (Death, Incapacity or Resignation), and any exemption, in whole or in part, in Part 8 (Exemptions).

PRE-APPROVAL POLICIES AND PROCEDURES

The Audit Committee is authorized by the Board of Directors to review the performance of the Company's external auditors and approve in advance provision of services other than auditing and to consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the Company. The Audit Committee is authorized to approve any non-audit services or additional work which the Chairman of the Audit Committee deems as necessary who will notify the other members of the Audit Committee of such non-audit or additional work.

EXTERNAL AUDITOR SERVICE FEES

Except as noted, all dollar amounts herein are in Canadian dollars. Fees, for professional services rendered by Davidson & Company LLP to the Company were:

	Fiscal Year Ended December 31, 2020 (\$)	Fiscal Year Ended December 31, 2019 (\$)
Audit Fees ⁽¹⁾	50,000	80,000
Audit Related Fees ⁽²⁾	Nil	Nil
Tax Fees ⁽³⁾	31,300	6,500
All other Fees ⁽⁴⁾	Nil	Nil

Notes:

- (1) "Audit Fees" represent the fees for the audit of the Company's consolidated financial statements for the fiscal year ended December 31, 2020, and December 30, 2019.
- (2) "Audit Related Fees" represent the fees for the review of the Company's interim consolidated financial statements and services normally provided by the accountant in connection with the Company's interim statutory and regulatory filings.
- (3) "Tax Fees" represent the fees for tax services consisting of tax compliance and tax planning and advice.
- (4) "All Other Fees" represent the fees for products and services not disclosed in (2), (3) or (4) above.

PART 7 - CORPORATE GOVERNANCE DISCLOSURE

On June 30, 2005, National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101") and National Policy 58-201 – *Corporate Governance Guidelines* ("NP 58-201") came into force in every province and territory in Canada. In addition, the Company is subject to NI 52-110 which has been adopted in various Canadian provinces and territories and which prescribes certain requirements in relation to audit committees and defines the meaning independence with respect to directors. These instruments and policies reflect current regulatory guidelines of the Canadian Securities Administrators ("CSA"). The following is a summary of Scorpio Gold's approach to Corporate Governance.

INDEPENDENCE OF MEMBERS OF BOARD

The Board of Directors consists of five directors, three of whom are independent based upon the tests for independence set forth in NI 52-110. Brian Lock is not independent he is the current Chief Executive Officer of Company. Chris Zerga is not independent as until July 31, 2020, he was the President of the Company. Peter Brieger, Ian Dawson and Bruce Dawson are independent.

MANAGEMENT SUPERVISION BY BOARD

The operations of the Company do not support a large board of directors and the Board has determined that the current size and constitution of the Board is appropriate for the Company's current stage of development. Independent supervision of management is accomplished through choosing management

who demonstrate a high level of integrity and ability, having strong independent Board members and implementing reporting mechanisms to inform the Board of management's operation of the Company. The independent directors are able to meet at any time without any members of management including the non-independent director being present.

DIRECTORSHIPS

Certain directors of the Company are also directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction as follows:

Name of Director	Directorships (other reporting issuer or equivalent in a foreign jurisdiction)
Brian Lock	San Summit Minerals Corp. (formerly San Marco Resources Inc)
Chris Zerga	NSJ Gold Corp

ORIENTATION AND CONTINUING EDUCATION

While the Company does not have formal orientation and training programs, new Board members are provided with:

1. access to recent, publicly filed documents of the Company, technical reports and the Company's internal financial information;
2. access to management and technical experts and consultants;
3. copies of all Company policies; and
4. a summary of significant corporate and securities law responsibilities.

Board members are encouraged to communicate with management, auditors, legal advisors and technical consultants, to keep themselves current with industry trends and developments and changes in legislation with management's assistance and to attend related industry seminars and visit the Company's operations. Board members have full access to the Company's records.

ETHICAL BUSINESS CONDUCT

The Board views good corporate governance as an integral component to the success of the Company and to meeting its responsibilities to shareholders. The Board has adopted a Code of Business Conduct and Ethics, as amended (the "Code"). The Code has been filed on SEDAR and is available under the Company's profile at www.sedar.com.

The Audit Committee ensures that all directors, officers and employees abide by the Code. The Audit Committee has not been advised of any conduct of the directors, officers or employees of the Company that constitutes a departure from the Code.

The Code has been developed to communicate to directors, officers and employees standards for business conduct in the use of Company time, resources and assets and, to identify and clarify proper conduct in areas of potential conflict of interest. Each director, officer and employee is provided with a copy of the Code, and if requested by the Company asked to sign an acknowledgement that the standards and principles of the Code will be maintained at all times on the Company's business.

The Code is designed to deter wrongdoing and promote (a) honest and ethical conduct; (b) compliance with laws, rules and regulations; (c) prompt internal reporting of Code violations; and (d) accountability for

adherence to the Code. Violations from standards established in the Code, and specifically under “Whistleblower” situations, are reported to the Chairperson of the Audit Committee and can be reported anonymously. The Chairperson of the Audit Committee will report to the Board any reported violations at least quarterly or, more frequently depending on the specifics of the reported violation. To date there have been no reported violations of the Code.

NOMINATION OF DIRECTORS

The Company has a Nomination and Corporate Governance Committee, the majority of the members which are directors independent of management, which has the responsibility for identifying potential Board candidates. The Nomination and Corporate Governance Committee assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. Members of the Board and representatives of the mineral exploration industry are consulted for possible candidates. If a candidate looks promising, the Nomination and Corporate Governance Committee will conduct due diligence on the candidate and, if the results of the due diligence are satisfactory, the candidate is invited to join the Board.

COMPENSATION OF DIRECTORS, THE CHIEF EXECUTIVE OFFICER AND OTHER KEY OFFICERS

The Company has a Compensation Committee, who until the date of this Meeting was composed of Peter Brieger, Ian Dawson and Bruce Dawson.

The Compensation Committee have the responsibility for determining compensation for the directors and senior management.

For a discussion of the factors considered by the Compensation Committee in determining the compensation payable to the Chief Executive Officer and other key officers, see “Part 4 – Executive Compensation”.

BOARD COMMITTEES

The Board has no other Committees.

ASSESSMENTS

The Board does not consider that formal assessments of the Board, its committees and individual directors would be useful at this stage of the Company’s development. The Board conducts informal annual assessments of the Board’s effectiveness, the individual directors and each of its committees. As part of the assessments, the Board or the individual committees may review its mandate and conduct reviews of applicable corporate policies.

PART 8 – OTHER INFORMATION

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS

Since January 1, 2020, the beginning of the Company’s last completed financial year, no current or former director, executive officer or employee of the Company, or of any of its subsidiaries, has been indebted to the Company or to any of subsidiaries, nor has any of these individuals been indebted to another entity which indebtedness is the subject guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth in this Information Circular, there are no material interests, direct or indirect, of any informed person of the Company, any proposed director of the Company, or any associate or affiliate of any informed person or proposed director 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

Management functions of the Company are not performed, to any substantial degree, by a person or persons other than the directors or executive officers of the Company.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Other than as set forth in this Information Circular, no person who has been a director or executive officer of the Company at any time since the beginning of the last financial year ended December 31, 2020, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of any of the foregoing, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon, other than the election of directors or the renewal of the Option Plan.

OTHER BUSINESS

Management of the Company is not aware of any other matters to come before the Meeting other than as set forth in the Notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the form of the Proxy to vote the Shares represented in accordance with their best judgment on the matter.

ADDITIONAL INFORMATION

You may obtain additional financial information about Scorpio Gold in our Financial Statements and Management's Discussion and Analysis for the fiscal year ended December 30, 2020, by completing the enclosed Financial Statement Request Form, which is being mailed with this Information Circular. Copies may be obtained free of charge upon request to the Company at Unit 1 – 15782 Marine Drive, White Rock, B.C. Canada V4B 1E6 – telephone: +1 (604) 536-2711, fax: +1 (604) 536-2788. You may also access our disclosure documents through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com or the Company's website at www.scorpogold.com.

BOARD APPROVAL

The contents of this Information Circular have been approved, and its mailing has been authorized by the Directors of the Company.

Dated at White Rock, British Columbia, this 20th day of September 2021.

ON BEHALF OF THE BOARD,

“Brian Lock”

Chief Executive Officer and Director

APPENDIX "A"

AUDIT COMMITTEE CHARTER

(Adopted by the Board of Directors on December 1, 2009)

A. PURPOSE

The overall purpose of the Audit Committee (the "**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 and related financial disclosure 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 financial information.

B. COMPOSITION, PROCEDURES AND ORGANIZATION

1. The Committee shall consist of at least three members of the Board of Directors (the "**Board**").
2. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
3. Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair and a secretary from among their number.
4. The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.
5. The Committee shall have access to such officers and employees of the Corporation and to the Corporation's external auditors, and to such information respecting the Corporation, as it considers to be necessary or advisable in order to perform its duties and responsibilities.
6. Meetings of the Committee shall be conducted as follows:
 - (a) the Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;
 - (b) the external auditors shall receive notice of and have the right to attend all meetings of the Committee; and
 - (c) management representatives may be invited to attend all meetings except private sessions with the external auditors.
7. The internal auditors and the external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Corporation as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

C. ROLES AND RESPONSIBILITIES

1. The overall duties and responsibilities of the Committee shall be as follows:
 - (a) to assist the Board in the discharge of its responsibilities relating to the Corporation's accounting principles, reporting practices and internal controls and its approval of the Corporation's annual and quarterly consolidated financial statements and related financial disclosure;
 - (b) to establish and maintain a direct line of communication with the Corporation's internal and external auditors and assess their performance;
 - (c) to ensure that the management of the Corporation has designed, implemented and is maintaining an effective system of internal financial controls; and
 - (d) to report regularly to the Board on the fulfilment of its duties and responsibilities.
2. The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:
 - (a) to recommend to the Board a firm of external auditors to be engaged by the Corporation, and to verify the independence of such external auditors;
 - (b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;
 - (c) review the audit plan of the external auditors prior to the commencement of the audit;
 - (d) to review with the external auditors, upon completion of their audit:
 - (i) contents of their report;
 - (ii) scope and quality of the audit work performed;
 - (iii) adequacy of the Corporation's financial and auditing personnel;
 - (iv) co-operation received from the Corporation's personnel during the audit;
 - (v) internal resources used;
 - (vi) significant transactions outside of the normal business of the Corporation;
 - (vii) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
 - (viii) the non-audit services provided by the external auditors;
 - (e) to discuss with the external auditors the quality and not just the acceptability of the Corporation's accounting principles; and

- (f) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management.
- 3. The duties and responsibilities of the Committee as they relate to the Corporation's internal auditors are to:
 - (a) periodically review the internal audit function with respect to the organization, staffing and effectiveness of the internal audit department;
 - (b) review and approve the internal audit plan; and
 - (c) review significant internal audit findings and recommendations, and management's response thereto.
- 4. The duties and responsibilities of the Committee as they relate to the internal control procedures of the Corporation are to:
 - (a) review the appropriateness and effectiveness of the Corporation's policies and business practices which impact on the financial integrity of the Corporation, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;
 - (b) review compliance under the Corporation's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Committee may deem appropriate;
 - (c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Corporation; and
 - (d) periodically review the Corporation's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.
- 5. The Committee is also charged with the responsibility to:
 - (a) review the Corporation's quarterly statements of earnings, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto;
 - (b) review and approve the financial sections of:
 - (i) the annual report to shareholders;
 - (ii) the annual information form;
 - (iii) annual and interim MD&A;
 - (iv) prospectuses;
 - (v) news releases discussing financial results of the Corporation; and
 - (vi) other public reports of a financial nature requiring approval by the Board, and report to the Board with respect thereto;

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

APPENDIX “B”

ARTICLES

(Adopted by the Board of Directors on September 20, 2021)