

MARIMACA COPPER CORP.

**Annual General and Special Meeting
to be held on May 25, 2022**

**Notice of Annual General and Special Meeting
and
Information Circular**

April 28, 2022

MARIMACA COPPER CORP.

Suite 2400, 745 Thurlow Street

Vancouver, V6E0C5

British Columbia

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual general and special meeting (the “**Meeting**”) of the shareholders of Marimaca Copper Corp. (the “**Company**”) will be held virtually via webcast at <https://meetnow.global/M49ZG4C> on Wednesday, May 25, 2022 at 10:00 a.m. (local time in Vancouver, British Columbia). At the Meeting, the shareholders will receive the financial statements of the Company for the year ended December 31, 2021, together with the auditor’s report thereon, and consider resolutions to:

1. elect directors of the Company for the ensuing year;
2. appoint PricewaterhouseCoopers LLP, Chartered Professional Accountants, as auditors of the Company for the ensuing year and authorize the directors to determine the remuneration to be paid to the auditors;
3. consider, and if deemed appropriate, approve an ordinary resolution authorizing the Company to adopt a Warrant Early Exercise Incentive Program, as more particularly described in the accompanying information circular; and
4. transact such other business as may properly be put before the Meeting.

If you are a registered shareholder of the Company and are unable to attend the Meeting via webcast, please read, sign and date the form of proxy for the Meeting (the “**Proxy**”) and deposit it with Computershare Investor Services Inc. (“**Computershare**”) by courier or mail at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, Attention: Proxy Department, or by facsimile at 1-866-249-7775 (toll-free in North America) or 1-416-263-9524 (international) by 10:00 a.m. (local time in Vancouver, British Columbia) on Monday, May 20, 2022 or at least 48 hours (excluding Saturdays, Sundays and holidays) before any postponement or adjournment of the Meeting), otherwise you will not be entitled to vote at the Meeting by proxy. Alternatively, registered shareholders may vote by telephone (1-866-732-8683) or online (www.investorvote.com) using the control number listed on the Proxy. Only shareholders of record at the close of business on Monday, April 18, 2022 will be entitled to vote at the Meeting. An information circular and a form of Proxy accompany this notice.

If you are a non-registered shareholder of the Company, please complete and return the voting instruction form (or other accompanying form) in accordance with the instructions for completion and deposit.

All shareholders may attend the Meeting via webcast but must follow the instructions set out in the accompanying information circular if they wish to vote at the Meeting.

DATED at Vancouver, British Columbia, the 28th day of April 2022.

ON BEHALF OF MARIMACA COPPER CORP.

(signed) "Hayden Locke"

Hayden Locke,
President & Chief Executive Officer

MARIMACA COPPER CORP.

Suite 2400, 745 Thurlow Street

Vancouver, V6E0C5

British Columbia

INFORMATION CIRCULAR

(as at April 28, 2022 except as otherwise indicated)

SOLICITATION OF PROXIES

This information circular (the “**Circular**”) is provided in connection with the solicitation of proxies by the management (the “**Management**”) of Marimaca Copper Corp. (the “**Company**”). The form of proxy which accompanies this Circular (the “**Proxy**”) is for use at the annual general and special meeting of the shareholders of the Company to be held on Wednesday, May 25, 2022 (the “**Meeting**”) at 10:00 a.m. (local time in Vancouver, British Columbia) via webcast for the purposes set forth in the accompanying notice of meeting (the “**Notice of Meeting**”) and any postponement or adjournment thereof. The Company will bear the cost of this solicitation. The solicitation will be made by mail, but may also be made by telephone.

APPOINTMENT AND REVOCATION OF PROXY

Each person named in the Proxy is an officer of the Company. **A registered shareholder who wishes to appoint some other person to serve as their representative at the Meeting may do so by striking out the printed names and inserting the desired person’s name in the blank space provided. However, if a registered shareholder appoints a third-party proxyholder, they must ALSO register their proxyholder so such proxyholder can participate in the webcast. Please see “How to Participate in the Meeting via Webcast” below for information on how to register a third-party proxyholder.** The completed Proxy should be delivered to Computershare Investor Services Inc. (“**Computershare**”), or telephone/online votes must be received by Computershare, by 10:00 a.m. (local time in Vancouver, British Columbia) on Friday, May 20, 2022 or not less than 48 hours (excluding Saturdays, Sundays and holidays) before any postponement or adjournment of the Meeting.

The Proxy may be revoked by:

- (a) signing a proxy with a later date and depositing it by the time and to the place noted above;
- (b) signing and dating a written notice of revocation and delivering it at the time and to the place noted above, or by transmitting a revocation by telephonic or electronic means, to Computershare, at any time up to and including the last business day preceding the day of the Meeting, or any postponement or adjournment, at which the Proxy is to be used; or
- (c) attending the Meeting or any postponement or adjournment of the Meeting via webcast and accepting the terms and conditions when entering the Meeting online (in which case any votes cast by the shareholder on a ballot will be counted and the submitted Proxy disregarded).

Provisions Relating to Voting of Proxies

The shares represented by Proxy in the form provided to shareholders will be voted or withheld from voting by the designated proxyholder in accordance with the direction of the registered shareholder appointing him or her. If there is no direction by the registered shareholder, those shares will be voted **FOR** the election of directors, the appointment of the auditors and the approval of a resolution authorizing the Company to implement the Warrant Early Exercise Incentive Program, as set out in this Circular. The Proxy gives the designated proxyholder the discretion to vote as such person sees fit on any amendments or variations to matters identified in the Notice of Meeting, or any other matters which may properly come before the Meeting. At the time of printing of this Circular, the Management knows of no other matters which may come before the Meeting other than those referred to in the Notice of Meeting.

Advice to Beneficial Holders of Common Shares

The information set forth in this section is of significant importance to many shareholders, as a substantial number of shareholders do not hold common shares of the Company (“**Common Shares**”) in their own name. Shareholders who hold their Common Shares through their brokers, intermediaries, trustees or other persons or who otherwise do not hold their Common Shares in their own name (referred to herein as “**Beneficial Shareholders**”) should note that only proxies deposited by shareholders who appear on the records maintained by the Company’s registrar and transfer agent as registered holders of common shares will be recognized and acted upon at the Meeting.

If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, then those Common Shares will, in all likelihood, not be registered in the Beneficial Shareholders name. Such Common Shares will more likely be registered under the name of the Beneficial Shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co., the registration name for The Depository Trust Company, which acts as nominee for many United States brokerage firms. Common Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted or withheld at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker’s clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of instrument of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Proxy provided directly to registered shareholders by the Company. However, its purpose is limited to instructing the registered shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the

Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. (“**Broadridge**”) in Canada. Broadridge typically prepares a machine-readable voting instruction form (“**VIF**”), mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge VIF cannot use that form to vote Common Shares directly at the Meeting. The VIFs must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted. Beneficial Shareholders may participate in the Meeting via the webcast (either themselves or through a proxyholder) or through intermediaries using the VIF (or other accompanying form). Alternatively, some Beneficial Shareholders may be able to vote by telephone or online and should refer to the VIF (or other accompanying form) for further details and instructions. If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

If a Beneficial Shareholder wishes to vote in person at the Meeting, they will need to appoint themselves as proxyholder and then register to participate in the Meeting as described in more detail under the heading “How to Participate in the Meeting Via Webcast”. **Registering to participate in the Meeting via webcast is an additional step that that Beneficial Shareholder who has designated himself as proxyholder must take in order to vote at the Meeting.**

The Notice of Meeting, Circular, Proxy and VIF, as applicable, are being provided to both registered shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories - those who object to their identity being known to the issuers of securities which they own (“**OBOs**”) and those who do not object to their identity being made known to the issuers of the securities which they own (“**NOBOs**”). Subject to the provisions of National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), issuers may request and obtain a list of their NOBOs from intermediaries directly or via their transfer agent and may use the NOBO list for the distribution of proxy-related materials directly (not via Broadridge) to such NOBOs. If you are a Beneficial Shareholder and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the Common Shares on your behalf.

The Company has distributed copies of the Notice of Meeting, Circular and VIF directly to NOBOs.

The Company’s OBOs can expect to be contacted by Broadridge or their brokers or their broker’s agents. The Company will assume the costs associated with the delivery of the Notice of Meeting, Circular and VIF, as set out above, to OBOs by intermediaries.

How to Participate in the Meeting via Webcast

The Meeting will be hosted online by way of a live webcast. Shareholders will not be able to attend

the Meeting in person. A summary of the information shareholders will need to attend the online Meeting is provided below. The Meeting will begin at 10:00 a.m. (local time in Vancouver, British Columbia) on Wednesday, May 25, 2022.

Registered shareholders and duly appointed proxyholders can attend the Meeting online by going to: <https://meetnow.global/M49ZG4C>.

- Registered shareholders can participate in the Meeting by clicking “**Shareholder**” and entering the 15-digit control number that is located on the Proxy or in the email notification received.
- Duly appointed proxyholders can participate in the Meeting by clicking “**Invitation**” and entering the Invitation Code provided to them by Computershare.

Shareholders who wish to appoint a third-party proxyholder to represent them at the online Meeting **must submit their Proxy or VIF (as applicable) prior to registering their proxyholder for attendance at the Meeting. Registering the proxyholder is an additional step once a shareholder has submitted their Proxy/VIF. Failure to register a duly appointed proxyholder will result in the proxyholder not receiving an Invitation Code to participate in the Meeting.** To register a third-party proxyholder, shareholders **MUST** visit <http://www.computershare.com/Marimaca> by 10:00 a.m. (local time in Vancouver, British Columbia) on May 20, 2022 or at least 48 hours (excluding Saturdays, Sundays and holidays) before any postponement or adjournment of the Meeting and provide Computershare with their proxyholder’s contact information, so that Computershare may provide the proxyholder with an Invitation Code via email.

It is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the Meeting.

Beneficial Shareholders who have not appointed themselves to vote at the Meeting as a proxyholder may login as a guest by going to <https://meetnow.global/M49ZG4C> prior to the start of the Meeting and clicking on “**Guest**” and completing the online form. **Note that guests cannot vote or raise questions at the Meeting.**

If you are a registered shareholder and you accept the terms and conditions when you login to the Meeting, you will be revoking any and all previously submitted proxies. However, in such a case, you will be provided the opportunity to vote by ballot on the matters put forth at the Meeting. If you **DO NOT** wish to revoke all previously submitted proxies, do not accept the terms and conditions, in which case you can only enter the Meeting as a guest. **Note that guests cannot vote or raise questions at the Meeting.**

All persons attending the Meeting are asked to login at least 30 minutes prior to the time the Meeting is scheduled to begin.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

As at the date of the accompanying Notice of Meeting, the Company’s authorized capital consists of

an unlimited number of common shares without par value. All common shares in the capital of the Company carry the right to one vote. Shareholders registered as at April 18, 2022 are entitled to attend the Meeting via webcast and vote at the Meeting.

As of April 25, 2022, there were 88,226,303 Common Shares issued and outstanding. Shareholders who wish to be represented by proxy at the Meeting must, to entitle the person appointed by the Proxy to attend and vote, deliver their Proxies at the place and within the time set forth in the notes to the Proxy.

To the knowledge of the directors and executive officers of the Company, as of April 25, 2022 no person or company beneficially owns, directly or indirectly, or exercises control or direction over, directly or indirectly, 10% or more of the issued and outstanding Common Shares except for the following:

Shareholder	Number of Shares	Percentage of Issued Capital
Greenstone Resources L.P. and its affiliates, Greenstone Resources II L.P. and Greenstone Co-Investment No. 1 (Coro) L.P. (collectively, " Greenstone ")	25,513,021	28.9%
Affiliates of Tembo Capital Mining GP Limited, including Ndovu Capital XIV B.V. (collectively, " Tembo ")	10,173,905	11.5%

MATTERS TO BE CONSIDERED AT THE MEETING

1. FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company for the year ended December 31, 2021, together with the auditor's report on those statements, will be presented to the shareholders at the Meeting.

2. ELECTION OF DIRECTORS

The directors of the Company are elected annually and hold office until the next annual general meeting of the shareholders or until their successors are elected or appointed. Management proposes to nominate the persons listed below for election as directors of the Company to serve until their successors are elected or appointed. In the absence of instructions to the contrary, Proxies given pursuant to the solicitation by Management will be voted for the nominees listed in this Circular. Management does not contemplate that any of the nominees will be unable to serve as a director. The number of directors on the board of directors (the "**Board**") of the Company is currently set at six.

On March 15, 2013, the Board adopted a "majority voting policy" providing that in an uncontested election of directors, any nominee who receives a greater number of votes "withheld" than votes "for" (a "**Majority Withhold Vote**") must tender his or her resignation to the Chair of the Board or the Company's Nominations & Governance Committee (the "**Nominations & Governance**").

Committee”) promptly following the shareholders’ meeting. The Nominations & Governance Committee will consider the offer of resignation and will make a recommendation to the Board on whether to accept it. Both the Nominations & Governance Committee and the Board will evaluate any such tendered offer of resignation, in accordance with their fiduciary duties to, and in furtherance of the best interests of, the Company and its shareholders. The Board may accept or reject the offer of resignation, or it may decide to pursue additional actions including, without limitation, the following:

- allow the director to remain on the Board and continue to serve but not be nominated for re-election to the Board at the next election of directors;
- defer the acceptance of the resignation until the director vacancy created by the resignation can be filled by the Board with a replacement/successor director meeting all the necessary qualifications and criteria for Company directors and satisfying all other legal and regulatory requirements with respect to the composition of the Board;
- defer the acceptance of the resignation if it is determined that the underlying cause of the Majority Withhold Vote can be cured by the director or otherwise within a specified period of time (such as, if the Majority Withhold Vote was due to the relevant director receiving such vote serving on the board of directors of another entity, by resigning from such other board); or
- defer the acceptance of the resignation for other reasons determined by the Board to be in the best interests of the Company in the exercise of its fiduciary duties and business judgment.

The Board’s decision will be disclosed in a news release within four business days after the decision.

Pursuant to the Advance Notice Policy adopted by the Board on March 15, 2013, any additional director nominations for the Meeting must be received by the Company in compliance with the Advance Notice Policy no fewer than 30 days nor more than 65 days prior to the date of the Meeting. As at the date of this Circular, no such nominations have been received by the Company and, accordingly, Management’s nominees for election as directors set forth below shall be the only nominees eligible to stand for election at the Meeting.

The following table sets out the names, province or state and country of residence of the nominees for election as directors, the offices they hold within the Company, their principal occupations, business or employment within the five preceding years, the period or periods during which each nominee has served as a director of the Company, and the number of shares of the Company and its subsidiaries which each nominee beneficially owns, directly or indirectly, or over which control or direction is exercised, as of the date of this Circular:

Name, province or state and country of residence and positions held in the Company	Principal occupation for last five years	Served as director since	Number of Common Shares beneficially owned ⁽¹⁾
HAYDEN LOCKE London, United Kingdom <i>Director</i> <i>President and Chief Executive Officer</i>	President of the Company since July 20, 2020 and appointed as CEO and Director as of April 26, 2021. Director of Emmerson plc since June 2018. Head of Corporate and Technical Services (Geology, Mining and Processing) at Highfield Resources from September 2014 to January 2018.	April 26, 2021	32,900
ALAN J. STEPHENS West Sussex, United Kingdom <i>Director</i>	Executive Director of the Company from June 2017 to June 2018; President and Chief Executive Officer of the Company from January 2005 to June 2017.	January 5, 2005	181,141 ⁽²⁾
COLIN KINLEY ⁽³⁾⁽⁴⁾⁽⁶⁾ Kansas, United States <i>Director</i>	Director and Senior Advisor, President and Chief Executive Officer of Kinley Exploration LLC from 2007 to present; President and Chief Executive Officer of Jet Mining Pty LLC from 2010 to present; Director of Excelsior Mining from 2010 to present; Director and Chief Operating Officer of Eco Atlantic Oil and Gas Ltd. from 2011 to present.	February 5, 2016	27,016
MICHAEL HAWORTH ⁽⁴⁾⁽⁵⁾ London, United Kingdom <i>Chair and Director</i>	Joint Senior Partner at Greenstone Capital LLP since August 2013. Executive Chairman of the Company since February 2020 until April 26, 2021 when he became Non-Executive Chairman.	February 5, 2016.	Nil ⁽⁷⁾
CLIVE NEWALL ⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾ Cornwall, United Kingdom <i>Director</i>	Mr. Newell has been the President and Director of First Quantum Minerals Ltd. since 1996.	February 8, 2021	66,666 ⁽²⁾
TIM PETTERSON ⁽³⁾⁽⁵⁾⁽⁶⁾ British Columbia, Canada <i>Director</i>	Executive Chairman of Minera Cobre Corp.	November 1, 2018	52,400 ⁽²⁾

Notes:

- (1) The information as to Common Shares beneficially owned or controlled has been provided by the directors themselves.
- (2) Alan Stephens' shares include 2,667 Common Shares owned by his spouse. Tim Petterson's shares include 52,400 Common Shares owned by his spouse. Clive Newall's shares include 33,333 Common Shares owned by his spouse.
- (3) Member of the Company's Audit Committee (the "Audit Committee"). Mr. Kinley is the Chair of the Audit Committee.
- (4) Member of the Compensation Committee. Mr. Kinley is the Chair of the Compensation Committee.
- (5) Member of the Environmental, Social and Governance ("ESG") Committee. Mr. Petterson is Chair of the ESG Committee.
- (6) Member of the Nominations & Governance Committee. Mr. Newall is Chair of the Nominations & Governance Committee.
- (7) This does not include 25,513,021 Common Shares owned by Greenstone Resources L.P. and its affiliates Greenstone Resources II L.P. and Greenstone Co-Investment No.1 (Coro) L.P., each of which is advised by Greenstone Capital LLP. Mr. Haworth is one of the senior partners of Greenstone Capital LLP.

No proposed director is being elected under any arrangement or understanding between the proposed director and any other person or company except the directors and executive officers of the Company acting solely in such capacity.

Corporate Cease Trade Orders or Bankruptcies

Alan Stephens, a Director and the former President and Chief Executive Officer of the Company, was a director of Weatherly International PLC (“**Weatherly**”). On June 1, 2018, Weatherly announced that it had appointed an administrator in accordance with the *UK Insolvency Act (1986)* following a decision by Weatherly’s principal lender to withdraw funding. Weatherly was dissolved in August 2021.

Other than as set out above, none of the proposed directors:

- (a) is, as at the date of this Circular, or has been within ten years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer or issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while the person was acting in that capacity;
- (b) is, as at the date of this Circular, or has been within ten years before the date of this Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;
- (c) has, within ten years before the date of this 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 shareholder in deciding whether to vote for a proposed director.

For the purposes of this paragraph, “order” means 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, in each case, that was in effect for a period of more than 30 consecutive days.

3. APPOINTMENT OF AUDITORS

Management of the Company intends to nominate PricewaterhouseCoopers LLP, Chartered Professional Accountants, for re-appointment as auditors of the Company. Proxies given pursuant to the solicitation by Management will, on any poll, be voted as directed and, if there is no direction, for the re-appointment of PricewaterhouseCoopers LLP, Chartered Professional Accountants, as auditors of the Company to hold office until the close of the next annual general meeting of the Company, at a remuneration to be fixed by the directors. PricewaterhouseCoopers LLP, Chartered Professional Accountants, were first appointed as auditors of the Company on June 12, 2006.

4. WARRANT EARLY EXERCISE INCENTIVE PROGRAM

At the Meeting, Disinterested Shareholders (as defined below) will be asked to consider and, if deemed appropriate, to pass a resolution, subject to such amendments, variations or additions as may be approved at the Meeting, authorizing the Company to implement, at its discretion, the Warrant Early Exercise Incentive Program (as defined below) at any time on or before September 3, 2022.

Background

On December 3, 2020, the Company completed an overnight prospectus offering (the “**Prospectus Offering**”) pursuant to which the Company issued 9,200,000 units at an issue price of \$3.15 per unit, for aggregate gross proceeds of approximately \$28.98 million. Each unit issued pursuant to the Prospectus Offering comprised one Common Share and one half of a warrant (the “**Prospectus Warrants**”). The 4,600,000 Prospectus Warrants issued on completion of the Prospectus Offering were issued pursuant to the warrant indenture (the “**Warrant Indenture**”) dated December 3, 2020 between the Company and Computershare Trust Company of Canada. Each of the Prospectus Warrants entitles the holder thereof to acquire one Common Share for an exercise price of \$4.10 per share at any time on or before December 3, 2022.

On March 1, 2021, the Company completed a non-brokered private placement (the “**Private Placement**”) pursuant to which it issued an aggregate of 9,377,273 units at an issue price of \$3.30 per unit, for aggregate gross proceeds of approximately \$30.9 million. Each unit issued pursuant to the Private Placement comprised one Common Share and one warrant (the “**Private Placement Warrants**”) and, together with the Prospectus Warrants, the “**Warrants**”). Consistent with the Prospectus Warrants, each Private Placement Warrant entitles the holder thereof to acquire one Common Share for an exercise price of \$4.10 per share at any time on or before December 3, 2022.

Overview of Warrant Early Exercise Incentive Program

At the Meeting, the Company will be asking Disinterested Shareholders to pass a resolution authorizing the Company to implement a program (the “**Warrant Early Exercise Incentive Program**”) pursuant to which the Company will provide an incentive for the early exercise of the Warrants subject to satisfaction of certain conditions. “**Disinterested Shareholders**” for purposes of this matter means all shareholders of the Company that do not beneficially own, or exercise control or direction over, any Warrants.

The purpose of seeking Disinterested Shareholder approval authorizing the Company to adopt the Warrant Early Exercise Incentive Program is to provide the Company with the flexibility to provide holders of Warrants (“**Warrantholders**”) to exercise Warrants in the following circumstances and on the following terms (the “**Approved Terms**”):

- any adoption of the Warrant Early Exercise Incentive Program will be subject to receipt of all required regulatory approvals, including without limitation the approval of the TSX;
- the Company will not adopt the Warrant Early Exercise Incentive Program unless the “market price” of the Common Shares (as determined in accordance with Part I of the TSX Company Manual) on the date the Board approves the Warrant Early Exercise Incentive Program is equal to or greater than \$4.75 (the “**Minimum Market Price**”);
- if adopted, the Warrant Early Exercise Incentive Program will be open for a period not to exceed 30 days following the Company’s first public announcement of the program (the “**Incentive Period**”) and, subject to compliance with applicable securities laws, will entitle each Warrantholder who exercises a Warrant in accordance with its terms during the Incentive Period to receive, in addition to one Common Share, up to one additional warrant (an “**Incentive Warrant**”) entitling the holder thereof to acquire one Common Share;
- the Incentive Period will commence no later than September 3, 2022;
- the exercise price of the Incentive Warrants will be fixed at a price that represents a premium of at least 25% to the market price of the Common Shares on the date the Board approves the Warrant Early Exercise Incentive Program;
- each Incentive Warrant will expire no later than three years following the date on which the Warrant Early Exercise Incentive Program is launched;
- the Incentive Warrants will have standard anti-dilution provisions consistent with the anti-dilution provisions included in the existing Warrants; and
- in order to receive Incentive Warrants on exercise of their Warrants, Warrantholders subject to U.S. securities will be required to qualify for an applicable exemption from registration under the U.S. Securities Act of 1933, as amended.

If the Company chooses to implement a Warrant Early Exercise Incentive Program in accordance with the Approved Terms, it will issue and file a press release describing the specific terms and conditions of the Warrant Early Exercise Incentive Program and provide written notice to Warrantholders in accordance with the notice provisions set forth in their respective Warrants. In particular, the press release and written notice will provide details as to (i) the number of Incentive Warrants that will be issued to Warrantholders who exercise their Warrants during the Incentive Period, (ii) the expiry date of the Incentive Warrants and (iii) the exercise price of the Incentive Warrants. Under the Approved Terms, the maximum term of the Incentive Warrants will not exceed three years and the exercise price of the Incentive Warrants will not be less than \$5.94, as set forth below:

Market Price of Common Shares on date of Board Approval	Minimum Exercise Price (25% premium to market price)
\$4.75 (Minimum Market Price)	\$5.94
\$5.00	\$6.25
\$5.25	\$6.56

The press release and written notice will provide information as to steps required to be taken in order to participate in the Warrant Early Exercise Incentive Program. Warrant holders who do not exercise their Warrants, or who are not entitled to receive Incentive Warrants under applicable securities laws, will still be entitled to receive one Common Share on exercise of a Warrant in accordance with its terms.

Notwithstanding that all conditions to adopting the Warrant Early Exercise Incentive Program have been satisfied, the Company reserves the right, without further notice to or approval of the shareholders, not to proceed with the Warrant Early Exercise Incentive Program in its sole discretion.

Rationale for Adopting Warrant Early Exercise Incentive Program

There are currently 11,069,054 Warrants issued and outstanding. If the Company implements a Warrant Early Exercise Incentive Program, the Warrant Early Exercise Incentive Program would result in aggregate gross proceeds to the Company of up to \$45.4 million and the issuance of 11,069,054 Incentive Warrants, representing approximately 12.6% of the number of Common Shares issued and outstanding as of the date hereof. The maximum number of Incentive Warrants that will be issued pursuant to the Warrant Early Exercise Incentive Program will not exceed 11,069,054.

Management of the Company has reviewed the Company's capital structure and capital requirements, and has determined that implementing a Warrant Early Exercise Incentive Program in accordance with the Approved Terms would be an effective tool for financing its short to near-term capital requirements. If adopted in accordance with the Approved Terms, the Warrant Early Exercise Incentive Program would have the following benefits to the Company:

- the early exercise of Warrants would increase the Company's financial strength and align the Company's capital requirements with the proceeds to be realized upon the exercise of the Warrants;
- the early exercise of Warrants would provide the Company with cash proceeds of up to approximately \$45.4 million (assuming the exercise of all Warrants), which will be available for general corporate purposes and to fund ongoing activities at the Company's copper deposit located in the Antofagasta Region of northern Chile;
- the early exercise of Warrants would enable the Company to raise significant proceeds at an attractive cost of capital relative to an equity financing such as public offering or private placement;
- the expenses associated with implementing the Warrant Early Exercise Incentive Program would be significantly less than the estimated expenses and underwriting fees which

would be incurred in connection with an equity financing such as public offering or private placement;

- the issuance of Incentive Warrants would result in less dilution to shareholders than an equity financing such as public offering or private placement, which would likely be priced at a discount to the then-current market price and would potentially involve the issuance of units comprised of both Common Shares and warrants;
- the early exercise of Warrants would simplify the capital structure of the Company by reducing the overhang of a large block of in-the-money Warrants that potentially impact investors' valuation of the Common Shares;
- the early exercise of the Warrants would increase the Company's public float, which Management believes may increase the trading liquidity of the Common Shares;
- the estimated expenses of the Warrant Early Exercise Incentive Program and the aggregate value of the Warrant Early Exercise Incentive Program provide a cost effective source of financing for the Company without a current new dilutive financing; and
- Management believes that the dilutive effect of the Warrants has been factored into investors' valuation of the securities of the Company, yet the Company currently lacks the benefits of the cash generated by exercise of the Warrants.

Disinterested Shareholder Approval

Pursuant to the requirements of the TSX set forth in Section 608 of the TSX Company Manual, amendments to warrants held by insiders and amendments to in-the-money warrants are subject to the approval of a majority of the votes cast by Disinterested Shareholders, being those shareholders who do not hold warrants.

The number of Common Shares held as of the record date by Warrantholders is not known by the Company as of the date of this Circular, however both Greenstone and Tembo own Warrants. Accordingly, the 25,513,021 Common Shares beneficially owned by Greenstone and the 10,173,905 Common Shares beneficially owned by Tembo (representing approximately 28.9% and 11.5%, respectively, of the issued and outstanding Common Shares as of the date hereof) will be excluded for purposes of determining whether Disinterested Shareholder Approval has been acquired in accordance with the policies of the TSX. No other insiders of the Company beneficially own, or exercise control or direction over, any Warrants as of the date of this Circular. As of the date of this Circular, Greenstone holds an aggregate of 4,724,667 Warrants and Tembo holds an aggregate of 298,372 Warrants. The table sets forth the maximum number and percentage of Common Shares that will be owned by Greenstone and Tembo following completion of the Warrant Early Exercise Incentive Program on a partially and fully-diluted basis, assuming in each case that they participate in the Warrant Early Exercise Incentive Program to the full extent of their entitlement:

	Current Ownership		Maximum Number of Post-Conversion Common Shares ⁽¹⁾	Partially-Diluted Ownership (%) ⁽²⁾	Fully-Diluted Ownership (%) ⁽³⁾
	Common Shares	Warrants ⁽¹⁾			
Greenstone	25,513,021 (28.9%)	4,724,667	34,962,355	35.8%	31.7%
Tembo	10,173,905 (11.5%)	298,372	10,770,649	12.1%	9.8%
Total	35,686,926 (40.4%)	5,023,039	45,733,004	47.9%	41.5%

- (1) Represents Common Shares held by the insider on the date hereof and the maximum number of Common Shares issuable pursuant to Warrants and Incentive Warrants held by such insider (assuming full participation in the Warrant Early Exercise Incentive Program).
- (2) After giving effect to the exercise of all Warrants and Incentive Warrants held by the applicable insider (assuming full participation in the Warrant Early Exercise Incentive Program), but not the exercise of any other Warrants or Incentive Warrants.
- (3) After giving effect to the exercise of all Warrants and Incentive Warrants (assuming full participation in the Warrant Early Exercise Incentive Program), including Warrants and Incentive Warrants held by the applicable insider.

There are currently 11,069,054 Warrants issued and outstanding. Under the Approved Terms, the maximum number of Incentive Warrants that will be issued pursuant to the Warrant Early Exercise Incentive Program will not exceed 11,069,054, representing approximately 12.6% of the number of Common Shares issued and outstanding as of the date hereof. Accordingly, the issuance of the Incentive Warrants will not materially affect control of the Company within the meaning of Part I of the TSX Company Manual.

The Board and Management recommend that shareholders authorize the Company to implement a Warrant Early Exercise Incentive Program on and subject to the Approved Terms. **The person(s) named in the enclosed form of proxy intend to vote at the Meeting FOR the approval of the resolution concerning the Warrant Early Exercise Incentive Program unless otherwise directed by the shareholder appointing them.**

The form of the resolution to be placed before Disinterested Shareholders at the Meeting is as follows:

“BE IT IS RESOLVED THAT:

1. Subject to receipt of all required regulatory approvals, including without limitation the approval of the Toronto Stock Exchange, Marimaca Copper Corp. (the “**Company**”) is hereby authorized, at its sole discretion, to implement a warrant early exercise incentive program (the “**Warrant Early Exercise Incentive Program**”) on and subject to the terms and conditions described in the management information circular of the Company dated April 28, 2022 at any time on or before September 3, 2022.
2. Any officer or director of the Company is authorized and directed to execute and deliver in the name of and on behalf of the Company and under its corporate seal or otherwise all such certificates, instruments, agreements, notices and other documents and to do such other acts and things as, in the opinion of such person, may be necessary or desirable in connection with the Warrant Incentive Program, and the performance of the Company of its obligations in connection therewith, and to give effect to the foregoing and facilitate the implementation of the foregoing resolution; and

3. Notwithstanding the passing of this resolution by the shareholders, the directors of the Company are authorized and empowered without further notice to or approval of the shareholders not to proceed with the Warrant Early Exercise Incentive Program.”

STATEMENT OF EXECUTIVE COMPENSATION

For the purposes of this Circular:

“CEO” of the Company means each individual who served as Chief Executive Officer of the Company or acted in a similar capacity for any part of the most recently completed financial year.

“CFO” of the Company means each individual who served as Chief Financial Officer of the Company or acted in similar capacity for any part of the most recently completed financial year.

“NEO” or “named executive officer” means each of the following individuals:

- (a) a CEO;
- (b) a CFO;
- (c) each of the three most highly compensated executive officers of the Company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6 - *Statement of Executive Compensation*, for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

For the financial year ended December 31, 2021, the Company had six NEOs: Hayden Locke, the current President and CEO; Luis A. Tondo, the former CEO and former Chief Operating Officer; Petra Decher, the current CFO; Leonardo Araya, the former CFO, Sergio Rivera, the Vice President of Exploration; and Laura Rich, the General Counsel and Corporate Secretary.

Compensation Discussion and Analysis

The Compensation Committee directs the design and provides oversight of the Company’s executive compensation program and has overall responsibility for recommending levels of executive compensation that are competitive in order to attract, motivate and retain highly skilled and experienced executive officers. The Compensation Committee does not have a formal compensation program with set benchmarks; however, the Compensation Committee does have an informal program which seeks to reward an executive officer’s current and future expected performance, the achievements of corporate milestones and align the interests of executive officers with the interest of the Company’s shareholders.

The Compensation Committee has not formally considered the risks associated with the Company’s compensation policies and practices. The Company’s compensation policies and practices give greater weight toward long-term incentives to mitigate the risk of encouraging short-term goals at the expense of long-term sustainability. The discretionary nature of annual bonus awards and option and restricted stock unit (“RSU”) grants are significant elements of the Company’s compensation plans and provide the Board and the Compensation Committee with the

ability to reward historical performance and behaviour that the Board and the Compensation Committee consider to be aligned with the Company's best interests.

The Company has attempted to minimize those compensation practices and policies that expose the Company to inappropriate or excessive risks.

The Company's Insider Trading and Blackout Policy prohibits all Company personnel (including executive officers and directors) from engaging in all hedging transactions with the rationale that these transactions may allow personnel to lock in much of the value of his or her shareholdings, often in exchange for all or part of the potential for upside appreciation in their securities.

The compensation awarded to, earned by, paid to or payable to each of the NEOs for the most recently completed financial year is set out under the heading, "Compensation Discussion and Analysis – Summary Compensation Table".

Compensation Review Process / Compensation Governance

The Compensation Committee reviews on an annual basis the cash compensation, performance and overall compensation package of each executive officer, including the NEOs. It then submits to the Board recommendations with respect to basic salary, bonus and participation in share compensation arrangements for each executive officer.

The Compensation Committee ensures that the Company has an executive compensation plan that is fair, motivational and competitive, so that it will attract, retain and incentivize executive officers of a quality and nature that will enhance the growth and development of the Company.

In establishing levels of remuneration, stock option, RSU and bonus grants, the Compensation Committee is guided by the following principles:

- compensation is determined on an individual basis by the need to attract and retain talented, qualified and effective executives;
- total compensation is set with reference to the market for similar positions in comparable companies and with reference to the location of employment; and
- the current market and economic environment.

For the year ended December 31, 2021, the Compensation Committee was comprised of the following directors: Mr. Kinley (Chair), Mr. Haworth and Mr. Newall. Both Mr. Kinley and Mr. Newall are independent within the meaning of National Policy 58-201 – *Corporate Governance Guidelines* ("NP 58-201"). Although Mr. Haworth is not independent within the meaning of NP 58-201, the Board is satisfied that the composition of the Compensation Committee ensures an objective process for determining compensation. All members of the Compensation Committee have had significant experience in the mining sector, including the junior exploration sector, and on other boards of directors. The Compensation Committee's charter is available on the Company's website at www.marimaca.com.

Objectives

The objectives of the Company's executive compensation program are to: (a) provide competitive compensation to attract, retain and inspire performance of high-calibre executives; (b) align the interests of executives with the long-term interest of the Company's shareholders; and (c) incentivize executives to continuously improve operations and execute on corporate strategy. The executive compensation program is, therefore, designed to reward executives for increasing shareholder value, improving operations and executing on corporate strategy.

Assessment of Individual Performance

Individual performance in connection with the achievement of corporate milestones and objectives is reviewed by the Compensation Committee for all executive officers. While awards are generally tied to performance against quantitative objectives, consideration is also given to an individual's qualitative contribution to the Company. For example, the Compensation Committee will evaluate the individual's leadership skills, commitment to the Company's shareholders, innovation and teamwork.

Elements of Executive Compensation

The Company's executive compensation program currently consists of the following elements:

- (a) base salary;
- (b) incentive cash bonuses;
- (c) long-term equity compensation, consisting of stock options and RSUs granted under the Company's equity-based compensation plans.

The Compensation Committee relies on the experience of its members as officers and directors of other companies in similar lines of business as the Company in assessing compensation levels. The purpose of this process is to:

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

To date, no specific formulas have been developed to assign a specific weighting to each of these components. Instead, the Board considers the Company's performance and assigns compensation based on this assessment and the recommendations of the Compensation Committee.

Base Salary and Incentive Bonus

In determining the base salary of an executive officer, the Compensation Committee places equal weight on the following factors:

- current economic and market environment; and
- development stage and opportunities for the Company.

The Company has employment or consulting agreements with each of its NEOs. The agreements specify the terms and conditions of employment or services, the duties and responsibilities of the executive during this term, the compensation and benefits to be provided by the Company in exchange for the NEO's services, the compensation and benefits to be provided by the Company in the event of a termination of employment not preceded by a change of control of the Company and the compensation and benefits to be provided by the Company, if any, in the event of a change of control of the Company.

In addition to base salary, executive officers are provided with annual performance-based cash incentives. Each of the NEO's annual performance-based cash incentives for the 2021 year was determined by analyzing the key elements of their individual performance within their respective areas of responsibility vis a vis the significant achievements of the Company for the year, which included: the successful completion of the March 2021 non-brokered private placement, in which gross proceeds of C\$30.9 million (US\$24.5 million) was raised; restructuring of the executive management team; successful continuation of drilling campaigns, including the completion of a variety of drilling programs across the Marimaca regional district which identified a number of potential additional opportunities and exploration targets; the commencement of the infill drilling campaign for the Marimaca Oxide Deposit ("**MOD**"); completion of the options study to determine the optimal development strategy for the MOD; continuing development and refinement of the Company's ESG and permitting strategy; and review of strategic options for Minera Rayrock Limited, owner of the Ivan plant and related mineral concessions, which resulted in its divestiture post year-end.

Equity-Based Compensation

In the Company's view, encouraging its executive officers and employees to become shareholders of the Company is the best way to align their interests with those of the Company's shareholders. Equity participation was originally accomplished through a stock option plan adopted by the Company on June 27, 2018 (the "**2018 Stock Option Plan**") and is currently accomplished through an omnibus incentive plan adopted by the Company on November 18, 2020 the ("**2020 Incentive Plan**"), pursuant to which the Company may grant both stock options and RSUs.

Although no further options will be granted under the 2018 Stock Option Plan, certain options previously granted under the 2018 Stock Option Plan remain outstanding as of the date hereof. All outstanding options under the 2018 Stock Option Plan are held by directors, officers, employees or consultants of the Company.

The Compensation Committee is mandated to review and make recommendations to the Board regarding the remuneration of executive officers, the granting of stock options and RSUs to

directors, executive officers and key employees and consultants of the Company under the 2020 Incentive Plan.

The purpose of the 2018 Stock Option Plan and the 2020 Incentive Plan (collectively, the “**Equity-Based Incentive Plans**”) is to advance the interests of the Company and its shareholders by encouraging eligible participants to acquire shares, thereby aligning their interests with shareholders increasing their proprietary interest in the Company and encouraging them to remain associated with the Company. Grants under the Equity-Based Incentive Plans are intended to provide long-term awards linked directly to the market value performance of the Company’s shares.

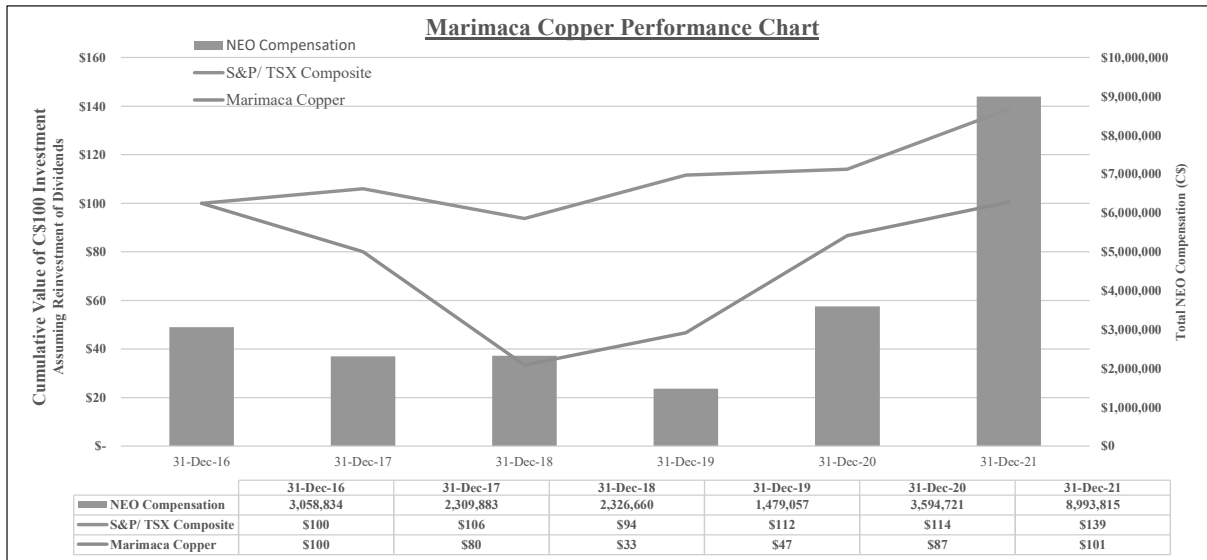
Individual grants are determined by an assessment of the individual’s current and expected future performance, level of responsibilities, the importance of his or her position, his or her contribution to the Company and previous option grants and exercise prices, including:

- (a) the remuneration paid to the employee or consultant as at the award date in relation to the total remuneration payable by the Company to all of its employees and consultants as at the award date;
- (b) the length of time that the employee or consultant has been employed or engaged by the Company; and
- (c) the quality of work performed by the employee or consultant.

Performance Graph

The following graph compares the total cumulative shareholder return for \$100 invested in common shares of the Company on December 31, 2016 with the cumulative total return of the Standard and Poor’s TSX Composite Stock Index (“**S&P/TSX Index**”) for the five most recently completed years.

Comparison of Total Cumulative Shareholder Return on the Common Shares and the S&P/TSX Index



Over the five-year period ended December 31, 2021, an investment in the Corporation has resulted in a compound annual return on the investment of 0.1%, compared to 6.8% for an investment in the S&P/TSX Composite Index over the same time period. Total Named Executive Officer compensation is set out in the chart above illustrating the total amount of compensation awarded to the Named Executive Officers as reported in the Corporation’s management information circular for each relevant year.

Summary Compensation Table

The following table is a summary of compensation paid to each of the NEOs for the three most recently completed financial years.

<i>Amounts expressed in Canadian Dollars (C\$)</i>					Non-equity incentive plan compensation (C\$)				
Name and Principal Position	Year	Salary ⁽¹⁾⁽²⁾	Share-based awards ⁽³⁾	Option-based awards ⁽⁴⁾⁽¹¹⁾	Annual incentive plans	Long-Term Incentive Plan	Pension value	All other compensation ⁽⁵⁾	Total compensation
Hayden Locke ⁽⁶⁾ President and Chief Executive Officer	2021	\$413,163	\$629,855	\$1,580,877	\$225,000	N/A	N/A	Nil	\$2,848,895
	2020	\$370,968	N/A	\$639,822	Nil	N/A	N/A	Nil	\$1,010,790
Luis A. Tondo ⁽⁷⁾ Former COO & Former CEO	2021	\$391,481	N/A	\$760,032	Nil	N/A	N/A	\$192,613	\$1,344,126
	2020	\$382,623	N/A	\$455,246	\$128,216	N/A	N/A	Nil	\$966,085
	2019	\$388,863	N/A	\$71,402	Nil	N/A	N/A	Nil	\$460,265
Petra Decher ⁽⁸⁾ Chief Financial Officer	2021	\$204,110	\$200,000	\$1,033,647	\$90,000	N/A	N/A	Nil	\$1,527,757
Leonardo Araya ⁽⁹⁾ Former Chief Financial Officer	2021	\$94,593	N/A	Nil	Nil	N/A	N/A	\$93,033	\$187,626
	2020	\$229,574	N/A	\$113,811	\$44,639	N/A	N/A	Nil	\$388,024
	2019	\$155,545	N/A	\$157,058	Nil	N/A	N/A	Nil	\$312,603
Sergio Rivera Vice President of Exploration	2021	\$313,392	N/A	\$1,124,852	\$135,000	N/A	N/A	Nil	\$1,573,244
	2020	\$295,515	N/A	\$455,246	\$127,541	N/A	N/A	Nil	\$878,302
	2019	\$298,644	N/A	\$71,402	Nil	N/A	N/A	Nil	\$370,046
Laura Rich ⁽¹⁰⁾ General Counsel	2021	\$188,520	\$200,000	\$1,033,647	\$90,000	N/A	N/A	Nil	\$1,512,167

Notes:

- (1) Includes fees paid to NEOs pursuant to consulting agreements.
- (2) Cash compensation is paid to NEOs as follows: (i) Mr. Locke and Ms. Rich's cash compensation is denominated and payable in pounds sterling ("GBP"); (ii) Mr. Tondo and Mr. Araya's cash compensation is denominated in U.S. dollars and payable in Chilean Pesos ("CLP"); (iii) Ms. Decher's cash compensation is denominated and payable in Canadian dollars ("C"); and (iv) Mr. Rivera's cash compensation is denominated and payable in CLP. For the purpose of calculating the Canadian dollar equivalent of amounts paid in U.S. dollars, CLP and GBP, the following average exchange rates were used for 2021: US\$ to CDN\$ - 1.2537; CLP to CDN\$ - 0.0016; GBP to CDN\$ - 1.7247.
- (3) Dollar amount based on the fair value of the award upon date of grant with reference to the closing price of the Common Shares on the grant date.
- (4) Dollar amount based on the fair value on the grant date of the award for the financial year covered, as described in more detail in footnote 11.
- (5) Amounts represent payments in connection with severance provisions.
- (6) Mr. Locke was appointed as President on July 20, 2020 and as CEO on April 26, 2021.
- (7) Mr. Tondo was appointed President and CEO of the Company on June 7, 2017 and resigned as President on July 20, 2020. He resigned as CEO on April 26, 2021 and was appointed Chief Operating Officer on the same date. Mr. Tondo resigned as COO on November 30, 2021.
- (8) Ms. Decher was appointed CFO on April 26, 2021.
- (9) Mr. Araya was appointed CFO on April 9, 2010 and resigned as CFO on April 26, 2021.
- (10) Ms. Rich was appointed General Counsel and Corporate Secretary on April 26, 2021.
- (11) The grant date fair value of the options was determined using the Black-Scholes option pricing model, using the following weighted average assumptions:

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Risk free interest rate	0.3%	1.0%	1.5%
Expected life	5 years	5 years	5 years
Expected volatility	65%	95%	110%
Expected dividend	0%	0%	0%

The use of option pricing models requires the input of highly subjective assumptions, including assumptions regarding expected volatility, and changes in the assumptions can materially affect the fair value estimate. Accordingly, grant date fair values

determined in accordance with such models do not necessarily provide a reliable measure of the fair value of the Company's stock options.

Incentive Plan Awards

The following table sets forth the outstanding option-based awards and share-based awards held by the NEOs as of December 31, 2021.

Outstanding Share-Based Awards and Option-Based Awards

Name	Option-based Awards				Share-based Awards		
	Securities underlying unexercised options (#)	Option exercise price (C\$)	Option expiration date	Value of unexercised in-the-money options (C\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ⁽²⁾ (C\$)	Market or payout value of vested share-based awards not paid out or distributed (C\$)
Hayden Locke	200,000	\$1.25	Apr 21, 2025	\$504,000	136,554	\$203,094	\$311,715
	200,000	\$3.20	Sept 25, 2025	\$114,000			
	280,000	\$5.00	May 6, 2026	-			
	450,000	\$3.69	Dec 23, 2026	\$36,000			
Petra Decher	26,008	\$1.725	May 4, 2023	\$53,186	40,000	\$150,800	N/A
	7,802	\$1.725	Oct 9, 2023	\$15,956			
	45,000	\$1.50	Nov 28, 2023	\$102,150			
	45,000	\$1.25	Apr 21, 2025	\$113,400			
	275,000	\$3.20	Sept 25, 2025	\$156,750			
	280,000	\$5.00	May 6, 2026	-			
	150,000	\$3.69	Dec 23, 2026	\$12,000			
Sergio Rivera	60,000	\$1.50	Feb 16, 2021	\$136,200	N/A	N/A	N/A
	200,000	\$3.20	Jan 2, 2024	\$114,000			
	280,000	\$5.00	Sept 25, 2025	-			
	200,000	\$3.69	Dec 23, 2026	\$16,000			
Laura Rich	280,000	\$5.00	May 6, 2026	-	40,000	\$150,800	N/A
	150,000	\$3.69	Dec 23, 2026	\$12,000			
Luis A. Tondo	170,078	\$2.125	June 12, 2022	\$279,778	N/A	N/A	N/A
	60,000	\$1.50	Jan 2, 2024	\$136,200			
	133,337	\$3.20	Sept 25, 2025	\$76,002			
	93,333	\$5.00	May 6, 2026	-			
Leonardo Araya	26,667	\$2.50	Apr 26, 2022	\$33,867	N/A	N/A	N/A
	33,333	\$3.20	Apr 26, 2022	\$19,000			

Notes:

- (1) This column represents the in-the-money value of outstanding options based on the closing price of the Common Shares on the TSX on December 31, 2021 (C\$3.77) less the exercise price.
- (2) This column represents the value of outstanding RSUs based on the closing price of the Common Shares on the TSX on December 31, 2021 (C\$3.77).

The following table sets forth details of the value vested or earned for all incentive plan awards during the most recently completed financial year by each NEO.

Value Vested or Earned During the Year

<i>Amounts expressed in Canadian Dollars (C\$)</i>			
Name	Option-based awards – value vested during the year⁽¹⁾	Share-based awards – value vested during the year⁽²⁾	Non-equity incentive plan compensation – value earned during the year
Hayden Locke	\$270,000	\$359,139	N/A
Petra Decher	\$104,450	Nil	N/A
Sergio Rivera	\$74,000	Nil	N/A
Laura Rich	Nil	Nil	N/A
Luis A. Tondo	\$74,000	Nil	N/A
Leonardo Araya	\$59,634	Nil	N/A

Notes:

- (1) This column represents the amount determined by multiplying the number of stock options that vested in 2021 by the difference between the exercise price of the options and the closing price of the Common Shares on the TSX on the vesting date.
- (2) Dollar amount based on the fair value of the award upon vesting date with reference to the closing price of the Common Shares on the vesting date.

Pension Plan Benefits

The Company does not have a pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement.

Termination and Change of Control Benefits

As at December 31, 2021, the Company had contractual arrangements with each of its NEOs, some of which have a termination and a change of control benefits clause, as follows:

- **Hayden Locke, President and CEO:** Pursuant to the terms of a consultancy agreement between the Company and Benson Capital Limited, Mr. Locke is entitled to receive a change of control payment of £300,000 following the completion of a change of control (as defined under the agreement). The Company may terminate the consulting agreement at any time without cause following six months' prior written notice (or payment in lieu of notice).
- **Luis A. Tondo, Chief Operating Officer (former COO):** Mr. Tondo stepped down as COO at the end of 2021. He remains a technical consultant to the Company. Mr. Tondo received a payment of US\$150,000 in connection with the termination of his prior employment arrangements. In addition and pursuant to amended arrangements, Mr. Tondo's consultancy may be terminated at any time on 30 days' prior written notice. Mr. Tondo will also be entitled

to a payment of US\$500,000 in the event that a change of control (as defined under the agreement) occurs prior to May 30, 2022.

- **Petra Decher, CFO:** Pursuant to Ms. Decher's employment agreement with the Company, Ms. Decher's employment may be terminated at any time without cause on six months' notice or payment in lieu of notice. In addition, Ms. Decher is entitled to receive a change of control payment of C\$300,000 following completion of a change of control (as defined under the agreement).
- **Sergio Rivera, Vice President of Exploration:** Pursuant to Mr. Rivera's employment agreement with the Company, Mr. Rivera's employment may be terminated at any time without cause on six months' notice or payment of a US\$142,500 termination fee. In the event Mr. Rivera's employment agreement is terminated by the Company without cause within six months of a Control Change (as defined under the agreement) or by Mr. Rivera for good reason within six months of a Control Change, Mr. Rivera shall be entitled to a termination payment of US\$712,500.
- **Laura Rich, General Counsel and Corporate Secretary:** Pursuant to the terms of a consultancy agreement between the Company and Lawich Services Limited, Ms. Rich is entitled to receive a change of control payment of £165,000 following the completion of a change of control as defined under the agreement. The Company may terminate the consulting agreement at any time without cause following six months prior written notice (or payment in lieu of notice).

The following table sets out the maximum amount the Company would have been obligated to pay in the event that a NEO was terminated without cause or resigned for good reason within 12 months following a change of control as of December 31, 2021:

<i>Amounts expressed in Canadian Dollars (C\$)</i>		
Name	Termination Payment ⁽¹⁾	Value of Early Vested Options and Share Based Awards ⁽²⁾
Hayden Locke	\$517,423	\$433,094
Petra Decher	\$300,000	\$248,850
Sergio Rivera	\$903,308	\$48,667
Laura Rich	\$282,678	\$158,800
Luis A. Tondo	\$633,900	-
Leonardo Araya	N/A	N/A

Notes:

- (1) Amounts converted to Canadian dollars using the closing exchange rates at December 31, 2021 of US\$ to C\$ - 1.2678 and GBP to C\$ - 1.7132.
- (2) This column reflects the value of early vested stock options and RSUs. For greater clarity, the value of stock options and RSUs that vested on or before December 31, 2021, in accordance with the terms of the plan, are not included in this column. This value of early vested options was based on the closing price of the Common Shares on the TSX on December 31, 2021 (C\$3.77) less the exercise price. The value of the early vesting of RSUs was based on closing price of the Common Shares on the TSX on December 3, 2021 (C\$3.77).

The following table sets out the maximum amount the Company would have been obligated to pay in the event that a NEO was terminated without cause as of December 31, 2021, assuming such event was not in connection with a change of control:

<i>Amounts expressed in Canadian Dollars (C\$)</i>	Termination Payment⁽¹⁾
Name	
Hayden Locke	\$256,980
Petra Decher	\$150,000
Sergio Rivera	\$180,662
Laura Rich	\$141,339
Luis A. Tondo	Nil

Notes:

(1) Amounts converted to Canadian dollars using the closing exchange rates at December 31, 2021 of US\$ to C\$ - 1.2678 and GBP to C\$ - 1.7132.

DIRECTOR COMPENSATION

The following table sets forth the details of compensation provided to the directors, other than the NEOs, during for financial year ending December 31, 2021. The value disclosed under option-based awards for directors represents the deemed dollar value of the options granted.

<i>Amounts expressed in Canadian Dollars (C\$)</i>	Fees earned	Share-based awards⁽¹⁾	Option-based awards⁽²⁾	Non-equity incentive plan compensation	Pension value	All other compensation	Total compensation
Name							
Alan J. Stephen	\$52,000	\$92,250	\$760,032	N/A	N/A	N/A	\$904,282
Colin Kinley	\$60,000	\$138,375	\$1,045,044	N/A	N/A	N/A	\$1,243,419
Michael Haworth ⁽³⁾	\$92,000	\$138,375	\$1,520,064	N/A	N/A	N/A	\$1,750,439
Clive Newall	\$52,000	\$294,650	\$1,372,493	N/A	N/A	N/A	\$1,719,143
Tim Peterson	\$52,000	\$92,250	\$760,032	N/A	N/A	N/A	\$904,282

Notes:

- (1) Dollar amount based on the fair value of the award upon date of grant with reference to the closing price of the Common Shares on the grant date.
- (2) Dollar amount based on the grant date fair value of the award for the financial year covered in the table. The fair value was determined using the Black-Scholes option pricing model with the following weighted average assumptions: risk-free rate – 0.3%, volatility – 65%, life – 5 years; and dividend yield – 0%.
- (3) Fees earned and RSUs and options granted were paid to Greenstone Management Limited, on behalf of Michael Haworth, who is a principal of Greenstone Management Limited.

In addition to fees described above, all directors are reimbursed for actual expenses reasonably incurred in connection with the performance of their duties as directors.

Incentive Plan Awards

The following table sets forth the outstanding options-based awards held by the directors of the Company as of December 31, 2021 and includes awards granted during that year.

Outstanding Share-Based Awards and Option-Based Awards

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (C\$)	Option expiration date	Value of unexercised in-the-money options (C\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ⁽²⁾ (C\$)	Market or payout value of vested share-based awards not paid out or distributed ⁽²⁾ (C\$)
Alan J. Stephens	35,000	\$1.50	November 28, 2023	\$79,450	25,000	\$94,250	-
	35,000	\$1.25	April 21, 2025	\$88,200	-	-	-
	200,000	\$3.20	September 25, 2025	\$114,000	-	-	-
	280,000	\$5.00	May 6, 2026	-	-	-	-
Colin Kinley	104,031	\$1.725	October 9, 2023	\$212,744	37,500	\$141,375	-
	80,000	\$1.50	November 28, 2023	\$181,600	-	-	-
	80,000	\$1.25	April 21, 2025	\$201,600	-	-	-
	275,000	\$3.20	September 25, 2025	\$156,750	-	-	-
	385,000	\$5.00	May 6, 2026	-	-	-	-
Michael Haworth ⁽³⁾	7,802	\$1.725	October 9, 2023	\$15,956	37,500	\$141,375	-
	45,000	\$1.50	November 28, 2023	\$102,150	-	-	-
	45,000	\$1.25	April 21, 2025	\$113,400	-	-	-
	500,000	\$3.20	September 25, 2025	\$285,000	-	-	-
	560,000	\$5.00	May 6, 2026	-	-	-	-
Tim Petterson	35,000	\$1.50	November 28, 2023	\$79,450	25,000	\$94,250	-
	35,000	\$1.25	April 21, 2025	\$88,200	-	-	-
	200,000	\$3.20	September 25, 2025	\$114,000	-	-	-
	280,000	\$5.00	May 6, 2026	-	-	-	-
Clive Newall	200,000	\$2.50	March 25, 2026	-	Nil	Nil	\$165,880
	280,000	\$5.00	May 6, 2026	-	-	-	-

Notes:

- (1) The closing price of the Common Shares at December 31, 2021 was C\$3.77. No value has been given to unexercised options that were out-of-the-money on December 31, 2021.
- (2) These columns represent the value of outstanding RSUs based on the closing price of the Common Shares on the TSX on December 31, 2021 (C\$3.77).
- (3) Options and RSUs were granted to Greenstone Management Limited, on behalf of Michael Haworth, who is a principal of Greenstone Management Limited.

The following table sets forth details of the value vested or earned for all incentive plan awards for the year ending December 31, 2021 by each director:

Value Vested or Earned During the Year

<i>Amounts expressed in Canadian Dollars (C\$)</i>	Option-based awards – Value vested during the year⁽¹⁾	Share-based awards – Value vested during the year⁽²⁾	Non-equity incentive plan compensation – Value earned during the year
Name			
Alan J. Stephens	\$78,600	N/A	N/A
Colin Kinley	\$145,050	N/A	N/A
Michael Haworth⁽³⁾	\$147,200	N/A	N/A
Tim Petterson	\$78,600	N/A	N/A
Clive Newall	Nil	\$165,880	N/A

Notes:

- (1) The amounts above disclose the aggregate dollar value that would have been realized if the options under the option-based award had been exercised on the vesting date by determining the difference between the market price of the shares on the vesting date and the exercise price of the options.
- (2) The amounts above disclose the aggregate dollar value that would have been realized if the RSUs had been redeemed on the vesting date by reference to the closing price of the Common Shares on the TSX on the vesting date.
- (3) Options were granted to Greenstone Management Limited, on behalf of Michael Haworth, who is a principal of Greenstone Management Limited.

EQUITY-BASED COMPENSATION PLANS

Securities Authorized for Issuance under Equity Compensation Plans

The following table sets out those securities of the Company which have been authorized for issuance under the 2018 Stock Option Plan and 2020 Incentive Plan as at December 31, 2021.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (C\$)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by the securityholders	8,193,294	\$3.78	629,336
Equity compensation plans not approved by the securityholders	Nil	Nil	Nil
Total	8,193,294	\$3.78	629,336

As of December 31, 2021, a total of 3,244,407 options were outstanding under the 2018 Stock Option Plan and 4,538,333 options and 410,554 RSUs were outstanding under the 2020 Incentive Plan, representing approximately 9.3% of the issued and outstanding Common Shares as at such date. No further options will be granted under the 2018 Stock Option Plan.

Going forward, all options and RSUs will be granted pursuant to the 2020 Incentive Plan. As of the date of this Circular, 4,445,000 options and 410,554 RSUs have been issued and are outstanding under the 2020 Incentive Plan and 2,954,329 options remain issued and outstanding under the 2018 Stock Option Plan.

Annual Burn Rate

The Company's annual burn rate, as described in Section 613(p) of the TSX Company Manual, was 5.5% for 2021, 3.98% for 2020 and 0.35% for 2019. The annual burn rate is calculated by dividing the number of options granted under the 2020 Incentive Plan and/or 2018 Stock Option Plan during the applicable fiscal year by the weighted average number of Common Shares outstanding for that year.

Summary of Key Terms

Eligible Participants

The 2020 Incentive Plan provides that options and RSUs may be granted to directors, officers, employees or consultants of the Company or its affiliates (each, an "**Eligible Participant**"). The maximum number of the Corporation's securities issuable to insiders under the 2020 Incentive Plan, when combined with the number of Common Shares issuable under other equity-based compensation arrangements (including the 2018 Stock Option Plan), cannot exceed 10% of the number of issued and outstanding Common Shares.

Shares Available for Issuance

The maximum number of Common Shares issuable under the 2020 Incentive Plan, when combined with the number of Common Shares issuable under other equity-based compensation arrangements (including the 2018 Stock Option Plan), cannot exceed 10% of the number of issued and outstanding Common Shares. If an award expires under the 2018 Stock Option Plan or 2020 Incentive Plan without having been exercised in full, the number of Common Shares underlying the expired or terminated award become available for the purposes of the 2020 Incentive Plan.

Vesting

All stock options and RSUs granted pursuant to the 2018 Stock Option Plan and the 2020 Incentive Plan are subject to vesting requirements and other conditions as may be prescribed at the time of grant.

Exercise Price

Under both the 2018 Stock Option Plan and the 2020 Incentive Plan, the Board has sole discretion to set the exercise price of a stock option; however, the exercise price may not be less than the closing price of the Common Shares on the day immediately preceding the date of the stock option grant.

RSUs awarded under the 2020 Incentive Plan do not have an exercise price, given the nature of these awards.

Term

Under the 2018 Stock Option Plan, the term of any option was fixed by the Board at the time the particular option was awarded, provided that such date could not be later than the fifth anniversary of the award date of such option. Under the 2020 Incentive Plan, the term of awards shall be the date so fixed by the Board at the time the particular award is granted, provided that the term of an option shall not exceed 10 years from the date of grant. The Board has discretion to determine the maximum period during which an RSU may remain outstanding prior to settlement (the "**Restriction Period**"). If an option holder is unable to exercise an option that would otherwise expire because of a trading blackout imposed by the Company, the term of options granted under the 2018 Stock Option Plan

is automatically extended until the tenth business day following the expiry of the trading blackout.

Expiration or Termination

Under the 2018 Stock Option Plan, a stock option held by an employee or consultant will expire immediately in the event an employee or consultant ceases to be an employee or consultant, as applicable, as a result of termination for cause or as the result of an order of the British Columbia Securities Commission (the “BCSC”) or the Toronto Stock Exchange (the “TSX”). Unless otherwise determined by the Board in its discretion, in the event the employee or consultant ceases to be an employee or consultant as a result of termination without cause or resigns, a stock option will expire 60 days following the date the person ceases to be an employee or consultant. In addition, and unless otherwise determined by the Board in its discretion, a stock option will expire 90 days after a director ceases to be a director unless the director continues to be an employee of the Company in which case the expiry date will remain unchanged. If a director ceases to be a director of the Company as the result of: (a) ceasing to meet the qualifications contained in the *Business Corporations Act* (British Columbia); (b) a special resolution having been passed by the shareholders of the Company; or (c) an order of the BCSC or the TSX, the expiry date shall be the date the director ceases to be a director of the Company. In the event of the death of an option holder, the options shall expire on the first anniversary of the option holder’s death.

Under the 2020 Incentive Plan, awards will expire as follows on termination:

- (a) Voluntary Resignation: All unvested awards are immediately forfeited on the termination date and any vested awards remain exercisable until the earlier of 90 days following the termination date and the expiry date of the award.
- (b) Termination for Cause: All vested and unvested options immediately terminate and all unvested RSUs are immediately forfeited on the termination date.
- (c) Termination for convenience: All unvested options immediately terminate, and any vested options remain exercisable until the earlier of 90 days following the termination date and the expiry date of the option. All RSUs remain outstanding and in effect pursuant to the terms of the applicable award agreement, which may be accelerated by the Board in its discretion. If the Board determines that the vesting conditions are not met for such awards, then all unvested RSUs credited to the departing individual shall be forfeited or cancelled; if the vesting conditions for such awards are met, they shall be settled.
- (d) Termination Due to Disability or Retirement: Vested options remain exercisable until the earlier of 90 days following the vesting date of the option and the expiry date of the option. RSUs continue to vest as provided for in (c) above.
- (e) Termination Due to Death: Vested options remain exercisable until the earlier of six months following the termination date and the expiry date of the option. RSUs continue to vest in accordance with (c) above.
- (f) Termination in Connection with a Change of Control: If, after a change of control (as defined in the 2020 Incentive Plan), an award holder who was also an officer or employee of, or a consultant to, the Company prior to the change of control, has

their position, employment, or consulting agreement terminated, or such award holder is constructively dismissed, on or during the 12-month period immediately following a change of control, then all of the award holder's unvested RSUs immediately vest and any vested options remain exercisable until the earlier of ninety (90) days following the termination date and the expiry date of the option.

Assignability

Neither options granted under the 2018 Stock Option Plan nor awards made under the 2020 Incentive Plan may be assigned or transferred, provided that a personal representative may exercise awards granted under either plan on behalf of award holders.

Amendment Procedures

The Company may from time-to-time amend either the 2018 Stock Option Plan or the 2020 Incentive Plan, or the terms of any awards granted under them, in each case in accordance with the terms thereof. Under the 2020 Incentive Plan, any such amendment shall not adversely alter or impair the rights of an award holder without their consent and shall be subject to receipt of any required regulatory approvals, including the approval of the TSX. Shareholder approval will be required for (i) any increase to the maximum number of shares issuable pursuant to options or RSUs, (ii) any amendment that reduces the exercise price of an option or any cancellation of an option and replacement of such option with an option with a lower exercise price, (iii) any amendment that extends the expiry date of any option or the Restriction Period of any RSU beyond the original expiry date or Restriction Period and (iv) any amendment to the definition of an Eligible Participant.

Cashless Exercises

In order to facilitate the payment of the exercise price of options, both the 2018 Stock Option Plan and 2020 Incentive Plan have a cashless exercise feature pursuant to which a participant may elect to undertake a "net exercise" subject to the procedures set out in the applicable plan, including the consent of the Board, where required.

Cash Redemption of RSUs

Under the 2020 Incentive Plan, holders of RSUs may elect to redeem a portion (and only such portion) of its vested RSUs for a cash amount equal to the tax obligations associated with the aggregate number of RSUs to be settled, in lieu of receiving Common Shares for such RSUs.

Impact of a Change of Control

If a Change of Control (as defined in the 2018 Stock Option Plan) occurs, all options outstanding under it will become vested, whereupon all options may be exercised in whole or in part by the option holders.

Under the 2020 Incentive Plan, the Board has the power, in its sole discretion, to modify the terms of the plan or awards granted under it, to assist plan participants to tender into a take-over bid or participate in any other transaction leading to a Change of Control (as defined in the 2020 Incentive Plan). In the event of a take-over bid or any other transaction leading to a Change of Control, the Board shall have the power, in its sole discretion, to (i) provide that any or all awards shall thereupon terminate, provided that outstanding awards that have vested shall remain exercisable until consummation of such Change of Control, and (ii) permit participants to conditionally exercise their vested options, such conditional exercise to be conditional upon the take-up by such

offeror of the Common Shares or other securities tendered to such take-over bid in accordance with the terms of such take-over bid (or the effectiveness of such other transaction leading to a Change of Control).

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the current or former directors, executive officers or employees of the Company or any of its subsidiaries, the proposed nominees for election to the Board, nor any associate of such persons is, as at the date hereof, or has been indebted to the Company, since the beginning of the most recently completed financial year of the Company. In addition, no indebtedness of these individuals to another entity has been subject of a guarantee, support agreement, letter or credit or similar arrangement or understanding of the Company or any of its subsidiaries.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as otherwise disclosed in this Circular, no director or executive officer of the Company, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, since the beginning of the Company's last financial year in matters to be acted upon at the Meeting, other than the election of directors.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Since the commencement of the most recently completed financial year, the Company has entered into several transactions with certain of its key shareholders and their respective affiliates, as described below:

On March 1, 2021, the Company completed a non-brokered private placement, pursuant to which the Company issued 9,377,273 units at a price of C\$3.30 per unit for aggregate gross proceeds of C\$30,945,000. Each unit is comprised of one Common Share and one-half of one Common Share purchase warrant. Each warrant entitles the holder thereof to purchase one additional Common Share at an exercise price of C\$4.10 at any time on or before December 3, 2022. Greenstone participated in the private placement pursuant to the exercise of certain existing pre-emptive rights in its favour. Greenstone acquired 4,205,333 units for gross proceeds of C\$13.9 million.

Except as otherwise disclosed in this Circular, none of the persons who were directors or executive officers of the Company or a subsidiary of the Company at any time during the Company's last financial year, the proposed nominees for election to the Board, any person or company who beneficially owns, directly or indirectly, or who exercises control or direction over directly or indirectly (or a combination of both) more than 10% of the issued and outstanding Common Shares, nor any associate or affiliate of those persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or proposed transaction which has materially affected or would materially affect the Company or its subsidiaries.

MANAGEMENT CONTRACTS

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

AUDIT COMMITTEE DISCLOSURE

Detailed information required by National Instrument 52-110 - *Audit Committees* is presented in the Company's Annual Information Form dated March 29, 2021 under the heading "Information on Audit Committee". The Annual Information Form is available on the SEDAR website at www.sedar.com.

CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101 - *Disclosure of Corporate Governance Practices*, requires all reporting issuers to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines adopted in NP 58-201. These guidelines are not prescriptive, but have been used by the Company in adopting its corporate governance policies. The Company's approach to corporate governance is set out below. The Board is constantly engaged in an ongoing review of the Company's corporate governance practices. The Board considers good corporate governance to be central to the effective and efficient operations of the Company.

Board of Directors

Management is nominating six individuals to the Board, being Hayden Locke, Alan J. Stephens, Colin Kinley, Michael Haworth, Tim Petterson and Clive Newall, each of whom is a current director of the Company. According to the governance guidelines set forth in NP 58-201, the board of directors of every reporting issuer should be constituted with a majority of individuals who qualify as "independent". Of the proposed nominees of the Company, Colin Kinley, Tim Petterson and Clive Newall are considered by the Board to be "independent".

Michael Haworth was appointed Executive Chair of the Board in February 2020. Mr. Haworth is not an "independent" director within the meaning of National Instrument 52-110 - *Audit Committees*. Following Mr. Haworth's appointment as Executive Chairman, the Board of Directors appointed Ms. Decher as its Lead Director. Subsequent to December 31, 2020: (i) Mr. Newall was appointed as an independent non-executive director, (ii) Mr. Haworth transitioned to the role of Non-Executive Chairman; (iii) Ms. Decher stepped down from the Board to assume the role of CFO; and (iv) Mr. Kinley assumed the role of Lead Director. Although the Company does not currently have a majority of independent directors, the independent directors meet on an as needed basis when circumstances arise to facilitate an open and candid discussion and to ensure the Board can exercise independent judgement when carrying out its responsibilities.

The Chair is responsible for managing the affairs of the Board and works with the CEO and other members of management to ensure effective relations with the Board, the shareholders and other stakeholders.

Directorships

The following directors of the Company are directors of other reporting issuers:

Director	Other Reporting Issuer(s)
Hayden Locke	Emmerson plc
Alan J. Stephens	None
Colin Kinley	Excelsior Mining Corp. (TSX) Eco Atlantic Oil and Gas Ltd. (LSE; TSX-V)
Michael Haworth	Excelsior Mining Corp. (TSX) Ncondezi Energy Limited (LSE) Adventus Zinc Corporation (TSX-V) Elevation Gold Mining Corp (TSX-V)
Clive Newall	First Quantum Minerals Ltd (TSX)
Tim Petterson	None

Meetings of the Board

The Board meets on an as needed basis to review, among other things, the performance of the Company. Other meetings of the Board will be called as circumstances arise. In addition, Board memos are prepared as required to ensure the Board is kept informed of all relevant matters.

The independent directors of the Company also meet on an as needed basis when circumstances arise. The Audit Committee meets quarterly and also has in camera sessions with the auditors without Management present.

All directors attended 100% of the full Board meetings that were held during the year ended December 31, 2021.

Board Mandate

The Board has adopted a Board mandate, which generally speaking, is to manage and supervise the management of the business and affairs of the Company and to act with a view to the best interest of the Company. The Board oversees the management of the Company's affairs directly and through committees. The Board's responsibilities include, among other matters, reviewing and approving the Company's overall business strategies and annual business plan, reviewing and approving the annual corporate budget and forecast, reviewing and approving significant capital investments outside the approved budget, reviewing major strategic initiatives to ensure that the Company's proposed actions accord with shareholder objectives, and assessing Management's performance against approved business plans and industry standards.

Position Descriptions

The Board, together with the Corporate Secretary and Lead Director, continually updates the Board's policies, which provide position descriptions for the directors and senior officers of the Company, including in respect of limitations to Management's responsibilities.

Currently, the Board has delegated the day-to-day management of the business and affairs of the Company to the executive officers of the Company and has adopted a table of delegated authorities.

Decisions relating to matters that are not in the ordinary course and that involve material expenditures or commitments on the part of the Company require prior approval of the Board. Any responsibility which is not delegated to Management or a committee of the Board remains with the Board.

Orientation and Continuing Education

The Nominations & Governance Committee is responsible for ensuring that Management develops an orientation and education program for new members of the Board and an education program for all members of the Board. New directors are provided with an orientation and education program which includes written information about the business and operations of the Company, documents from recent Board meetings, and opportunities for meetings and discussion with senior Management and other directors. The Company will also give tours of its properties to give directors additional insight into the Company's business. In addition, Management of the Company takes steps to ensure that its directors and officers are updated regarding corporate and securities policies which may affect the directors, officers, committee members and the Company as a whole. The Company continually reviews developments in securities rules and policies, and changes or new requirements are brought to the attention of the directors by way of director meetings or in written reports.

Ethical Business Conduct

The Board has adopted a code of conduct and a whistleblowing policy pursuant to which employees can communicate complaints of alleged violations of law, regulation or internal Company policy. The full text of the code of conduct is available on the Company's website at www.marimaca.com.

In addition, certain of the directors of the Company serve as directors and officers of other companies engaged in similar business activities and therefore it is possible that a conflict may arise between their duties as a director or officer of such other companies and their duties as a director or officer of the Company. The directors of the Company are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and the required disclosure by directors of conflicts of interest and the Company will rely upon such laws in respect of any directors' conflicts of interest or in respect of any breaches of duty by any of its directors. All such conflicts must be disclosed by such directors or officers in accordance with the *Business Corporations Act* (British Columbia).

Compensation and ESG Matters

The Board has established a Compensation Committee. Details of this Committee's composition and its role in the context of compensation are provided under the headings "Compensation Discussion and Analysis" and "Compensation Review Process / Compensation Governance".

Following year-end the Board established a standalone ESG Committee. This Committee is responsible for ESG matters and has the authority to approve the adoption of any ESG-related standards or initiatives. It also engages with shareholders and other stakeholders of the Company in respect of ESG issues, monitors, assesses and manages risk-related environmental and social issues and periodically reviews and, when appropriate, establishes ESG-related goals and

objectives relevant to management compensation. Prior to year-end, ESG oversight formed part of the mandate of the Compensation Committee. However, as part of ongoing reviews the Board has determined it appropriate that ESG oversight be allocated to a standalone committee. Mr. Petterson chairs the ESG Committee. Mr. Haworth and Mr. Newall are the other members of the ESG Committee.

Nomination of Directors

The Board has recently constituted a standalone Nominations & Governance Committee. Prior to this, the functions of this Committee were performed by the Compensation Committee. The Nominations & Governance Committee develops and monitors the Company's overall approach to corporate governance issues and, subject to approval by the Board, implements and administers a system of corporate governance which reflects the Company's commitment to appropriate corporate governance practices. In fulfilling this role, the Nominations & Governance Committee periodically reviews and assesses the adequacy of the Company's corporate governance principles and, where appropriate, develops and recommends additional or revised principles to the Board for review and adoption.

The Nominations & Governance Committee oversees periodic assessments of director "independence" within the meaning of applicable corporate and securities law and policies. It also determines the appropriate structure for Board committees and ensures that the Board receives appropriate advice on corporate governance issues and trends. In collaboration with the Board, the Committee reviews: (i) the role of the Board (and its mandate); (ii) the terms of reference (or mandate) of each Board committee; and (iii) the methods and processes by which the Board fulfills its duties and responsibilities. Finally, the Committee makes annual recommendations to the Board for director election(s) or appointment(s) or to fill Board vacancies and makes recommendations for the composition of each Board Committee.

Other Committees

Other than the Audit Committee, Compensation Committee, ESG Committee and Nominations & Governance Committee the Board does not have any other standing committees.

Assessment

The Board conducted an annual performance assessment via internal questionnaire following year-end. Board performance and effectiveness was viewed as appropriate overall. Various recommendations have been taken into consideration in the formulation of plans for Board reviews in 2022. This includes the additions made to the Board's standing committees, namely the additions of the standalone ESG Committee and the Nominations & Governance Committee.

Term Limits

The Board has not adopted policies imposing an arbitrary term or retirement age in connection with individuals nominated for election as directors, as it does not believe that such limits are in the best interests of the Company. The Board strives to achieve a balance between the desirability to have the appropriate depth of industry experience from its members on the one hand, and the need for renewal and new perspectives on the other hand.

Gender Diversity

Although the Board has not adopted a formal written policy relating to the levels of female representation at Board and executive levels, it is committed to diversity and inclusion across all levels of the Company. To this end, the Board is dedicated to cultivating an environment where employment opportunities are based on performance, skill and merit, irrespective of gender. As a result, the Board does not believe that a formal policy is necessary at this time. For the same reason, the Board does not support the adoption of quotas and, accordingly, has not adopted formal targets for gender diversity.

As at December 31, 2021, (a) the Company's executive team includes two female members, or 50%, however, no members of the executive team identified themselves as part of a minority group; and (b) the Company's Board does not include any females and none of the Board members identified themselves as belonging to a minority group.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found under the Company's profile on SEDAR at www.sedar.com. Financial information about the Company is provided in the Company's comparative annual financial statements for the year ended December 31, 2021, a copy of which, together with management's discussion and analysis thereon, can be found on the Company's SEDAR profile at www.sedar.com. Additional financial information concerning the Company may be obtained by any securityholder of the Company free of charge by contacting the Company's Corporate Secretary by email at Irish@marimaca.com.

BOARD APPROVAL

The contents of this Circular have been approved and its mailing authorized by the directors of the Company.

DATED at Vancouver, British Columbia, the 28th day of April 2022.

ON BEHALF OF MARIMACA COPPER CORP.

(signed) "Hayden Locke"

Hayden Locke,
President and Chief Executive Officer