



ANNUAL GENERAL MEETING OF SHAREHOLDERS

TO BE HELD ON JULY 18, 2023

NOTICE OF MEETING AND  
MANAGEMENT INFORMATION CIRCULAR

Dated June 16, 2023

## NOTICE OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS

The Annual General Meeting of Shareholders (the “**Meeting**”) of Quebec Precious Metals Corporation (the “**Corporation**”) will be held by means of remote communication or in person at 800 Victoria Square, Suite 3500, Montreal, Québec, H4Z 1E9, on July 18, 2023 at 10:00 a.m. (Eastern Time), for the following purposes:

1. to present to shareholders the financial statements of the Corporation for the financial year ended on January 31, 2023, as well as the auditors' report thereon;
2. to elect the directors of the Corporation;
3. to appoint the auditors of the Corporation and to authorize the Board of Directors to fix the auditors' remuneration; and
4. to transact such other business that may properly come before the Meeting.

Shareholders of record at the close of business on June 13, 2023, (the “**Record Date**”) are entitled to receive notice of the Meeting, to act at the Meeting and express their voting rights. No person who becomes a shareholder after the Record Date will be entitled to vote or act at the Meeting or any adjournment thereof.

This year, the Corporation is conducting a hybrid Meeting, allowing for shareholder participation both online and in-person. Shareholders who hold their shares directly in their respective names (“**Registered Shareholders**”) and duly appointed proxyholders can attend the meeting in person at 800 Victoria Square, Suite 3500, Montreal, Québec, H4Z 1E9, or in virtual format via live webcast where they can participate, vote, and submit questions during the Meeting by registering before July 17, 2023, 10:00 a.m. (Eastern Time), at the following link:

<https://bit.ly/461WfQR>.

After registering and completing the online survey, you will receive a confirmation email with access instructions.

**To ensure a smooth process, the Corporation is asking registered participants to log in by 9:45 a.m. (Eastern Time) on July 18, 2023.**

**Attendance for the Meeting in-person will be strictly limited to Registered Shareholders and duly-appointed proxyholders, shareholders are encouraged to vote in advance of the Meeting by proxy or to participate remotely.** Just as for in-person attendance, Registered Shareholders and duly appointed proxyholders will be able to attend virtually the Meeting, participate, submit questions online and vote virtually, all in real time, provided they are connected to the internet and comply with all of the requirements set out in the accompanying information circular dated June 13, 2023, (the “**Circular**”).

Registered Shareholders who are unable to attend the Meeting, whether in-person or virtually, are requested to complete, sign and date the accompanying form of proxy in accordance with the instructions provided therein and in the Circular and return it in accordance with the instructions and timelines set forth in the Circular. Non-registered (or beneficial) shareholders who have not duly appointed themselves as proxyholder are only able to attend the Meeting virtually as “guests”, but will not be able to participate, submit questions or vote at the Meeting.

Shareholders who wish to appoint a third-party proxyholder to represent them at the Meeting (including non-registered shareholders who wish to appoint themselves as proxyholders to attend, participate and vote at the Meeting) MUST submit their duly completed form of proxy or voting instruction form AND register their proxyholder. Please see “Appointment of Proxyholder and Right of Revocation of Proxies” in the Circular.

If you are attending **virtually** the Meeting and are eligible to vote at the Meeting, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the Meeting. You should allow ample time to check into the Meeting online and complete the related procedure.

The forms of proxy or voting instruction forms to be used at the meeting must be delivered to Computershare Inc. (attorney service), 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1, before 5:00 pm (Eastern Time) on July 14, 2023. Form of proxy or voting instruction form may also be provided by internet or facsimile by following the instructions on the form of proxy.

Montreal, June 13, 2023

**By order of the Board of Directors**

(s) Normand Champigny

Normand Champigny, Chief Executive Officer

**QUEBEC PRECIOUS METALS CORPORATION**  
(the “Corporation”)

**INFORMATION CIRCULAR**

(Containing information as at June 13, 2023 unless indicated otherwise)

**SOLICITATION OF PROXIES**

The management of the Corporation solicits proxies to be used at the Annual General Meeting of shareholders of the Corporation (the “Meeting”) to be held by means of remote communication or in-person at 800 Victoria Square, Suite 3500, Montreal, Québec, H4Z 1E9, on July 18, 2023, at 10:00 a.m. (Eastern Time) and set forth in the attached Notice of Meeting and at any adjournment. The cost of this solicitation will be borne by the Corporation. Accordingly, the management of the Corporation has drafted this information circular (the “Circular”) that it is sending to all the security holders entitled to receive a Notice of Meeting.

Proxies will primarily be solicited by mail, but may also be solicited by e-mail, or telephone. Proxies may be solicited by employees, officers, directors or agents of the Corporation. The Corporation does not intend to remunerate anyone for soliciting proxies and will assume all related expenses. The Corporation has not retained the services of a third party for proxy solicitation. However, should it decide to do so, the fees paid to the person doing the solicitation are expected to be reasonable.

**Attendance for the Meeting in-person will be strictly limited to shareholders who hold their shares directly in their respective names ( “Registered Shareholders”) and duly-appointed proxyholders, shareholders are encouraged to vote in advance of the Meeting by proxy or to participate remotely.** Just as for in-person attendance, Registered Shareholders and duly appointed proxyholders will be able to attend virtually the Meeting, participate, submit questions online and vote virtually, all in real time, provided they are connected to the internet and comply with all of the requirements set out herein.

If you are unable to attend the Meeting in-person or virtually, you may complete and return the enclosed form of proxy following the instructions therein. All forms of proxy must be returned to the Corporate Secretary of the Corporation, c/o Computershare Trust Company of Canada, 1500 boul. Robert-Bourassa, 7th Floor, Montréal, Québec, Canada H3A 3S8, before 5:00 p.m. (Eastern Time) on July 14, 2023, or, in the case of adjournment or postponement of the Meeting, at least forty-eight (48) hours before the time of resumption or postponement (excluding Saturdays, Sundays and holidays). Voting instructions may also be provided by internet or facsimile by following the instructions on the form of proxy. The chair of the Meeting may waive the deadline for the filing proxies at his or her discretion without notice.

**PARTICIPATION IN THE MEETING**

This year, the Corporation is conducting a hybrid Meeting, allowing for shareholder participation both online and in-person. Registered Shareholders and duly appointed proxyholders can attend the meeting in person at 800 Victoria Square, Suite 3500, Montreal, Québec, H4Z 1E9, or in virtual format via live webcast where they can participate, vote, and submit questions during the Meeting by registering before July 17, 2023, 10:00 a.m. (Eastern Time), at the following link:

<https://bit.ly/461WfQR>.

After registering and completing the online survey, you will receive a confirmation email with access instructions.

**To ensure a smooth process, the Corporation is asking registered participants to log in by 9:45 a.m. (Eastern Time) on July 18, 2023.**

Only Registered Shareholders and duly appointed proxyholders will be able to attend, participate and vote at the Meeting. Non-registered shareholders who have not duly appointed themselves as proxyholder will not be able to vote or ask questions at the Meeting but will be able to participate as a "guest".

Shareholders who wish to appoint a third-party proxyholder to represent them at the Meeting (including non-registered shareholders who wish to appoint themselves as proxyholders to attend, participate and vote at the Meeting) MUST submit their duly completed form of proxy or voting instruction form AND register their proxyholder. Please see "Appointment of Proxyholder and Right of Revocation of Proxies" below.

If you are attending the Meeting and are eligible to vote at the Meeting, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the Meeting. You should allow ample time to check into the Meeting online and complete the related procedure.

### **QUORUM FOR THE TRANSACTION OF BUSINESS**

The Corporation's By-laws provide that the quorum at a meeting of the shareholders of the Corporation shall consist of two individuals, whether shareholders or proxyholders, personally present and representing personally or by proxy 5% of the issued and outstanding shares of the Corporation carrying the right to vote at the meeting.

### **APPOINTMENT OF PROXYHOLDER AND RIGHT OF REVOCATION OF PROXIES**

The persons named in the enclosed form of proxy are directors and officers of the Corporation. **A shareholder has the right to appoint as his or her proxy a person, who need not be a shareholder, other than those whose names are printed on the accompanying form of proxy.** A shareholder who wishes to appoint some other person to represent him or her at the Meeting may do so either by inserting such other person's name in the blank space provided in the form of proxy and signing the form of proxy or by completing and signing another proper form of proxy and send it to the Corporate Secretary of the Corporation, c/o Computershare Trust Company of Canada, 1500 boul. Robert-Bourassa, 7th Floor, Montréal, Québec, Canada H3A 3S8, before 5:00 p.m. (Eastern Time) on July 14, 2023, or, in the case of adjournment or postponement of the Meeting, at least forty-eight (48) hours before the time of resumption or postponement (excluding Saturdays, Sundays and holidays). Appointment of proxyholder may also be provided by internet or facsimile by following the instructions on the form of proxy.

A shareholder may revoke a proxy at any time by sending an instrument in writing executed by him or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized in writing, at the same address where the form of proxy was sent and within the delays mentioned therein, or two business days preceding the date the Meeting resumes if it is adjourned, or by modifying it online the day of the Meeting by following the instructions given per the Chairman of the Meeting.

### **EXERCISE OF DISCRETION BY PROXIES**

The management undertakes to respect the holder's instructions.

**In the absence of any indication by the mandator, the agent will exercise the right to vote IN FAVOUR of each question defined on the form of proxy, in the Notice of Meeting or in the Circular.**

**Unless otherwise specified herein, all resolutions will be adopted by a simple majority of the votes represented at the Meeting.**

Management does not know and cannot foresee at the present time any amendments or new points to be brought before the Meeting. If such amendments or new points were to be brought before the Meeting, the persons named in the enclosed form of proxy will vote on such matters in the way they consider advisable.

## ADVICE TO NON-REGISTERED SHAREHOLDERS

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

If you are a non-registered shareholder who wishes to attend, participate or vote at the Meeting, insert your own name in the space provided in the voting instruction form sent to you by your intermediary, follow any applicable instructions provided by the intermediary AND register yourself as a proxyholder as described above. In doing so, you are instructing the intermediary to appoint yourself as your proxyholder. It is important to follow the intermediary's instructions on how to sign and return the documents.

Regulation 54-101 *respecting Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**Regulation 54-101**”) of the Canadian Securities Administrators requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their common shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the form of proxy provided directly to Registered Shareholders by the Corporation. However, its purpose is limited to instructing the registered shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder.

In Canada, the vast majority of brokers now delegate responsibility of obtaining instructions from clients to Broadridge Financial Solutions Inc. (“**BFSI**”). BFSI typically prepares a machine-readable voting instruction form, mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to BFSI, or otherwise communicate voting instructions to BFSI (by way of the Internet or telephone, for example). BFSI then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. A Beneficial Shareholder who receives a BFSI voting instruction form cannot use that form to vote shares directly at the Meeting. The voting instruction forms must be returned to BFSI (or instructions respecting the voting of shares must otherwise be communicated to BFSI) well in advance of the Meeting in order to have the shares voted. If you have any questions respecting the voting of shares held through a broker or other intermediary, please contact your broker or other intermediary for assistance.

This Circular and accompanying materials are being sent to both Registered Shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories – those who object to their identity being known to the issuers of securities which they own (“**Objecting Beneficial Owners**”, or “**OBOs**”) and those who do not object to their identity being made known to the issuers of the securities they own (“**Non-Objecting Beneficial Owners**”, or “**NOBOs**”). Subject to the provision of Regulation 54-101 issuers may request and obtain a list of their NOBOs from intermediaries via their transfer agents. If you are a Beneficial Shareholder, and the Corporation or its agent has sent these materials directly to you, your name, address and information about your holdings of common shares have been obtained in

accordance with applicable securities regulatory requirements from the intermediary holding the common shares on your behalf. By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for delivering these materials to you and executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

The Corporation's OBOs can expect to be contacted by BFSI or their brokers or broker's agents, as set out above. The Corporation has agreed to pay the intermediaries for delivering the proxy-related materials and related voting instruction form to the OBOs.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting shares registered in the name of his or her broker (or his or her broker's agent), a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the shares as proxyholder for the registered shareholder by entering his or her own name in the blank space on the proxy form provided to him or her by his or her broker (or his or her broker's agent) and return it to that broker (or that broker's agent) in accordance with the broker's instructions (or the agent's instructions).

**All references to shareholders in this Circular, the enclosed form of proxy and the notice of meeting are to the Registered Shareholders unless specifically stated otherwise.**

## QUESTIONS

If you have questions about the information contained in this Circular or require assistance in completing your form of proxy, please contact Computershare, the Corporation's transfer agent, toll-free at 1-800-564-6253, or by e-mail at [service@computershare.com](mailto:service@computershare.com), or by mail at:

Computershare Investor Services Inc.  
1500 Robert-Bourassa Boulevard  
Montreal, Québec H3A 3S8

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

The Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any of the following persons in any matter to be acted upon at the Meeting, other than the election of directors:

- (a) each person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year;
- (b) each proposed nominee for election as a director of the Corporation; and
- (c) each associate or affiliate of any of the foregoing.

## AUTHORIZED CAPITAL STOCK, VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The authorized capital stock of the Corporation consists of an unlimited number of common shares without par value. Each common share of the Corporation confers upon its holder the right to one vote. As at the date hereof, there were 83,400,257 common shares of the Corporation issued and outstanding.

The board of directors of the Corporation (the "**Board**") fixed the close of business on June 13, 2023, as the record date (the "**Record Date**") for determining which shareholders shall be entitled to receive notice of the Meeting and to vote in person or by proxy at the Meeting or any adjournment thereof. Pursuant to the *Canada Business Corporations Act* (the "**CBCA**"), the Corporation is required to prepare, no later than ten (10) days after the Record Date, an alphabetical list of the shareholders entitled to vote as of the Record Date that shows the number of common shares held by each shareholder. A shareholder whose name appears on the list referred to above is entitled to vote the common shares shown opposite his or her

name at the Meeting. The list of shareholders is available for inspection during usual business hours at the head office of the Corporation and at the Meeting.

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 at June 13, 2023, is as set out in the following table:

Shareholder Name	Number of Common Shares Held <sup>(1)</sup>	Percentage of Issued Common Shares <sup>(2)</sup>
Newmont Corporation	10,541,042	12.64%

(1) This information was based on the insider reports made available at [www.sedi.ca](http://www.sedi.ca).

(2) Based on the 83,400,257 common shares issued and outstanding as of June 13, 2023.

## MATTERS FOR CONSIDERATION AT THE MEETING

### PRESENTATION OF FINANCIAL STATEMENTS

The Corporation's annual financial statements for the financial year ended January 31, 2023, and the auditors' report thereon will be presented at the Meeting but will not be subject to a vote.

### ELECTION OF DIRECTORS

The By-laws of the Corporation provide that the members of the Board are elected annually. Each director holds office until the next annual meeting of shareholders or until his successor is elected or appointed. The mandates of James Shannon, Normand Champigny, Wanda Cutler and Julie Robertson expire at the Meeting of July 18, 2023. Ms. Julie Robertson has elected not to present herself for re-election.

Management does not contemplate that any of the nominees will be unable to serve on the Board but, if this should occur for any reason prior to the Meeting, the person named in the enclosed form of proxy reserves the right to vote for another nominee at his discretion unless the shareholder has not indicated in the form of proxy his wish to exercise the voting rights attached to his common shares at the time of the election of the directors.

Set out below in tabular form, are the names of all individuals proposed to be nominated by the management of the Corporation as directors together with related information:

Name	Director since	Office held	Number of common shares controlled	Present occupation
James Shannon <sup>(1)</sup> <sup>(2)</sup> <sup>(3)</sup> Quebec, Canada	July 22, 2022	Director	931,000	President of Woodpark Capital Inc., Registered Portfolio Manager with BT Global Inc.
Normand Champigny <sup>(4)</sup> Québec, Canada	June 14, 2018	Chief Executive Officer and Director	277,000	Chief Executive Officer and Director of the Corporation, Director of Bonterra Resources Inc. and Director of Mining Matters

Name	Director since	Office held	Number of common shares controlled	Present occupation
Wanda Cutler <sup>(1) (2) (3)</sup> Toronto, Ontario	July 22, 2022	Director	207,563	Corporate Development Advisor and President of Cutler McCarthy
Geneviève Ayotte Québec, Canada	-	Nominated Director	-	Chief Financial Officer of Arianne Phosphate Inc.

- (1) Members of the Audit and Risk Management Committee.  
(2) Members of the Human Resources and Compensation Committee.  
(3) Members of the Governance and Nominating Committee.  
(4) Members of the Technical, Safety and Sustainability Committee.

Each nominee has supplied the information concerning the number of common shares over which he/she exercises control or direction.

Other than Ms. Geneviève Ayotte, all of the nominees whose names are hereinabove mentioned have previously been elected directors of the Corporation at a shareholders' meeting for which an information circular was issued. The following is a new proposed nominee:

*Geneviève Ayotte*

Ms. Ayotte, CPA, currently holds the position of Chief Financial Officer of Arianne Phosphate Inc. Outside of Ms. Ayotte's accounting profession, she also serves as President of Women in Mining- Montreal. Since 2008, Ms. Ayotte developed extensive mining knowledge, specifically in public accounting at PricewaterhouseCoopers LLP (PwC). Ms. Ayotte is a member of the Certified Professional Accountants of Quebec and graduated from HEC Montréal with a Bachelor's in Business Management and a D.E.S.S in public accounting (2008).

**Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions**

To the knowledge of the Corporation, except as disclosed below, none of the foregoing nominees for election as a director of the Corporation:

- (a) is, as at the date of this Circular, or has been within the last ten (10) years, a director, Chief Executive Officer, or Chief Financial Officer of any company that:
- (i) was the subject of a cease trade, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under applicable securities legislation, and which, in all cases, was in effect for a period of more than 30 consecutive days (an "Order"), which Order was issued while the director was acting in the capacity as director, chief executive officer, or chief financial officer of such company; or
  - (ii) was subject to an Order that was issued after the proposed Director 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 of such company; or
- (b) is, as at the date of this Circular, or has been within the last ten (10) years, a director or executive officer of any company that, while the proposed director 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

- (c) has, within the last ten (10) years, 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 his assets.

Ms. Wanda Cutler served as a director of Mammoth Resources Corp. ("**Mammoth Resources**") from July 2, 2015 to May 25, 2017. On June 2, 2016, Mammoth Resources announced that it was not able to file its annual financial statements and accompanying management's discussion and analysis for the financial year ended January 31, 2016 within the prescribed period for such filings, primarily as a result of additional time required to secure financing and, subsequently, for its auditor to complete the audit. Given the situation, Mammoth Resources made an application to the British Columbia Securities Commission (the "**BCSC**") for a management cease trade order (the "**MCTO**"), which MCTO was issued by the BCSC on June 1, 2016 restricting all trading in securities of Mammoth Resources by its CEO and CFO until the filing of the required records and the revocation of the MCTO by the BCSC. On August 10, 2016, the BCSC revoked the MCTO.

To the knowledge of the Corporation, none of the nominees for election as director of the Corporation 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 security holder in deciding whether to vote for a proposed director.

**You can vote for the election of all the candidates described above, vote for the election of some of them or vote against some of the candidates. Unless otherwise instructed, the persons named in the accompanying form of proxy will vote IN FAVOUR of the election of each of the candidates described above as director of the Corporation.**

Each director elected will hold office effective until the earlier of the next annual general meeting of the Corporation or his/her successor is duly elected or appointed in accordance with the CBCA and the By-Laws of the Corporation, unless his/her office is vacated earlier.

## **COMPENSATION OF EXECUTIVE OFFICERS AND DIRECTORS**

### **Compensation Discussion and Analysis**

#### ***Interpretation***

**"Named executive officer" ("NEO") means:**

- (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 an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of that financial year.

During the financial year ended January 31, 2023, the NEOs who are the subject of this Compensation Discussion and Analysis are Normand Champigny, Chief Executive Officer, and Robert Boisjoli, Chief Financial Officer. See “Summary Compensation Table” below for details of the total compensation received by the Named Executive Officers for the financial years ended January 31, 2023, January 31, 2022, and January 31, 2021.

### ***Compensation Program Objectives***

The Board, assisted by the Human Resources and Compensation Committee (the “**Compensation Committee**”), reviews and takes decisions on issues related to compensation of executive officers and directors, while ensuring that policies are sufficiently competitive to attract and retain talented individuals, and that executive compensation is in line with industry standards. The Compensation Committee and the Board recognize that the NEOs are essential to the Corporation's vision and mission and that compensation plays an important role in achieving the Corporation's short and long-term objectives, which ultimately supports its success.

### ***Purpose of the Compensation Program***

The Board, as a whole, ensures that total compensation paid to all NEOs is fair and reasonable and accomplishes the following long-term objectives:

- produce long-term, positive results for the Corporation's shareholders; and
- align executive compensation with corporate performance; and

The Board also relies on the experience of its members as officers and directors with other junior mining exploration companies in assessing compensation levels.

### ***Elements of Compensation Program***

The executive compensation program consists of a combination of base salary, bonus and stock option incentives.

### ***Purpose of Each Element of the Executive Compensation Program***

The base salary of an NEO is intended to attract and retain executives by providing a reasonable amount of non-contingent remuneration.

Bonuses and stock options are generally awarded to NEOs on an annual basis. The granting of stock options upon hire aligns NEOs' rewards with an increase in shareholder value over the long term.

### ***Determination of the Amount of Each Element of the Executive Compensation Program***

#### ***Intervention of the Board of Directors***

Compensation of the NEOs of the Corporation, other than the CEO, is reviewed annually by the CEO, who makes recommendations to the Compensation Committee, which in turn makes its recommendation to the Board. The Board reviews the recommendations of the Compensation Committee and approves the compensation of the NEOs based on the recommendations of the Compensation Committee. Compensation for the CEO is reviewed annually by Compensation Committee and the Board.

### *Base Salary*

The base salary review of each NEO takes into consideration the constraints under which the Corporation operates by virtue of the fact that it is a junior mining exploration company without a history of earnings, and the particular skills of the NEO. Base salary is not evaluated against a formal “peer group”. The Board relies on the general experience of its members in setting base salary amounts.

### *Short-Term Incentive Plan*

NEOs of the Corporation were eligible to receive discretionary cash bonuses or deferred share units or a combination (the “**Bonus**”) thereof as determined by the Board from time to time. On June 16, 2021, the Board adopted a short-term incentive plan (the “**Bonus Plan**”), which applies to officers, members of senior management and key employees.

The bonus available under the Bonus Plan depends on the achievement of pre-agreed criteria related to: (i) the general performance of the Company; (ii) the achievement of pre-agreed defined personal Key Performance Indicators (“**KPIs**”) having regard to the position and job description of the individual; and (iii) discretion of the Board based on the recommendations of the Compensation Committee.

The amount of the Bonus in any year is expressed as a percentage of the Base Salary. The Bonus is divided into 3 components: (i) the Corporation’s financial performance; (ii) the individual’s performance based on pre-agreed KPIs; and (iii) the discretion of the Board based on the recommendations of the Compensation Committee.

### *Long Term Incentive*

The Board has adopted a stock option plan and a deferred share unit plan, in order to incentivize and retain the Corporation NEO’s for their sustained contribution to the Corporation.

The Corporation has established a formal stock option plan under which stock options are granted to directors, officers, employees and consultants as an incentive to serve the Corporation in attaining its goal of improved shareholder value. The Board determines which NEOs (and other persons) are entitled to participate in the stock option plan, determines the number of options granted to such individuals, determines the date on which each option is granted and the corresponding exercise price. For further information regarding the stock option plan refer to “*Securities Authorized for Issuance Under Equity Compensation Plans - Stock Option Plan*”.

The Board makes these determinations subject to the provisions of the existing Plan and, where applicable, the policies of the TSX Venture Exchange (the “**Exchange**”).

### ***Link to Overall Compensation Objectives***

Each element of the executive compensation program has been designed to meet one or more objectives of the overall program.

The fixed base salary of each NEO, combined with the granting of stock options, has been designed to provide total compensation which the Board believes is competitive.

### ***External Compensation Consultants***

During the fiscal years ended January 31, 2023, and 2022, the Corporation did not retain the services of an executive compensation consultant to assist the Board in determining the compensation for any of the Corporation’s NEOs.

## Compensation Risk Management

The Board has not proceeded to an evaluation of the implications of the risks associated with the Corporation's compensation policies and practices. The Corporation has not adopted a policy forbidding directors or officers from purchasing financial instruments that are designed to hedge or offset a decrease in market value of the Corporation's securities granted as compensation or held, directly or indirectly, by directors or officers. The Corporation is not, however, aware of any directors or officers having entered into this type of transaction.

## COMPENSATION OF EXECUTIVE OFFICERS

### Summary Compensation Table

The following table presents information concerning all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, to NEOs by the Corporation and its subsidiaries for services in all capacities to the Corporation during the three most recently completed financial years:

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards <sup>(1)</sup> (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Normand Champigny Chief Executive Officer and Director	2023	171,426	-	19,843	-	-	-	-	191,269
	2022	200,478	-	45,802	69,825	-	-	-	316,105
	2021	208,050	79,800 <sup>(3)</sup>	49,570	-	-	-	-	337,420
Robert P. Boisjoli <sup>(2)</sup> Chief Financial Officer and Corporate Secretary	2023	100,740	-	6,323	-	-	-	-	107,063
	2022	60,000	-	-	-	-	-	-	60,000
	2021	16,613	-	23,175	-	-	-	-	39,788
Jean-François Meilleur <sup>(5)</sup> President and Director	2023	-	-	-	-	-	-	-	-
	2022	207,786	-	37,174	57,689 <sup>(6)</sup>	-	-	247,689 <sup>(6)</sup>	550,338
	2021	208,050	-	41,937	48,878 <sup>(4)</sup>	-	-	-	298,865

- (1) The fair value of each option granted is estimated at the date of grant using the Black-Scholes option-pricing model with the following weighted average assumptions: weighted average risk-free interest rate: 1.96% (0.62% - 2022 and 0.82% - 2021); weighted average expected volatility; 64.66% (82.16% - 2022 and 88.60% - 2021); weighted average expected life: 4.8 years (4.6 years - 2022 and 3.6 years - 2021); and weighted average expected dividend yield: 0% (0% - 2022 and 2021).
- (2) The Corporation paid no salary directly to Mr. Boisjoli. The amounts disclosed represent compensation paid to Robert Boisjoli & Associés S.E.C., a company which employs Mr. Boisjoli, for consulting services provided to the Corporation, as per the Boisjoli Consulting Agreement.
- (3) This amount represents a grant as at February 19, 2021 of 275,172 Deferred Share Units ("DSUs") for an aggregated value of \$79,800, in connection with Mr. Champigny's services for the financial year ended January 31, 2021, the whole in accordance with the Corporation's Deferred Share Unit Plan, see section "*Deferred Share Unit Plan*" below.
- (4) This amount represents a bonus paid in accordance with the Bonus Plan in the most recently completed financial year, in connection with the NEO's services for the same year. For a description of the Bonus Plan, see section "*Short Term Incentive Plan*" above.
- (5) Jean-François Meilleur ceased to be President and director of the Corporation on January 31, 2022.
- (6) Jean-François Meilleur received as termination payment: (i) \$57,689 as a bonus in accordance with the Bonus Plan in the completed financial year ended January 31, 2022 and (ii) \$247,689 as a termination payment under the Exit agreement, see section "*Termination and Change of Control Benefits*" for more details.

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

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the most recently completed financial year to the NEOs of the Corporation:

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 <sup>(1)</sup> (\$)	Number of common shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Normand Champigny	250,000	0.61	December 12, 2023	-	194,524 <sup>(2)</sup>	-	15,268 <sup>(2)</sup>
	275,000	0.35	July 11, 2024	-	275,172 <sup>(3)</sup>	-	79,800 <sup>(3)</sup>
	150,000	0.28	February 17, 2025	-	-	-	-
	300,000	0.29	February 19, 2026	-	-	-	-
	150,000	0.17	March 15, 2027	-	-	-	-
Robert P. Boisjoli	150,000	0.23	October 26, 2025	-	-	-	-
	90,000	0.17	March 15, 2027	-	-	-	-

- (1) "In-the-money options" means the excess of the market value of the common shares on January 31, 2023 (\$0.08) over the exercise price of the options.
- (2) Normand Champigny was granted 194,524 DSUs over the year ended January 31, 2023 for a fair value of \$15,268. As at January 31, 2023, the DSUs are vested but not exercised, see section "Deferred Share Unit Plan" below.
- (3) Normand Champigny was granted 275,172 DSUs on February 19, 2021 for a fair value of \$79,800. As at January 31, 2022, the DSUs are vested but not exercised, see section "Deferred Share Unit Plan" below.

## Incentive Plan Awards – Value Vested or Earned During the Most Recently Completed Financial Year

The following table presents information concerning value vested with respect to option-based awards and share-based awards for each NEO during the most recently completed financial year:

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 (\$)
Normand Champigny	5,411	-	<i>Refer to Summary Compensation Table above</i>
Robert P. Boisjoli	2,721		

## Pension Plan Benefits

The Corporation does not have a Defined Benefits Pension Plan nor a Defined Contribution Pension Plan.

## Termination and Change of Control Benefits

### *Normand Champigny, Employment Agreement*

Effective March 13, 2023 (the "Effective Date"), the Corporation entered into an employment agreement (the "Champigny Agreement") with Normand Champigny for his services as CEO of the Corporation.

The Champigny Agreement includes provisions regarding base salary, increases in base salary, eligibility for short-term and long-term incentives such as a bonus, stock option plan and deferred share unit plan and other benefits, amongst other things, the whole at the discretion of the Board and based on recommendations from the Human Resources and Compensation Committee of the Board (the “**Compensation Committee**”).

The employment of Mr. Champigny hereunder may be terminated by either the Corporation or Mr. Champigny, as the case may be, exercised by notice in writing at any time upon the occurrence of any of the following events, in which event Mr. Champigny's employment shall terminate upon the date specified in such notice:

- (a) by the Corporation for Cause (as defined in the Champigny Agreement);
- (b) by the Corporation without Cause, in which case Mr. Champigny will receive the following:
  - (i) within seven days of the date of termination, compensation in lieu of notice of termination, the whole in accordance with terms and conditions set out below:

<b>Years of service to the Corporation from the Effective Date</b>	<b>Lump sum</b>
Less than 1 year	6 months of base salary
More than 1 and up to 3 years	9 months of base salary
More than 3 years	12 months of base salary

- (ii) continuation, during a period of 6 months of any participation by Mr. Champigny in the benefit plans (excluding short-term disability and long-term disability benefits, if any, which shall cease on the date of termination) in which Mr. Champigny participated at the date of termination. The Corporation's obligation hereunder is conditional on Mr. Champigny continuing to pay his share, if any, of the premiums;
- (c) by the Corporation, in the event of a termination without Cause or a resignation due to Constructive Dismissal within 180 days of the date of a Change of Control (as defined in the Champigny Agreement) that occurs after the Effective Date, in which case Mr. Champigny will receive the following:
  - (i) a lump sum equal to 18 months of the base salary which sum shall be paid in a lump-sum within 7 days of the date of termination;
  - (ii) continuation, during a period of 18 months of any participation by Mr. Champigny in the benefit plans (excluding short-term disability and long-term disability benefits, if any, which shall cease on the date of termination) in which Mr. Champigny participated at the date of termination. The Corporation's obligation hereunder is conditional on Mr. Champigny continuing to pay his share, if any, of the premiums;
  - (iii) any unvested options previously granted to Mr. Champigny shall immediately vest as of the effective time of such termination;

(d) by Mr. Champigny, by giving 1 month notice to the Corporation and all remaining options will be vested at this date;

provided that, the Champigny Agreement shall automatically terminate without notice of any kind whatsoever upon the death of Mr. Champigny.

***Robert Boisjoli, Consulting Agreement***

Effective October 22, 2020, the Corporation entered into a consulting agreement (the “**Boisjoli Consulting Agreement**”) with Robert Boisjoli & Associés S.E.C. which provides that Robert Boisjoli & Associés S.E.C. will supply services through Robert Boisjoli by acting as Chief Financial Officer and Corporate Secretary of the Corporation.

The Boisjoli Consulting Agreement may be terminated by the Corporation or Mr. Boisjoli, at any time, for any reason, upon providing a 90-day written notice. If the Corporation terminates the Boisjoli Consulting Agreement for any reason, at any time, the Corporation will be responsible for 6 months of Monthly Fees (as such term is defined in the Boisjoli Consulting Agreement) beginning on the first day of the following month in which the Boisjoli Consulting Agreement has been terminated.

If the Boisjoli Consulting Agreement is terminated upon a Change of Control (as such term is defined in the Boisjoli Consulting Agreement) at any time, the Corporation will be responsible for a lump sum payment equal to 6 months of Monthly Fees beginning on the first day of the following month in which the Boisjoli Consulting Agreement was terminated.

***Jean-François Meilleur, Employment Agreement and Exit Agreement***

The Corporation entered into an employment agreement (the “**Meilleur Agreement**”) with Jean-François Meilleur for his services as President of the Corporation on July 1, 2019, and further amended on July 24, 2020. Mr. Meilleur resigned on January 31, 2022 as President and director of the Corporation. The Corporation and Mr. Meilleur executed an exit agreement, release and transaction (the “**Exit Agreement**”) on January 31, 2022 to effectively terminate the Meilleur Agreement.

Under the Exit Agreement, the Corporation agreed to pay the following amounts as severance payments to Mr. Meilleur:

- an amount of \$183,689 representing 12 months of Mr. Meilleur’s base salary;
- a bonus payment of \$57,689 for the fiscal year ended January 31, 2022;
- an additional payment of \$57,689 in consideration of certain conditions of the Exit Agreement; and
- an amount of \$7,307 representing 10 outstanding days of vacation due to Mr. Meilleur;

The Corporation granted to Mr. Meilleur a period of 12 months from January 31, 2022 to exercise any vested Options, after which date the Options will expire. The Corporation vested the 168,543 DSUs granted to Mr. Meilleur as of January 31, 2022 and paid a cash amount of \$48,878.

All amounts enumerated above are subject to applicable statutory deductions.

## DIRECTOR COMPENSATION

### Director Compensation Table

Compensation for the NEOs who are also directors of the Corporation has been disclosed in the “Summary Compensation Table” above. For the financial year ended January 31, 2023, the following table sets out the annual fees payable to the directors of the Corporation who were not executive officers:

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards <sup>(1)</sup> (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
James Shannon <sup>(2)</sup>	15,776	-	-	-	-	-	15,776
Wanda Cutler <sup>(3)</sup>	13,311	-	-	-	-	-	13,311
Julie Robertson <sup>(4)</sup>	26,057	-	13,186	-	-	-	39,243
John W.W. Hick <sup>(5)</sup>	19,873	-	2,551	-	-	-	22,424
Mario Caron <sup>(6)</sup>	13,500	-	483	-	-	-	13,983
Dominique Dionne <sup>(7)</sup>	11,750	-	483	-	-	-	12,233
Paola Farnesi <sup>(8)</sup>	13,000	-	2,606	-	-	-	15,606

(1) The fair value of each option granted is estimated at the date of grant using the Black-Scholes option-pricing model with the following weighted average assumptions: weighted average risk-free interest rate: 1.96% (0.62% - 2022 and 0.82% - 2021); weighted average expected volatility; 64.66% (82.16% - 2022 and 88.60% - 2021); weighted average expected life: 4.8 years (4.6 years – 2022 and 3.6 years – 2021); and weighted average expected dividend yield: 0% (0% - 2022 and 2021).

(2) James Shannon was appointed as director of the Corporation on July 22, 2022.

(3) Wanda Cutler was appointed as director of the Corporation on July 22, 2022.

(4) Julie Robertson was appointed as director of the Corporation on June 7, 2021.

(5) John W.W. Hick ceased to be a director after the annual general meeting of shareholders held on October 11, 2022.

(6) Mario Caron resigned as a director on July 22, 2022.

(7) Dominique Dionne resigned as a director on July 22, 2022.

(8) Paola Farnesi resigned as a director on July 22, 2022.

### Board of Directors or committee’s retainer

Board or committee	Annual cash retainer (\$)
Board of Directors (Independent Chair)	25,000
Board of Directors (Member)	20,000
Audit and Risk Management Committee (Chair)	4,000
Audit and Risk Management Committee (Member)	3,000
Governance and Nominating Committee (Chair)	2,000
Governance and Nominating Committee (Member)	1,500
Human Resources and Compensation Committee (Chair)	2,500
Human Resources and Compensation Committee (Member)	2,000
Technical, Safety and Sustainability Committee (Chair)	2,000
Technical, Safety and Sustainability Committee (Member)	1,500

The following table sets forth the attendance record for each director for the meetings held during the financial year ended January 31, 2023.

Directors	Board		ARMC <sup>(1)</sup>		HRCC <sup>(2)</sup>
	Attendance at meetings during the year	Attendance at meetings while in function	Attendance at meetings during the year	Attendance at meetings while in function	
James Shannon <sup>(3)</sup>	6 of 13	6 of 6	2 of 4	2 of 2	-
Normand Champigny	13 of 13	13 of 13	-	-	-
Wanda Cutler <sup>(3)</sup>	6 of 13	6 of 6	2 of 4	2 of 2	-
Julie Robertson <sup>(4)</sup>	13 of 13	13 of 13	4 of 4	4 of 4	-
John W.W. Hick <sup>(5)</sup>	9 of 13	9 of 9	-		1 of 1
Mario Caron <sup>(6)</sup>	7 of 13	7 of 7	2 of 4	2 of 2	1 of 1
Dominique Dionne <sup>(6)</sup>	7 of 13	7 of 7	-		1 of 1
Paola Farnesi <sup>(6)</sup>	7 of 13	7 of 7	2 of 4	2 of 2	-

- (1) Audit and Risk Management Committee (Members: Before July 22, 2022: Paola Farnesi (Chair), Mario Caron and Julie Robertson/After July 22, 2022: Julie Robertson (Chair), James Shannon and Wanda Cutler).
- (2) Human Resources and Compensation Committee: (Members: Before July 22, 2022: Mario Caron (Chair), John Hick and Paola Farnesi/After October 11, 2022: Wanda Cutler (Chair), James Shannon and Julie Robertson).
- (3) James Shannon and Wanda Cutler were appointed as directors of the Corporation on July 22, 2022.
- (4) Julie Robertson was appointed as director of the Corporation on June 7, 2021.
- (5) John W.W. Hick ceased to be a director after the annual general meeting of shareholders held on October 11, 2022.
- (6) Mario Caron, Dominique Dionne and Paola Farnesi resigned as directors on July 22, 2022.

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

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the most recently completed financial year ended January 31, 2023, to the directors of the Corporation:

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 <sup>(1)</sup> (\$)	Number of common shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of share-based awards that have not vested (\$)
James Shannon <sup>(2)</sup>	-	-	-	-	-	-	-
Wanda Cutler <sup>(2)</sup>	-	-	-	-	-	-	-
Julie Robertson <sup>(3)</sup>	150,000 75,000	0.30 0.17	June 11, 2026 March 15, 2027	- -	- -	- -	- -
John W.W. Hick <sup>(4)</sup>	150,000 175,000 90,000 100,000	0.61 0.35 0.28 0.29	October 11, 2023 October 11, 2023 October 11, 2023 October 11, 2023	- - - -	- - - -	- - - -	- - - -
Mario Caron <sup>(5)</sup>	150,000 75,000 75,000	0.34 0.28 0.29	July 22, 2023 July 22, 2023 July 22, 2023	- - -	- - -	- - -	- - -

Name	Option-based Awards			Value of unexercised in-the-money options <sup>(1)</sup> (\$)	Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date		Number of common shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of share-based awards that have not vested (\$)
Dominique Dionne <sup>(5)</sup>	150,000	0.34	July 22, 2023	-	-	-	-
	75,000	0.28	July 22, 2023	-	-	-	-
	75,000	0.29	July 22, 2023	-	-	-	-
Paola Farnesi <sup>(5)</sup>	-	-	-	-	-	-	-

(1) In-the-money options" means the excess of the market value of the common shares on January 31, 2023 (\$0.08) over the exercise price of the options.

(2) James Shannon and Wanda Cutler were appointed as directors of the Corporation on July 22, 2022.

(3) Julie Robertson was appointed as director of the Corporation on June 7, 2021.

(4) John W.W. Hick ceased to be a director after the annual general meeting of shareholders held on October 11, 2022.

(5) Mario Caron, Dominique Dionne and Paola Farnesi resigned as directors on July 22, 2022.

### Incentive Plan Awards – Value Vested or Earned During the Most Recently Completed Financial Year

The following table presents information concerning value vested with respect to option-based awards and share-based awards for the directors of the Corporation during the most recently completed financial year:

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 (\$)
James Shannon <sup>(1)</sup>	-	-	-
Wanda Cutler <sup>(1)</sup>	-	-	-
Julie Robertson <sup>(2)</sup>	2,268	-	-
John W.W. Hick <sup>(3)</sup>	2,551	-	-
Mario Caron <sup>(4)</sup>	483	-	-
Dominique Dionne <sup>(4)</sup>	483	-	-
Paola Farnesi <sup>(4)</sup>	2,606	-	-

(1) James Shannon and Wanda Cutler were appointed as directors of the Corporation on July 22, 2022.

(2) Julie Robertson was appointed as director of the Corporation on June 7, 2021.

(3) John W.W. Hick ceased to be a director after the annual general meeting of shareholders held on October 11, 2022

(4) Mario Caron, Dominique Dionne and Paola Farnesi resigned as directors on July 22, 2022.

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out certain details as at January 31, 2023, the end of the Corporation's financial year, with respect to compensation plans pursuant to which equity securities of the Corporation are authorized for issuance.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders (stock option plan)	3,830,000	0.34	4,469,479
Equity compensation plans not approved by security holders	N/A	N/A	N/A

### **Stock Option Plan**

The following is a summary of the significant terms of the Corporation's Stock Option Plan (the "**Stock Option Plan**") adopted on June 30, 2011, and as amended on July 14, 2015, on June 27, 2017, on November 29, 2018, and on February 19, 2021.

- **Number of Common Shares Reserved.** The number of common shares which may be issued pursuant to options granted under the Stock Option Plan shall not at any time exceed 6,743,433 common shares without par value in the capital of the Corporation, including all options granted by the Corporation prior to the adoption of the Stock Option Plan.
- **Maximum Term of Options.** Subject to the termination provisions noted below, the term of any options granted under the Stock Option Plan is fixed by the Board and may not exceed ten (10) years from the date of grant. The options are non-assignable and non-transferable. At the time of granting an option, the Board, at its discretion, may set a shorter period of time during which an option is exercisable.
- **Exercise Price.** The exercise price of options granted under the Stock Option Plan is determined by the Board, provided that it is not less than the discounted market price (as defined in the policies of the Exchange) subject however to a minimum exercise price of \$0.10 per common share.
- **Reduction of Exercise Price.** The exercise price of stock options granted to insiders may not be decreased without disinterested shareholder approval at the time of the proposed amendment.
- **Vesting.** Options granted shall vest gradually over a period of 24 months following the date of grant as follows: one third at the date of grant, one-third at the 1<sup>st</sup> anniversary of the date of grant, and 1/3 at the 2<sup>nd</sup> anniversary of the date of grant. Options granted to persons conducting Investor Relations Activities (as such term is defined in the Stock Option Plan) shall vest gradually over a period of 12 months following the date of grant, on the basis of not more than 25% of the options vesting in any 3-month period.
- **Termination.** Any options granted pursuant to the Stock Option Plan will terminate within a specified time period, to be set by the Board, after the option holder ceases to act as a director, officer, or employee of the Corporation or any of its affiliates, and of the option holder ceasing to act as an employee engaged in Investor Relations Activities, unless such cessation is on account of death or disability. If such cessation is on account of death, the options terminate on the first anniversary of such cessation. If such cessation is on account of a permanent disability, while employed by the Corporation, any option or unexercised part thereof granted may be exercised only for that number of common shares entitled to acquire under the option at the time of the occurrence of the disability. Such option shall be exercisable within 90 days (30 days for Investor Relations Activities) after the occurrence of the disability or prior to the expiration of the term of

the option, whichever occurs earlier. If such cessation is on account of cause, or termination by regulatory sanction or by reason of judicial order, the options terminate immediately. Options that have been cancelled or that have expired without having been exercised shall continue to be issuable under the Stock Option Plan. The Stock Option Plan also provides for adjustments to outstanding options in the event of any consolidation, subdivision, conversion or exchange of Corporation's common shares.

- **Administration.** The Stock Option Plan is administered by the Board.
- **Board Discretion.** The Stock Option Plan provides that, generally, the number of shares subject to each option, the exercise price, the expiry time, the extent to which such option is exercisable, including vesting schedules, and other terms and conditions relating to such options shall be determined by the Board and in accordance with the Exchange's policies. The number of option grants, in any 12-month period, may not result in the issuance to any one optionee of options which exceed 5% of the outstanding common shares of the Corporation (unless the Corporation has obtained the requisite disinterested shareholder approval). Under the Stock Option Plan, the number of common shares which may be reserved for issuance to a consultant will not exceed, in any 12-month period, 2% of the issued and outstanding common shares of the Corporation. As for persons involved in investor relations activities, the number of common shares reserved for issuance shall not exceed, individually or collectively, in any 12-month period, 2% of the issued and outstanding common shares of the Corporation.
- **Amendment.** The Board may amend the Plan and the conditions of any option granted, provided the amendment be subject to regulatory approval and/or shareholder approval, where required.

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

On April 30, 2020, the Board adopted, the Deferred Share Unit Plan ("**DSU Plan**"), which was approved by disinterested shareholders at the annual general and special meeting of shareholders of the Corporation held on October 20, 2020, and was approved by the Exchange, to allow for grant of deferred share units ("**DSUs**") to eligible employee, officer or director of the Corporation (a "**Participant**") in respect of the services rendered to the Corporation. Consultants of the Corporation for investor relations services are not and cannot be Participants under the DSU Plan. The purpose of the DSU is to provide to the Participants a supplemental form of compensation which promotes a greater alignment of the interests of the Participants and the shareholders of the Corporation in creating long-term shareholder value. A DSU is a notional unit credit by the Corporation to the account of the Participant by way of a bookkeeping entry in the books of the Corporation and administered pursuant to the terms of the DSU Plan, the value of which on a particular date shall be equal to no less than the Fair Market Value, as defined in the DSU Plan, at that date. The following is a summary of the significant terms:

- **Number of Common Shares Reserved:** The maximum number of common shares available for issuance from treasury, pursuant to any security-based compensation arrangements of the Corporation, including any common share issuable under the Stock Option Plan, may not exceed twenty percent (20%) of the total number of common shares issued and outstanding at the date of the grant. The maximum number of common shares issuable to Participants, at any time, pursuant to the DSU Plan, is 6,743,433.
- **Vesting:** The Board shall, in its sole discretion, determine any and all conditions to the vesting of any DSU to a Participant.
- **Redemption:** On a date to be determined by the Board, in its sole discretion, after (i) the Participant is no longer an employee, officer or director of the Corporation; or (ii) the death of the Participant, the vested DSUs credited to the Participant's account shall be redeemed and shall be paid by the Corporation to the Participant, at the option of the Corporation in its sole discretion, in the form of a lump sum cash payment or by the issuance of the number of common shares to

which the DSUs relates, or a combination of both. Where redemption is to be made in cash, the Fair Market Value of the DSUs shall be determined as of the redemption date.

- **Transferability:** DSUs granted under the DSU Plan are not transferable, subject to limited exceptions such by will or the laws of descent and distribution, or as expressly permitted by the Compensation Committee of the Board.
- **Administration:** The DSU Plan is administered by the Board.
- **Amendment:** The Board has overall authority for interpreting, applying, amending and terminating the DSU Plan without shareholder approval, subject to any additional requirements of the rules of the Exchange. For greater certainty, the Plan is subject to the TSX Venture Exchange Corporate Finance Manual Policy 4.4 - *Incentive Stock Options*, or any successor policy. The following amendments to the DSU Plan or units issued thereunder shall not be made without the prior approval of disinterested shareholders:
  - (a) increase the number of Common Shares reserved for issuance;
  - (b) permit assignments of DSUs to or exercises thereof by persons other than Participants or the legal representative of a deceased Participant, except for an amendment that would permit the assignment of a DSUs for estate planning or estate settlement purposes; and
  - (c) amend the DSU Plan to provide for other types of compensation through equity issuance, unless the change to the DSU Plan or a DSU results from any dividend paid in shares, share subdivision, combination or exchange of shares, arrangement, merger, consolidation, spin-off or other distribution of Corporation assets to shareholders, or any other change in the capital of the Corporation affecting Common Shares.

## **CORPORATE GOVERNANCE PRACTICES**

*Policy Statement 58-201 Corporate Governance Guidelines and Regulation 58-101 respecting Disclosure of Corporate Governance Practices* (together “**NP 58-101**”) set out a series of guidelines for effective corporate governance. The guidelines address matters such as the composition and independence of corporate boards, the functions to be performed by boards and their committees, and the effectiveness and education of board members. Each reporting issuer must disclose on an annual basis and in prescribed form, the corporate governance practices that it has adopted. The following is the Corporation’s required annual disclosure of its corporate governance practices.

### **Board of directors**

#### ***Independent directors***

As of the date of this Circular, the independent directors of the Corporation are James Shannon, Julie Robertson and Wanda Cutler. If all the nominees are elected following the Meeting, the independent directors of the Corporation will be James Shannon, Wanda Cutler and Geneviève Ayotte.

#### ***Non-Independent directors***

Normand Champigny is a non-independent director of the Corporation in light of his position as Chief Executive Officer of the Corporation.

Jean-François Meilleur was a non-independent director of the Corporation in light of his position as President of the Corporation. He ceased to be President and director on January 31, 2022.

## Directorships

As of the date of this Circular, and, if all the nominees are elected following the Meeting, the following directors are currently directors of other issuers that are reporting issuers (or the equivalent) in a jurisdiction of Canada or a foreign jurisdiction:

Name of director	Issuer
Normand Champigny	Bonterra Resources Inc. Mining Matters
Wanda Cutler	BMEX Gold Inc. TomaGold Corporation Vanstar Mining Resources Inc. Li-FT Power Ltd.
Geneviève Ayotte	Kintavar Exploration Inc.

## Orientation and Continuing Education

The Corporation does not currently have a formal orientation program for new directors. The Board has not at this time taken any measures to provide continuing education for the directors. However, the directors of the Corporation are encouraged to attend, at the Corporation's expense, any seminar given by the Exchange or the Canadian Securities Administrators relating to the management of a public company or relating to their responsibilities as a director of a public company. Furthermore, the directors are given access to the Corporation's legal advisors for any questions they may have relating to such responsibilities.

## Ethical Business Conduct

In light of the Corporation's stage of development and its limited number of employees, the Board has not taken formal steps in respect of ethical business conduct; however, it does encourage and promote a culture of ethical business conduct and adherence to appropriate governance practices.

## Diversity Policy

On December 22, 2020, the Board adopted a formal, written diversity policy (the "**Diversity Policy**") relating to the nomination and appointment of directors and members of senior management who present characteristics that make individuals different from each other, and includes characteristics or factors such as race, ethnicity, language, gender, sexual orientation, religion, disability, age and any other area of potential difference. The purpose of such Diversity Policy is to promote an environment for the consideration of diversity of the Board and the composition of management. Under the Diversity Policy, the potential benefits of a diverse leadership to the sustained success of the Corporation are recognized and the Board is tasked to consider, in its director nomination recommendations, an appropriate representation of women, Aboriginal peoples, persons with disabilities or members of visible minorities (the "**Designated Groups**"). Under the Diversity Policy, when identifying and considering the selection of candidates for election or re-election to the Board, the Governance & Nominating Committee will:

- consider candidates who are highly qualified based on their independence, experience, expertise, financial and business acumen, personal characteristics and ability to devote sufficient time and resources to his or her duties as a member of the Board;

- consider the diversity criteria of the candidate;
- consider the level of representation of women on the Board;
- consider any applicable input from the Human Resources and Compensation Committee; and
- in addition to its own searches, as and when appropriate from time to time, engage qualified independent external advisors to conduct a search for candidates who meet the Board's and the Corporation's expertise, skills and diversity criteria to help achieve the Corporation's diversity goals, with such external advisors being specifically directed to ensure that diverse candidates are included.

The Board, the Human Resources and Compensation Committee, the Chair and the Chief Executive Officer will, when identifying and considering the selection of candidates for senior management positions:

- consider candidates who are highly qualified based on their business experience, expertise and personal characteristics;
- consider the diversity criteria of the candidate;
- consider the level of representation of women in senior leadership positions; and
- in addition to its own searches, as and when appropriate from time to time, engage qualified independent external advisors to conduct a search for candidates who meet the Corporation's expertise, skills and diversity criteria to help achieve the Corporation's diversity goals in relation to senior management positions, with such external advisors being specifically directed to ensure that diverse candidates are included.

### **CBCA Requirements**

The provisions of Bill C-25 regarding diversity on boards of directors and among senior management, as well as the associated regulations, were approved by Order in Council of the Government of Canada. These provisions set out a requirement that all distributing corporations, as defined under the CBCA, (including the Corporation), for all annual meetings held on or after January 1, 2020, shall report on the representation of the Designated Groups.

As of the date of this Circular, for each of the Designated Group, the Corporation has not adapted a target number or percentage, or a range of target numbers or percentages, for the members of the Designated Group to hold position on the Board or to be members of senior management by a specific date, as it believes that imposing targets based on specific selection criteria would limit the Corporation's ability to ensure that the overall composition of the Board and senior management meets the needs of the Corporation and its shareholders.

As of the date of this Circular, there are two women on the Board. The number and proportion of directors and members of senior management who self-identify as being a member of the Designated Groups are as follow:

**Directors:**

<b>Designated Group<sup>(1)</sup></b>	<b>Number</b>	<b>Proportion</b>
Women	2	50%
Aboriginal Persons	0	0
Persons with Disabilities	0	0
Members of Visible Minorities	0	0

(1) The number and proportion of directors who self-identify as being a member of the Designated Groups has been furnished by the respective directors on a voluntary basis and such responses have not been independently verified by the Corporation.

**Senior management:**

<b>Designated Group<sup>(1)</sup></b>	<b>Number</b>	<b>Proportion</b>
Women	0	0
Aboriginal Persons	0	0
Persons with Disabilities	0	0
Members of Visible Minorities	0	0

(1) The number and proportion of senior management members who self-identify as being a member of the Designated Groups has been furnished by the respective senior management member on a voluntary basis and such responses have not been independently verified by the Corporation.

**Human Resources and Compensation Committee**

The Human Resources and Compensation Committee is a committee of the Board of Directors of the Corporation with the primary function to assist the Board in fulfilling its oversight responsibilities by:

- Reviewing, structuring and approving and then recommending to the Board for its approval, salary, bonus, and/or other benefits, direct or indirect, and any change of control packages of the President, the Chief Executive Officer and other members of the senior management team deemed appropriate by the Compensation Committee;
- Recommendation of salary guidelines to the Board;
- Reviewing and recommending to the Board appropriate compensation for the directors of the Corporation;
- Administration of (where applicable) the Corporation's compensation plans, stock option plans, outside directors' compensation plans, and such other compensation plans or structures as are adopted by the Corporation from time-to-time;
- Research and identification of trends in employment benefits;
- Establishment and periodic review of the Corporation's policies in the area of management benefits and perquisites.

The Human Resources and Compensation Committee’s charter is available on the Corporation’s website. The Human Resources and Compensation Committee is comprised at all times of three or more directors as determined by the Board, a majority of whom shall be independent directors in accordance with NP 58-201. As of the date of this Circular, the following are the current members of the Human Resources and Compensation Committee:

Wanda Cutler (Chair)	Independent <sup>(1)</sup>
James Shannon	Independent <sup>(1)</sup>
Julie Robertson	Independent <sup>(1)</sup>

(1) As defined by National Instrument 52-110 - *Audit Committees*.

### **Governance and Nominating Committee**

The Governance and Nominating Committee is a committee of the Board of Directors of the Corporation with the primary function to assist the Board in fulfilling its oversight responsibilities by:

- Assessing the effectiveness of the Board as a whole as well as evaluating the contribution of individual members;
- Assessing and improving the Corporation’s governance practices;
- Proposing new nominees for appointment to the Board; and
- Orienting new directors.

The Corporation has a written charter for its Governance and Nominating Committee, which sets out the duties and responsibilities of the committee, the text of which is available on the Corporation’s website. The Governance and Nominating Committee comprised of three or more Directors as determined by the Board, a majority of whom shall be independent directors in accordance with NP 58-201. As of the date of this Circular, the following are the current members of the Governance and Nominating Committee:

James Shannon (Chair)	Independent
Wanda Cutler	Independent
Julie Robertson	Independent

### **Technical, Safety and Sustainability Committee**

The Corporation has a Technical, Safety and Sustainability Committee. The Technical, Safety and Sustainability Committee has the authority to investigate any activity of the Corporation and its subsidiaries relating to environmental, health, safety and community engagement matters. The Technical, Safety and Sustainability Committee is granted unrestricted access to all information of the Corporation as requested by its members. It has also the following authority:

- To engage, at the Corporation's expense, persons having special competencies (including, without limitation, legal or other consultants and experts) and/or other advisors as it determines necessary to carry out its duties; and
- To set and authorize payment by the Corporation of the compensation for advisors employed by the Technical, Safety and Sustainability Committee.

The Corporation has a written charter for its Technical, Safety and Sustainability Committee, which sets out the duties and responsibilities of the committee, the text of which is available on the Corporation's website. The Technical, Safety and Sustainability Committee is composed of three or more directors as shall be designated by the Board from time to time, at least one of whom shall be an independent director, and one of whom shall be designated by the Board to serve as Chair of the Technical, Safety and Sustainability Committee. Until July 22, 2022, the Technical, Safety and Sustainability Committee was composed of Dominique Dionne (Chair), Mario Caron and Normand Champigny. As of the date of this Circular, Normand Champigny is the sole member of the Technical, Safety and Sustainability Committee. The composition of the Technical, Safety and Sustainability Committee will be finalized by the Board following the election of the nominees at the Meeting.

### **Other Board Committees**

There are currently no committees other than the Audit and Risk Management Committee, Human Resources and Compensation Committee, Governance and Nominating Committee and Technical, Safety and Sustainability Committee.

### **Assessments**

An evaluation process has been put in place to evaluate the effectiveness of the directors, the descriptions of the positions held or the competence and qualifications that each director is required to bring to the Board. This task is the responsibility of the Board who annually reviews its operation as well as its directors' role, and its members are encouraged to give feedback regarding the effectiveness of the Board as a whole, its practices and individual directors will, when necessary, make recommendations to the Board.

## **AUDIT AND RISK MANAGEMENT COMMITTEE**

### **Charter and Composition of the Audit and Risk Management Committee**

The text of the Audit and Risk Management Committee's charter is attached hereto as Schedule A. The members of the Audit and Risk Management committee of the Corporation are Julie Robertson (Chair), James Shannon and Wanda Cutler. All such members are financially literate and independent members of the Audit and Risk Management Committee.

### **Education and Relevant Experience**

The education and related experience of each of the members of the Audit and Risk Management Committee that is relevant to the performance of his responsibilities as a member of the Audit and Risk Management Committee is set out below:

#### **Julie Robertson**

Ms. Julie Robertson is Chief Financial Officer at Marathon Gold Corporation since March 7, 2022. She was previously Vice-President Finance and Capital Projects at Centerra Gold Inc., a mining company listed on the TSX and NYSE, with annual Revenue of \$2B. Prior to this position, she held a number of senior positions with Barrick Gold Corporation. She is a Canadian Certified Public Accountant with

extensive experience in transformative leadership, external reporting, management reporting, planning and project management, and has an in depth understanding of IFRS and US GAAP. She is the Finance Committee Chair (Volunteer) of Boost Child & Youth Advocacy (CYAC), a registered charity committed to eliminating child abuse and violence in the lives of children, youth, and their families. Ms. Robertson is also the Chair of CPA Canada's Mining Industry Task Force on IFRS, created jointly with The Prospectors & Developers Association of Canada (PDAC). She holds a Bachelor of Arts (BA), Accounting and Finance from the University of Western Ontario and a Diploma of Accounting and Finance from Wilfrid Laurier University.

### **James Shannon**

Mr. Shannon, M. Eng, MBA, CIM is a registered portfolio manager with over twenty years of experience in finance, engineering and infrastructure development. Mr. Shannon worked for over ten years for investment dealers in Canada in the financing of energy, mining and infrastructure projects for publicly traded companies. In addition, Mr. Shannon has worked for over seven years as a portfolio manager in alternative investments for institutional and private wealth interests. Mr. Shannon has a BSc. in Civil Engineering from the University of Waterloo, an M.Eng. from McGill University and an MBA from the Ivey School of Business.

### **Wanda Cutler**

Ms. Cutler currently holds the position of President of Cutler McCarthy, a strategic communications firm and Head of Corporate Development at Amex Exploration, Inc. Ms. Cutler is also on the board of various mining companies. She has worked with reporting issuers for more than 25 years in marketing and communications. She has acted as a strategic advisor to a number of public companies including multiple junior mining companies, investment companies and alternative energy companies. Ms. Cutler has a Bachelor of Social Science, Political Science from the University of Ottawa.

### **Audit and Risk Management Committee Oversight**

At no time since the commencement of the Corporation's financial year ended January 31, 2020, was a recommendation of the Audit and Risk Management Committee to nominate or compensate an external auditor not adopted by the Board.

### **Reliance on Certain Exemptions**

At no time since the commencement of the Corporation's financial year ended January 31, 2020, has the Corporation relied on the exemption provided under section 2.4 of National Instrument 52-110 - *Audit Committees* ("**NI 52-110**") (*De minimis Non-audit Services*) or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110 (*Exemptions*).

However, the Corporation is not required to comply with Parts 3 (*Composition of the Audit and Risk Management Committee*) and 5 (*Reporting Obligations*) of NI 52-110 given that it is a venture issuer as defined in NI 52-110.

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

The Audit and Risk Management committee of the Corporation has adopted specific policies and procedures for the engagement of non-audit services as described in the audit committee's charter attached hereto as Schedule A.

### **External Auditor Service Fees**

The aggregate fees billed by the Corporation's external auditors in each of the last two (2) fiscal years for audit fees are as follows:

Financial Year Ending	Audit Fees <sup>(1)</sup>	Audit-Related Fees	Tax Fees <sup>(2)</sup>	All Other Fees
January 31, 2023	\$66,801	Nil	\$5,243	
January 31, 2022	\$46,084	Nil	\$4,815	Nil

(1) These fees relate to services consisting of audit of the financial statements.

(2) These fees relate to income tax reports for the Corporation and Matamec Explorations inc.

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

During the fiscal year ended January 31, 2023, and as at the date of this Circular, none of the directors, executive officers, employees (or previous directors, executive officers, or employees of the Corporation), each proposed nominee for election as a director of the Corporation (or any associate of a director, executive officer or proposed nominee) was or is indebted to the Corporation with respect to the purchase of securities of the Corporation and for any other reason pursuant to a loan.

### INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

The management of the Corporation is not aware of any material interest, direct or indirect, that any director, proposed director, officer, shareholder of the Corporation holding, directly or indirectly, as beneficial owner, more than 10% of the outstanding common shares of the Corporation or any associate or affiliate of any such persons would have in any material transaction concluded since the beginning of the last financial year of the Corporation or in any proposed transaction which had or could have a material effect on the Corporation.

### MANAGEMENT CONTRACTS

The management functions of the Corporation are substantially performed by directors or senior officers of the Corporation and not to any substantial degree by any other person with whom the Corporation has contracted.

### APPOINTMENT OF AUDITORS AND AUTHORIZATION GIVEN TO THE BOARD OF DIRECTORS TO FIX THE REMUNERATION OF THE AUDITORS

KPMG LLP Chartered Accountants of Montreal, are the auditors of the Corporation since June 13, 2019. The Board proposes the reappointment of KPMG LLP, Chartered Accountants, as auditors of the Corporation for the financial year ending January 31, 2024. Furthermore, for practical reasons, it is timely at the Meeting to authorize the Board to fix the remuneration of the auditors.

**The persons designated in the accompanying form of proxy will vote IN FAVOUR of the appointment of KPMG LLP as auditors and that the Board be authorized to fix the auditors remuneration, unless the shareholder specifies in his form of proxy his wish to withhold from voting.**

### OTHER MATTERS

Management knows of no other matter to come before the Meeting. However, if any other matters which are known to the management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgement.

## ADDITIONAL INFORMATION

Additional financial information is provided in the comparative financial statements of the Corporation, in the Management's discussion and analysis of the financial condition and in the Management's report in the statement of operations for the financial year ended January 31, 2023. Copies of this Circular and the documents mentioned hereinabove are available on the Corporation's website ([www.qpmcorp.ca](http://www.qpmcorp.ca)) as well as on SEDAR ([www.sedar.com](http://www.sedar.com)).

Additional copies are also available by contacting the Corporation at its administrative office:

800, Victoria Square, suite 3500  
Montréal, Québec, H4Z 1E9  
Telephone: 514-572-3014  
Email: [tfranco@qpmcorp.ca](mailto:tfranco@qpmcorp.ca)

The Corporation may request the payment of reasonable fees if the requesting party is not a shareholder of the Corporation.

## APPROVAL OF INFORMATION CIRCULAR

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

Montreal, June 16, 2023

**By order of the Board of directors**

*(s) Normand Champigny*

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**Normand Champigny,  
Chief Executive Officer**

## SCHEDULE A

### QUEBEC PRECIOUS METALS CORPORATION

#### CHARTER OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

##### I. Purpose

The Audit and Risk Management Committee of Quebec Precious Metals Corporation (“QPM” or the “Corporation”) is a committee of directors (the “Audit Committee”) appointed by the Board of Directors of QPM (the “Board”). The Audit Committee’s mandate is to provide assistance to the Board in fulfilling its financial reporting and control responsibility to the shareholders and the investment community. The Audit Committee is, however, independent of the Board and the Corporation and in carrying out their role shall have the ability to determine its own agenda and any additional activities that the Audit Committee shall carry out.

##### II. Composition

The Audit Committee will be comprised of at least three directors of the Corporation, the majority of whom, subject to any exemptions set out in National Instrument 52-110 - *Audit Committees* (“NI 52-110”) will be independent and financially literate. An “independent” director is a director who has no direct or indirect material relationship with the Corporation. A “material relationship” is a relationship which could, in the view of the Board of Directors, be reasonably expected to interfere with the exercise of the director’s independent judgement or a relationship deemed to be a material relationship pursuant to Sections 1.4 and 1.5 of NI 52-110. A “financially literate” director is a director who has the ability to read and understand a set of financial instruments 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 financial statements of the Corporation.

##### III. Responsibilities

Responsibilities of the Audit Committee generally include, but are not limited to, the undertaking of the following tasks:

- Selecting and determining the compensation of the external auditors, subject to approval of the shareholders of the Corporation, to be nominated for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Corporation. In making such determination and recommendation to the Board and to the shareholders, the Audit Committee will:
  - confirm the independence of the auditors and report to the Board its conclusions on the independence of the auditors and the basis for these conclusions;
  - meet with the auditors and financial management to review the scope of the proposed audit for the current year, and the audit procedures to be used; and
  - obtain from the external auditors’ confirmation that they are participants in good standing in the Canadian Public Accountability Board oversight program and, if applicable, in compliance with the provisions of the Sarbanes-Oxley Act of 2002 (U.S.) and other legal or regulatory requirements with respect to the audit of the financial statements of the Corporation.

- Overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting. In overseeing such work, the Audit Committee will:
  - review with the external auditors any audit problems or difficulties and management's response;
  - at least annually obtain and review a report prepared by the external auditors describing (i) the auditors' internal quality-control procedures; and (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the auditors, and reviewing any steps taken to deal with such issues;
  - serve as an independent and objective party to monitor the Corporation's financial reporting process and internal control system and overseeing management's reporting on internal control;
  - provide open lines of communication among the external auditors, financial and senior management, and the Board for financial reporting and control matters;
  - make inquires of management and the external auditors to identify significant business, political, financial and control risks and exposures and assess the steps management has taken to minimize such risks to the Corporation;
  - establish procedures to ensure that the Audit Committee meets with the external auditors on a regular basis in the absence of management;
  - ensure that the external auditors prepare and deliver annually a detailed report covering (i) critical accounting policies and practices to be used; (ii) material alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the external auditors; (iii) other material written communications between the external auditors and management such as any management letter or schedule of unadjusted differences; and (iv) such other aspects as may be required by the Audit Committee or legal or regulatory requirements;
  - consider any reports or communications (and management's responses thereto) submitted to the Audit Committee by the external auditors, including reports and communications related to:
    - deficiencies noted following the audit of the design and operation of internal controls;
    - consideration of fraud in the audit of the financial statement;
    - detection of illegal acts;
    - the external auditors' responsibility under generally accepted auditing standards;
    - significant accounting policies;
    - management judgments and accounting estimates;
    - adjustments arising from the audit;
    - the responsibility of the external auditors for other information in documents containing audited financial statements;

- disagreements with management;
  - consultation by management with other accountants;
  - major issues discussed with management prior to retention of the external auditors;
  - difficulties encountered with management in performing the audit;
  - the external auditors' judgments about the quality of the entity's accounting principles; and
  - any reviews of unaudited interim financial information conducted by the external auditors.
- review the form of opinion the external auditors propose to render to the Audit Committee, the Board and shareholders; and
  - discuss significant changes to the Corporation's auditing and accounting principles, policies, controls, procedures and practices proposed or contemplated by the external auditors or management, and the financial impact thereof.
- Pre-approving all non-audit services to be provided to the Corporation or its subsidiaries by the Corporation's external auditor, subject to any exemptions set out in NI 52-110. Notwithstanding the pre-approval process, the Audit Committee will ensure that the external auditors are prohibited from providing the following non-audit services and will determine which other non-audit services the external auditors are prohibited from providing:
    - bookkeeping or other services related to the accounting records or financial statements of the Corporation;
    - financial information systems design and implementation;
    - appraisal or valuation services, fairness opinions, or contribution-in-kind reports;
    - actuarial services;
    - internal audit outsourcing services;
    - management functions or human resources;
    - broker, dealer, investment adviser or investment banking services;
    - legal services; and
    - any other service that the Audit Committee determines to be impermissible.

- Ensuring that the external auditors submit annually to the Corporation and the Audit Committee, a formal written statement of the fees billed for each of the following categories of services rendered by the external auditors: (i) the audit of the Corporation's annual financial statements for the most recent fiscal year and, if applicable, the reviews of the financial statements included in the Corporation's Quarterly Reports for that fiscal year; and (ii) all other services rendered by the external auditors for the most recent fiscal year, in the aggregate and by each service.
- Reviewing the Corporation's financial statements, Management's Discussion and Analysis and annual and interim earnings press releases before the Corporation publicly discloses the information. In connection with such review, the Audit Committee will ensure that:
  - management has reviewed the financial statements with the Audit Committee, including significant judgments affecting the financial statements;
  - the members of the Audit Committee have discussed among themselves, without management or the external auditors present, the information disclosed to the Audit Committee; and
  - the Audit Committee has received the assurance of both financial management and the external auditors that the Corporation's financial statements are fairly presented in conformity with International Financial Reporting Standards ("IFRS") and Canadian GAAP in all material respects.
- Ensuring that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, other than the public disclosure referred to above, and periodically assessing the adequacy of those procedures.
- Reviewing, evaluating and monitoring any risk management program implemented by the Corporation, including any revenue protection program. This function should include:
  - risk assessment;
  - quantification of exposure;
  - risk mitigation measures; and
  - risk reporting.
- Periodically assess and review the effectiveness of the Corporation's procedures for the identification, assessment, reporting and management of risks including the areas of crisis management, capital expenditure, taxation strategy, funding, commodity and foreign exchange and interest rate exposure, insurance coverage, fraud and information systems technology.

- Reviewing the adequacy of the resources of the finance and accounting group, along with its development and succession plans.
- Establishing procedures for:
  - the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and
  - the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
- Reviewing and approving the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation.
- Annually reviewing and revising this Charter as necessary with the approval of the Board and the text relating to this Charter, which is required to appear in the Annual Information Form of the Corporation, as more specifically set out in Form 52-110F1 - *Audit Committee Information Required in an AIF*.
- Reviewing and assessing the adequacy of the Code of Business Conduct and Ethics governing the officers, directors and employees of the Corporation and the Code of Ethics governing Financial Reporting Officers at least annually or otherwise, as it deems appropriate, and propose recommended changes to the Board.
- Reporting its activities to the Board on a regular basis and making such recommendations with respect to the above and other matters as the Audit Committee may deem necessary or appropriate.
- Reviewing and discussing with management, and approving all related party transactions.

#### **IV. Authority**

The Audit Committee has the authority to:

- Engage independent counsel and other advisors as the Audit Committee determines necessary to carry out its duties;
- Set and pay the compensation for any advisors employed by the Audit Committee, in accordance with applicable corporate statutes; and
- Communicate directly with the external auditors.

#### **V. Administrative Procedures**

- The Audit Committee will meet regularly and whenever necessary to perform the duties described above in a timely manner, but not less than four times a year. Meetings may be held at any time deemed appropriate by the Audit Committee and by means of conference call or similar communications equipment by means of which all persons participating in the meeting can hear each other.
- A quorum for the transaction of business at any meeting of the Audit Committee shall be a majority of the number of members of the Committee or such greater number as the Committee shall by resolution determine.

- Meetings of the Audit Committee shall be held from time to time as the Audit Committee or the Chairman shall determine upon 48 hours notice to each of its members. The notice period may be waived by a quorum of the Audit Committee.
- At the discretion of the Audit Committee, meetings may be held with representatives of the external auditors and appropriate members of management.
- The external auditors will have direct access to the Audit Committee at their own initiative.
- The Chair of the Audit Committee will report periodically to the Board.

Approved by the Board of Directors of QPM on June 10, 2019.