

WESTERN ATLAS RESOURCES INC.
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NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING

AND

INFORMATION CIRCULAR

(As at December 7, 2021, except as indicated)

Neither the TSX Venture Exchange Inc. nor any securities regulatory authority has in any way passed upon the merits of the transaction described in this information circular.

WESTERN ATLAS RESOURCES INC.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual General and Special Meeting (the “**Meeting**”) of the holders of the common shares (collectively, the “**Shareholders**” or individually, a “**Shareholder**”) of Western Atlas Resources Inc. (the “**Company**”) will be held virtually on Friday, January 7, 2022 at 10:00 a.m. (Pacific Daylight Time) via live teleconference for the following purposes:

1. To receive the audited financial statements of the Company for the fiscal year ended December 31, 2020, together with the auditor’s report thereon;
2. To set the number of the Company’s directors at five (5);
3. To elect the board of directors of the Company until the next Annual General Meeting of Shareholders;
4. To reappoint Smythe LLP (formerly Morgan & Company LLP) as the auditor of the Company to hold office until the close of the next annual general meeting of shareholders of the Company, and to authorize the directors of the Company to fix the auditor’s remuneration;
5. To reapprove and ratify the Company’s existing Stock Option Plan;
6. To approve and ratify the Company’s Long Term Incentive Plan
7. To transact such other business as may properly be brought before the Meeting or any adjournment or adjournments thereof.

Accompanying this Notice of Annual General and Special Meeting of Shareholders is an information circular, a form of proxy for registered Shareholders, and a voting instruction form for beneficial Shareholders. The information circular provides information relating to the matters to be addressed at the Meeting. Any adjourned or postponed meeting resulting from an adjournment or postponement of the Meeting will be held at a time and place to be specified either by the Company before the meeting or at the discretion of the chair at the Meeting.

A Shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must deposit his, her or its duly executed form of proxy with the Company’s transfer agent and registrar, Computershare Trust Company of Canada, Attention: Proxy Department, 135 West Beaver Creek, PO Box 300, Richmond Hill, Ontario L4B 4R5, on or before 10:00 am, Pacific Standard Time, on Wednesday, January 5, 2022.

This year, Western Atlas Resources is providing shareholders with the opportunity to attend the meeting virtually and to vote by telephone, or by proxy. Given the uncertainty surrounding the public health impact of the novel coronavirus (“COVID-19”) and as part of Western Atlas’ social responsibility and preparedness plans in response to COVID-19, the Company respectfully requests that all shareholders participate in the Meeting virtually via live audio teleconference to ensure the health and safety of shareholders, employees and the communities in which we live. The Board of Directors and management of the Company believe that enabling shareholders to attend the Meeting virtually will also lead to greater shareholder attendance and participation, especially in these difficult times, while concurrently complying with public health guidelines and restrictions on public gatherings.

Registered Shareholders and duly appointed proxy holders may participate in the Meeting via a live teleconference. Specifically, Registered Shareholders and duly appointed proxy holders who have properly pre-registered to participate in the meeting as outlined below will have the opportunity to participate in telephone voting if they have not already voted and will also be able to ask questions of management via the conference call at the conclusion of the Meeting.

To be permitted to attend and participate in voting if you have not already voted during the meeting, Registered Shareholders and duly appointed proxy holders must pre-register via the following link prior to the proxy cut-off at 10:00 am, Pacific Standard Time, on Wednesday, January 5, 2022.

<https://services.choruscall.ca/DiamondPassRegistration/register?confirmationNumber=10017282&linkSecurityString=1330260e46>

After pre-registration has been completed, pre-registered Registered Shareholders and duly appointed proxy holders will see on screen a unique PIN they have been assigned and dial-in phone numbers they will use to join the conference call. These details will also be sent to the pre-registered Registered Shareholders and duly appointed proxy holders by email in the form of a calendar booking. It is recommended that they dial in at least five minutes prior to the scheduled start time of the Meeting.

Shareholders are urged to sign, date, and return the enclosed form of proxy in the envelope provided for that purpose. The record date for the determination of those Shareholders entitled to receive the Notice of the Annual Meeting of Shareholders and to vote at the Meeting was the close of business on December 3, 2021.

Dated at Vancouver, British Columbia this 7th day of December, 2021.

BY ORDER OF THE BOARD

(signed) "Fabio Capponi"

Fabio Capponi
Chief Executive Officer and Director

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GENERAL PROXY INFORMATION

Western Atlas Resources Inc. ("**Western Atlas**", the "**Company**") is providing this Information Circular and a form of proxy (the "**Proxy**") in connection with management's solicitation of proxies for use at the annual general and special meeting (the "**Meeting**") of shareholders of the Company ("**Shareholders**") to be held on Friday, January 7, 2022 at 10:00 a.m. (Vancouver time), and at any adjournments. 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.

Appointment of Proxyholders

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 or company 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.

Proxy Instructions

Only registered Shareholders whose names appear on the records of the Company as registered holders of shares or duly appointed proxyholders are permitted to vote at the Meeting. Common 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 registered Shareholder does not specify a choice and the registered 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 Trust Company of Canada, Attention: Proxy Department, 135 West Beaver Creek, PO Box 300, Richmond Hill, Ontario L4B 4R5, (Fax: within North America: 1-866-249-7775; outside North America: 1-416-263-9524), on or before 10:00 am Pacific Standard Time on January 5, 2022, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

Non-Registered Holders

Only registered 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 are instead registered in the name of a nominee such as a brokerage firm through which they purchased the shares; a bank, trust company, trustee or administrator of self-administered RRSPs, RRIFs, RESPs and similar plans; or a clearing agency such as The Canadian Depository for Securities Limited (a “**Nominee**”). 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 Notice of Meeting, this Information Circular, and the Proxy (the “**Meeting Materials**”), 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. Common 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.

The Company is sending proxy-related materials directly to non-objecting beneficial owners under NI 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”). As a result, non-objecting beneficial owners (“**NOBOs**”) can expect to receive a scannable Voting Instruction Form (“**VIF**”) from our transfer agent, Computershare Trust Company of Canada (“**Computershare**”). The VIF is to be completed and returned to Computershare as set out in the instructions provided on the VIF. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

These Meeting Materials are being sent to both registered and non-registered Shareholders of the Company. If you are a non-registered Shareholder, and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of securities, were obtained in accordance with applicable securities regulatory requirements from the intermediary holding common shares of the Company (“**Common Shares**”) on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary holding securities on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your VIF as specified in the request for voting instructions that was sent to you.

Revocability of Proxy

Any registered Shareholder who has returned a proxy may revoke it at any time before it has been exercised. In addition to revocation in any other manner permitted by law, a registered Shareholder, their attorney authorized in writing or, if the registered 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 offices of the Company’s transfer agent, Computershare Trust Company of Canada, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting. **Only registered Shareholders have the right to revoke a proxy. Non-registered holders may revoke a proxy or voting instruction form which has been given to a Nominee by written notice to the Nominee. In order to ensure that a Nominee acts upon a revocation of proxy form or voting instruction form, the written notice should be received by the Nominee well in advance of the Meeting or any adjournment thereof.**

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

No person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee of management of the Company for election as a director of the Company and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the election of directors.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of Common Shares without nominal or par value, of which 116,078,398 Common Shares were issued and outstanding as of December 3, 2021 (the "**Record Date**"). Only persons who are registered Shareholders at the close of business on the Record Date will be entitled to receive notice of and vote at the Meeting or any adjournment thereof and will be entitled to one vote for each share held.

To the knowledge of the directors and executive officers of the Company, as at the date of this Information Circular, the only persons or companies who beneficially own, directly or indirectly, or control or direct shares carrying 10% or more of the voting rights attached to all outstanding shares of the Company are as follows:

	Number of Shares Owned (Percentage of Class and Type of Ownership)		
	Name	Common Shares	Percentage of Voting Rights
	Gran Colombia Gold Corp.	29,910,588	25.75%
	Fabio Capponi	16,548,253	14.25%
	Serafino Iacono	12,432,750	10.70%

VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein.

If there are more nominees for election as directors or appointment of the Company's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled all such nominees will be declared elected or appointed by acclamation.

STATEMENT OF EXECUTIVE COMPENSATION

Named Executive Officers

In this section, "Named Executive Officer" or "NEO" means (a) each individual who acted as Chief Executive Officer ("**CEO**") during any part of the most recently completed financial year, (b) each individual who acted as Chief Financial Officer ("**CFO**") during any part of the most recently completed financial year, (c) the most highly compensated executive officers, or the most highly compensated individuals acting in

a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000; and (d) each individual who would be an NEO under (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

The Company presently has two Named Executive Officers, namely Fabio Capponi, the CEO, and Susan Rubin, the CFO.

Compensation Discussion & Analysis

Through its executive compensation practices, the Company seeks to provide value to its Shareholders through a strong executive leadership. Specifically, the Company's executive compensation structure seeks to attract and retain talented and experienced executives necessary to achieve the Company's strategic objectives, motivate and reward executives whose knowledge, skills and performance are critical to the Company's success, and align the interests of the Company's executives and Shareholders by motivating executives to increase Shareholder value.

Compensation to Named Executive Officers consists of fixed salary and benefits, annual short-term incentive plans and long-term incentive awards including option-based compensation. In determining executive compensation, the Company relies on the experience and knowledge of the Board of Directors in terms of determining appropriate compensation for executive officers.

The Board of Directors has not conducted a formal evaluation of the implications of the risks associated with the Company's compensation policies. Risk management is a consideration of the Board of Directors when implementing its compensation policies and the Board of Directors do not believe that the Company's compensation policies result in unnecessary or inappropriate risk taking including risks that are likely to have a material adverse effect on the Company.

The Compensation and Corporate Governance Committee are responsible for ensuring that an appropriate plan for executive compensation is in place and for making recommendations to the Board with respect to the compensation of the Company's executive officers. The Board ensures that the total compensation paid to all Named Executive Officers is fair and reasonable and is consistent with the Company's compensation philosophy. This compensation philosophy is intended to ensure that executive compensation is reflective of prevailing market rates and is designed to create incentives to executive performance to achieve the Company's strategic objectives and increase the value to Shareholders.

The Compensation and Corporate Governance Committee periodically reviews the compensation paid to the Company's Directors and executive officers and ensures that the total compensation paid to all of the Named Executive Officers is fair, reasonable and competitive with the industry and is consistent with the Company's compensation philosophy and is aligned with the Company's overall business objectives and with Shareholders' interests.

The Compensation and Corporate Governance Committee is responsible for the review and assessment of compensation arrangements for the Company's executive officers and is authorized to approve terms of employment, salaries, bonuses, option grants and other incentive arrangements for the Company's executive officers, and, where appropriate, any severance arrangements. The Compensation and Corporate Governance Committee will work in conjunction with Western Atlas' President and CEO on the review and assessment of executive officers in accordance with the Company's compensation policies and practices.

In addition to informal industry comparables from publicly available information, the Compensation and Corporate Governance Committee considers a variety of factors when determining both compensation policies and programs, and individual compensation levels. These factors include the long-range interests of the Company and its Shareholders, overall financial and operating performance of the Company and the Compensation and Corporate Governance Committee's assessment of each executive's individual performance and contribution toward meeting corporate objectives.

The Company's Compensation and Corporate Governance Committee and Board of Directors consider annually the risks associated with the Company's compensation policies and practices including such risks as the retention of qualified executive staff during an economic downturn in the market. The CEO together with the Compensation and Corporate Governance Committee, will review and discuss on an annual basis the risks and provide oversight of the Company's compensation policies and practices, and discuss with the Compensation and Corporate Governance Committee any additional practices that the Company may use to identify and mitigate compensation policies and practices that could encourage an NEO or individual at a principle business unit or division to take inappropriate or excessive risks. As part of this annual review, the President and CEO discuss with the Compensation and Corporate Governance Committee any risks arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

Due to the small size of the Company and the expected level of the Company's activity, the Board of Directors and the Compensation and Corporate Governance Committee are able to closely monitor and consider any risks which may be associated with the Company's compensation policy and practices. Risks, if any, will be identified and mitigated through regular Board meetings, during which financial and other information pertaining to the Company will be reviewed, including executive compensation.

No NEO or Director is permitted by the Company to purchase financial instruments, including, but not limited to, 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 the Company's equity securities granted as compensation or held, directly or indirectly, by the NEO or Director.

The Compensation and Corporate Governance Committee periodically review the management development and succession program and the organizational structure for management of the Company. The Compensation and Corporate Governance Committee report to the Board on the committee's functions and on the results of its reviews and any recommendations.

The members of the Compensation and Corporate Governance Committee are Jose Francisco Arata and Serafino Iacono, each of whom is considered independent for the purposes of NI 58-101. The Compensation and Corporate Governance Committee members have direct experience in their past executive and board positions that are relevant to their responsibilities as members of the Compensation and Corporate Governance Committee. They have been Directors or executive members of many public companies which enables the Compensation and Corporate Governance Committee to make decisions on the suitability of the Company's compensation policies and practices.

Executive Compensation Principles

Compensation plays an important role in achieving short and long-term business objectives that ultimately drive business success. The Company's compensation philosophy is to foster entrepreneurship at all levels of the organization through, among other things, the granting of stock options as a significant component of executive compensation. This approach is based on the opinion of the Company and the Compensation and Corporate Governance Committee that the performance of the Company's share price over the long term is an important indicator of the Company's long term performance and the performance of its executive officers.

The Company's compensation philosophy is based on the following fundamental principles:

- *Alignment with Shareholder interests* – the Company believes that the goals of its executives should be aligned with the maximization of long-term Shareholder value;
- *Performance sensitivity* – compensation paid to executive officers should be linked to the operating and market performance of the Company and fluctuate with such performance; and;
- *Offer market competitive compensation to attract and retain talent* – the compensation program should provide market competitive pay in terms of value and structure in order to

retain, motivate and reward existing employees who are performing according to their objectives and should also serve to attract new individuals of the highest calibre.

The objectives of the compensation program in compensating all Named Executive Officers were developed based on the above-mentioned compensation philosophy and are as follows:

- to attract and retain highly qualified executive officers;
- to encourage and reward outstanding performance by those people who are in the best position to enhance the Company's near-term results and long-term prospects;
- to align the interests of executive officers with Shareholders' interests and with the execution of the Company's business strategy;
- to evaluate executive performance on the basis of key measurements of exploration management and business plan implementation that correlate to long-term Shareholder value; and
- to tie compensation directly to those measurements based on achieving and exceeding predetermined competitive compensation.

Aggregate compensation for each Named Executive Officer is designed to be competitive with the market. The Compensation and Corporate Governance Committee reviews compensation practices of similarly situated companies in determining appropriate compensation and makes its suggestions to the Board of Directors. Although the Compensation and Corporate Governance Committee reviews each element of compensation for market competitiveness and may weigh a particular element more heavily based on the Named Executive Officer's role within the Company, it is primarily focused on remaining competitive in the market with respect to total compensation.

The Board of the Company reviews data related to compensation levels and programs of various companies that are similar in size to the Company and operate within the mining exploration and development industry, prior to making its decisions.

Base salaries for each calendar year are determined in the fourth quarter of the fiscal year and any incentive awards, which will be based on a financial year, are also determined in the fourth quarter of each year. In the event that a decision is made by the Compensation and Corporate Governance Committee to consider an increase in the compensation of any Named Executive Officer, the Compensation and Corporate Governance Committee will conduct a review of the compensation programs of peer group companies, in order to:

- understand the competitiveness of the Company's current pay levels for each executive position relative to companies with similar revenues and business characteristics;
- identify and understand any gaps that may exist between the Company's actual compensation levels and market compensation levels; and
- establish a basis for developing salary adjustments and short-term and long-term incentive awards for Board approval.

Aligning the Interests of the Named Executive Officers with the Interests of the Company's Shareholders

The Company believes that transparent, objective and easily verified corporate goals, combined with individual performance goals, play an important role in creating and maintaining an effective compensation strategy for the Named Executive Officers. The Company's objective is to establish benchmarks and targets for its Named Executive Officers which, if achieved, will enhance Shareholder value. These

benchmarks relate to completion of exploration programs on the basis of pre-established budgets and exploration success, as well as completion of equity financings on terms beneficial to the Company. In addition, the compensation strategy will take into consideration the Company's current state of development and performance, the individual's performance and the Company's overall financial status.

The Compensation and Corporate Governance Committee will review annually key corporate performance indicators such as finance and project advancement but will not set specific performance goals for each NEO. The Company is an exploration stage mining company and will not be generating revenues from operations for a significant period of time. As a result, the use of traditional performance standards, such as corporate profitability and earnings per share, are not relevant in the evaluation of NEO performance. Instead, the Compensation and Corporate Governance Committee will take into account the stage of development of the Company and available capital, as well as the particular officer's level of responsibility, duties, amount of time dedicated to the affairs of the Company and contribution to the Company's long term success. No specific formulas will be developed to assign a specific weighting to each of these components. Instead, the Compensation and Corporate Governance Committee will consider the Company's performance and determine compensation based on the total assessment.

A combination of fixed and variable compensation is used to motivate the Company's executives to achieve overall corporate goals. The three basic components of the Company's executive compensation program are:

- fixed salary and benefits;
- annual short-term incentive plan (cash bonus); and
- long-term incentive awards (option-based compensation).

Fixed salary and benefits comprise a portion of the total cash-based compensation; however, annual incentives and option-based compensation represents compensation that is "at risk" and thus may or may not be paid to the respective executive officer depending on: (i) whether the executive officer is able to meet or exceed his or her applicable performance targets; and (ii) success in financing the Company and market performance of the Company's Common Shares. It is not expected that any specific formulae will be developed to assign a specific weighting to each of these components. Instead, the Compensation and Corporate Governance Committee considers each performance target and the Company's performance and assign compensation based on this assessment.

Each element of the total targeted compensation is reviewed on an annual basis by the Compensation Committee for each Named Executive Officer, to ensure that the incentives are designed and implemented to align compensation with short-term and long-term key corporate objectives and performance by the relevant Named Executive Officer.

Fixed Salary and Benefits

The Company also provides various employee benefit programs to key employees, including medical, health insurance, dental insurance, and life insurance.

Annual Incentive Plan

The Company's annual incentive plan is intended to provide incentives to enhance the growth and development of the Company's employees and motivate such employees to maintain high standards of individual performance with the objective of achieving the goals of the Company. Awards under the Company's annual incentive plan will be made by way of cash bonuses, which are approved by the Compensation Committee and the Board of Directors at its discretion, in accordance with the Company's compensation policies and practices which is structured to reward the results of the most recently completed financial year.

The success of Named Executive Officers in achieving their individual objectives and their contribution to the Company in reaching its overall goals are factors in the determination of their annual bonus. The Board will assess each Named Executive Officer's performance on the basis of his or her respective contribution to the achievement of the predetermined corporate objectives, as well as to the needs of the Company that arise on a day to day basis. This assessment is also used by the Board with respect to the determination of annual bonuses for the Named Executive Officers.

Compensation and Measurements of Performance

Each Named Executive Officer receives a partial or full incentive payment depending on the number of the predetermined targets met and the Board's assessment of overall performance. The determination as to whether a target has been met is ultimately made by the Board and it reserves the right to make positive or negative adjustments to any bonus payment if it considers an adjustment to be appropriate.

Long Term Incentive Awards

The Company's long term incentive awards consists of stock options granted pursuant to the Company's Stock Option Plan (as defined below) in the last quarter of each year. The Compensation Committee believes that granting stock options to executive officers aligns the interests of the executive officers with the Company's Shareholders by linking a component of executive compensation to the longer term performance of the Company's Common Shares. The Company emphasizes stock options in executive compensation as they allow the NEOs to share in the Company's results in a manner that is relatively cost effective despite the effects of treating stock options as a compensation expense. The Compensation Committee provides recommendations to the Board with respect to option grants to NEOs.

When considering the grant of stock options to the Company's executive officers, the Compensation and Governance Committee take into account the level of stock options granted by comparable companies to executives with similar levels of responsibility and considers each executive officer based on reports received from management, its own observations on individual performance (where possible) and its assessment of individual contribution to Shareholder value and the individual performance objectives set for the executive officer. The scale of options is generally commensurate to the appropriate level of base compensation for each level of responsibility. In order to determine the number of options to grant to an executive officer, the Compensation and Governance Committee and the Board of Directors also consider a number of additional factors, including position and length of service, recommendations by senior executive officers and previous grants of options to the executive officer.

In addition to determining the number of options to be granted pursuant to the methodology outlined above, the Compensation and Governance Committee also makes the following determinations:

- the executive officers and Directors who are entitled to participate in the stock option plan;
- the exercise price for each stock option granted, subject to the provision that the exercise price cannot be lower than the market price on the date of grant;
- the date on which each option is granted;
- the vesting period for each stock option; and
- the other material terms and conditions of each stock option grant.

The Compensation and Governance Committee make these determinations subject to and in accordance with the provisions of the Company Stock Option Plan. Generally, once each year, or more often as may be deemed appropriate, the Board of Directors meet to review the recommendations of the Compensation and Governance Committee and consider and, if appropriate, approve a grant of options to those employees eligible for consideration for options under the terms of the Company's overall compensation plan.

Summary of Director and Named Executive Officer Compensation

The following table contains information about the compensation paid to, or earned by, the Named Executive Officers and Directors during the financial years ended December 31, 2020, December 31, 2019, and December 31, 2018:

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Fabio Capponi <i>President, CEO & Director</i>	2020	175,000	Nil	Nil	Nil	4,510	179,510
	2019	146,000	Nil	Nil	Nil	5,976	151,976
	2018	127,000	Nil	Nil	Nil	2,215	129,215
Susan Rubin <i>CFO & Corporate Secretary</i>	2020	122,900	Nil	Nil	Nil	3,397	126,297
	2019	109,000	Nil	Nil	Nil	3,972	112,972
	2018	107,000	Nil	Nil	Nil	2,048	109,048
Serafino Iacono <i>Chairman</i>	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Jose Francisco Arata <i>Director</i>	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Michael Galego Dacosta ⁽¹⁾ <i>Former Director</i>	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Miguel de la Campa ⁽²⁾	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Lombardo Paredes ⁽³⁾	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil

(1) Resigned from the Board of Directors on October 8, 2019

(2) Became a director of the Company on October 10, 2019

(3) Became a director of the Company on January 10, 2020

Stock options and other compensation securities

The following two tables set forth details of all stock options and other compensation securities awarded to each Named Executive Officer and Director and exercised during the financial year ended December 31, 2020:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Fabio Capponi <i>President, CEO & Director</i>	Options	475,000 ⁽³⁾	June 15, 2020	\$0.10	\$0.065	\$0.06	June 15, 2022
Serafino Iacono <i>Chairman</i>	Options	480,000 ⁽³⁾	June 15, 2020	\$0.10	\$0.065	\$0.06	June 15, 2022
Jose Francisco Arata <i>Director</i>	Options	200,000 ⁽³⁾	June 15, 2020	\$0.10	\$0.065	\$0.06	June 15, 2022
Miguel de la Campa ⁽¹⁾	Options	250,000 ⁽³⁾	June 15, 2020	\$0.10	\$0.065	\$0.06	June 15, 2022
Lombardo Paredes ⁽²⁾	Options	250,000 ⁽³⁾	June 15, 2020	\$0.10	\$0.065	\$0.06	June 15, 2022
Susan Rubin <i>CFO & Corporate Secretary</i>	Options	100,000 ⁽³⁾	June 15, 2020	\$0.10	\$0.065	\$0.06	June 15, 2022

(1) Became a director of the Company on October 10, 2019

(2) Became a director of the Company on January 10, 2020

(3) All options are fully vested.

Exercise of Compensation Securities by Directors and NEOs							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Fabio Capponi <i>President, CEO & Director</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Serafino Iacono <i>Chairman</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Jose Francisco Arata <i>Director</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Miguel de la Campa ⁽¹⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Lombardo Paredes ⁽²⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Susan Rubin <i>CFO & Corporate Secretary</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(1) Became a director of the Company on October 10, 2019

(2) Became a director of the Company on January 10, 2020

Narrative Discussion

Stock Option Plan

The Company's stock option plan (the "**Stock Option Plan**") was last approved by the Company's Shareholders at its annual general meeting on January 8, 2021. Under the Stock Option Plan, the Board is authorized to grant incentive stock options to certain directors, senior officers, employees and consultants of the Company entitling them to purchase Common Shares. The purpose of the Stock Option Plan is to attract and retain employees, consultants, officers or directors to the Company and to motivate them to advance the interests of the Company by affording them with the opportunity to acquire an equity interest in the Company through options granted under the Stock Option Plan to purchase shares.

The Compensation and Corporate Governance Committee periodically reviews (such review to be performed at least annually) the status of the Company's equity incentive plans and is responsible for providing any proposals and recommendations to the Board concerning the setting and amendment of any equity incentive plan and individual grants, such as stock option grants, under any equity incentive plan. When proposing new stock option grants to directors, officers and consultants, the Compensation and Corporate Governance Committee takes into consideration previous grants made as well as the number of shares reserved for issuance under the Stock Option Plan.

Some of the key provisions of the Stock Option Plan are as follows:

(a) the Stock Option Plan reserves, for issuance pursuant to the exercise of stock options, a maximum number of Common Shares of the Company equal to up to a maximum of 10% of the issued Common Shares of the Company at the time of any stock option grant;

(b) an Optionee must either be an Eligible Charitable Organization or a Director (which term includes a senior officer), Employee or Consultant of the Company at the time the option is granted in order to be eligible for the grant of a stock option to the optionee;

(c) the aggregate number of options granted to any one Person (and companies wholly owned by that Person) in a 12 month period must not exceed 5% of the issued Common Shares of the Company calculated on the date an option is granted to the Person (unless the Company has obtained the requisite Disinterested Shareholder Approval);

(d) the aggregate number of options granted to any one Consultant in a 12 month period must not exceed 2% of the issued Common Shares of the Company, calculated at the date an option is granted to the Consultant;

(e) the aggregate number of options granted to all Persons retained to provide Investor Relations Activities must not exceed 2% of the issued Common Shares of the Company in any 12 month period, calculated at the date an option is granted to any such Person;

(f) options issued to Persons retained to provide Investor Relations Activities must vest in stages over a period of not less than 12 months with no more than 1/4 of the options vesting in any 3 month period;

(g) the minimum exercise price per Common Share of a stock option must not be less than the Market Price of the Common Shares of the Company, subject to a minimum exercise price of \$0.05;

(h) options can be exercisable for a maximum of 10 years from the date of grant, subject to extension where the expiry date falls within a "blackout period" (see (o) below);

(i) stock options (other than options held by a person involved in investor relations activities) will cease to be exercisable 90 days after the optionee ceases to be a Director (which term includes a senior officer), Employee, Consultant, Eligible Charitable Organization or Management Company Employee otherwise than by death, or for a "reasonable period" after the optionee ceases to serve in such capacity, as

determined by the Board of Directors of the Company. Stock options granted to persons involved in Investor Relations Activities will cease to be exercisable 30 days after the optionee ceases to serve in such capacity otherwise than by death, or for a “reasonable period” after the optionee ceases to serve in such capacity, as determined by the Board of Directors of the Company;

(j) all options are non-assignable and non-transferable;

(k) Disinterested Shareholder Approval will be obtained for any reduction in the exercise price of a stock option if the optionee is an Insider of the Company at the time of the proposed amendment;

(l) the Stock Option Plan contains provisions for adjustment in the number of Common Shares or other property issuable on exercise of a stock option in the event of a share consolidation, split, reclassification or other capital reorganization, or a stock dividend, amalgamation, merger or other relevant corporate transaction, or any other relevant change in or event affecting the Common Shares;

(m) upon the occurrence of an Accelerated Vesting Event (as defined in the Stock Option Plan), the Board will have the power, at its sole discretion and without being required to obtain the approval of Shareholders or the holder of any stock option, to make such changes to the terms of stock options as it considers fair and appropriate in the circumstances, including but not limited to: (a) accelerating the vesting of stock options, conditionally or unconditionally; (b) terminating every stock option if under the transaction giving rise to the Accelerated Vesting Event, options in replacement of the stock options are proposed to be granted to or exchanged with the holders of stock options, which replacement options treat the holders of stock options in a manner which the Board considers fair and appropriate in the circumstances having regard to the treatment of holders of Common Shares under such transaction; (c) otherwise modifying the terms of any stock option to assist the holder to tender into any take-over bid or other transaction constituting an Accelerated Vesting Event; or (d) following the successful completion of such Accelerated Vesting Event, terminating any stock option to the extent it has not been exercised prior to successful completion of the Accelerated Vesting Event. The determination of the Board in respect of any such Accelerated Vesting Event shall for the purposes of the Stock Option Plan be final, conclusive and binding;

(n) in connection with the exercise of an option, as a condition to such exercise the Company shall require the optionee to pay to the Company an amount as necessary so as to ensure that the Company is in compliance with the applicable provisions of any federal, provincial or local laws relating to the withholding of tax or other required deductions relating to the exercise of such option; and

(o) an option will be automatically extended past its expiry date if such expiry date falls within a blackout period during which the Company prohibits optionees from exercising their options, subject to the following requirements: (a) the blackout period must (i) be formally imposed by the Company pursuant to its internal trading policies; and (ii) must expire upon the general disclosure of undisclosed Material Information; and (b) the automatic extension of an optionee’s option will not be permitted where the optionee or the Company is subject to a cease trade order (or similar order under Securities Laws) in respect of the Company’s securities.

“Consultant”, “Director”, “Disinterested Shareholder Approval”, “Eligible Charitable Organization”, “Employee”, “Investor Relations Activities”, “Management Company Employee”, “Market Price”, “Material Information”, “Person” and “Securities Laws” all have the same definition as in the policies of the TSX Venture Exchange.

Outstanding Options

The following table sets out as of December 31, 2020, the number of options granted under the plan and the remaining number of securities available for grant, together with the percentage these numbers represent relative to the number of issued and outstanding Common Shares as of December 31, 2020.

Plan	Number of Outstanding options	Common Shares issuable pursuant to outstanding unexercised options (# and % of issued and outstanding Common Shares)	Number of options remaining available for future issuance under equity compensation plans excluding securities reflected in column (a)	Number of Common Shares remaining available for future issuance upon exercise of outstanding options (# and % of issued and outstanding Common Shares)
	(a)	(b)	(c)	
Stock Option Plan	7,997,500	7,997,500 (7%)	3,590,340	3,590,340 (3%)

PENSION PLAN BENEFITS

No pension or retirement benefit plans have been instituted by the Company and none are proposed at this time.

EMPLOYMENT, CONSULTING AND MANAGEMENT AGREEMENTS

As at December 31, 2020, the Company had a management service agreement and an employment contract with its Named Executive Officers, Fabio Capponi and Susan Rubin respectively.

TERMINATION AND CHANGE OF CONTROL BENEFITS

The Company has entered into employment and/or management services agreements with each NEO (collectively, the **"Employment Agreements"**).

Fabio Capponi serves as the President and Chief Executive Officer of the Company, through a management services agreement between 0852662 B.C. Ltd. ("**0852662**") and Western Atlas Resources dated February 1, 2018, as amended and renewed on February 1st, 2021. Mr. Capponi is entitled to options in accordance with the Stock Option Plan and to bonuses as approved by the Board. The Company may terminate the agreement with 0852662 and Mr. Capponi, by providing 30 days written notice in the event of a change of control of Western Atlas. Upon termination of the agreement for any reason, including in the case of a change of control except just cause, 0852662 is entitled to (i) all compensation due and payable hereunder up until the date of termination; plus (ii) two (2) years of his Monthly Fees as set out in this Agreement without regard to any temporary accruals or reductions; plus (iii) the monetary value of two (2) years benefits as set out in this Agreement; plus (iv) the monetary value of his bonus paid over the preceding three (3) year period, and the Company agrees that such amounts are to be paid no later than seven day (7) days following the termination of this agreement.

In the event that Capponi is entitled to a payment pursuant to a change of control or is terminated, Capponi shall be entitled to have all benefit plans continued for a period of twelve (12) months after the giving of notice by the executive as required by the agreement, or the dismissal of Capponi's under the terms and pursuant to the agreement, as the case may be.

Upon termination of this Agreement by WA for any reason with the exception of just cause, Capponi will be entitled to i) all compensation due and payable hereunder up until the date of termination; plus (ii) two (2) years of his Monthly Fees as set out in this Agreement without regard to any temporary accruals or reductions; plus (iii) the monetary value of two (2) years benefits as set out in this Agreement; plus (iv) the monetary value of his bonus paid over the preceding three (3) year period (Change of Control), and WA agrees that such amounts are to be paid no later than three (3) days following termination.

Susan Rubin serves as the Chief Financial Officer of the Company. The Company entered into an employment agreement with Ms. Rubin which provides, among other things, that in addition to a base salary, Ms. Rubin is entitled to options in accordance with the Stock Option Plan and to bonuses as approved by the Board. The Company may terminate the agreement with Ms. Rubin, by providing 30 days written notice in the event of a change of control of Western Atlas. Upon termination of the agreement in the event of a change of control except just cause, Ms. Rubin is entitled to (i) all compensation due and payable hereunder up until the date of termination; plus (ii) one (1) year of her Monthly Fees as set out in this Agreement without regard to any temporary accruals or reductions; plus (iii) the monetary value of one (1) year benefits as set out in this Agreement; plus (iv) the monetary value of her bonus paid over the preceding three (3) year period, and the Company agrees that such amounts are to be paid no later than seven day (7) days following the termination of this agreement.

Upon termination of the agreement for any reason, with the exception of change of control, except just cause, Ms. Rubin is entitled to (i) all compensation due and payable hereunder up until the date of termination; plus (ii) eight (8) months of her Monthly Fees as set out in this Agreement without regard to any temporary accruals or reductions, and the Company agrees that such amounts are to be paid no later than seven day (7) days following the termination of this agreement.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Plan category	Number of securities to be issued upon exercise of outstanding options	Weighted average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders	7,997,500	\$0.12	3,590,340
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Total	7,997,500	\$0.12	3,590,340 ⁽¹⁾

(1) This figure is based on the total number of shares authorized for issuance under the Stock Option Plan, less the number of stock options outstanding as the Company's year ended December 31, 2020

The only equity compensation plan which the Company currently has in place is the Stock Option Plan, as described above. The Stock Option Plan provides for the issuance of stock options to acquire up to a maximum of 10% of the total issued and outstanding common shares in the Company's capital stock at the time of grant. As at December 31, 2020, the Company had 3,590,340 reserved for issuance under the Stock Option Plan.

INDEBTEDNESS TO COMPANY OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS

No directors, executive officers, proposed nominees for election as directors or their respective associates or affiliates were indebted to or guaranteed or supposed by the Company pursuant to any employee stock purchase program of the Company or otherwise, during the most recently completed financial year.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person or proposed director of the Company and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect the Company.

MANAGEMENT CONTRACTS

No management functions of the Company are performed to any substantial degree by any person other than the directors or executive officers of the Company.

CORPORATE GOVERNANCE

National Policy 58-201 *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply 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 these guidelines have not been adopted. National Instrument 58-101 *Disclosure of Corporate Governance Practices* mandates disclosure of corporate governance practices, which disclosure is set out below.

(a) Independence of Members of Board

The Company's Board consists of five directors, four of which are independent based upon the tests for independence set forth in National Instrument 52-110 *Audit Committees* ("NI 52-110"). Jose Francisco Arata, Miguel de la Campa, Lombardo Parades Arenas and Serafino Iacono are independent. Fabio Capponi is not independent as he is the President and CEO of the Company. Management Supervision by Board

The operations of the Company do not support a large board of directors and the Board has determined that a five member Board is appropriate for the Company's current stage of development. Independent supervision of management is accomplished through choosing management who demonstrate a high level of integrity and ability and having strong independent Board members.

(b) Participation of Directors in Other Reporting Issuers

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

Name	Name of Reporting Issuer	Exchange	Position	From	To
Jose Francisco Arata	New Stratus Energy Inc.	TSX Venture	Chairman	2017-05-04	present
Miguel de la Campa	Gran Colombia Gold Corp.	TSX	Vice Chairman	2019-03-27	present
Serafino Iacono	Gran Colombia Gold Corp.	TSX	Chairman	2019-03-27	present
	NG Energy International Corp.	TSX Venture	Director	2021-09-29	present
	Aris Gold Corp.	TSX Venture	Director	2020-05-25	present
	Denarius Silver Corp.	TSX Venture	Chairman	2021-09-04	present
Lombardo Paredes	Denarius Silver Corp.	TSX Venture	Director	2021-09-04	present

(c) Orientation and Continuing Education

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

- (a) information respecting the functioning of the Board, committees and copies of the Company's corporate governance policies;
- (b) access to recent, publicly filed documents of the Company; and
- (c) access to management.

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

(d) *Ethical Business Conduct*

The Board views good corporate governance and ethical business conduct as an integral component to the success of the Company and to meet responsibilities to its Shareholders. Due to the size of the Company and its present level of activity, the Company has not adopted a Code of Conduct or taken formal steps to encourage or promote a culture of ethical business conduct.

(e) *Nomination of Directors*

The Board has responsibility for identifying potential Board candidates. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors.

(f) *Compensation of Directors and the CEO and CFO*

The Compensation and Corporate Governance Committee has the responsibility for determining compensation for the directors and senior management.

To determine compensation payable, the Compensation and Corporate Governance Committee reviews compensation paid to directors, CEOs and CFOs of companies of similar size and stage of development and determine an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Company. In setting the compensation, the Compensation and Corporate Governance Committee annually reviews the performance of the CEO and CFO in light of the Company's objectives and considers other factors that may have impacted the success of the Company in achieving its objectives.

(g) *Board Committees*

As the directors are actively involved in the operations of the Company, the size of the Company's operations does not warrant a larger board of directors. In addition to its Audit Committee, the Board also has a Compensation and Corporate Governance Committee.

(h) *Compensation and Corporate Governance Committee*

The primary responsibilities of the Compensation and Corporate Governance Committee are to serve as a nominating committee for directors and officers, recommend committee structures, review director independence and compensation and assist the Board in reviewing the performance of the Board and the Chief Executive Officer.

(i) *Assessments*

The Board annually, and at such other times as it deems appropriate, reviews the performance and effectiveness of the Board, the directors and its committees to determine whether changes in size,

personnel or responsibilities are warranted. To assist in its review, the Board conducts informal surveys of its directors, and reports from the Audit Committee respecting its own effectiveness. As part of the assessments, the Board or the committee may review their respective mandate or charter and conduct reviews of applicable corporate policies.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

Audit Committee Charter

A copy of the Company's Audit Committee Charter is attached as Schedule "A" hereto.

Composition of the Audit Committee

The Audit Committee is currently comprised of three directors of the Corporation, Serafino Iacono, (Chairman), Jose Francisco Arata and Miguel de la Campa, all of whom are financially literate and independent for purposes of NI 52-110. Each has extensive business experience and each has held or currently holds executive positions that required oversight and understanding of the accounting principles underlying the preparation of the Corporation's financial statements.

The Audit Committee is mandated to monitor audit functions, the preparation of financial statements, review press releases on financial results, review other regulatory documents as required and meet with outside auditors independently of management. The Audit Committee Charter is available on the Corporation's website at www.westernar.com and is included in this Information Circular as Schedule "A".

The Audit Committee meets periodically with management and the independent auditors to ensure that each is discharging its respective responsibilities, to review the consolidated financial statements and the independent auditors' report and to discuss significant financial reporting issues and auditing matters. The external auditors have full and unrestricted access to the Audit Committee to discuss audit findings and other related matters. The Audit Committee reports its findings to the Board of Directors for consideration when approving the consolidated financial statements for issuance to the Shareholders.

Relevant Education and Experience

NI 52-110 provides that an individual is "financially literate" if he or she 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.

All of the members of the Company's audit committee are financially literate as that term is defined in NI 52-110. All members have an understanding of the accounting principles used by the Company to prepare its financial statements and have an understanding of its internal controls and procedures for financial reporting.

Mr. Arata has over 30 years of experience in financing, exploration, developing and production of mineral and hydrocarbons projects. He has been co-founding partner and board member of several companies listed on the Toronto Stock Exchange.

Mr. de la Campa has over 30 years of experience in financing and developing of mineral and hydrocarbons projects in the United States, Latin America, Europe and Africa. He has been co-founding partner and board member of several companies listed on the Toronto Stock Exchange.

Mr. Iacono has over 30 years of experience in the financing and developing of oil, mining and other resource projects in Latin America, the United States and Europe. He has been co-founding partner and board member of several companies listed on the Toronto Stock Exchange.

In each case, the prior experience of each audit committee member has given him the knowledge required to understand and assess the general application of the accounting principles used by the Company and to understand internal controls and procedures for financial reporting.

Audit Committee Oversight

At no time was a recommendation of the Committee to nominate or compensate an external auditor (currently, Smythe LLP, Chartered Accountants) not adopted by the Board.

Reliance on Certain Exemptions

Since the effective date of NI 52-110, the Company has not relied on the exemptions contained in sections 2.4 or 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

Pre-Approval Policies and Procedures

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Company's Board of Directors, and where applicable by the Audit Committee, on a case by case basis.

External Auditor Service Fees (By Category)

The aggregate fees, excluding taxes, charged to the Company by the external auditor in each of the last three fiscal years are as follows:

Financial Year Ending	Audit Fees⁽¹⁾	Audit Related Fees	Tax Fees⁽¹⁾⁽²⁾	All Other Fees	Total
December 31, 2020	\$16,195	Nil	\$2,650	Nil	\$18,845
December 31, 2019	\$16,701	Nil	\$2,500	Nil	\$19,201
December 31, 2018	\$13,412	Nil	\$5,200	Nil	\$18,612

(1) Excludes GST.

(2) "Tax Fees" include fees for all tax services other than those included in "Audit Fees". This category includes fees for tax compliance, tax planning and tax advice.

Exemption

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

PARTICULARS OF MATTERS TO BE ACTED UPON

Election of Directors

The directors of the Company are elected at each annual meeting and hold office until the next annual meeting or until their successors are appointed. The size of the board of directors of the Company is currently set at five (5).

Management of the Company proposes to nominate each of the following persons for election as a director. In the absence of instructions to the contrary, the Management Proxyholders in the accompanying form of proxy intend to vote in favour of each of the following nominees. Information concerning such persons, as furnished by the individual nominees, is as set out below. Information concerning such persons, as furnished by the individual nominees, is as follows:

Name, jurisdiction of residence and position	Principal occupation or employment during the past five years	Date first became a Director	Number of Common Shares beneficially owned, directly or indirectly, or controlled or directed
Serafino Iacono ⁽¹⁾⁽²⁾ <i>Panama City</i> <i>Panama</i> <i>Chairman</i>	Executive Chairman of the Board of Gran Colombia Gold Corp., a Canadian-based mid-tier gold producer primarily focused in Colombia, since March 27, 2019 and was the Executive Co-Chairman of the Board of Gran Colombia Gold Corp. from August 20, 2010 to March 27, 2019. Interim Chief Executive Officer of Aris Gold Corp (formerly Caldas Gold Corp.) from February 25, 2020 to February 4, 2021 and has been a director of Aris Gold Corp since February 25, 2020. He has served as a Director and Chief Executive Officer of NG Energy International Corp. since June 3, 2019. He has been the Executive Chairman and Interim CEO of Denarius Silver since November 4, 2020. He served as the Executive Co-Chairman of the Board of Pacific Exploration & Production Corporation from January 23, 2008 to November 2, 2016 and the Interim Chief Executive Officer and President of Medoro Resources Ltd. from September 2010 to June 10, 2011. He was Director of Pentanova Energy Corp. from April 2017 to July 2017; Chairman of Pacific Rubiales Energy Corp. (now Frontera Energy Corporation) from January 2008 to October 2016.	June 15, 2018 ⁽³⁾	12,432,750
Fabio Capponi ⁽²⁾ <i>Vancouver, BC</i> <i>Canada</i> <i>Director, President and CEO</i>	Director, President and Chief Executive Office of Western Atlas Resources Inc. since inception October 2013. Chief Executive Officer of CB Gold Inc. from May 2009 to November 2015; President of CB Gold Inc. from May 2009 to April 2011 and December 2013 to November 2015.	June 15, 2018 ⁽³⁾	16,533,253
Jose Francisco Arata ⁽¹⁾⁽²⁾ <i>Punta Cana, Dominican Republic</i> <i>Director</i>	Chief Executive Officer and Director of New Stratus Energy Inc. since May 2017. New Stratus Energy Inc. is a Canadian based E&P oil and gas company whose current business is to identify, evaluate and acquire mineral and oil and gas properties. Mr. Arata was the President of Pacific Exploration & Production Corp. from January 23, 2008 until July 2015. He was also Chief Executive Officer and director of Pacific Stratus International Energy Ltd. from August 21, 2006 to January 23, 2008. Mr. Arata was also a director of Pacific Coal Resources Ltd. and CGX Energy Inc. Mr. Arata is a geologist with vast experience in Latin America markets. He presently serves on the board of various private companies.	June 15, 2018 ⁽³⁾	Nil

Name, jurisdiction of residence and position	Principal occupation or employment during the past five years	Date first became a Director	Number of Common Shares beneficially owned, directly or indirectly, or controlled or directed
Miguel de la Campa ⁽¹⁾ <i>Cascais, Portugal</i> <i>Director</i>	Director of Aris Gold Corp. from February 25, 2020 to February 4, 2021. Vice Chairman of the board of Gran Colombia Gold Corp., a Canadian-based mid-tier gold producer primarily focused in Colombia, since March 27, 2019 and was the Executive Co-Chairman of the board of Gran Colombia Gold Corp. from August 20, 2010 to March 27, 2019. Director of Strategic Minerals Spain since January 2018. Executive Co-Chairman of the board of Pacific Exploration & Production Corporation, a Canadian explorer and produce of crude oil and natural gas, with operations focused in South America, from January 23, 2008 to November 2, 2016. Previously he was the President and co-founder of Bolivar Gold Corp., a director of Petromagdalena Energy Corp. and a co-founder of Pacific Stratus Energy.	October 8, 2019	Nil
Lombardo Paredes Arenas <i>Medellin, Colombia</i> <i>Director</i>	Director of Denarius Silver since November 4, 2020. President and Director of Aris Gold Corp. from February 25, 2020 to February 4, 2021. Chief Executive Officer of Gran Colombia Gold Corp., a Canadian-based mid-tier gold producer primarily focused in Colombia since February 1, 2014. Prior to that he worked as an independent consultant on energy and environmental project development from 2005 until 2013 and held several roles within Petroleos de Venezuela (PDVSA) from 1975 to 1998.	January 10, 2020	Nil

- (1) Member of the Audit Committee
(2) Member of the Compensation and Corporate Governance Committee
(3) Director of Private Western Atlas Resources Inc. from October 2013 to June 15, 2018

To the knowledge of the Company, no proposed director:

- (a) is, at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or chief executive officer or chief financial officer of any company (including the Company) that:
- a. was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
 - b. was subject to an order similar to a cease trade 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 proposed director ceased to be a director, chief executive officer or chief financial officer that resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or 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;

- (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 proposed director;
- (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 proposed director;

Mr. Iacono has served as a director and the Executive Co-Chairman of Pacific Rubiales Energy Corp. (“**Pacific Rubiales**”) since January of 2008. On April 27, 2016, Pacific Rubiales commenced proceedings and obtained court protection under the *Companies’ Creditors Arrangement Act* and ancillary proceedings under Chapter 15 of the United States Bankruptcy Code and Colombia Law 1116 (the “**Restructuring Transaction**”). The Restructuring Transaction closed on November 2, 2016 and its common shares were listed for trading on the Toronto Stock Exchange on November 3, 2016 under the ticker symbol “PEN”.

Mr. Iacono has served as a director of Pacific Coal Resources Ltd. (“**Pacific Coal**”) (now Caribbean Resources Corporation) since January of 2011. On May 8, 2015, the Ontario Securities Commission issued a management cease trade order on the securities of Pacific Coal due to a failure to file audited financial statements for the year ended December 31, 2014 and interim financial statements. As a result, Pacific Coal was also unable to file the interim financial statements for the three month period ended March 31, 2015 until the year-end financial statements were filed. These statements were not filed due to a delay by Pacific Coal to commence the audit procedures of its annual financial statements. The management cease trade order was lifted on July 3, 2015 after both the year-end and interim financial statements were filed. The company subsequently changed its name to Caribbean Resources Corporation and was de-listed from the TSX-V on April 4, 2016.

Mr. de la Campa has served as a director and the Executive Co-Chairman of Pacific Rubiales since January of 2008. On April 27, 2016, Pacific Rubiales commenced the Restructure Transaction The Restructuring Transaction closed on November 2, 2016 and its common shares were listed for trading on the Toronto Stock Exchange on November 3, 2016 under the ticker symbol “PEN”.

Mr. de la Campa has served as a director of Pacific Coal (now Caribbean Resources Corporation) since January of 2011. On May 8, 2015, the Ontario Securities Commission issued a management cease trade order on the securities of Pacific Coal due to a failure to file audited financial statements for the year ended December 31, 2014 and interim financial statements. As a result, Pacific Coal was also unable to file the interim financial statements for the three month period ended March 31, 2015 until the year-end financial statements were filed. These statements were not filed due to a delay by Pacific Coal to commence the audit procedures of its annual financial statements. The management cease trade order was lifted on July 3, 2015 after both the year-end and interim financial statements were filed. The company subsequently changed its name to Caribbean Resources Corporation and was de-listed from the TSX-V on April 4, 2016.

Appointment of Auditor

At last year’s annual general meeting, the Shareholders re-appointed Smythe LLP, Chartered Accountants of Vancouver, British Columbia as auditors for the Company. Smythe LLP will be nominated at the Meeting for reappointment as auditor of the Company at remuneration to be fixed by the directors.

To be approved, the resolution must be passed by a majority of votes cast by the Shareholders at the Meeting. Management recommends a vote “**FOR**” the resolution approving the appointment of Smythe LLP as the auditor and authorizing the directors to fix the auditor’s remuneration. In the absence of instructions to the contrary, the Management Proxyholders in the accompanying form of proxy intend to vote in favour of appointing Morgan & Company as the auditors.

Approval of Stock Option Plan

At last year's annual general meeting, the Shareholders re-approved the Company's 10% "rolling" Stock Option Plan. Under the policies of the TSX Venture Exchange, a rolling stock option plan must be re-approved on a yearly basis by Shareholders. Shareholders will be asked to consider and, if deemed advisable, approve and pass an ordinary resolution re-approving the Company's Stock Option Plan (the "**Option Plan Resolution**") as follows:

"RESOLVED, as an ordinary resolution, that the Company's 10% rolling stock option plan dated for reference October 18, 2013 be ratified and approved with such additional provisions and amendments, provided that such are not inconsistent with the policies of the TSX Venture Exchange, as the directors of the Company may deem necessary or advisable."

In accordance with the policies of the TSX-V, the Stock Option Plan must be approved by the majority of votes cast at the Meeting on the resolution. Management recommends a vote "**FOR**" the Option Plan Resolution. In the absence of instructions to the contrary, the Management Proxyholders in the accompanying form of proxy intend to vote in favour of the Option Plan Resolution.

Approval of Long Term Incentive Plan

The Company wishes to establish a long-term performance incentive plan (the "**Plan**", the "**LTIP**") to promote the long-term success of the Company and the creation of Shareholder value by: (a) encouraging the attraction and retention of Eligible Persons; (b) encouraging such Eligible Persons to focus on critical long-term objectives; and (c) promoting greater alignment of the interests of such Eligible Persons with the interests of the Company.

To this end, this Plan provides for the grant of Restricted Share Units, Performance Share Units, and Deferred Share Units to Eligible Persons as further described in this Plan. The Plan and the Restricted Share Units, Performance Share Units, and Deferred Share Units, issuable under the Plan are subject to Policy 4.4 of the TSX Venture Exchange.

This Plan shall be administered by the Board and the Board shall have full authority to administer this Plan, including the authority to interpret and construe any provision of this Plan and to adopt, amend and rescind such rules and regulations for administering this Plan as the Board may deem necessary in order to comply with the requirements of this Plan. All of the powers exercisable hereunder by the Board may, to the extent permitted by applicable law and as determined by resolution of the Board, be delegated to and exercised by the CEO and or such other committee as the Board may determine.

This Plan is a 10% fixed plan, permitting the issuance of up to 10% of the issued and outstanding Shares in respect of Awards granted hereunder. This 10% fixed plan is separate from and in addition to the rolling 10% under the Stock Option Plan. The Stock Option Plan shall remain in place for the issuance of stock options, which are not included under the LTIP.

In respect of Deferred Share Units, Performance Share Units, and Restricted Share Units:

- (i) the total number of Shares which may be reserved for issuance to any one eligible Participant under the LTIP together with all the Company's other previously established or proposed share-based compensation arrangements shall not exceed 5% of the issued and outstanding Shares on the Grant Date (on a non-diluted basis);
- (ii) the aggregate number of Awards which may be granted to any one eligible Participant under the LTIP in any 12-month period must not exceed 5% of the issued and outstanding Shares calculated on the Grant Date (on a non-diluted basis)

- (iii) the aggregate number of Awards to any one eligible Participant that is a Consultant of the Company in any 12-month period must not exceed 2% of the issued Shares calculated at the first such Grant Date;
- (iv) Persons performing Investor Relations Activities may only receive options as Awards, which are not included under the LTIP;
- (v) Pursuant to the policies of the Exchange, the Exchange Hold Period will be applied to Shares issuable under this Plan and any certificate(s) representing those Shares will include a legend stipulating that the Shares issued are subject to a four-month Exchange Hold Period commencing from the Grant Date.

The Board will specify in an Award Agreement at the time of the Award that the Participant's rights, payments and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture or recoupment upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events shall include, but shall not be limited to, termination of employment for cause, violation of material Company policies, fraud, breach of noncompetition, confidentiality or other restrictive covenants that may apply to the Participant or other conduct by the Participant that is detrimental to the business or reputation of the Company.

Disinterested shareholders will be asked to consider and, if deemed advisable, approve and pass an ordinary resolution approving the Company's Long Term Incentive Plan (the "**Long Term Incentive Plan Resolution**") as follows:

"RESOLVED, as an ordinary resolution, that the Company's 10% fixed long term incentive plan be ratified and approved with such additional provisions and amendments, provided that such are not inconsistent with the policies of the TSX Venture Exchange, as the directors of the Company may deem necessary or advisable."

In accordance with the policies of the TSX-V, the Long Term Incentive Plan must be approved by the majority of votes of disinterested shareholders cast at the Meeting on the resolution. This vote excludes votes attached to Shares beneficially owned by Insiders to whom shares may be granted under the Long Term Incentive plan. Management recommends a vote "**FOR**" the Long Term Incentive Plan Resolution. In the absence of instructions to the contrary, the Management Proxyholders in the accompanying form of proxy intend to vote in favour of the Option Plan Resolution.

ADVANCE NOTICE PROVISIONS

At the Company's 2013 annual general meeting, the Company's Shareholders voted to adopt amendments to the Company's Articles to include advance notice provisions (the "**Advance Notice Provisions**"). The Advance Notice Provisions include, among other things, a provision that requires advance notice be given to the Company in circumstances where nomination of persons for election to the Board are made by Shareholders of the Company. The Advance Notice Provisions set a deadline by which Shareholders must submit nominations (a "**Notice**") for the election of directors to the Company prior to any annual meeting of Shareholders. The Advance Notice Provisions also set forth the information that a Shareholder must include in the Notice to the Company, and establish the form in which the Shareholder must submit the Notice for that notice to be in proper written form.

In the case of an annual meeting of Shareholders, a Notice must be provided to the Company not less than 30 days and not more than 65 days prior to the date of the annual meeting.

As of the date of this Information Circular, the Company has not received notice of a nomination in compliance with the Advance Notice Provisions.

OTHER MATTERS

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

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com. Shareholders may contact the Company at info@westernar.com or by phone, (604) 256-4777 to request copies of 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 year, which are filed on SEDAR.

DATED this 7th day of December 2021.

**APPROVED BY THE BOARD OF DIRECTORS
OF WESTERN ATLAS RESOURCES INC.**

(signed) "*Fabio Capponi*"

Fabio Capponi, Chief Executive Officer

SCHEDULE "A"
WESTERN ATLAS RESOURCES INC.

THE AUDIT COMMITTEE'S CHARTER

PURPOSE

The overall purpose of the Audit Committee (the "Committee") of **WESTERN ATLAS RESOURCES INC.** (the "Company") is to ensure that the Company's management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the consolidated financial statements and related financial disclosure of the Company, and to review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information. It is the intention of the Board that through the involvement of the Committee, the external audit will be conducted independently of the Company's Management to ensure that the independent auditors serve the interests of Shareholders rather than the interests of Management of the Company. The Committee will act as a liaison to provide better communication between the Board and the external auditors. The Committee will monitor the independence and performance of the Company's independent auditors.

COMPOSITION, PROCEDURES AND ORGANIZATION

(1) The Committee shall consist of at least three members of the Board of Directors (the "Board").

(2) At least two (2) members of the Committee shall be independent and the Committee shall endeavour to appoint a majority of independent directors to the Committee, who in the opinion of the Board, would be free from a relationship which would interfere with the exercise of the Committee members' independent judgment. At least one (1) member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices applicable to the Company. For the purposes of this Charter, an individual is financially literate if he or she 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.

(3) The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.

(4) Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair and a secretary from among their number.

(5) The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.

(6) The Committee shall have access to such officers and employees of the Company and to the Company's external auditors, and to such information respecting the Company, as it considers to be necessary or advisable in order to perform its duties and responsibilities.

(7) Meetings of the Committee shall be conducted as follows:

(a) the Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;

(b) the external auditors shall receive notice of and have the right to attend all meetings of the Committee; and

(c) management representatives may be invited to attend all meetings except private sessions with the external auditors.

(8) The internal auditors and the external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Company as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

ROLES AND RESPONSIBILITIES

(1) The overall duties and responsibilities of the Committee shall be as follows:

(a) to assist the Board in the discharge of its responsibilities relating to the Company's accounting principles, reporting practices and internal controls and its approval of the Company's annual and quarterly consolidated financial statements and related financial disclosure;

(b) to establish and maintain a direct line of communication with the Company's internal and external auditors and assess their performance;

(c) to ensure that the management of the Company has designed, implemented and is maintaining an effective system of internal financial controls; and

(d) to report regularly to the Board on the fulfilment of its duties and responsibilities.

(2) The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:

(a) to recommend to the Board a firm of external auditors to be engaged by the Company, and to verify the independence of such external auditors;

(b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;

(c) review the audit plan of the external auditors prior to the commencement of the audit;

(d) to review with the external auditors, upon completion of their audit:

A. contents of their report;

B. scope and quality of the audit work performed;

C. adequacy of the Company's financial and auditing personnel;

D. co-operation received from the Company's personnel during the audit;

E. internal resources used;

F. significant transactions outside of the normal business of the Company;

G. significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and

H. the non-audit services provided by the external auditors;

(e) to discuss with the external auditors the quality and not just the acceptability of the Company's accounting principles; and

(f) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management.

(3) The duties and responsibilities of the Committee as they relate to the internal control procedures of the Company are to:

(a) review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;

(b) review compliance under the Company's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Committee may deem appropriate;

(c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and

(d) periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.

(4) The Committee is also charged with the responsibility to:

(a) review the Company's quarterly statements of earnings, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto;

(b) review and approve the financial sections of:

A. the annual report to Shareholders;

B. the annual information form, if required;

C. annual and interim MD&A;

D. prospectuses;

E. news releases discussing financial results of the Company; and

F. other public reports of a financial nature requiring approval by the Board,

and report to the Board with respect thereto;

(c) review regulatory filings and decisions as they relate to the Company's consolidated financial statements;

(d) review the appropriateness of the policies and procedures used in the preparation of the Company's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;

(e) review and report on the integrity of the Company's consolidated financial statements;

(f) review the minutes of any audit committee meeting of subsidiary companies;

(g) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Company and the manner in which such matters have been disclosed in the consolidated financial statements;

(h) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and

(i) develop a calendar of activities to be undertaken by the Committee for each ensuing year and to submit the calendar in the appropriate format to the Board of Directors following each annual general meeting of shareholders.

(5) The Committee shall have the authority:

(a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,

(b) to set and pay the compensation for any advisors employed by the Committee; and

(c) to communicate directly with the internal and external audit