



501 – 543 Granville Street, Vancouver BC, V6C 1X8 Canada

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**Meeting**”) of the shareholders of Daura Gold Corp. (the “**Company**”) will be held via live video conference on Wednesday, December 17, 2025 (the “**Meeting Date**”) at 10:00 a.m. (PST) for the following purposes:

1. to receive the audited financial statements of the Company for the financial years ended December 31, 2024 and 2021 together with the auditor’s reports thereon;
2. to appoint Davidson & Company LLP as the auditors of the Company for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditors;
3. to fix the number of directors of the Company at five (5) directors;
4. to elect directors for the ensuing year;
5. to consider, and if thought fit, to pass an ordinary resolution approving and ratifying the Company’s 10% rolling stock option plan as more particularly described in the accompanying Information Circular; and
6. to transact such other business as may be properly brought before the Meeting or any adjournment thereof.

All shareholders of record at the close of business on **Monday, November 10, 2025** will be entitled to vote at the Meeting in person or by proxy. The Board of Directors (the “**Board**”) requests that all shareholders who will not be attending the Meeting in person read, date and sign the accompanying proxy and deliver it to Computershare Investor Services Inc. (“**Computershare**”), Attention: Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, by 10:00 a.m. (Vancouver, British Columbia time) on **Monday, December 15, 2025** (or before 48 hours, excluding Saturdays, Sundays and holidays before any adjournment of the meeting at which the proxy is to be used). Late proxies may be accepted or rejected by the Chair of the Meeting at their discretion. The Chair of the Meeting is under no obligation to accept any late proxies.

The Company is conducting the Meeting via Zoom live video conference. Persons wishing to attend the Meeting will be required to pre-register for the Meeting at the link set forth below. Once you have pre-registered for the Meeting, you will receive an email providing access details for the Meeting. Pre-registration is being required to ensure that only eligible shareholders and proxyholders are permitted to vote, and to ensure the proper counting of those votes.

Pre-registration link: https://us02web.zoom.us/meeting/register/1O5034PoQGOk_tSuqOvaFQ

If you are a non-registered holder of Common Shares and received these materials through your broker or through another intermediary, please complete and return the form of proxy or voting instruction form, as the case may be, provided to you in accordance with the instructions provided by your broker or intermediary.

An information circular and a form of proxy accompany this notice.

DATED at Vancouver, British Columbia, the 13th day of November, 2025.

ON BEHALF OF THE BOARD

/s/ William Tsang

William Tsang
Chief Financial Officer



501 – 543 Granville Street, Vancouver BC, V6C 1X8 Canada

INFORMATION CIRCULAR

(as at November 13, 2025 except as otherwise indicated)

Daura Gold Corp. (the “**Company**”) is providing this Information Circular and a form of proxy in connection with management’s solicitation of proxies for use at the annual general meeting (the “**Meeting**”) of the Company to be held on **Wednesday, December 17, 2025** and at any adjournments. Unless the context otherwise requires, when we refer in this Information Circular to the Company, its subsidiaries are also included. The Company will conduct its solicitation by mail and officers and employees of the Company may, without receiving special compensation, also telephone or make other personal contact. The Company will pay the cost of solicitation. All amounts referred to as \$ or dollars means Canadian currency, unless otherwise indicated.

Attending the Meeting via Video Conference

The Meeting will be held via video conference only. **Persons wishing to attend the Meeting will be required to pre-register for the Meeting at the link set forth below. Once you have pre-registered for the Meeting, you will receive a separate email providing access details for the Meeting.** Pre-registration is being required to ensure that only eligible shareholders and proxyholders are permitted to vote, and to ensure the proper counting of those votes. After registering, approved attendees will receive a confirmation email containing information about joining the Meeting. In order to ensure your ability to attend the Meeting, please pre-register for the Meeting as early as possible.

Pre-registration link: https://us02web.zoom.us/meeting/register/1O5034PoQGOk_tSuqOvaFQ

Shareholders will have an equal opportunity to participate at the Meeting online regardless of geographic location. Registered shareholders and proxyholders will be able to attend the virtual meeting and vote, and will be considered to be present in person at the Meeting for the purposes of determining quorum. Non-registered shareholders who have not duly appointed themselves as proxyholder will be able to attend the virtual Meeting as a guest, but will not be able to vote at the Meeting. This is because the Company and its transfer agent, do not have a record of the non-registered shareholders, and, as a result, will have no knowledge of their shareholdings or entitlement to vote unless they appoint themselves as proxyholder.

The Meeting will be held via the Zoom meeting platform. In order to access the Meeting, shareholders will have two options, being via teleconference or through the Zoom application, which requires internet connectivity. **Registered shareholders wishing to vote in person and any shareholders wishing to view materials that may be presented by Management will need to utilize the Zoom application and provide their first and last name.**

Shareholders may also listen to the Meeting via teleconference. However, registered shareholders participating via teleconference will not be able to vote in person at the Meeting as the Corporation’s scrutineer must take steps to verify the identity of registered shareholders using the video features.

Access to the Meeting will be opened approximately 15 minutes prior to the start of the Meeting. It is strongly recommended that persons attending the meeting access the Meeting 15 minutes before the Meeting starts to facilitate registration by the Company’s scrutineer.

APPOINTMENT OF PROXYHOLDER

The purpose of a proxy is to designate persons who will vote the proxy on a shareholder’s behalf in accordance with the instructions given by the shareholder in the proxy. The persons whose names are printed in the enclosed form of proxy are officers or directors of the Company (the “Management Proxyholders”).

A shareholder has the right to appoint a person other than a Management Proxyholder, to represent the shareholder at the Meeting by striking out the names of the Management Proxyholders and by inserting the desired person’s name in the blank space provided or by executing a proxy in a form similar to the enclosed form. A proxyholder need not be a shareholder.

VOTING BY PROXY

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Shares represented by a properly executed proxy will be voted or be withheld from voting on each matter referred to in the Notice of Meeting in

accordance with the instructions of the shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly.

If a shareholder does not specify a choice and the shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.

The enclosed form of proxy also gives discretionary authority to the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of the Meeting and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

COMPLETION AND RETURN OF PROXY

Completed forms of proxy must be deposited at the office of the Company's registrar and transfer agent, Computershare Investor Services Inc., Proxy Dept., 510 Burrard Street, 2nd Floor, Vancouver, BC V6C 3B9, not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting, unless the Chair of the Meeting elects to exercise their discretion to accept proxies received subsequently.

NON-REGISTERED HOLDERS

Only shareholders whose names appear on the records of the Company as the registered holders of shares or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are "non-registered" shareholders because the shares they own are not registered in their names but instead registered in the name of a nominee (a "Nominee") such as a brokerage firm through which they purchased the shares; bank, trust company, trustee or administrator of self-administered RRSP's, FHSA's, RRIF's, RESP's and similar plans; or clearing agency such as The Canadian Depository for Securities Limited and in the United States, under the name Cede & Co., as nominee for the Depository Trust Company (which acts as a brokerage depository for many U.S. firms and custodial banks). If you purchased your shares through a broker, you are likely a non-registered holder.

In accordance with securities regulatory policy, the Company has distributed copies of the Meeting materials, being the Notice of Meeting, this Information Circular and the Proxy, to the Nominees for distribution to non-registered holders.

Nominees are required to forward the Meeting materials to non-registered holders to seek their voting instructions in advance of the Meeting. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered holder. The Nominees often have their own form of proxy, mailing procedures and provide their own return instructions. If you wish to vote by proxy, you should carefully follow the instructions from the Nominee in order that your shares are voted at the Meeting.

If you, as a non-registered holder, wish to vote at the Meeting in person, you should appoint yourself as proxyholder by writing your name in the space provided on the request for voting instructions or proxy provided by the Nominee and return the form to the Nominee in the envelope provided. Do not complete the voting section of the form as your vote will be taken at the Meeting.

Non-registered holders who have not objected to their Nominee disclosing certain ownership information about themselves to the Company are referred to as "non-objecting beneficial owners" ("**NOBOs**"). Those non-registered holders who have objected to their Nominee disclosing ownership information about themselves to the Company are referred to as "objecting beneficial owners" ("**OBOs**").

In accordance with the requirements of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") of the Canadian Securities Administrators, the Company has elected to send the Meeting materials directly to NOBOs.

If the Company or its agent has sent these materials directly to you (instead of through a Nominee), your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Nominee holding on your behalf. By choosing to send these materials to you directly, the Company (and not the Nominee holding on your behalf) has assumed responsibility for (i) delivering these materials to you and (ii) executing your proper voting instructions.

The Company does not intend to pay for Nominees to deliver the Meeting materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* to OBOs. As a result, OBOs will not receive the Meeting materials unless their Nominee assumes the costs of delivery.

The Company is not sending the Meeting materials to shareholders using "notice-and-access", as defined under NI 54-101.

REVOCABILITY OF PROXY

In addition to revocation in any other manner permitted by law, a shareholder, his attorney authorized in writing or, if the shareholder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a proxy by instrument in writing, including a proxy bearing a later date. The instrument revoking the proxy must be deposited at the registered office of the Company, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the Chair of the Meeting on the day of the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of Common Shares without par value (the "**shares**"), of which 77,546,717 shares are issued and outstanding, and an unlimited number of Preferred Shares, of which no shares are issued and outstanding. Persons who are registered shareholders at the close of business on November 10, 2025 (the "**Record Date**") will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each share held.

To the knowledge of the directors and executive officers of the Company, as of the Record Date, no person beneficially owns, controls or directs, directly or indirectly, shares carrying 10% or more of the voting rights attached to all shares of the Company.

EXECUTIVE COMPENSATION

General

The following information is provided as required under Form 51-102F6V for venture Issuers (the "**Form**"), as such term is defined in National Instrument 51-102.

For the purposes of this Form:

"CEO" means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

"CFO" means an individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

"company" includes other types of business organizations such as partnerships, trusts and other unincorporated business entities;

"compensation securities" includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the company or any of its subsidiaries;

"external management company" includes a subsidiary, affiliate or associate of the external management company;

"named executive officer" or **"NEO"** means each of the following individuals:

- (a) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;
- (b) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;
- (c) in respect of the company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5), for that financial year;
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year;

"plan" includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons;

"underlying securities" means any securities issuable on conversion, exchange or exercise of compensation securities.

During the financial year ended December 31, 2024, the Company had two NEOs, namely

- (i) Mark D. Sumner, Chief Executive Officer; and
- (ii) William Tsang, Chief Financial Officer.

Director and NEO Compensation, Excluding Options and Compensation Securities

The following table (presented in accordance with National Instrument Form 51-102F6V Statement of Executive Compensation) excluding options and compensation securities, provides a summary of the compensation paid by the Company to each NEO and director of the Company for the completed financial years ended December 31, 2024 and 2023. Options and compensation securities are disclosed under the heading “*Stock Options and Other Compensation Securities and Instruments*” below.

<i>Table of compensation excluding compensation securities</i>							
<i>Name and position</i>	<i>Year</i>	<i>Salary, consulting fee, retainer or commission (\$)</i>	<i>Bonus (\$)</i>	<i>Committee or meeting fees (\$)</i>	<i>Value of perquisites (\$)</i>	<i>Value of all other compensation (\$)</i>	<i>Total compensation (\$)</i>
Mark D. Sumner CEO and Director	2024	-	-	-	-	-	-
	2023	-	-	-	-	-	-
William Tsang CFO and Corporate Secretary	2024	-	-	-	-	-	-
	2023	-	-	-	-	-	-
Duncan Quinn-Smith Director	2024	-	-	-	-	-	-
	2023	-	-	-	-	-	-
Christina Cepeliauskas Director	2024	-	-	-	-	-	-
	2023	-	-	-	-	-	-

Stock Options and Other Compensation Securities and Instruments

The following table provides a summary of all compensation securities granted, or issued by the Company to each NEO and directors of the Company for the fiscal year ended December 31, 2024 for services provided, directly or indirectly, to the Company.

<i>Compensation Securities</i>								
<i>Name and position</i>	<i>Year</i>	<i>Type of compensation security</i>	<i>Number of compensation securities, number of underlying securities, and percentage of class</i>	<i>Date of issue or grant</i>	<i>Issue, conversion or exercise price (\$)</i>	<i>Closing price of security or underlying security on date of grant (\$)</i>	<i>Closing price of security or underlying security at year end (\$)</i>	<i>Expiry date</i>
Mark D. Sumner CEO and Director	2024	Nil	N/A	N/A	N/A	N/A	N/A	N/A
William Tsang CFO and Corporate Secretary	2024	Nil	N/A	N/A	N/A	N/A	N/A	N/A
Duncan Quinn-Smith Director	2024	Nil	N/A	N/A	N/A	N/A	N/A	N/A
Christina Cepeliauskas Director	2024	Nil	N/A	N/A	N/A	N/A	N/A	N/A

The following table provides a summary of each exercise of compensation securities by each NEO and director of the Company for the fiscal year ended December 31, 2024:

<i>Exercise of Compensation Securities by Directors and NEOs</i>								
<i>Name and position</i>	<i>Year</i>	<i>Type of compensation security</i>	<i>Number of underlying securities exercised</i>	<i>Exercise price per security (\$)</i>	<i>Date of exercise</i>	<i>Closing price per security on date of exercise (\$)</i>	<i>Difference between exercise price and closing price on date of exercise (\$)</i>	<i>Total value on exercise date (\$)</i>
Mark D. Sumner CEO and director	2024	N/A	Nil	N/A	N/A	N/A	N/A	N/A
William Tsang CFO and Corporate Secretary	2024	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Duncan Quinn-Smith Director	2024	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Christina Cepeliauskas Director	2024	N/A	Nil	N/A	N/A	N/A	N/A	N/A

Employment, Consulting and Management Agreements

Other than as set forth below, the Company has no contract, agreement, plan or arrangement that provides for payments to a NEO, at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or a change in the NEO's responsibilities. The following disclosure is provided as of the date of this Information Circular. Effective November 1, 2025, Mr. Sumner transitioned to the role of Chief Executive Officer as well as President of the Company. Mr. Saenz is expected to remain with the Company and to continue playing a critical role with respect to the Company's mineral exploration activities in Peru. As a result of this transition, the Board expects to reassess the compensation packages for Mr. Sumner and Mr. Saenz.

Upon completion of the Company's qualifying transaction (the "**Qualifying Transaction**") under the rules and policies of the TSX Venture Exchange (the "**Exchange**"), Mark D. Sumner resigned as Chief Executive Officer of the Company. Effective February 1, 2025, the Company entered into a management consulting agreement with Mark Sumner, pursuant to which Mr. Sumner agreed to act as the President of the Company. Upon his re-appointment as Chief Executive Officer effective November 1, 2025, the Company has continued to pay Mr. Sumner for acting in that capacity on the same terms as his existing agreement. Pursuant to his agreement, the Company pays Mr. Sumner a fee of US\$7,000 per month. Mr. Sumner's agreement with the Company may be terminated at any time without cause upon 60 days prior written notice.

Upon completion of the Qualifying Transaction, Luis Saenz was appointed as Chief Executive Officer of the Company. Pursuant to his management consulting agreement with the Company, Mr. Saenz was paid a fee of US\$7,000 per month. Effective November 1, 2025, Mr. Saenz resigned as Chief Executive Officer of the Company. As of the date of this Information Circular, Mr. Saenz's consulting agreement remains in place.

Effective February 1, 2025, the Company entered into a consulting agreement with Dr. Ernesto Lima, pursuant to which Dr. Lima advises the Company on exploration and development plans relating to the Company's mineral properties, identifying potential mineral exploration and development targets and other related services. Dr. Lima was appointed as a director of the Company upon completion of the Qualifying Transaction. Pursuant to his consulting agreement, Dr. Lima is paid a monthly fee of US\$7,000 per month. Dr. Lima's consulting agreement may be terminated at any time without cause upon 60 days prior written notice.

Pursuant to an agreement (the "**Seabord Agreement**") with Seabord Management Corp. ("**Seabord**"), Seabord provides accounting services to the Company and provides the services of William Tsang as Chief Financial Officer for the Company. Pursuant to the terms of the Seabord Agreement, the Company pays to Seabord a consulting fee of \$8,500 per month. The Seabord Agreement may be terminated by either party on 90 days written notice to the other party.

Oversight and Description of Director and NEO Compensation

The Company has not adopted any specific policies or practices to determine the compensation for the Company's directors and officers, other than disclosed above. Given the Company's current stage of development, the Company does not currently have an active compensation committee in place.

Executive compensation awarded to the named executive officers consists of two components: (1) management fees and (ii) stock options. The Company does not presently have a long-term incentive plan for its named executive officers. There is no policy or target regarding allocation between cash and noncash elements of the Company's compensation program.

Pension

The Company does not provide any pension benefits for directors or executive officers.

EQUITY COMPENSATION PLAN INFORMATION

The following table sets out those securities of the Company which have been authorized for issuance under equity compensation plans, for the financial year ended December 31, 2024:

Year	Plan Category	<i>Number of securities to be issued upon exercise of outstanding options, warrants and rights</i> (a)	<i>Weighted-average exercise price of outstanding options, warrants and rights</i> (b)	<i>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</i> (c)
2024	Equity compensation plans approved by the security holders	Nil	N/A	705,466
	Equity compensation plans not approved by the security holders	Nil	Nil	Nil
	Total	Nil	Nil	705,466

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the current or former directors, executive officers, employees of the Company, the proposed nominees for election to the Board, or their respective associates or affiliates, are or have been indebted to the Company since the beginning of the most recently completed financial year of the Company.

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

No director or executive officer of the Company or any proposed nominee of management of the Company for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, since the beginning of the Company's last financial year in matters to be acted upon at the Meeting.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

None of the persons who were directors or executive officers of the Company or a subsidiary at any time during the Company's last completed financial year, the proposed nominees for election to the Board, any person or company who beneficially owns, directly or indirectly, or who exercises control or direction over (or a combination of both) more than 10% of the issued and outstanding common shares of the Company, nor the associates or affiliates of those persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or proposed transaction which has materially affected or would materially affect the Company.

MANAGEMENT CONTRACTS

Other than as disclosed elsewhere in this Information Circular, no management functions of the Company are to any substantial degree performed by a person or company other than the directors or NEOs of the Company.

AUDIT COMMITTEE

The Company is required to have an audit committee (the "Audit Committee") comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company.

Audit Committee Charter

The text of the Audit Committee's charter is attached as Schedule "A" to this Circular.

Composition of Audit Committee and Independence

The Company's current Audit Committee consists of Mark Sumner, Christina Cepeliauskas and Duncan Quinn-Smith. National Instrument 52-110 *Audit Committees*, ("**NI 52-110**") provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Company, which could, in the view of the Company's Board, reasonably interfere with the exercise of the member's independent judgment. Of the Company's current Audit Committee members, Christina Cepeliauskas and Duncan Quinn-Smith are considered independent. All of the Audit Committee members are "financially literate, as defined in NI 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as the understanding of internal controls and procedures necessary for financial reporting.

Relevant Education and Experience

Mark Sumner – Mr. Sumner is the founder and managing director of Kiwanda Group LLC (the "Kiwanda Group"), a US-based resources venture capital business. Founded in 2007, Kiwanda Group has financed mining and exploration projects across a range of commodities and regions, with a particular focus on metals in South America. Prior to founding Kiwanda Group, Mr. Sumner was an investment specialist at Madison Avenue Financial Group, a private wealth boutique based in Portland, OR. Mr. Sumner is also on the board of BiFox Ltd., an unlisted Chilean phosphate rock development company. Mr. Sumner previously held the position of Executive Chairman for Valor Resources Ltd.

Christina Cepeliauskas - Ms. Cepeliauskas is a CPA, CGA professional accountant with more than 25 years of financial accounting and treasury experience in the mineral exploration and mining industry. She is currently the CAO of EMX Royalty Corp. ("EMX") and was the CFO of EMX for 12 years from September 2008 to July 2021. She was the CFO of Pan Gold Resources Inc from May 2009 to August 2022 and CFO of Reservoir Capital Corp from May 2009 to May 2019. She has been a member of the Institute of Corporate Directors since May 2015 since she completed the comprehensive Corporate Directors Program.

Duncan Quinn-Smith - Mr. Quinn-Smith has law degrees from the University of Bristol (LL.B), Bristol, England, and Columbia University (LL.M), New York, USA. Mr Quinn-Smith was formerly an attorney at the offices of Kirkland & Ellis LLP in New York City, specializing in all aspects of private equity transactions. He founded DQ, LLC, a luxury lifestyle brand, in 2003 where he holds the position of Chief Executive Officer.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Audit Committee of the Company has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on:

- (a) the exemption in section 2.4 (De Minimis Non-audit Services) of NI 52-110; or
- (b) an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions).

Pre-Approval Policies and Procedures

The Audit Committee has not adopted any specific policies and procedures for the engagement of non-audit services.

Audit Fees

The aggregate fees billed by the Company's external auditor in the fiscal years ended December 31, 2024 and 2023.

<i>Financial Year Ended</i>	<i>Audit Fees (\$)⁽¹⁾</i>	<i>Audit Related Fees (\$)⁽²⁾</i>	<i>Tax Fees (\$)⁽³⁾</i>	<i>All Other Fees (\$)⁽⁴⁾</i>
December 31, 2024	\$16,000	Nil	Nil	\$31,500 ⁽⁵⁾

December 31, 2023	\$16,000	Nil	Nil	Nil
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Notes:

- (1) "Audit fees" include aggregate fees billed by the Company's external auditor in each of the last two fiscal years for audit fees.
- (2) "Audited related fees" include the aggregate fees billed in each of the last two fiscal years for assurance and related services by the Company's external auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under "Audit fees" above.
- (3) "Tax fees" include the aggregate fees billed in each of the last two fiscal years for professional services rendered by the Company's external auditor for tax compliance, tax advice and tax planning.
- (4) "All other fees" include the aggregate fees billed in each of the last two fiscal years for products and services provided by the Company's external auditor, other than "Audit fees", "Audit related fees" and "Tax fees" above.
- (5) Amounts represent fees paid to the auditor for review of interim financial statements in connection with the Qualifying Transaction.

Exemption in Section 6.1

The Company is a "venture issuer" as defined in NI 52-110 and is relying on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (Composition of Audit Committee) and 5 (Reporting Obligations) of NI 52-110.

CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101, Disclosure of Corporate Governance Practices, requires all reporting issuers to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines (the "**Guidelines**") adopted in National Policy 58-201. These Guidelines are not prescriptive, but have been used by the Company in adopting its corporate governance practices. The Board and Management consider good corporate governance to be an integral part of the effective and efficient operation of Canadian corporations. The Company's approach to corporate governance is set out below.

Board of Directors

Management is nominating five individuals to the Board. The five individuals being nominated to the Board are existing directors of the Company.

The Guidelines suggest that the board of directors of every reporting issuer should be constituted with a majority of individuals who qualify as "independent" directors under NI 52-110, which provides that a director is independent if he or she has no direct or indirect "material relationship" with the Company. "Material relationship" is defined as a relationship which could, in the view of the Company's Board, reasonably interfere with the exercise of a director's independent judgement, including persons who are employees or executive officers of the Company or who have been employees or executive officers of the Company within the last three years. Christina Cepeliauskas and Duncan Quinn-Smith are "independent" directors of the Company within the meaning of NI 52-110. Mark Sumner is not considered to be "independent" within the meaning set forth in NI 52-110 as he is a current executive officer of the Company. Luis Saenz is not considered to be "independent" within the meaning set forth in NI 52-110 as he is was an executive officer of the Company within the past three years. Dr. Ernesto Lima is not considered to be "independent" within the meaning set forth in NI 52-110 as he currently receives a consulting fee from the Company in excess of CDN\$75,000 per year.

The Board has a stewardship responsibility to supervise the management of and oversee the conduct of the business of the Company, provide leadership and direction to Management, evaluate Management, set policies appropriate for the business of the Company and approve corporate strategies and goals. The day-to-day management of the business and affairs of the Company is delegated by the Board to the CEO. The Board will give direction and guidance through the CEO to Management and will keep Management informed of its evaluation of the senior officers in achieving and complying with goals and policies established by the Board.

The Board recommends nominees to the shareholders for election as directors, and immediately following each annual general meeting appoints an Audit Committee and the Audit Committee chairperson. The Board establishes and periodically reviews and updates the committee mandates, duties and responsibilities, elects a chairperson of the Board and establishes his or her duties and responsibilities, appoints the CEO, CFO and President of the Company and establishes the duties and responsibilities of those positions and on the recommendation of the CEO and the President, appoints the senior officers of the Company and approves the senior management structure of the Company.

The Board exercises its independent supervision over management by its policies that (a) periodic meetings of the Board be held to obtain an update on significant corporate activities and plans; and (b) all material transactions of the Company are subject to prior approval of the Board. The Board shall meet not less than three times during each year and will endeavour to hold at least

one meeting in each fiscal quarter. The Board will also meet at any other time at the call of the President, or subject to the Articles of the Company, of any director.

The mandate of the Board, as prescribed by the *Business Corporations Act* (British Columbia) (the “**Act**”), is to manage or supervise management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company’s affairs directly and through its audit committee.

Orientation and Continuing Education

The Board’s practice is to recruit for the Board only persons with extensive experience in identifying and targeting junior businesses for transactions and in public company matters. Prospective new board members are provided a reasonably detailed level of background information, verbal and documentary, on the Company’s affairs and plans prior to obtaining their consent to act as a director.

Ethical Business Conduct

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

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction. The director must then abstain from voting on the contract or transaction unless the contract or transaction (i) relates primarily to their remuneration as a director, officer, employee or agent of the Company or an affiliate of the Company, (ii) is for indemnity or insurance for the benefit of the director in connection with the Company, or (iii) is with an affiliate of the Company. If the director abstains from voting after disclosure of their interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the Company at the time it was entered into, the contract or transaction is not invalid and the director is not accountable to the Company for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have been reasonable and fair to the Company and the contract or transaction be approved by the shareholders by a special resolution after receiving full disclosure of its terms in order for the director to avoid such liability or the contract or transaction being invalid.

Nomination of Directors

The Board identifies new candidates for board nomination by an informal process of discussion and consensus-building on the need for additional directors, the specific attributes being sought, likely prospects, and timing. Prospective directors are not approached until consensus is reached. This process takes place among the Chair of the Board and a majority of the non-executive directors.

Assessments

The Board annually reviews its own performance and effectiveness as well as the effectiveness and performance of its committees. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of individual directors are informally monitored by other Board members, bearing in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

The Board monitors the adequacy of information given to directors, communication between Board and Management and the strategic direction and processes of the Board and its committees.

The Board believes its corporate governance practices are appropriate and effective for the Company, given its size and operations. The Company’s corporate governance practices allow the Company to operate efficiently, with checks and balances that control and monitor Management and corporate functions without excessive administration burden.

PARTICULARS OF MATTERS TO BE ACTED UPON

1. Financial Statements, Auditor's report and Management Discussion & Analysis

The audited financial statements of the Company for the fiscal years ended December 31, 2024 and December 31, 2023, the audit report of Davidson & Company LLP relating thereto and the Company's management discussion and analysis relating thereto will be placed before the Meeting.

No further action or approval is required at the Meeting in respect of these documents.

2. Appointment and Remuneration of Auditor

The Company is nominating Davidson & Company LLP of 1200 – 609 Granville Street, Vancouver, British Columbia for re-appointment as auditor of the Company to hold office until the next annual meeting of shareholders and to authorize the Board to fix the remuneration to be paid thereto.

The Board unanimously recommends shareholders to vote “for” the appointment of Davison and Company LLP as the Company's auditors until the next annual general meeting at a remuneration to be fixed by the Company's board of directors and the persons named in the enclosed Proxy intend to vote FOR the foregoing. Proxies received in favour of management will be voted FOR the foregoing.

3. Set Number of Directors to be Elected

At the Meeting, shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company for the ensuing year at five (5) directors.

The number of directors will be approved if the affirmative vote of the majority of common shares present or represented by proxy at the Meeting and entitled to vote are voted in favour of the motion.

The Board unanimously recommends that Shareholders vote “for” the setting the number of directors of the Company at five (5) directors.

4. Election of Directors

The directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are appointed. In the absence of instructions to the contrary, the enclosed proxy will be voted for the nominees herein listed.

Management of the Company proposes to nominate Mark D. Sumner, Christina Cepeliauskas, Duncan Quinn-Smith, Luis Saenz and Raul Ernesto Lima Osorio for election as directors of the Company. Information concerning such persons, as furnished by the individual nominees, is as follows.

Name, Province/State and Country of Residence	Periods Served as a Director	Principal Occupation for Past Five Years	Common Shares Held (as of date hereof)
Mark D. Sumner ⁽¹⁾ Oregon, USA	Since March 29, 2018	CEO of the Company from March 2018 to Jan. 2025 and from November 2025 to present. President of the Company from Jan. 2025 to present. CEO and Director of Infin8 Holdings LLC from November 2022 – Present. Managing Director of Kiwanda Group LLC from November 2007 to present. Executive Chairman of Valor Resources Ltd. from December 2016 to November 2018.	2,894,303 ⁽²⁾ (Direct and Indirect)
Christina Cepeliauskas ⁽¹⁾ British Columbia, Canada	Since November 13, 2018	CAO of EMX Royalty Corporation from July 2020 to September 2025. CFO of EMX Royalty Corporation from September 2008 to June 2020. CFO of Pan Global Resources Inc. from May 2009 to August 2022. CFO of Reservoir Capital Corp. from May 2009 to May 2019.	200,000 (Direct)

Name, Province/State and Country of Residence	Periods Served as a Director	Principal Occupation for Past Five Years	Common Shares Held (as of date hereof)
Duncan Quinn-Smith ⁽¹⁾ New York, USA	Since November 17, 2018	Founder and CEO of DQ, LLC.	400,000 (Direct)
Luis Saenz ⁽³⁾ Lima, Peru	Since January 20, 2025	CEO of the Company from January 2025 to November 2025. Director, BLB Advisory from September 2019 to present. Director and President of South American Operations, Bearing Lithium Corp. from September 2017 to December 2022. Director of Atico Mining Corporation from May 2014 to present. CEO and Director, Compañía Minera Quiruvilca & Ausenco from July 2015 to January 2018. Director of Business Development Latin America, Ausenco from January 2018 to January 2019.	450,350 (Direct)
Dr. Raul Ernesto Lima Osorio Montevideo, Uruguay	Since January 20, 2025	Board Director and COO of Bifox Limited from 2022 to present. Director, Project Development, Endeavor Silver Corp. 2020-2021. Chief Operating Officer of Valor Resources Limited from March 2017 to March 2019.	4,950,000 (Direct)

Notes:

- (1) Current member of the audit committee.
- (2) 1,291,586 shares are held by Mr. Sumner indirectly through Adelheid Holdings LLC.
- (3) Upon completion of the Qualifying Transaction, it is anticipated that Luis Saenz will be appointed as the Company's CEO and as a director of the Company.

To the knowledge of the Company, except as set forth below, no proposed director:

- (a) is, as at the date of the Information Circular, or has been, within 10 years before the date of the Information Circular, a director, chief executive officer ("**CEO**") or chief financial officer ("**CFO**") of any company (including the Company) that:
 - (i) was the subject, while the director was acting in the capacity as director, CEO or CFO of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or
 - (ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the director ceased to be a director, CEO or CFO but which resulted from an event that occurred while the director was acting in the capacity as director, CEO or CFO of such company; or
- (b) is, as at the date of this Information Circular, or has been within 10 years before the date of the Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director; or
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a director.

Ms. Cepeliauskas was the CFO of Reservoir Capital Corp. ("**Reservoir**") from May 2009 to May 2019. Reservoir failed to file its annual financial statements and related management's discussion and analysis for the year ended April 30, 2016 within the period required under applicable securities laws. Reservoir was unable to complete its financial statements for the period then ended as

it did not receive the required financial information from its Serbian subsidiary in time. On August 31, 2016, a management cease trade order was issued with respect to Reservoir and on September 28, 2016, the management cease trade order was revoked upon Reservoir filing the required financial statements and management's discussion and analysis.

The following nominee directors of the Company hold directorships in other reporting issuers as set out below:

Name	Name of Reporting Issuer	Name of Exchange or Market (if applicable)	Position
Luis Saenz	Atico Mining Corporation	TSX-V	Director

The Board unanimously recommends that Shareholders vote “for” the election of each of the above nominees as directors of the Company and the persons named in the enclosed Proxy intend to vote FOR the foregoing. Proxies received in favour of management will be voted FOR the foregoing.

5. Ratification of 10% Rolling Stock Option Plan

The Company's amended and Stock Option Plan (the “**Stock Option Plan**”) was approved by the shareholders at the Company's 2024 annual general meeting. The Shareholders are being asked to ratify and approve the Stock Option Plan at the Meeting. As a “rolling” stock option plan, the Stock Option Plan is required to be re-approved by the shareholders each year at the Company's annual general meeting.

The purpose of the Stock Option Plan is to attract and motivate directors, senior officers, employees, consultants and other permitted optionees providing services to the Company and its subsidiaries, and thereby advance the Company's interests, by affording such persons with an opportunity to acquire an equity interest in the Company through the grant of Options. The Company is currently listed on Tier 2 of the Exchange and has adopted a “rolling” stock option plan reserving a maximum of 10% of the issued shares of the Company at the time of the Option grant.

Summary of Stock Option Plan Provisions

The following information is intended as a brief description of the Company's Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan, which will be made available at the Meeting upon request. Capitalized terms not otherwise defined herein have the meanings set forth in the Stock Option Plan.

- The aggregate number of Common Shares that may be reserved for issuance pursuant to Options shall not exceed 10% of the outstanding Common Shares at the time of the granting of an Option, less the aggregate number of Common Shares then reserved for issuance pursuant to the Company's other previously established or proposed share compensation arrangements. For greater certainty, if an Option is surrendered, terminated or expires without being exercised, the Common Shares reserved for issuance pursuant to such Option shall be available for new Options granted under the Stock Option Plan.
- The exercise price per Common Share for an Option shall in no event be less than the Market Price, less, if the Common Shares are listed on the Exchange the maximum discount permitted by the Exchange, at the time of granting the Option. The Company must obtain disinterested Shareholder approval of any decrease in the exercise price of or an extension to Options granted to individuals that are Insiders at the time of the proposed amendment.
- The number of Common Shares reserved for issuance under the Stock Option Plan and the Company's other previously established or proposed share compensation arrangements to (a) any one Person, shall not exceed 5% of the outstanding Common Shares in any 12-month period (unless the Company has obtained Disinterested Shareholder Approval to exceed such limit); (b) any one Consultant shall not exceed 2% of the outstanding Common Shares in any 12-month period at the time of the grant; (c) all Investor Relations Service Providers shall not exceed an aggregate of 2% of the outstanding Common Shares in any 12-month period at the time of the grant; (d) to Insiders within a one-year period, shall not exceed 10% of the outstanding Common Shares in any 12-month period.
- Upon expiry of an Option, or in the event an Option is otherwise terminated for any reason, the number of shares in respect of the expired or terminated Option shall again be available for the purposes of the Stock Option Plan. All Options granted under the Stock Option Plan, unless sooner terminated, have a term not exceeding and shall therefore expire no later than ten (10) years after the date of the grant (subject to extension where the expiry date falls within a blackout period).
- If an Optionee dies or suffers any inability of the Optionee arising due to medical reasons which the Board considers likely to permanently prevent or substantially impair such Optionee being able to provide the services necessary to qualify as a

Permitted Optionee (a "Disability") prior to otherwise ceasing to be a Permitted Optionee, each Option held by such Optionee shall terminate and shall therefore cease to be exercisable no later than the earlier of the Expiry Date and the date which is twelve months after the date of the Optionee's death or Disability.

- If an Optionee is terminated or removed for cause, each Option held by such Optionee shall terminate and shall therefore cease to be exercisable upon such termination for cause, unless otherwise determined by the Board.
- If an Optionee ceases to be a Permitted Optionee for any reason other than death, Disability or termination or removal for cause, any Option shall be exercisable to the extent that it has vested and was exercisable as at the date of such cessation, unless further vesting is permitted by the Board, and will terminate (i) 90 days after the date such Optionee ceased to be a Permitted Optionee; or (ii) if the Optionee is subject to the tax laws of the United States of America, the earlier of 90 days after the date such Optionee ceased to be a permitted Optionee and the three months after the date such Optionee ceased to be a Permitted Optionee.
- The Board retains the discretion to impose vesting periods on any Options granted. In accordance with the policies of the Exchange, Options granted to Investor Relations Service Providers must vest in stages over a minimum of 12 months with no more than one-quarter of the Options vesting in any three-month period. Subject to the approval of the Exchange if the Optionee is an Investor Relations Service Provider, the Board may advance, at any time, the dates upon which any or all Options shall vest and become exercisable.
- Options may be exercised in whole or in part at any time prior to their lapse or termination. Common Shares purchased by an Optionee on the exercise of an Option shall be fully paid at the time of their purchase.
- Subject to the approval of the Board, in its discretion, an Optionee (other than an Optionee that is an Investor Relations Service Provider) may exercise an Option by means of a "cashless exercise" as follows: (a) the Brokerage shall loan money to the Optionee to exercise the Options; (b) the Brokerage shall sell a sufficient number of Common Shares to cover the aggregate exercise price of the Options being exercised in order to repay the loan made to the Optionee by the Brokerage; and (c) the Brokerage shall receive an equivalent number of Common Shares from the exercise of the Options by the Optionee, and the Optionee shall then receive the balance of the Common Shares from the exercise of the Option or the cash proceeds from the balance of such Common Shares.
- Subject to the approval of the Board, in its discretion, an Optionee (other than an Optionee that is an Investor Relations Service Provider) may exercise an Option by means of a "net exercise", where the Optionee shall not be required to deliver payment of the exercise price in respect of the subject Option being so exercised, and instead the Optionee shall receive only the number of Common Shares that is equal to the quotient obtained by dividing: (a) the product of (i) the number of Common Shares in respect of which the subject Option is being exercised, and (ii) the difference between the VWAP of the Common Shares and the exercise price of the subject Option; by (b) the VWAP of the Common Shares.
- If an Option expires during a Blackout Period, the term of the Option shall be extended and the Option shall expire 10 business days after the termination of such Blackout Period, provided that: (i) the Blackout Period was formally imposed by the Company pursuant to its internal trading policies as a result of the bona fide existence of undisclosed Material Information, (ii) the Blackout Period expired upon the general disclosure of the undisclosed Material Information and (iii) the Company is not subject to a cease trade order or similar order under applicable securities laws.
- If the Common Shares are at any time increased, decreased or changed into or exchanged for a different number or kind of shares or securities of the Company through an amalgamation, merger, arrangement, reorganization, spin-off or recapitalization, subject to the prior approval of the Exchange, an appropriate and proportionate adjustment shall be made by the Board, in its discretion.
- If the Common Shares are at any time subdivided or consolidated, the number of Common Shares reserved for Options shall be similarly increased or decreased proportionately and the price payable for any Shares that are then subject to issuance shall be decreased or increased proportionately.
- If the Common Shares are at any time changed as a result of the declaration of a stock dividend thereon, the number of Shares reserved for Options shall be increased proportionately and the price payable for any Common Shares that are then subject to issuance shall be decreased proportionately so that upon exercising each Option the same proportionate shareholdings at the same aggregate purchase price shall be acquired after such stock dividend as would have been acquired before, subject to the prior approval of the Exchange (if required).
- No adjustment shall be made to any Option in respect of the payment of any cash dividend or the distribution to the shareholders of the Company of any rights to acquire Common Shares or other securities of the Company.

At the Meeting, Shareholders will be asked to consider and, if deemed appropriate, to approve, with or without variation, an ordinary resolution ratifying, confirming and approving the Stock Option Plan. The full text of the resolutions to be considered at the Meeting is set forth below:

RESOLVED AS AN ORDINARY RESOLUTION, THAT:

1. The stock option plan (the “**Stock Option Plan**”), of Daura Gold Corp. (the “**Company**”) be and the same is hereby ratified, confirmed and approved and shall thereafter continue and remain in effect until ratification is required pursuant to the rules of the TSX Venture Exchange or other applicable regulatory requirements;
2. The setting-aside, allotting and reserving 10% of the Company's outstanding common shares from time to time for issuance pursuant to the exercise of stock options granted under the Stock Option Plan is hereby approved and ratified; and
3. Any director or officer of the Company is hereby authorized and directed, for and on behalf of the Company, to do all things and to execute, deliver and file all such agreements, documents and instruments, and to do all such other acts and things, as such director or officer deems necessary or desirable to give effect to the forgoing resolutions.

The Board unanimously recommends that Shareholders vote “for” the ratification, confirmation and approval of the Stock Option Plan.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found on SEDAR at www.sedar.com. Financial information about the Company is provided in the Company's comparative annual financial statements to December 31, 2024 a copy of which, together with Management's Discussion and Analysis thereon, can be found on the Company's SEDAR+ profile at www.sedarplus.ca. Shareholders may contact the Company as set out below to request copies of the Company's financial statements and Management's Discussion Analysis.

BOARD APPROVAL

The contents of this Circular have been approved and its mailing authorized by the directors of the Company.
DATED at Vancouver, British Columbia, the 13th day of November, 2025.

ON BEHALF OF THE BOARD

/s/ *William Tsang*

William Tsang
Chief Financial Officer

SCHEDULE "A"
DAURA GOLD CORP.
(the "Company")

AUDIT COMMITTEE CHARTER

(See attached)

DAURA GOLD CORP.
AUDIT COMMITTEE CHARTER
(Adopted January 30, 2019)

I. MANDATE

The Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of Daura Gold Corp. (the “Company”) shall assist the Board in fulfilling its financial oversight responsibilities. The Committee’s primary duties and responsibilities under this mandate are to serve as an independent and objective party to monitor:

1. The quality and integrity of the Company’s financial statements and other financial information;
2. The compliance of such statements and information with legal and regulatory requirements;
3. The qualifications and independence of the Company’s independent external auditor (the “Auditor”); and
4. The performance of the Company’s internal accounting procedures and Auditor.

II. STRUCTURE AND OPERATIONS

A. Composition

The Committee shall be comprised of three or more members.

B. Qualifications

Each member of the Committee must be a member of the Board.

Each member of the Committee must be able to read and understand fundamental financial statements, including the Company’s balance sheet, income statement and cash flow statement.

C. Appointment and Removal

In accordance with the Articles of the Company, the members of the Committee shall be appointed by the Board and shall serve until such member’s successor is duly elected and qualified or until such member’s earlier resignation or removal. Any member of the Committee may be removed, with or without cause, by a majority vote of the Board.

D. Chair

Unless the Board shall select a Chair, the members of the Committee shall designate a Chair by the majority vote of all of the members of the Committee. The Chair shall call, set the agendas for and chair all meetings of the Committee.

E. Meetings

The Committee shall meet as frequently as circumstances dictate. The Auditor shall be given reasonable notice of, and be entitled to attend and speak at, each meeting of the Committee concerning the Company’s annual financial statements and, if the Committee feels it is necessary or appropriate, at every other meeting. On request by the Auditor, the Chair shall call a meeting of the Committee to consider any matter that the Auditor believes should be brought to the attention of the Committee, the Board or the shareholders of the Company.

At each meeting, a quorum shall consist of a majority of members that are not officers or employees of the Company or of an affiliate of the Company.

As part of its goal to foster open communication, the Committee may periodically meet separately with each of management and the Auditor to discuss any matters that the Committee or any of these groups believes would be appropriate to discuss privately. In addition, the Committee should meet with the Auditor and management annually to review the Company's financial statements in a manner consistent with Section III of this Charter.

The Committee may invite to its meetings any director, any manager of the Company, and any other person whom it deems appropriate to consult in order to carry out its responsibilities. The Committee may also exclude from its meetings any person it deems appropriate to exclude in order to carry out its responsibilities.

III. DUTIES

A. Introduction

The following functions shall be the common recurring duties of the Committee in carrying out its purposes outlined in Section I of this Charter. These duties should serve as a guide with the understanding that the Committee may fulfill additional duties and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee outlined in Section I of this Charter.

The Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern which the Committee in its sole discretion deems appropriate for study or investigation by the Committee.

The Committee shall be given full access to the Company's internal accounting staff, managers, other staff and Auditor as necessary to carry out these duties. While acting within the scope of its stated purpose, the Committee shall have all the authority of, but shall remain subject to, the Board.

B. Powers and Responsibilities

The Committee will have the following responsibilities and, in order to perform and discharge these responsibilities, will be vested with the powers and authorities set forth below, namely, the Committee shall:

Independence of Auditor

1. Review and discuss with the Auditor any disclosed relationships or services that may impact the objectivity and independence of the Auditor and, if necessary, obtain a formal written statement from the Auditor setting forth all relationships between the Auditor and the Company.
2. Take, or recommend that the Board take, appropriate action to oversee the independence of the Auditor.
3. Require the Auditor to report directly to the Committee.
4. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the Auditor and former independent external auditor of the Company.

Performance & Completion by Auditor of its Work

1. Be directly responsible for the oversight of the work by the Auditor (including resolution of disagreements between management and the Auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, including resolution of disagreements between management and the Auditor regarding financial reporting.

2. Review annually the performance of the Auditor and recommend the appointment by the Board of a new, or re-election by the Company's shareholders of the existing, Auditor for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company.
3. Recommend to the Board the compensation of the Auditor.
4. Pre-approve all non-audit services, including the fees and terms thereof, to be performed for the Company by the Auditor.

Internal Financial Controls & Operations of the Company

1. Establish procedures for:
 - (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
 - (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Preparation of Financial Statements

1. Discuss with management and the Auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.
2. Discuss with management and the Auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Company's financial statements or accounting policies.
3. Discuss with management and the Auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.
4. Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.
5. Discuss with the Auditor the matters required to be discussed relating to the conduct of any audit, in particular:
 - (a) The adoption of, or changes to, the Company's significant auditing and accounting principles and practices as suggested by the Auditor, internal auditor or management.
 - (b) The management inquiry letter provided by the Auditor and the Company's response to that letter.
 - (c) Any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

Public Disclosure by the Company

1. Review the Company's annual and interim financial statements, management discussion and analysis (MD&A) and earnings press releases before the Board approves and the Company publicly discloses this information.

2. Review the Company's financial reporting procedures and internal controls to be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph, and periodically assessing the adequacy of those procedures.
3. Review disclosures made to the Committee by the Company's Chief Executive Officer and Chief Financial Officer during their certification process of the Company's financial statements about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

Manner of Carrying Out its Mandate

1. Consult, to the extent it deems necessary or appropriate, with the Auditor, but without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
2. Request any officer or employee of the Company or the Company's outside counsel or Auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.
3. Meet, to the extent it deems necessary or appropriate, with management, any internal auditor and the Auditor in separate executive sessions.
4. Have the authority, to the extent it deems necessary or appropriate, to retain special independent legal, accounting or other consultants to advise the Committee advisors.
5. Make regular reports to the Board.
6. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
7. Annually review the Committee's own performance.
8. Provide an open avenue of communication among the Auditor, the Company's financial and senior management and the Board.
9. Not delegate these responsibilities.

C. Limitation of Audit Committee's Role

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the Auditor.