

**ETHOS GOLD CORP.**

**Date:**

**2020**

**ANNUAL GENERAL AND SPECIAL  
MEETING**

Notice of Annual General and Special  
Meeting of Shareholders

Information Circular

Offices of Ethos Gold Corp., Suite 1430-800  
West Pender St., Vancouver, BC V6C 2V6  
11:00 a.m. PST  
Thursday, December 17, 2020

**Place:**

**Time:**

# ETHOS GOLD CORP.

## CORPORATE DATA

### *Head Office*

Suite 1430, 800 West Pender Street  
Vancouver, BC V6C 2V6

### *Directors and Officers*

Craig Roberts, Director and Chief Executive  
Officer

Alex Heath, President

Scott Kelly, Chief Financial Officer and  
Corporate Secretary

Melvin Herdrick, Director

Hendrik Van Alphen, Director

Michael Murphy, Director

### *Registrar & Transfer Agent*

TSX Trust Company  
Suite 2700, 650 West Georgia Street  
Vancouver, BC V6B 4N9

### *Solicitors*

Blake, Cassels & Graydon LLP  
595 Burrard Street, Suite 2600  
Vancouver, BC V7X 1L3

### *Auditors*

Davidson & Company LLP  
1200-609 Granville Street  
Vancouver, BC V7Y 1G6

### *Listing*

TSX Venture Exchange  
Tier 2: ECC

OTCQB: ETHOF

FRANKFURT: 1ET

**ETHOS GOLD CORP.**  
**SUITE 1430, 800 WEST PENDER STREET**  
**VANCOUVER, BC V6C 2V6**  
**TELEPHONE: 604.682.4750**  
**FAX: 604.682.4809**

## **INFORMATION CIRCULAR**

(as at November 10, 2020, unless indicated otherwise)

### **SOLICITATION OF PROXIES**

This Information Circular and the accompanying documents (the “Meeting Materials”) are furnished in connection with the solicitation of proxies by the management of Ethos Gold Corp. (the “Company”) for use at the Annual General and Special Meeting of Shareholders of the Company to be held on Thursday, December 17, 2020 (the “Meeting”) and any adjournment thereof at the time and place and for the purposes set forth in the accompanying Notice of Meeting. While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by the directors and regular employees of the Company. All costs of solicitation will be borne by the Company.

### **APPOINTMENT AND REVOCATION OF PROXIES**

The individuals named in the accompanying form of proxy are directors and/or officers of the Company. **A SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER) TO REPRESENT HIM OR HER AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY INSERTING SUCH PERSON’S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY AND STRIKING OUT THE TWO PRINTED NAMES OR BY COMPLETING ANOTHER FORM OF PROXY.** To be valid, a proxy must be in writing and executed by the shareholder or its attorney authorized in writing, unless the shareholder chooses to complete the proxy by the internet as described in the enclosed proxy form. Completed proxies must be received by TMX Equity Transfer Services, 200 University Avenue, Suite 300, Toronto, Ontario, M5H 4H1 (fax: 416.595.9593), before Tuesday, December 15, 2020 at 11:00 a.m. PST, or, at the discretion of the Chairman of the Meeting, delivered to the Chairman of the Meeting prior to the commencement of the Meeting or prior to any re-commencement of the Meeting after an adjournment.

A shareholder who has given a proxy may revoke it by an instrument in writing executed by the shareholder or by his or her attorney authorized in writing or, where the shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered either to the registered office of the Company, 2600 – 595 Burrard Street, Vancouver, BC, V7X 1L3, at any time up to and including the last business day preceding the day of the Meeting, or if adjourned, any reconvening thereof, or to the Chairman of the Meeting on the day of the Meeting or, if adjourned, any reconvening thereof or in any other manner provided by law. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

### **INFORMATION FOR BENEFICIAL HOLDERS OF SHARES**

The shares owned by many shareholders of the Company are not registered on the records of the Company in the shareholders’ own names, but in the name of a securities dealer, bank or other intermediary, or in the name of a clearing agency (referred to in this Information Circular as an “intermediary” or “intermediaries”). Shareholders who do not hold their shares in their own names

(referred to in this Information Circular as “beneficial holders”) should note that only registered shareholders may vote at the Meeting. A beneficial holder cannot be recognized at the Meeting for the purpose of voting his or her shares unless he is appointed by the intermediary as a proxyholder.

Applicable regulatory policy requires intermediaries to seek voting instructions from beneficial shareholders. Every intermediary has its own procedures to seek those instructions. Beneficial shareholders should follow those procedures carefully to ensure that their shares are voted at the Meeting.

The majority of brokers in Canada have delegated authority for obtaining instructions from clients to Broadridge Investor Communication Solutions, Canada (“Broadridge”). Broadridge typically applies a special sticker to the proxy forms, or alternatively, prepares a separate “voting instruction” form, mails those forms to beneficial holders, and asks beneficial holders to return the proxy or voting instruction forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions for voting at the Meeting. A beneficial holder who receives a proxy bearing a Broadridge sticker or a voting instruction form cannot deposit that proxy or form on the Meeting date to vote common shares at the Meeting. The proxy or form must be returned to Broadridge in advance of the Meeting in order to allow the shares to be voted by the named proxyholder at the Meeting.

In addition to those procedures, National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”) allows a non-objecting beneficial holder (“NOBO”) to submit to the Company or an applicable intermediary any document in writing that requests that such NOBO or its nominee be appointed as the NOBO’s proxyholder. If such a request is received, the Company or the intermediary, as applicable, must arrange, without expense to the NOBO, to appoint such NOBO or its nominee as a proxyholder and to deposit that proxy within the time specified in this Information Circular, provided that the Company or the intermediary receives such written instructions at least one business day prior to the time at which proxies are to be submitted for use at the Meeting; accordingly, any such request must be received by 11:00 a.m. PST on Monday, December 14, 2020.

An objecting beneficial owner (“OBO”) is a beneficial holder who has provided instructions to an intermediary holding common shares in an account on behalf of the OBO that the OBO objects to the intermediary disclosing the OBO’s name, address and share ownership information to the Company to allow the Company to send shareholder materials to the OBO. The Company does not intend to pay for intermediaries to forward to OBOs under NI 54-101 the proxy-related materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary*, and an OBO will not receive those materials unless the OBO’s intermediary assumes the cost of delivery.

**IF YOU ARE A BENEFICIAL SHAREHOLDER AND WISH TO VOTE IN PERSON AT THE MEETING, PLEASE CONTACT YOUR BROKER OR AGENT WELL IN ADVANCE OF THE MEETING TO DETERMINE HOW YOU CAN DO SO.**

#### **EXERCISE OF DISCRETION**

Shares represented by proxy are entitled to be voted on a show of hands or any poll and, where a choice with respect to any matter to be acted upon has been specified in the form of proxy, the shares will be voted or withheld from voting in accordance with the specification so made.

#### **SUCH SHARES WILL BE VOTED FOR EACH MATTER FOR WHICH NO CHOICE HAS BEEN SPECIFIED BY THE SHAREHOLDER.**

The enclosed form of proxy when properly completed and delivered and not revoked confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting, and with respect to other matters which may properly come before the Meeting. In the event that amendments or variations to matters identified in the

Notice of Meeting are properly brought before the Meeting or any further or other business is properly brought before the Meeting, it is the intention of the persons designated in the enclosed form of proxy to vote in accordance with their best judgment on such matters or business. At the time of the printing of this Information Circular, the management of the Company knows of no such amendment, variation or other matter which may be presented to the Meeting.

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

Other than as set forth herein, management of the Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who has been a director or executive officer of the Company since the commencement of the Company's last completed financial year, or of any proposed nominee for election as a director of the Company, or of any associate or affiliate of any of such persons, in any manner to be acted upon at the Meeting other than the election of directors or the appointment of auditors.

### **VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

As at November 10, 2020, the Company has issued and outstanding **91,692,015** fully paid and non-assessable common shares, each share carrying the right to one vote. **THE COMPANY HAS NO OTHER CLASSES OF VOTING SECURITIES.**

Any shareholder of record at the close of business on November 10, 2020 who either personally attends the Meeting or who has completed and delivered a form of proxy in the manner and subject to the provisions described above shall be entitled to vote or to have his or her shares voted at the Meeting.

To the knowledge of the directors and executive officers of the Company, there are no persons or companies who beneficially own, or control or direct, directly or indirectly, shares carrying 10% or more of the voting rights attached to all outstanding shares of the Company.

### **ELECTION OF DIRECTORS**

The board of directors of the Company (the "Board") presently consists of four directors and it is intended to elect three directors for the ensuing year. The term of office of each of the present directors expires at the Meeting. At the Meeting, management intends to nominate for re-election incumbent directors Craig Roberts, Hendrik Van Alphen and Michael Murphy.

The persons named below will be presented for election at the Meeting as management's nominees and the persons named in the accompanying form of proxy intend to vote for the election of these nominees. Management does not contemplate that any of these nominees will be unable to serve as a director. Each director elected will hold office until the next annual general meeting of the Company or until his successor is elected or appointed, unless his office is earlier vacated in accordance with the Articles of the Company (the "**Articles**"), or with the provisions of the *Business Corporations Act* (British Columbia) (the "Act").

As at the date hereof, the members of the Audit Committee of the Company are Craig Roberts (Chair), Hendrik Van Alphen and Michael Murphy, the members of the Compensation Committee of the Company are Hendrik Van Alphen (Chair), Craig Roberts and Michael Murphy and the members of the Corporate Governance Committee of the Company are Craig Roberts (Chair), Hendrik Van Alphen and Michael Murphy.

The following table sets out the names of the nominees for election as directors, the province or state and the country in which each is ordinarily resident, all offices of the Company now held by each of them, their

principal occupations, the period of time for which each has been a director of the Company, and the number of common shares of the Company beneficially owned by each, or controlled or directed, directly or indirectly, as at the date hereof.

| <b>Name, Position, Province/State and Country of Residence</b> <sup>(1)(2)</sup>    | <b>Principal Occupation or Employment</b> <sup>(1)</sup>   | <b>Period as a Director of the Company</b>  | <b>No. of Shares</b> <sup>(1)</sup> |
|---|--|---|-------------------------------------|
| <b>CRAIG ROBERTS</b><br>Director, Chief Executive Officer<br>Resident of BC, Canada | Chief Executive Officer of the Company and Director  | February 13, 2018 <sup>(3)</sup><br>to date | <b>4,633,001</b> <sup>(4)</sup>     |
| <b>HENDRIK VAN ALPHEN</b><br>Director<br>Resident of BC, Canada                     | Mining Executive; President and Chief Executive Officer of Cardero Resource Corp., a mineral exploration company.  | August 18, 2009 to date                     | <b>637,928</b>                      |
| <b>MICHAEL MURPHY</b><br>Director<br>Resident of BC, Canada                         | President, Chief Executive Officer and Director of Global Battery Metals Ltd. (formerly Redzone Resources Ltd.), a mineral exploration company, since December 2008; President of Woodman Capital Ltd., a corporate finance consultant, Director of Torex Gold Resources Inc. and Director of the Company. | June 26, 2018 <sup>(6)</sup> to date        | <b>300,000</b>                      |

Notes:

- (1) The information as to province/state and country of residence, principal occupation and shares beneficially owned is not within the knowledge of the management of the Company and has been furnished by the respective nominees.
- (2) None of the proposed nominees for election as a director is to be elected under any arrangement or understanding between the proposed director and any other person or company, except the directors and executive officers of the company acting solely in such capacity.
- (3) Mr. Roberts was appointed Interim President and Chief Executive Officer on June 10, 2018 and was appointed President on May 6, 2019.
- (4) 1,769,500 of these shares are owned by Flotsam Cove Holdings Ltd., a private company wholly-owned and controlled by Mr. Roberts.
- (5) Mr. Herdrick was appointed as a director on December 4, 2017.
- (6) Mr. Murphy was appointed as a director on June 26, 2018.

### **Orders and Bankruptcies**

None of the proposed nominees for election as a director of the Company:

- (a) is, as at the date of this Information Circular, or has been, within ten years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:
  - (i) was subject to a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, which order was in effect for a period of more than 30 consecutive days (an "Order") that was issued while the

proposed director was acting in the capacity as director, chief executive officer or chief financial officer; 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,
- (b) is, as at the date of this Information Circular, or has been, within ten years before the date of this 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 ten 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 proposed director.

### **Penalties and Sanctions**

None of the proposed nominees for election as a director of the Company have 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 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 proposed director.

### **STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the Company's shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company. The Company believes that its corporate governance practices ensure that the business and affairs of the Company are effectively managed so as to enhance shareholder value.

The Company has reviewed its own corporate governance practices in light of the guidelines contained in National Policy 58-201 – *Corporate Governance Guidelines*. The Company's practices comply generally with the guidelines; however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore those guidelines have not been adopted. Set out below is a description of the Company's corporate governance practices as required by National Instrument 58-101 – *Disclosure of Corporate Governance Practices*.

### **Board of Directors**

Pursuant to National Instrument 52-110 – *Audit Committees* ("NI 52-110"), a director is independent if the director has no direct or indirect relationship with the issuer which could, in the view of the issuer's board of directors, be reasonably expected to interfere with the exercise of a member's independent judgment. Certain directors are deemed to have a material relationship with the Company by virtue of their position or relationship with the Company. As at the date hereof, the Board is comprised of four members, the following three of whom are independent under NI 52-110: Hendrik Van Alphen, Melvin Herdrick and Michael Murphy. Craig Roberts is not considered independent as he is the Chief Executive Officer of the Company.

The Company is relying on the exemption which provides that the Company, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

### Directorships

The following table sets out details of directorships held by each of the current directors of the Company in other public issuers:

| <b>Name of Director</b> | <b>Name of Issuer</b>  |
|-------------------------|--|
| Craig Roberts           | Global Battery Metals Ltd.<br>K2 Gold Corporation<br>Victory Metals Inc.<br>New Found Gold Corp. |
| Hendrik Van Alphen      | Wealth Minerals Ltd.<br>Cardero Resource Corp.<br>Latin Metals Inc.<br>Gelum Capital Ltd.        |
| Michael Murphy          | Torex Gold Resources Inc.<br>Global Battery Metals Ltd.  |

### Orientation and Continuing Education

The Company does not have a formal orientation and continuing education program. When a new director is added, he or she will be given the opportunity to become familiar with the Company by meeting with the other directors and with the officers and representatives of the Company. It is the personal responsibility and duty of each director to become familiar with the operations and policies of the Company and to monitor the same as they may change over time.

### Ethical Business Conduct

The Board has found that the fiduciary duties placed on the individual directors by the 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.

### Nomination of Directors

The directors of the Company have not appointed a nominating committee. Rather, the directors of the Company as a whole are responsible for identifying and recommending new candidates, having regard to the appropriate number of directors of the Company and the necessary competencies and skills of the directors as a whole and of each director individually. New nominees should have a track record in general business management, special expertise in areas of strategic interest to the Company and the ability to devote the time required.

### Compensation

A Compensation Committee has been established by the directors of the Company, the current members of which are Hendrik Van Alphen (Chair), Craig Roberts and Michael Murphy. Hendrik Van Alphen and Michael Murphy are considered independent within the meaning of NI 52-110. Craig Roberts is not considered independent as he is the Chief Executive Officer of the Company.

The Compensation Committee of the Board operates under a written charter that sets out its responsibilities. The charter for the Compensation Committee of the Board is attached to this Information Circular as Appendix 1.

### **Other Board Committees**

The Board has established a Corporate Governance Committee, the current members of which are Craig Roberts (Chair), Hendrik Van Alphen and Michael Murphy. Hendrik Van Alphen and Michael Murphy are considered independent within the meaning of NI 52-110. Craig Roberts is not considered independent as he is the Chief Executive Officer of the Company.

The Corporate Governance Committee was formed to oversee the development and regularly assess the Company's approach to corporate governance issues and to ensure that such approach supports the effective functioning of the Company with the shareholders' best interests in mind, as well as to foresee the effective communication between the Board and Company management. The Corporate Governance Committee may also recommend to the Board candidates for appointment to the Board.

### **Assessments**

The Board does not conduct any formal evaluation of the performance and effectiveness of individual directors, the Board as a whole or any committee of the Board. However, from time to time, the members of the Board may meet to review the effectiveness of the Board as a whole, as well as the effectiveness of its committees and may discuss if it would be in the best interests of the Company and its shareholders to have any reorganization take place.

## **AUDIT COMMITTEE**

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

The text of the Company's Audit Committee Charter is attached as Appendix 2 to this Information Circular.

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

As at the date hereof, the members of the Audit Committee are Craig Roberts (Chair), Hendrik Van Alphen and Michael Murphy. Each of the current and proposed members of the Audit Committee is independent with the exception of Craig Roberts who is not considered independent as he is the Chief Executive Officer of the Company. Each member is financially literate within the meaning of Section 1.5 of NI 52-110 in that he has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

### **Audit Committee Oversight**

At no time since the commencement of the Company's most recently completed financial year did the Board decline to adopt a recommendation of the audit committee to nominate or compensate an external auditor.

### ***Relevant Education and Experience***

All of the current Audit Committee members are businessmen with experience in financial matters and each has a broad understanding of accounting principles used to prepare financial statements and varied

experience as to the general application of such accounting principles. In addition, each of the current members of the Audit Committee has knowledge of the role of an audit committee in the realm of reporting companies from their respective years of experience as directors.

#### *Hendrik Van Alphen*

Mr. Van Alphen has been in the mining business for over 30 years, first as an exploration drilling contractor, then as President of Pacific Rim Mining Corp. Mr. Van Alphen laid the foundation for Pacific Rim becoming a successful South American-based resource company. He was also instrumental in the Company's entrance into South America. He has been a director of Cardero Resource Corp. ("Cardero") since 1999, was the Chief Executive Officer of Cardero from May 14, 2001 to November 9, 2011, President of Cardero from April 10, 2000 to June 1, 2011, Managing Director of Cardero from November 9, 2011 to March 19, 2013 and became Chief Executive Officer and President of Cardero again on March 19, 2013. He is also currently a director of numerous publicly listed companies in the mining sector.

#### *Michael Murphy*

Michael Murphy is a director of the Company, President, CEO and a director of Global Battery Metals Ltd., a director of Torex Gold Inc. and President of Woodman Capital Ltd., a private consulting company. Mr. Murphy previously spent 15 years working in institutional equities in London, with Merrill Lynch, Donaldson, Lufkin & Jenrette and Credit Suisse, where he managed the hedge fund coverage team. Mr. Murphy graduated from the London School of Economics and Political Science with a Master of Science in Finance and from Saint Mary's University with a Master of Business Administration. Mr. Murphy holds a BA from the University of British Columbia and has also completed a director's education course at the Institute of Corporate Directors. Accordingly, the Board believes that Mr. Murphy has the relevant experience to serve as a member of the Audit Committee.

#### *Craig Roberts*

Mr. Roberts is a mining engineer with over 30 years of operations, consulting, and investment banking experience. This includes work on feasibility studies for numerous mining projects worldwide, investment banking/due diligence roles in over 200 institutional mining equity financings, and significant experience advising management and boards on both friendly and hostile transactions.

The Audit Committee intends to meet four times a year to review the quarterly and annual audited financial statements.

### **Reliance on Certain Exemptions**

At no time since the commencement of the Company's most recently completed financial year has the Company relied on an exemption under section 2.4, 6.1.1(4), (5) or (6), or granted under Part 8 of NI 52-110.

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

As at the date of this Information Circular, the Audit Committee has not adopted any specific policies or procedures for the engagement of non-audit services.

## **External Auditor Service Fees**

### *Audit Fees*

The aggregate fees billed by the Company's external auditor in each of the last two fiscal years for audit fees were \$16,000 for the fiscal year ended December 31, 2018 and \$24,000 for the fiscal year ended December 31, 2019.

### *Audit-Related Fees*

The aggregate fees billed by the Company's external auditor in each of the last two fiscal years for additional services related to the performance of the audit or review of the Company's financial statements were nil for the fiscal year ended December 31, 2018 and nil for the fiscal year ended December 31, 2019.

### *Tax Fees*

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 were \$5,250 for the fiscal year ended December 31, 2018 and \$5,250 for the fiscal year ended December 31, 2019. These professional services relate to the preparation of the Company's T-2 corporate income tax return and the General Index of Financial Information required by the CRA.

### *All Other Fees*

During the fiscal years ended December 31, 2018 and December 31, 2019, there were no other fees billed by the external auditors.

## **Exemption for Venture Issuers**

As a venture issuer, the Company is exempt from the provisions of NI 52-110 that would otherwise require its audit committee to be constituted in accordance with Part 3 of NI 52-110, and the Company to provide comprehensive disclosure about the members of its audit committee.

## **STATEMENT OF EXECUTIVE COMPENSATION**

### **Oversight and Description of Director and Officer Compensation**

The Compensation Committee considers the compensation, including grants of equity-based compensation, to be paid to directors and officers of the Company and makes recommendations to the Board for consideration. The Board then determines the compensation to be paid, and also reviews the President's recommendations respecting the compensation of consultants of the Company to ensure such compensation reflects the responsibilities and risks associated with each position. Compensation of the directors and officers, including the Named Executive Officers (as defined below under "Director and Named Executive Officer Compensation") is reviewed by the Compensation Committee and the Board on an annual basis.

When determining the compensation of the management team, the Compensation Committee and the Board considers, among other things: (i) providing fair and competitive compensation to ensure compensation appropriately reflects the responsibilities assumed by the officer; (ii) balancing the interests of management and the shareholders of the Company; and (iii) rewarding performance with respect to operations in general. The Company does not use benchmarking as a methodology for compensation decisions.

In order to achieve these objectives, the following factors are considered when determining the compensation paid to management: (i) remuneration for services performed for the benefit of the Company; (ii) consulting fees for services rendered in respect of their duties as part of management, and (iii) long term incentive in the form of stock options. When reviewing the compensation of consultants of the Company, the directors of the Company as a whole consider how individuals are critical to the growth and success of the Company.

The Board delegates responsibility to the Compensation Committee to review, identify and mitigate risks associated with its compensation policies and ensure that the Company's executive compensation policies are designed not to encourage a Named Executive Officer or an individual to take inappropriate or excessive risks in order to achieve individual short-term compensation objectives or outcomes that are not consistent with the long-term interests of the Company's shareholders. To achieve this, the Compensation Committee ensures that the variable elements of the Company's compensation policies are structured, based on personal and corporate objectives, none of which have the effect of encouraging excessive risk taking. The Company makes use of stock options as part of its compensation plan. The deferred nature of this compensation method does not, in the Committee's view, promote excessive risk taking. Accordingly, the Compensation Committee has not identified any risks arising from its compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

Named Executive Officers and directors are permitted to purchase financial instruments, including, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the Named Executive Officer or director. All such purchases are subject to insider reporting requirements and are reported on the System for Electronic Disclosure by Insiders.

The incentive stock option component of the Company's executive compensation program is intended to encourage and reward outstanding performance over the short-term and long-term, and to align the interests of the Company's senior officers with those of its shareholders. Options are awarded to Named Executive Officers by the Board based upon recommendations of the Compensation Committee which bases its decisions upon the level of responsibility and contribution of the individuals towards the Company's goals and objectives. The Compensation Committee also takes into consideration the amount and terms of outstanding stock options in determining its recommendations regarding the options to be granted during any fiscal year. The stock option component of executive compensation acts as an incentive for the Company's Named Executive Officers to work to enhance the Company's value over the long-term, and to remain with the Company.

The Company pays consulting fees to the Named Executive Officers relating to management services provided to the Company. For a description of all significant compensation paid to the Named Executive Officers see "Employment, Consulting and Management Agreements" below.

A Compensation Committee has been established by the directors of the Company, the current members of which are Hendrik Van Alphen (Chair), Craig Roberts and Michael Murphy. Hendrik Van Alphen and Michael Murphy are considered independent within the meaning of NI 52-110. Craig Roberts is not considered independent as he is the Chief Executive Officer of the Company. The Compensation Committee operates under its written charter attached to this Information Circular as Appendix 1.

The members of the Compensation Committee do not have direct experience that is relevant to their responsibilities in executive compensation. However, each Committee member has skills and experiences that enable him to make decisions on the suitability of the compensation policies and practices of the Company as set out under "Audit Committee – Relevant Education and Experience".

### **Director and Named Executive Officer Compensation**

The following table sets forth details of all compensation, excluding compensation securities, paid by the Company or any subsidiary thereof to the Chief Executive Officer and the Chief Financial Officer (the

“Named Executive Officers” or “NEOs”) and each director of the Company for the two most recently completed financial years ended December 31, 2019 and December 31, 2018. Each of Craig Roberts, Chief Executive Officer and Scott Kelly, Chief Financial Officer and Corporate Secretary is or was a NEO of the Company during the fiscal years ended December 31, 2019 and December 31, 2018 for purposes of this disclosure. There were no other executive officers of the Company, or any of its subsidiaries, whose total compensation was, individually, more than \$150,000 for the financial years ended December 31, 2019 and December 31, 2018.

| Name and Principal Position   | Year | Salary, consulting fee, retainer or commission (\$) | Bonus (\$) | Committee or meeting fees (\$) | Value of perquisites (\$) | Value of all other compensation (\$) | Total compensation (\$) |
|---|------|---|------------|--------------------------------|---------------------------|--------------------------------------|-------------------------|
| <b>Craig Roberts</b> <sup>(1)</sup><br><i>Chief Executive Officer and Director</i>          | 2019 | \$120,000 <sup>(1)</sup>                            | Nil        | Nil                            | Nil                       | Nil                                  | \$120,000               |
|   | 2018 | \$120,000 <sup>(1)</sup>                            | Nil        | Nil                            | Nil                       | Nil                                  | \$120,000               |
| <b>Scott Kelly</b> <sup>(2)</sup><br><i>Chief Financial Officer and Corporate Secretary</i> | 2019 | \$58,000 <sup>(2)</sup>                             | Nil        | Nil                            | Nil                       | Nil                                  | \$58,000                |
|   | 2018 | \$30,000 <sup>(2)</sup>                             | Nil        | Nil                            | Nil                       | Nil                                  | \$30,000                |
| <b>Hendrik Van Alphen</b><br><i>Director</i>  | 2019 | Nil <sup>(3)</sup>                                  | Nil        | Nil                            | Nil                       | Nil                                  | Nil                     |
|   | 2018 | \$9,600 <sup>(3)</sup>                              | Nil        | Nil                            | Nil                       | Nil                                  | \$9,600                 |
| <b>Melvin Herdrick</b> <sup>(4)</sup><br><i>Director</i>                                    | 2019 | \$63,691 <sup>(5)</sup>                             | Nil        | Nil                            | Nil                       | Nil                                  | \$63,691                |
|   | 2018 | \$93,290 <sup>(5)</sup>                             | Nil        | Nil                            | Nil                       | Nil                                  | \$93,290                |
| <b>Michael Murphy</b> <sup>(6)</sup><br><i>Director</i>                                     | 2019 | Nil   | Nil        | Nil                            | Nil                       | Nil                                  | Nil                     |
|   | 2018 | Nil   | Nil        | Nil                            | Nil                       | Nil                                  | Nil                     |

**Notes:**

- (1) The compensation was paid to Flotsam Cove Holdings Ltd., a company wholly owned by Mr. Roberts for consulting services provided to the Company in the amount of \$120,000. Mr. Roberts was appointed as President on May 6, 2019 and Interim President and Chief Executive Officer on February 13, 2018. Mr. Roberts resigned as President on November 5, 2020.
- (2) Mr. Kelly, Chief Financial Officer since August 2, 2014, was appointed as Corporate Secretary of the Company on April 18, 2018. The compensation was paid to Tuareg Consulting Inc., a company controlled by Mr. Kelly.
- (3) Director’s fees.
- (4) Mr. Herdrick is not standing for re-election.
- (5) The compensation was paid to Mr. Herdrick for consulting fees provided to the Company. Consulting fees are paid to Mr. Herdrick in US dollars and converted to Canadian dollars using the average exchange rate for the period.
- (6) Mr. Murphy was appointed as a Director on June 26, 2018.

The above transactions were incurred in the normal course of operations and are recorded at the exchange amount, being the amount agreed upon by the related parties. The Company compensates its Named Executive Officers and Directors on a fee for service basis.

The Company has a Directors’ and Officers’ Insurance Policy, which includes \$5 million in coverage at an annual premium of \$11,700.

## Stock Options and Other Compensation Securities

### *Compensation Securities*

The following table sets forth details of all awards outstanding for the Named Executive Officers and Directors at the end of the most recently completed financial year, including awards granted to the Named Executive Officers and Directors in prior years. No options were exercised by any Director or Named Executive Officer during the financial year ended December 31, 2019.

| Compensation Securities   |                               |  |                       |                   |   |  |             |
|---|-------------------------------|--|-----------------------|-------------------|---|--|-------------|
| Name and Position   | Type of compensation security | Number of compensation securities, number of underlying securities, and percentage of class <sup>(1)(2)(3)</sup> | Option Exercise Price | Option Grant Date | Closing price of security or underlying security on date of grant | Closing price of security or underlying security at year end | Expiry Date |
| <b>Craig Roberts</b> <sup>(4)</sup><br><i>Chief Executive Officer and Director</i>          | Stock option                  | 100,000  | \$0.20                | May 31/20         | \$0.20  | \$0.16   | May 31/24   |
|   |                               | 425,000  | \$0.30                | June 22/16        | \$0.30  |  | June 22/21  |
|   |                               | 575,000<br>20.6%   | \$0.17                | June 26/18        | \$0.175   |  | June 26/23  |
| <b>Scott Kelly</b> <sup>(5)</sup><br><i>Chief Financial Officer and Corporate Secretary</i> | Stock option                  | 100,000  | \$0.30                | June 22/16        | \$0.30  | \$0.16   | June 22/21  |
|   |                               | 150,000<br>4.7%  | \$0.17                | June 26/18        | \$0.175   |  | June 26/23  |
| <b>Hendrik Van Alphen</b> <sup>(6)</sup><br><i>Director</i>                                 | Stock option                  | 175,000  | \$0.15                | Jul 29/15         | \$0.15  | \$0.16   | Jul 29/20   |
|   |                               | 75,000   | \$0.30                | June 22/16        | \$0.30  |  | June 22/21  |
|   |                               | 500,000<br>14.0%   | \$0.17                | June 26/18        | \$0.175   |  | June 26/23  |
| <b>Melvin Herdrick</b> <sup>(7)(8)</sup><br><i>Director</i>                                 | Stock option                  | 250,000  | \$0.20                | Dec 3, 2018       | \$0.20  | \$0.16   | Dec 3/22    |
|   |                               | 750,000<br>18.7%   | \$0.17                | June 26/18        | \$0.175   |  | June 26/23  |
| <b>Michael Murphy</b> <sup>(9)</sup><br><i>Director</i>                                     | Stock option                  | 100,000  | \$0.20                | May 31/19         | \$0.20  | \$0.16   | May 31/24   |
|   |                               | 500,000<br>11.2%   | \$0.17                | June 26/18        | \$0.175   |  | June 26/23  |

**Notes:**

- (1) The number of underlying securities for each issuance is equal to the number of compensation securities.
- (2) All options are fully vested.
- (3) Percentage of class ownership is calculated by dividing the NEO or Director's total option holding by the total number of options outstanding as at December 31, 2019.
- (4) Mr. Roberts had 1,100,000 options outstanding as of December 31, 2019, entitling him to acquire, upon exercise, an equal amount of Common Shares.
- (5) Mr. Kelly had 250,000 options outstanding as of December 31, 2019, entitling him to acquire, upon exercise, an equal amount of Common Shares.
- (6) Mr. Van Alphen had 750,000 options outstanding as of December 31, 2019, entitling him to acquire, upon exercise, an equal amount of Common Shares.
- (7) Mr. Herdrick had 1,000,000 options outstanding as of December 31, 2019, entitling him to acquire, upon exercise, an equal amount of Common Shares.
- (8) Mr. Herdrick is not standing for re-election.
- (9) Mr. Murphy had 600,000 options outstanding as of December 31, 2019, entitling him to acquire, upon exercise, an equal amount of Common Shares.

**Exercise of Compensation Securities by Directors and NEOs**

No compensation securities were exercised by a director or NEO during the most recently completed financial year.

**Share Option Plan**

The Company has in place a Share Option Plan dated for reference June 22, 2010 (the "Plan") for the benefit of directors, officers, employees, management company employees and consultants of the Company. The Plan provides that the directors of the Company may grant options to purchase common shares on terms that the directors may determine. The key features of the Plan are as follows:

- (a) the maximum aggregate number of common shares that may be reserved for issuance under the Plan and all other share compensation arrangements of the Company is 10% of the issued and outstanding common shares of the Company at the time of grant;
- (b) if the common shares of the Company are listed for trading on the TSX Venture Exchange (the "TSXV"), the following restrictions on issuances of options are applicable under the Plan:
  - (i) no optionee can be granted an option if that option would result in the total number of options, together with all other share compensation arrangements granted to such optionee in the previous 12 months, exceeding 5% of the issued and outstanding common shares of the Company (unless disinterested shareholder approval is obtained);
  - (ii) the aggregate number of options granted to optionees conducting investor relations activities in any 12-month period must not exceed 2% of the issued and outstanding common shares of the Company, without the prior consent of the TSXV; and
  - (iii) the aggregate number of options granted to any one consultant in any 12-month period must not exceed 2% of the issued and outstanding common shares of the Company, calculated at the time of grant, without the prior consent of the TSXV;
- (c) if the common shares of the Company are listed for trading on the Toronto Stock Exchange (the "TSX"), then, notwithstanding anything in the Plan to the contrary, the aggregate number of common shares that may be issued to insiders of the Company pursuant to options granted under the Plan and under any other share compensation arrangement within any one-year period, must not exceed 10% of the issued and outstanding common shares of the Company;
- (d) the exercise price of an option issued under the Plan is determined by the directors, but cannot be less than the closing market price of the Company's shares on the day preceding the date of granting of the option less any available discount, if the common shares of the Company are listed for trading on the TSXV, or the market price the day before the grant of the common shares as reported by the TSX at the time such option is granted, if such shares are listed for trading on the TSX;
- (e) the term of each option will be determined by the Board, provided that, an option can only be exercisable for a maximum of ten years;
- (f) notwithstanding item (e) above, if the expiry date of an option occurs:
  - (i) within a Blackout Period (as defined in the Plan), the expiry date will be extended to the date which is ten business days after expiry of the Blackout Period; or
  - (ii) immediately following a Blackout Period, the expiry date will be extended to the date which is ten business days after expiry of the Blackout Period less the number of business days between the expiry date of the option and the date on which the Blackout Period ends;
- (g) options may terminate prior to expiry of the option term in the following circumstances:
  - (i) on death of an optionee, any option held by such optionee at the date of death may be exercised by the optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such optionee and the expiry date otherwise applicable to such option;
  - (ii) if the common shares are listed for trading on the TSXV, then options granted to an optionee may be exercised until the earlier of 90 days after the date the optionee ceases to be a director, officer, employee, management company employee or consultant or

such longer time period as the Board may determine, to a maximum of twelve months, and the expiry date otherwise applicable to such option;

- (iii) if the common shares are listed for trading on the TSX, then, except as otherwise expressly approved by the Board for the specific option in question, options granted to an optionee may be exercised until the earlier of one year after the date the optionee ceases to be a director, officer, employee, management company employee or consultant and the expiry date otherwise applicable to such option; and
  - (iv) in the case of an optionee being dismissed from employment or service for cause, the options held by such optionee, whether or not vested at the date of dismissal, will terminate immediately on the date the optionee ceased to be a director, officer, employee, management company employee or consultant;
- (h) an option may expire on such earlier date or dates as may be fixed by the Board, subject to earlier termination in the event the optionee ceases to be eligible under the Plan by reason of death, retirement or otherwise.

The Plan provides for the issuance of stock options to acquire up to 10% of the Company's issued and outstanding share capital as at the date of grant. This is a "rolling" plan as the number of shares reserved for issuance pursuant to the grant of stock options will increase as the Company's issued and outstanding share capital increases. The Plan was previously approved by the Directors and was first approved by the shareholders of the Company at the Annual General and Special Meeting held on June 22, 2010. TSXV Policy 4.4 requires that such Plans be approved by shareholders annually, at the company's annual general meeting. Continuation of the Plan will be subject to the approval of the shareholders of the Company and review and acceptance by the TSXV.

### **External Management Companies**

The following NEOs of the Company, Craig Roberts and Scott Kelly are not employees of the Company.

The Company has not entered into any agreement with any external management company that employs or retains one or more of the NEOs or directors of the Company and the Company has not entered into any understanding, arrangement or agreement with any external management company to provide executive management services to the Company, directly or indirectly, in respect of which any compensation was paid by the Company.

### **Employment, Consulting and Management Agreements**

There are no Employment and Management Agreements in place at this time.

### **Pension Disclosure**

The Company has no pension plans that provide for payments or benefits at, following, or in connection with the retirement of the NEOs.

### **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The following table sets out, as of the end of the Company's financial year ended December 31, 2019, all information required with respect to compensation plans under which equity securities of the Company are authorized for issuance:

| <b>Plan Category</b>                                      | <b>Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights<br/>(a)</b> | <b>Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights<br/>(b)</b> | <b>Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a))<sup>(1)</sup><br/>(c)</b> |
|---|--|--|--|
| Equity compensation plans approved by securityholders     | 5,340,000  | \$0.28   | 981,701  |
| Equity compensation plans not approved by securityholders | [N/A]  | [N/A]  | [N/A]  |
| <b>Total</b>  | <b>5,340,000</b>   | <b>\$0.28</b>  | <b>981,701</b>   |

Note:

- (1) Based on 63,217,013 common shares of the Company issued and outstanding as at December 31, 2019. The maximum aggregate number of common shares that may be reserved for issuance under the Plan is equal to 10% of the issued and outstanding common shares at the time of the option grant.

**INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No director, executive officer, employee or former director, executive officer or employee or any of their respective associates or affiliates or any proposed nominee for election as a director of the Company is or has been at any time since the beginning of the last completed financial year, indebted to the Company or any of its subsidiaries nor has any such person been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding, provided by the Company or any of its subsidiaries.

**INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Other than as disclosed in this Information Circular, no informed person of the Company, proposed nominee for election as a director, or any associate or affiliate of the foregoing, had any material interest, direct or indirect, in any transaction or proposed transaction since January 1, 2019 which has materially affected or would materially affect the Company.

**FINANCIAL STATEMENTS**

The audited financial statements for the year ended December 31, 2019, the report of the auditor, together with the management's discussion and analysis (the "MD&A") can be found on [www.sedar.com](http://www.sedar.com).

**APPOINTMENT OF AUDITORS**

The management of the Company recommends the re-appointment of Davidson & Company LLP, as auditors to hold office until the next annual general meeting. Davidson & Company LLP were first appointed auditors of the Company on July 7, 2016.

## MANAGEMENT CONTRACTS

No management functions of the Company are performed to any substantial degree by a person other than the directors or executive officers of the Company, except as disclosed herein.

## PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

### Continuance of Share Option Plan

In accordance with the policy of the TSXV governing stock options, all issuers are required to adopt a share option plan pursuant to which stock options may be granted. As set out under the heading “Statement of Executive Compensation – Share Option Plan”, the Company currently has a Plan as previously approved by the directors, and as also first approved by the shareholders of the Company at the Annual General and Special Meeting held on June 22, 2010. The Plan complies with the requirements of TSXV Policy 4.4 for Tier 2 issuers. The Plan provides for the issuance of stock options to acquire up to 10% of the Company’s issued and outstanding capital as at the date of grant. This is a “rolling” plan as the number of shares reserved for issuance pursuant to the grant of stock options will increase as the Company’s issued and outstanding share capital increases.

The TSXV policy requires that such Plans be approved by shareholders annually, at the company’s annual general meeting. Continuation of the Plan will be subject to the approval of the shareholders of the Company and review and acceptance by the TSXV. For the principal features of the Plan, see “Statement of Executive Compensation – Share Option Plan”.

A copy of the Plan will be available at the Meeting for review by the shareholders. In addition, upon request, shareholders may obtain a copy of the Plan from the Company prior to the Meeting (see “Additional Information” below).

Accordingly, the shareholders of the Company will be requested at the Meeting to pass an ordinary resolution in the following terms:

“RESOLVED that:

1. the Company’s share option plan (the “Plan”), as described in the Information Circular of the Company dated November 10, 2020, be and is hereby ratified, confirmed and approved, subject to acceptance by the TSX Venture Exchange;
2. the Company be authorized to grant stock options pursuant and subject to the terms and conditions of the Plan, entitling the option holders to purchase up to that number of common shares that is equal to 10% of the issued and outstanding capital of the Company at the time of the grant; and
3. any one director or officer of the Company be and he is hereby authorized and directed to do all such acts and things and to execute and deliver under the corporate seal or otherwise all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to the foregoing resolutions and to complete all transactions in connection with the continuation of the Plan.”

The Board has determined that the approval of the Plan is in the best interests of the Company and its shareholders. The Board unanimously recommends that shareholders vote in favour of the resolution approving the Plan. The persons named in the enclosed proxy intend to vote for the approval of the foregoing resolutions at the Meeting unless otherwise directed by the shareholders appointing them.

## **Amendments to the Company's Articles**

The Articles presently provide that the Company may, by ordinary resolution of the shareholders, consolidate all or any of its unissued, or fully paid issued, shares. The Board has determined that it is in the best interest of the Company to amend Article 9 of the Articles to provide that the Company may, by a resolution of the directors of the Company, consolidate all or any of its unissued, or fully paid issued, shares on the basis of up to ten (10) pre-consolidation shares for each one (1) post-consolidation share (the "**Article Amendment**").

The Article Amendment is expected to provide the Company with increased flexibility by streamlining the administration of the Company's affairs and reducing the administrative costs related to implementing a consolidation of all or any of its unissued, or fully paid issued, shares on the basis of up to ten (10) pre-consolidation shares for each one (1) post-consolidation share. The full text of the proposed Article Amendment is attached as Appendix 3 hereto.

At the Meeting, the shareholders of the Company will be asked to consider, and if thought fit, pass the following special resolution approving the Article Amendment:

"RESOLVED that:

1. the existing Articles of the Company be amended as set forth in Appendix 3 of the Company's management information circular dated November 10, 2020;
2. this resolution shall be effective on the date and time that this resolution has been deposited at the Company's records office; and
3. any one director or officer of the Company is hereby authorized and directed for and in the name of and on behalf of the Company to execute or cause to be executed, whether under corporate seal of the Company or otherwise, and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as in the opinion of such director or officer may be necessary or desirable in order to carry out the terms of this resolution, such determination to be conclusively evidenced by the execution and delivery of such documents or the doing of any such act or thing."

The foregoing resolution must be approved by not less than two-thirds of the votes cast by shareholders at the Meeting. The Board recommends that shareholders approve this resolution. In the absence of a contrary instruction, the persons named in the accompanying form of proxy intend to vote for this resolution.

## **OTHER BUSINESS**

Management of the Company knows of no matters to come before the Meeting other than those referred to in the Notice of Meeting accompanying this Information Circular. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the form of proxy accompanying this Information Circular to vote the same in accordance with their best judgment of such matters.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Company at its offices located at Suite 800, 789 West Pender Street, Vancouver, British

Columbia, V6C 1H2 or by telephone at 604.682.4750 to request copies of any document referenced herein, including the Company's financial statements and MD&A. Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year.

DATED at Vancouver, British Columbia, this 10<sup>th</sup> day of November, 2020.

BY ORDER OF THE BOARD OF DIRECTORS

*"Craig Roberts"*

Craig Roberts,  
Chief Executive Officer

## APPENDIX 1

### ETHOS GOLD CORP.

#### COMPENSATION COMMITTEE CHARTER

##### I. Mandate

The mandate of the Compensation Committee (the "Committee") of the Board of Directors (the "Board") of Ethos Gold Corp. ("Ethos" or the "Company") is to discharge the responsibilities of the Board relating to compensation of Ethos' officers and directors, to provide general oversight of Ethos' compensation structure including equity compensation plans and benefits programs and to perform the additional specific duties and responsibilities set out herein.

##### II. Membership

The Committee will consist of at least two members, a majority of whom will be independent directors of Ethos, and one of whom will act as chairperson. An "independent" director is a director who is independent, as determined by the Board, within the definitions prescribed for executive compensation committee members by applicable stock exchange listing standards, and applicable laws and, if applicable, U.S. Securities and Exchange Commission ("SEC") rules. Committee members will be appointed, and the Chairperson will be selected from among them, by the Board of Directors.

##### III. Meetings and Procedures

The Committee will meet as often as may be considered necessary or appropriate, in its judgment. The Committee may meet either in person or by telephone, and at such times and places as the Committee determines. At least two members of the Committee must be present to constitute a quorum for the transaction of Committee business. The Chairperson will preside over the meetings, but will have no greater voting rights or decision-making authority than the other member(s) of the Committee. The Committee will report regularly to the full Board with respect to its activities. As a matter of practice, the Committee will discuss significant matters, as determined by the Committee, with the full Board prior to taking final action on such matters.

All recommendations of the Committee with respect to the awarding of compensation to the executive (senior) officers of the Company will be submitted to the full Board for approval before implementation.

##### IV. Outside Advisors

The Committee will have the authority to retain, at the Company's expense, such outside consultants, legal counsel, and other advisors as it determines is appropriate to assist it in the full performance of its functions, including the authority to approve such advisors' fees and other engagement terms.

##### V. Duties and Responsibilities

**(a) Human Resources and Compensation Strategies.** The Committee will oversee and evaluate Ethos' overall human resources and compensation structure, policies and programs, with the objective of ensuring that these establish appropriate incentives and leadership development for management and other employees.

**(b) Executive Compensation.** The Committee will review and approve corporate goals and objectives relevant to the compensation of the President (the "President") and the Chief Executive Officer (the "CEO") and the other executive officers of Ethos, evaluate the performance of the President and the CEO and the other executive officers in light of those goals and objectives and approve their annual compensation levels, including salaries, bonuses, and stock option grants based on such evaluation.

**(c) Employment Agreements.** The Committee will review and approve all employment related agreements and severance arrangements for the President and the CEO and other executive officers, including, without limitation, change-of-control agreements.

**(d) External Reporting of Compensation Matters.** The Committee will prepare an annual report on executive officer compensation for publication in Ethos' proxy circulars, as required by the securities regulatory authorities having jurisdiction over the Company. The Chairperson of the Committee will make him or herself available for questions from shareholders of the Company at the Company's Annual General Meeting.

**(e) Stock Option and Incentive Compensation Plans.** The Committee will supervise and administer Ethos' stock option or any other equity-based compensation programs, and the incentive compensation plan, and may approve, amend, modify, interpret, ratify the terms of, or terminate any such plan, to the extent that such plans and applicable laws so permit, and will make recommendations to the Board with respect to equity-based plans and incentive-compensation plans as appropriate.

**(f) Employee Benefit Plans.** The Committee will monitor the effectiveness of benefit plan offerings, in particular benefit plan offerings pertaining to executive officers, and will review and approve any new employee benefit plan or change to an existing plan that creates a material financial commitment by Ethos. In its discretion, the Committee may otherwise approve, amend, modify, ratify, interpret the terms of, or terminate any benefit plan.

**(g) Leadership Development and Succession Planning.** The Committee will review the leadership development and succession planning processes for senior management positions and ensure that appropriate compensation, incentive and other programs are in place in order to promote appropriate leadership development.

**(h) Director Compensation.** The Committee will annually review the compensation of directors for service on the Board and its committees and recommend to the Board the annual Board member compensation package, including retainer, Committee member and Chair retainers, Board and Committee meeting attendance fees and any other form of compensation, such as stock option grants or stock awards.

**(i) Annual Evaluation.** The Committee will annually evaluate the performance of the Committee and the adequacy of the Committee's charter and recommend to the Board such changes as it deems appropriate.

**(j) General.** The Committee will perform such other duties and responsibilities as are consistent with the purpose of the Committee and as the Board or the Committee deems appropriate.

## **VI. Delegation**

The Committee may delegate any of the foregoing duties and responsibilities to one or more members of the Committee. In addition, the Committee may delegate to one or more executive officers of the Company the administration of equity incentive or employee benefit plans, unless otherwise prohibited by such plans, or applicable law or stock exchange rules. Any such delegation may be revoked by the Committee at any time.

## APPENDIX 2

### ETHOS GOLD CORP. (the "Corporation")

#### AUDIT COMMITTEE CHARTER

The audit committee is a committee of the board of directors to which the board delegates its responsibilities for the oversight of the accounting and financial reporting process and financial statement audits.

The audit committee will:

- (a) review and report to the board of directors of the Company on the following before they are published:
  - (i) the financial statements and MD&A (management discussion and analysis) (as defined in National Instrument 51-102) of the Company;
  - (ii) the auditor's report, if any, prepared in relation to those financial statements,
- (b) review the Company's annual and interim earnings press releases before the Company publicly discloses this information,
- (c) satisfy itself that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements and periodically assess the adequacy of those procedures,
- (d) recommend to the board of directors:
  - (i) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company; and
  - (ii) the compensation of the external auditor,
- (e) oversee 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 Company, including the resolution of disagreements between management and the external auditor regarding financial reporting,
- (f) monitor, evaluate and report to the board of directors on the integrity of the financial reporting process and the system of internal controls that management and the board of directors have established,
- (g) monitor the management of the principal risks that could impact the financial reporting of the Company,
- (h) establish procedures for:
  - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
  - (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters,

- (i) pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the Company's external auditor,
- (j) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company, and
- (k) with respect to ensuring the integrity of disclosure controls and internal controls over financial reporting, understand the process utilized by the Chief Executive Officer and the Chief Financial Officer to comply with Multilateral Instrument 52-109.

### **Composition of the Committee**

The committee will be composed of 3 directors from the Company's board of directors, a majority of whom will be independent. Independence of the Board members will be as defined by applicable legislation and as a minimum each independent committee member will have no direct or indirect relationship with the Company which, in the view of the board of directors, could reasonably interfere with the exercise of a member's independent judgment.

All members of the committee will be financially literate as defined by applicable legislation. If, upon appointment, a member of the committee is not financially literate as required, the person will be provided a three month period in which to achieve the required level of literacy.

### **Authority**

The committee has the authority to engage independent counsel and other advisors as it deems necessary to carry out its duties and the committee will set the compensation for such advisors.

The committee has the authority to communicate directly with and to meet with the external auditors and the internal auditor, without management involvement. This extends to requiring the external auditor to report directly to the committee.

### **Reporting**

The reporting obligations of the committee will include:

1. reporting to the board of directors on the proceedings of each committee meeting and on the committee's recommendations at the next regularly scheduled directors' meeting; and
2. reviewing, and reporting to the board of directors on its concurrence with, the disclosure required by Form 52-110F2 in any management information circular prepared by the Company.

**APPENDIX 3****ETHOS GOLD CORP.  
(the "Company")****ARTICLE AMENDMENT****9. ALTERATIONS****9.1 Alteration of Authorized Share Structure**

Subject to Article 9.3 and 9.6 and the *Business Corporations Act*, the Company may by ordinary resolution:

- (a) create one or more classes or series of shares;
- (b) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares or establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established;
- (c) subdivide or consolidate all or any of its unissued, or fully paid issued, shares;
- (d) if the Company is authorized to issue shares of a class of shares with par value:
  - (1) decrease the par value of those shares; or
  - (2) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares;
- (e) change all or any of its unissued, or fully paid issued, shares with par value into shares without par value or any of its unissued shares without par value into shares with par value;
- (f) alter the identifying name of any of its shares; or
- (g) otherwise alter its shares or authorized share structure when required or permitted to do so by the *Business Corporations Act*.

**9.2 Cancellation of Class or Series of Shares**

Subject to the *Business Corporations Act*, the Company may by resolution of the directors eliminate a class or series of shares if none of the shares of the class or series of shares are allotted or issued.

**9.3 Special Rights and Restrictions**

Subject to the *Business Corporations Act*, the Company may by ordinary resolution:

- (a) create special rights or restrictions for, and attach those special rights or restrictions to, the shares of any class or series of shares, whether or not any or all of those shares have been issued; or
- (b) vary or delete any special rights or restrictions attached to the shares of any class or series of shares, whether or not any or all of those shares have been issued.

#### **9.4 Change of Name**

The Company may by directors' resolution authorize an alteration of its Notice of Articles in order to change its name.

#### **9.5 Other Alterations**

If the *Business Corporations Act* does not specify the type of resolution and these Articles do not specify another type of resolution, the Company may by directors' resolution alter these Articles.

#### **9.6 Share Consolidation**

Despite Article 9.1(c), the Company may by directors' resolutions consolidate all or any of its unissued, or fully paid issued, shares on the basis of up to ten (10) pre-consolidation shares for each one (1) post-consolidation share.