South Atlantic GOLD

NOTICE OF MEETING AND
MANAGEMENT INFORMATION CIRCULAR

FOR THE

2026

ANNUAL GENERAL MEETING OF SHAREHOLDERS

OF

SOUTH ATLANTIC GOLD INC.

MEETING DATE: WEDNESDAY, AUGUST 26, 2026

TIME: 2:00 PM (PACIFIC TIME)

301 – 1665 Ellis St
Kelowna, BC V1Y 2B3
Ph: 250.762-5777

South Atlantic
GOLD

NOTICE OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS
OF
SOUTH ATLANTIC GOLD INC.

NOTICE IS HEREBY GIVEN that the 2026 Annual General Meeting (the "**Meeting**") of shareholders of **South Atlantic Gold Inc.** (the "**Company**") will be held on Wednesday, August 26, 2026 at 2:00 PM (Pacific Time) at 301 – 1665 Ellis St Kelowna BC for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company for the financial years ended February 28, 2026 and February 28, 2025 together with the auditors' report;

2. To fix the number of Directors of the Company at three;

3. To elect Directors of the Company for the ensuing year;

4. To appoint SMYTHE LLP, as auditors of the Company for the ensuing year and to authorize the Directors of the Company to fix their remuneration;

5. To consider and, if thought fit, to pass an ordinary resolution approving the Company's amended rolling 10% stock option plan;

6. To transact such other business that may properly come before the Meeting or any adjournment thereof.

The Information Circular also provides additional information relating to the matters to be dealt with and voted upon at the Meeting and is deemed to form part of this Notice of Meeting. Please see the section heading "*Particulars of Matters to be Acted Upon*" in the Information Circular for full particulars.

ALLSHAREHOLDERS ARE STRONGLY ENCOURAGED TO VOTE BY SUBMITTING THEIR COMPLETED FORM OF PROXY (OR VOTING INSTRUCTION FORM) PRIOR TO THE MEETING BY ONE OF THE MEANS DESCRIBED IN THE CIRCULAR ACCOMPANYING THIS NOTICE OF MEETING.

All registered shareholders as at **July 22, 2026** (the "**Record Date**") are entitled to attend and vote at the Meeting in person or by proxy. Shareholders who are unable to attend the Meeting in person are requested to date and sign the enclosed form of proxy and to return it to Computershare Investor Services Inc., **320 Bay St 14th Fl Toronto, Ontario, M5H 4A6 (according to the instructions on the proxy)**, at least 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting, being **2:00 PM (Pacific time)** on **Monday August 24, 2026**, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently. If a shareholder does not deliver a proxy in accordance with these instructions or to the presiding officer of the Meeting, then the shareholder will not be entitled to vote at the Meeting by proxy.

Non-registered shareholders as at the Record Date who receive this notice and accompanying information circular from their broker or other intermediary should complete and return the proxy or voting instruction form in accordance with the instructions provided with it. Completed voting instruction forms must be received at least 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting, being **2:00 PM (Pacific time)** on **Monday, August 24, 2026**, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently**.** Failure to do so may result in the shares of the non-registered Shareholders not being eligible to be voted at the Meeting. An information circular, a form of proxy and voting instruction form accompany this Notice of Meeting.

DATED at Kelowna, British Columbia, this 24th day of July, 2026

BY ORDER OF THE BOARD OF DIRECTORS

"Douglas Meirelles"

Douglas Meirelles
President and CEO

301 – 1665 Ellis St
Kelowna, BC V1Y 2B3
Ph: 250.762-5777

SOUTH ATLANTIC GOLD INC.

MANAGEMENT INFORMATION CIRCULAR

(as at and dated July 24, 2026 , unless indicated otherwise)

SOLICITATION OF PROXIES BY MANAGEMENT

South Atlantic Gold Inc. (the "**Company**") is providing this information circular (the "**Circular**") and the accompanying form of proxy in connection with management's solicitation of proxies for use at the annual general meeting of shareholders of the Company (each a "**Shareholder**") to be held at the place set forth in the accompanying Notice of Meeting on **Wednesday, August 26, 2026** at **2:00 PM**. (**Pacific Time**) and at any adjournments thereof (the "**Meeting**").

The Company will conduct its solicitation by mail and officers and employees of the Company may, without receiving special compensation, also telephone or make other personal contact with shareholders for this purpose. The Company will pay the cost of solicitation.

ALL SHAREHOLDERS ARE STRONGLY ENCOURAGED TO VOTE BY SUBMITTING THEIR COMPLETED FORM OF PROXY (OR VOTING INSTRUCTION FORM) PRIOR TO THE MEETING BY ONE OF THE MEANS DESCRIBED IN THIS CIRCULAR.

MAILING OF INFORMATION CIRCULAR

This Circular is being mailed together with a notice of meeting, request card and proxy or voting instruction form (collectively, the "**Meeting Materials**"), in accordance with applicable laws, except to those shareholders who requested the information to be delivered by electronic mail. We are not sending Meeting Materials using the 'Notice and Access' procedures available under NI 54-101 in respect of this Meeting. If you are a shareholder and you wish to receive the Company's annual financial statements and/or interim financial statements and the accompanying management's discussion and analysis ("**MD&A**") thereon, please complete and return the request card included in the Meeting Materials.

CURRENCY EXCHANGE RATES

Financial information contained in this Circular is in Canadian Dollars unless otherwise indicated.

Unless the context otherwise requires, when references in this Circular to the Company shall include its wholly-owned subsidiary South Atlantic Gold Brasil Exploração Mineral Ltda, incorporated under the laws of Brazil.

APPOINTMENT AND REGISTRATION OF PROXYHOLDER

The purpose of a proxy is to designate persons who will vote the proxy on a Shareholder's behalf in accordance with the instructions given by the Shareholder in the proxy. The persons whose names are printed in the enclosed form of proxy are officers or directors of the Company (the "**Management Designees**").

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

VOTING BY PROXY

Only registered Shareholders as of the Record Date or duly appointed proxyholders are permitted to vote at the Meeting. Shares represented by a properly executed proxy will be voted or be withheld from voting on each matter referred to in the Notice of Meeting in accordance with the instructions of the Shareholder on any ballot that may be called for and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.

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

The enclosed form of proxy also gives discretionary authority to the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of the Meeting and with respect to other matters which may properly come before the Meeting.

At the date of this Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

If a registered Shareholder who has a proxy attends the Meeting any votes cast by such Shareholder on a ballot during the Meeting will be counted and the previously submitted proxy will be disregarded. If registered Shareholders DO NOT wish to revoke all previously submitted proxies such registered Shareholders can only enter the Meeting as a guest.

COMPLETION AND RETURN OF PROXY

Completed proxies must be sent by mail or fax to the Company's registrar and transfer agent, Computershare Investor Services Inc., at its offices at **320 Bay St 14th Fl Toronto, Ontario, M5H 4A6 or by fax or at 1-866-249-7775 in Canada and the United States, and 001-416-263-9524 outside of Canada and the United States (according to the instructions on the form of proxy)**, not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently. **You may also vote on the Internet or by telephone.**

In all cases, all proxies must be received and all proxyholders must be registered before 2:00 PM (Pacific Time) on Monday August 24, 2026, or in the case of adjournment or postponement of the Meeting, not less than 48 hours excluding Saturdays, Sundays and holidays, prior to the time of the Meeting.

NON-REGISTERED HOLDERS

Only Shareholders whose names appear on the records of the Company as the registered holders of Shares or duly appointed proxyholders are permitted to vote at the Meeting. Most Shareholders of the Company are "non-registered" Shareholders because the Shares they own are not registered in their names but instead registered in the name of a nominee such as a brokerage firm through which they purchased the Shares; bank, trust company, trustee or administrator of self-administered RRSP's, RRIF's, RESP's and similar plans; or clearing agency such as The Canadian Depository for Securities Limited (a "**Nominee**"). If you purchased your Shares through a broker, you are likely an non-registered holder.

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

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

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

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

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

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

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

REVOCABILITY OF PROXY

In addition to revocation in any other manner permitted by law, a Shareholder, his attorney authorized in writing or, if the Shareholder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a proxy by instrument in writing, including a proxy bearing a later date. The instrument revoking the proxy must be deposited at the registered office of the Company, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting or to Computershare Investor Services Inc. at its offices at **320 Bay St 14th Fl Toronto, Ontario, M5H 4A6** or by fax at **1-866-249-7775** in Canada and the United States, and **001-416-263-9524** outside of Canada and the United States.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of common shares without par value (the "**Shares**"), of which **209,073,166** Shares are issued and outstanding. Persons who are registered Shareholders at the close of business on **July 22, 2026** will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each Share held. The Company has only one class of shares.

To the knowledge of the directors and senior officers of the Company, the beneficial owners or persons exercising control or direction over voting securities carrying more than 10% of the voting rights attached to the voting securities of the Company are:

Name	Number of Shares	Approximate % of Total Issued
Phoenix Gold Fund Limited	24,998,000	11.96%

RECORD DATE AND QUORUM

The articles of the Company (the "**Articles**") provide that a quorum for the transaction of business at a meeting of Shareholders is two persons who are, or represent by Proxy, Shareholders holding in the aggregate, at least five (5%) percent of the issued Common Shares entitled to be voted at the Meeting. Unless otherwise noted, a simple majority of the votes cast at the Meeting (in person or by Proxy) is required in order to pass the resolutions referred to in the accompanying Notice.

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

Other than as disclosed herein no director or executive officer of the Company, nor any person who has held such a position since the beginning of the last completed financial year of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors or the appointment of the auditors described herein (*See Particular Matters to be Acted On).*

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

Number and Election of Directors

The Board presently consists of three directors. Management is nominating three individuals to stand for election as directors at the Meeting. It is proposed that the number of directors to be elected at the Meeting for the ensuing year be fixed at three.

The term of office of each of the present directors expires at the Meeting. Management of the Company proposes to nominate the persons named below for election as directors of the Company at the Meeting. In accordance with the Articles of the Company, each director elected will hold office until the next annual general meeting of the members of the Company or until their successor is duly elected or appointed, unless such office is earlier vacated in accordance with the Articles or such director becomes disqualified to act as a director pursuant to the British Columbia *Business Corporations Act* ("BCBCA").

Except where authority to vote on the Election of Directors is withheld, unless otherwise indicated, the named proxyholders will vote FOR the election of each of the proposed nominees set forth above as directors of the Company.

The following table and notes thereto sets forth the name of each person proposed to be nominated by management for election as a director, the municipality in which he is ordinarily resident, all offices of the Company now held by him, the period of time for which he has been a director of the Company, and the number of Shares beneficially owned by him, directly or indirectly, or over which he exercises control or direction, as at the date hereof:

Name and Address of Nominee and Present Position with Company	Principal Occupation During the Last Five Years	Director Since	Number of Approximate Voting Securities[1]
Douglas Meirelles(2) BC, Canada President, CEO & Director	President and CEO of the Company	April 8, 2020	267,667
William O'Hara(2)(3) Ontario, Canada Director	Managing Partner of LACG Capital Inc	January 5, 2022	1,480,000
Stephen Stow(2)(3) BC, Canada Director	Founder and Executive Chairman of Zen Capital & Mergers Limited	March 19, 2026	16,433,000

1 Voting securities beneficially owned, directly or indirectly, or over which control or direction is exercised.
2 Denotes member of the audit committee.
3 Denotes member of the compensation committee

Management is not presently aware that any of the nominees will be unwilling to serve as a director if elected but in the event that, prior to the Meeting, any vacancies occur in the slate of nominees submitted herewith, the enclosed form of proxy confers discretionary authority upon the persons named therein to vote for the election of any other eligible person designated by the Board, unless instructions have been given to refrain from voting with respect to the election of directors.

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

To the knowledge of the Company, no proposed director:

a) is at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:

  (i) was subject, to a cease trade or similar order or an order that denied the relevant company access to any exemptions under securities legislation, that was in effect for a period of more than 30 consecutive days (collectively, an "Order"); when such Order was issued while the person was acting in the capacity of a director, chief executive office or chief financial officer of the relevant company; or
  (ii) was subject to an Order for that was issued after such person ceased to be a director, chief executive officer or chief financial officer of the relevant company, and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive office or chief financial officer of the relevant company; or

b) is, as at the date of this Circular, or has been within 10 years before the date of the Circular, a director or executive officer of any company (including South Atlantic) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

c) has, within the 10 years before the date of this 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; or

d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

e) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

The board of directors has not appointed an executive committee.

As the Company is a reporting company the directors of the Company are required to elect from their number an audit committee. William O'Hara (Chairman), Douglas Meirelles and Stephen Stow are the three directors to be elected by the Board to the audit committee for the ensuing year of which Messer's Stow and O'Hara are considered to be independent and Mr. Meirelles as President and CEO is considered non-independent.

Appointment of Auditor

The persons named in the enclosed instrument of proxy intend to vote for the appointment of Smythe LLP, ("**Smythe**"), as the Company's auditor until the next annual general meeting of shareholders at remuneration to be fixed by the Board.

Management recommends that the shareholders of the Company approve the appointment of Smythe as auditor for the Company.

Unless instructions are given to abstain from voting with regard to the appointment of the Auditors, it is the intention of management nominees to vote FOR the appointment of Smythe as auditors of the Company.

Ratification and Approval of the Amended Option Plan

The Company's stock option plan (the "**SOP**") was most recently approved by the shareholders at the last annual general meeting held on June 27, 2025. The Company has amended the SOP to provide the option for "cashless" and "net exercise" provisions as defined in policy 4.4 (the "**Policy**") of the Exchange (collectively the "**Amendments**"). The SOP and Amendments collectively referred to as the "**Amended Option Plan**" hereinafter.

In accordance with the Policy all "rolling up to 10%" stock option plans, such as the Company's requires the approval of the shareholders of the Company and Exchange on an annual basis. The purpose of the Amended Option Plan is to allow the Company to grant options to directors, officers, employees and consultants as additional compensation and as an opportunity to participate in the success of the Company. The granting of such options is intended to align the interests of such persons with that of the Shareholders.

Description of the Amended Option Plan

The general terms and conditions of the Amended Option Plan are reflected in the disclosure below.

Key Terms	Summary
Administration	The Amended Option Plan will be administered by the Board, or such director or other senior officer or employee of the Company as may be designated as administrator by the Board. The Board or such committee may make, amend and repeal at any time, and from time to time, such regulations not inconsistent with the Amended Option Plan.
Number of Common Shares	The maximum number of Common Shares issuable under the Amended Option Plan shall not exceed 10% of the number of Common Shares issued and outstanding as of each date on which the Board grants the Option (the "**Grant Date**") with certain limits on grants to Participants (as defined in the Amended Option Plan), Participants who are Insiders (as defined in the Amended Option Plan), and Investor Relations Service Providers (as defined in the Amended Option Plan) in accordance with the rules and policies of the Exchange. The number of Common Shares underlying Options that have been cancelled, that have expired without being exercised in full, and that have been issued upon exercise of Options shall not reduce the number of Common Shares issuable under the Amended Option Plan and shall again be available for issuance thereunder.
Securities	Each Option entitles the holder thereof (an "**Option Holder**") to purchase one Common Share at an exercise price determined by the Board.
Participation	Any Director, Officer, Consultant, Employee, Management Company Employe (as defined in the policies of the Exchange), of the Company (including any subsidiary of the Company), as the Board may determine.
Exercise Price	The exercise price of an Option will be determined by the Board in its sole discretion, provided that the exercise price will not be less than the Discounted Market Price (as defined in the policies of the Exchange) or $0.05 per share (or, if the Common Shares are not listed for trading on the Exchange, then the permittable discounted market price on such exchange or quotation system on

	which the Common Shares are then listed or quoted for trading) or such other price as may be required or permitted by the Exchange from time to time.
Exercise Period	The exercise period of an Option will be the period from and including the award date through to and including the expiry date that will be determined by the Board at the time of grant (the "**Expiry Date**"), provided that the Expiry Date of an Option will be no later than the tenth anniversary of the Award Date of the Option, provided that such date does not fall within a Blackout (as defined in the Amended Option Plan), and any Options granted to any Optionee (as defined in the Amended Option Plan) who is a Participant (each as defined in the Amended Option Plan) will expire no more than 12 months following the date that such Optionee ceases to be engaged in such role.
Cessation of Employment	Subject to certain limitations, in the event that an Option Holder ceases to be engaged and or employed by the Company or an Affiliate (as defined in the Amended Option Plan), other than by reason of death, the Expiry Date of the Option will be 90 days after the date of such Termination (as defined in the Amended Option Plan). Notwithstanding the foregoing in no event shall such right be extended beyond the Option Period or one year from the date of Termination. In the event that an Option Holder should die while he or she is still Director, Officer, Management Company Employee, Employee or Consultant of the Company, the Expiry Date will be 12 months from the date of death of the Option Holder.
Acceleration of Expiry Date	If at any time when an Option granted under the Amended Option Plan remains unexercised with respect to any Unissued Option Shares, an Offer is made by an offeror, the Directors may, upon notifying each Optionee of full particulars of the Offer, declare all Option Shares issuable upon the exercise of Options granted under the Plan, Vested, and declare that the Expiry Date for the exercise of all unexercised Options granted under the Plan is accelerated so that all Options will either be exercised or will expire prior to the date upon which Shares must be tendered pursuant to the Offer, with the exception there can be no acceleration of the vesting requirements applicable to an Option granted to an individual performing Investor Relations Activities without the prior written approval of the Exchange. The Directors shall give each Optionee as much notice as possible of the acceleration of the Options under this section, except that not less than 5 business days notice is required and more than 30 days notice is not required. If a Change of Control occurs, all Option Shares subject to each outstanding Option other than Options granted to an individual performing Investor Relations Activities will become Vested, whereupon such Option may be exercised in whole or in part by the Optionee, subject to the approval of the Exchange, if necessary. Any proposed acceleration of vesting provisions is subject to the policies and necessary approvals of the Exchange, if applicable.
Limitations	The maximum number of Common Shares which may be issued, at any time or within any one-year period, to Insiders as a group under the Amended Option Plan, together with any other security based compensation of the Company, will be 10% of the total number of Common Shares issued and outstanding (including all Security Based Compensation Plans *as defined in the policies of the Exchange)*. The total number of Options awarded to any

one individual in any twelve-month period will not exceed 5% of the issued and outstanding Common Shares of the Company at the Award Date (including all Security Based Compensation Plans) unless the Company has obtained disinterested shareholder approval as required by the Exchange.

The total number of Options awarded to any one Consultant (as defined in the policies of the Exchange) of the Company in any twelve-month period will not exceed 2% of the issued and outstanding Common Shares of the Company at the Award Date (including all Security Based Compensation Plans) unless consent is obtained from the Exchange.

The total number of Options awarded to all persons retained by the Company to provide Investor Relations Activities will not exceed 2% of the issued and outstanding Common Shares of the Company, in any twelve-month period, calculated at the Award Date unless consent is obtained from the Exchange. Options granted to persons retained to provide Investor Relations Activities and will vest in stages over not less than twelve months with no more than one quarter of the options vesting in any three-month period. Investor Relation Services Provides are not entitled to any Security Based Compensation other than Options.

Cashless Exercise

The Amended Option Plan includes the provision for the payment of the exercise price by way of a "cashless exercise" or "net exercise" by delivering to the registered office of the Company a completed notice of exercise together with payment in the form of:

(a) cash or certified cheque; or
(b) whereby the Company has an arrangement with a brokerage firm pursuant to which the broker will loan the optionee to purchase the underlying Shares (the "**Cashless Exercise**") and the broker will then sell the number of Shares to cover the exercise price to repay the loan made to the optionee. The brokerage firm receives an equivalent number of Shares from the exercise of the option and the optionee receives the balance of the Shares or cash proceeds from the balance of such Shares; or
(c) whereby options excluding options held by investor services providers are exercised without the optionee making any cash payment to the Company ("**Net Exercise**") and the optionee receives only the number of Shares that are equal to the quotient calculated by dividing:

(i) the number of options being exercised multiplied by the difference between the VWAP (as defined in the policies of the TSXV) of the underlying Common Shares and the exercise price of the options by;
(ii) the VWAP of the underlying Shares.

Example

$$\frac{\#\ \text{Shares} \times (\text{VWAP} - \text{Exercise Price})}{\text{VWAP}} = \#\ \text{Shares}$$

In the event of a Cashless Exercise or Net Exercise, the number of options exercised, surrendered or converted, and not the number of Shares actually issued by the Company, must be included in calculating the limits of the Amended Option Plan and all other security-based compensation plans.

Amendments

The Board may from time to time, subject to applicable law and to the prior approval, if required, of the Exchange or any other regulatory body having authority over the Company or the Plan, suspend, terminate or discontinue the Plan at any time, or amend or revise the terms of the Plan or of any Option granted under the Plan and the Option Agreement relating thereto, provided that no such amendment, revision, suspension, termination or discontinuance shall in any manner adversely affect any Option previously granted to an Optionee under the Plan without the consent of that Optionee. Any amendments to the Plan or options granted thereunder will be subject to the approval of the shareholders.

The Board may only amend the provisions of the Amended Option Plan relating to the following if the Board obtains the approval of the shareholders of the Company: (i) persons eligible to be granted Options under the Amended Option Plan; (ii) the maximum number or percentage of Common Shares reserved for issuance upon exercise of Options available under the Amended Option Plan (iii) the limitations on grants of Options to any one person, Insiders, Consultants, or persons involved in Investor Relations Activities; (iv) the method for determining the exercise price for Options; (v) the maximum term of Options; (vi) the expiry and termination provisions applicable to Options; (vii) the addition of a Net Exercise provision or (viii) amendments to the amendment provisions of the Amended Option Plan.

Disinterested shareholders of the Company must approve any amendment to Options held by an Insider at the time of the amendment that would have the effect of decreasing the exercise price of such Options or extension of an expiry date.

The Plan does not permit stock options to be transformed into stock appreciation rights.

No options have been granted under the Amended Option Plan which remain subject to shareholder approval.

All outstanding options of the Company are governed by the Amended Option Plan, including those issued prior to the implementation of the Amended Option Plan; however, any vesting schedule imposed by the Company's previous stock option plan or stock option agreements in respect of any options issued prior to the implementation of the Amended Option Plan will remain in full force and effect. In accordance with good corporate governance practices and as recommended by National Policy 51-201 – *Disclosure Standards*, the Company will impose black-out periods restricting the exercising of options and trading of its securities by directors, officers, employees and consultants during periods surrounding the release of annual and interim financial statements and at other times when deemed necessary by management and the Board. In order to ensure that holders of outstanding options are not prejudiced by the imposition of such black-out periods, the Amended Option Plan contains a provision to the effect that any outstanding options with an expiry date occurring during a management imposed black-out period thereafter will be automatically extended to a date that is no longer than 10 business days following the end of the black-out period

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Amended Option Plan Resolution

Therefore, at the Meeting, Shareholders will be asked to pass a resolution in the following form (the "**Amended Option Plan Resolution**"):

"BE IT RESOLVED, as an ordinary resolution that:

1. the adoption of the Company's Amended Option Plan attached as Schedule "A" hereto be ratified, confirmed and approved, subject to acceptance by the Exchange;

2. the Company be authorized to grant stock options pursuant and subject to the terms and conditions of the Plan at any time to a maximum of 10% of the issued and outstanding shares of the Company on the applicable grant date;

3. all issued and outstanding stock options previously granted under the SOP are hereby continued under and governed by the Amended Option Plan;

4. the Board be authorized on behalf of the Company to make amendments to the Amended Option Plan as may be required by regulatory authorities, such as (i) amendments to fix typographical errors; and (ii) amendments to clarify existing provisions of Amended Option Plan that do not have the effect of altering the scope, nature and intent of such provisions; and

5. any one officer or director of the Company is hereby authorized to execute and deliver all such documents and do all such acts and things as may be deemed advisable in such individual's discretion for the purpose of giving effect to this resolution.

The full text of the Amended Option Plan is attached hereto as Schedule "A".

Unless otherwise directed, the management proxy nominees named in the accompanying form of proxy intend to vote the Common Shares represented thereby in respect of the Meeting "for" the approval of the Amended Option Plan Resolution.

Other Business

While management of the Company is not aware of any business other than that mentioned in the Notice of Meeting to be brought before the Meeting for action by the shareholders, **it is intended that the proxies hereby solicited will be exercised upon any other matter or proposal that may properly come before the Meeting, or any adjournment thereof, in accordance with the discretion of the persons authorized to act thereunder.**

GENERAL STATEMENT OF EXECUTIVE COMPENSATION – Venture Issuers

For the purpose of this Statement of Executive Compensation:

"Company" means South Atlantic Gold Inc.;

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

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

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

a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer ("**CEO**"), including an individual performing functions similar to a CEO;

b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer ("**CFO**"), including an individual performing functions similar to a CFO;

c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than $150,000 for that financial year; and

d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year;

During the financial year ended February 28, 2026 the Company had two Named Executive Officers ("NEO") being:

a) Douglas Meirelles, President and CEO; and
b) Terese Gieselman, CFO and Secretary of the Company.

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

<u>Oversight and Description of Director and NEOs Compensation</u>

Compensation Review Process

The Company does not have a formal compensation program however the Compensation Committee oversees and makes recommendations for the CEO compensation. The Company's officers other than the CEO in most cases are compensated based on a daily or fixed monthly, amounts and are paid indirectly through professional management and consulting companies in which they are owners, contractors or employees. In establishing fees or salaries for the Company's CEO, other executive officers and directors, consideration is given to salary ranges for comparable positions in similar size resource industry companies. Data for such comparisons is obtained from the evaluation of compensation against industry peers including those with a similar market capitalization, in the business of exploring similar minerals in similar jurisdictions, and from reviewing similar other companies' compensation information included in their information circulars. In setting salaries within competitive ranges, the Company considers performance related factors including the Company's overall results during the past year and its performance relative to a budgeted plan or stated objectives. Consideration also is given to an individual's contribution to the Company and the accomplishments of departments for which that officer has management responsibility, and the potential for future contributions to the Company.

In keeping with the relatively simple compensation structure adopted by most venture issuers, the Company's executive compensation for its executive officers currently has two primary components, cash compensation and equity compensations which includes incentive stock options, restricted shares units and deferred share units which are included as part of the executive compensation.

Compensation Risk Assessment and Mitigation

Although the Company does not have formal policies specifically targeting risk-taking in a compensation context, the practice of management and the Board is to consider all factors relating to an executive officer's performance, including any risk mitigation efforts or excessive risk-taking, in determining compensation.

Under the Company's policies, executive officers and directors are not permitted to purchase financial instruments (including prepaid variable contracts, equity swaps, collars or units of exchange funds) that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held directly or indirectly by the executive officer or director.

Elements of Executive Compensation Program

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

(a) base salary or consulting fees;

(b) bonus payments;

(c) equity participation through the stock option plan; and

(d) equity participation through the long term incentive plan.

Base Salary or Consulting Fees

Base salary ranges for NEOs were initially determined upon review of salaries paid by other companies that are comparable in size to the Company.

In determining the base salary of a NEO, the Board considers the following factors:

(a) the particular responsibilities related to the position;

(b) salaries paid by other companies in the same industry, which were similar in size and stage of development as the Company;

(c) the experience level of the NEO;

(d) the amount of time and commitment which the NEO devotes to the Company; and

(e) the NEO's overall performance and performance in relation to the achievement of corporate milestones and objectives.

Bonus Payments

Each of the NEOs, as well as all employees, are eligible for an annual bonus, payable in cash or through option-based compensation. The amount paid is based on the Board's assessment of the Company's performance for the year. Factors considered in determining bonus amounts include individual performance, financial criteria (such as cash management and share price performance) and operational criteria (such as significant acquisitions of mineral properties and the attainment of corporate milestones). Pursuant to the Meirelles Contract, Mr. Meirelles was paid a cash bonus of $Nill (2025 -$19,500) during its financial year ended February 28, 2026.

Equity Participation

Stock Option Plan

Stock options ("**Options**") are a key compensation element for the Company. Because many of the most capable individuals in the mining industry work for companies who can offer attractive cash and bonus compensation and a high level of employment security, Options represent a compensation element that balances the loss of employment security that such individuals must accept when moving to a junior exploration company such as South Atlantic. Options are also an important component of aligning the objectives of South Atlantic's NEO's and consultants with those of its Shareholders, while encouraging them to remain associated with the Company. South Atlantic expects to provide significant Option positions to its NEO's and consultants. The precise amount of Options to be offered will be governed by the importance of the role within the Company, by the competitive environment within which

South Atlantic operates, and by the regulatory limits on Option grants that cover organizations such as South Atlantic. When considering an award of Options to a NEO, consideration of the number of Options previously granted to the NEO may be taken into account, however, the extent to which such prior grants remain subject to resale restrictions will generally not be a factor.

There were no options granted during the year ended February 28, 2026.

Long Term Incentive Plan

The Company adopted a long term incentive plan that received disinterested shareholder approval on June 27, 2025 (the "**LTIP**") whereby up to 9,433,666 common are reserved for issuance under the LTIP. NEOs are also entitled to participate in the LTIP and therefore are eligible for restricted share unites ("**RSU's**") and deferred share units ("**DSU's**") issued under the LTIP. The Board considers that RSUs and DSU's granted under the Share Unit Plan are an appropriate way to attract and retain NEOs, as their value is tied to the performance of the Company relative to the wider industry over the applicable performance measurement periods.

The Board is responsible for administering the LTIP. The RSUs and DSU's settle in Common Shares, cash or a combination of Common Shares and cash at the discretion of the Board. The Company will grant overall RSUs and DSU's based on the total RSUs and DSU's available for grant. There were no RSU's and DSU's granted during the year ended February 28, 2026.

Executive Compensation

Except for the grant of Options, RSU's and DSU's to the NEOs and any compensation payable pursuant consulting fees incurred for the performance of duties by the CEO the CFO there are no additional arrangements under which NEOs were compensated by the Company during the two most recently completed financial years for their services in their capacity as NEOs, directors or consultants.

Director Compensation

On April 1, 2026 the Board approved a policy in respect of director compensation, which entitles each independent director to $1000 per board meeting and $500 per committee meeting and the independent chairman shall receive an annual retainer of $60,000 paid quarterly. The Company contemplates that each director, will be entitled to participate in the Amended Stock Option Plan and LTIP or any other security-based compensation arrangement or plan adopted by the Company with the approval of the Board and/or the Company's Shareholders, as may be required by applicable law or Exchange policies.

During the year ended February 28, 2026 (2025 - $Nil) there were no fees paid to directors or committee members.

Director and Neo Compensation

Director and NEO compensation, excluding options and compensation securities

The following table sets forth all compensation for the two most recently completed financial years being February 28, 2026 and 2025 paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company or its subsidiary, to each NEO and director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or a director of the Company for services provided and for services to be provided, directly or indirectly, to the Company or its subsidiary.

Table of Compensation Excluding Compensation Securities							
Name and Principal Position	Year February 28	Salary, consulting fee, retainer or commission ($)	Bonus ($)	Committee or meeting fees[8] ($)	Value of Perquisites ($)	Value of all other compensation ($)	Total Compensation ($)
Douglas Meirelles							
CEO, President	2026	58,000[1]	Nil	Nil	Nil	Nil	58,000
Director	2025	129,996[2]	19,500	Nil	Nil	Nil	149,496
Terese Gieselman	2026	31,725	Nil	Nil	Nil	1,349[3]	33,074
CFO & Secretary	2025	34,950	Nil	Nil	Nil	19,013[3]	53,963
William O'Hara	2026	Nil	Nil	Nil	Nil	Nil	Nil
Chairman & Director	2025	Nil	Nil	Nil	Nil	Nil	Nil
Stephen Stow	2026	Nil	Nil	Nil	Nil	Nil	Nil
Director	2025	Nil	Nil	Nil	Nil	Nil	Nil
Marc Leduc	2026	Nil	Nil	Nil	Nil	Nil	Nil
Director	2025	Nil	Nil	Nil	Nil	Nil	Nil
Adam Davidson	2026	Nil	Nil	Nil	Nil	Nil	Nil
Director	2025	Nil	Nil	Nil	Nil	Nil	Nil
Rick Brown	2026	Nil	Nil	Nil	Nil	Nil	Nil
Director	2025	Nil	Nil	Nil	Nil	Nil	Nil

NOTES:

1 Consulting fees were paid or accrued to Douglas Meirelles ("**Meirelles**") for his services as President and CEO through Titan Management Inc ($52,000) and BC1137127 BC Ltd ($6,000) *(See External Management Companies for further details);*

2 Wages pursuant to an employment agreement were paid to Meirelles for his services as President and CEO;

3 Consulting fees were paid or accrued to Terese Gieselman for her services as CFO and Corporate Secretary through Minco Corporate Management Inc. (*See External Management Companies for further details)*;

4 Other compensation includes fees for administration, accounting and employment services provided to the Company by Minco personnel (*See External Management Companies)*;

5 Messer's Leduc and Davidson did not stand for re-election effective June 27, 2025;

6 Mr. Brown resigned as director on March 19, 2026;

7 Mr. Stephen Stow was appointed director on March 19, 2026; and

External Management Companies

Other than set out hereinbelow, the Company did not have any formal employment, management or consulting agreements under which compensation was provided during the most recently completed financial year February 28, 2026 or is payable in respect of services provided to the Company or any of its subsidiaries that were performed by a director or NEO.

Meirelles Consulting Agreement

Pursuant to an executive employment agreement between South Atlantic and Douglas Meirelles dated December 2020 (as converted to a consulting agreement effective January 1, 2025) (the "**Meirelles Consulting Agreement**"), pursuant to which South Atlantic agreed to engage Douglas Meirelles as Chief Executive Officer of South Atlantic at a monthly fee of $10,833 for each of the months of January 2025 and February 2025 and thereafter at a monthly fee of $3,000 (the "**Meirelles Fees**"). Effective February 1, 2026 the Meirelles Consulting Agreement was amended (the "**Amendment No 1**") the Amendment No 1 and the Meirelles Consulting Agreement collectively referred to as the **2026 Meirelles Consulting Agreement**" to revised the Meirelles Fees. Termination by the Company and Change of Control provisions as follows;

South Atlantic GOLD

Meirelles Fees:

(a) The fees for each month shall be based on the actual services rendered by Meirelles during such month at a rate of $1,500 per diem with a cap of $15,000 per month; and

(b) During any period in which the Company's operations are at a reduced level of activity, Meirelles shall be entitled to receive compensation equal to the higher of: (i) per diem worked, and (ii) monthly retainer of CAD$3,000 (the "Retainer").

For clarity, the Fees shall be adjusted on a month-to-month basis to reflect Meirelles actual level of engagement with the Company, with the Retainer serving as the minimum compensation during periods of reduced activity.

Termination by the Company

Pursuant to Amendment No 1, the Company may terminate the 2026 Meirelles Consulting Agreement at any time by providing Meirelles with written notice of termination. Upon such termination, Meirelles shall be entitled to receive a lump sum payment of $260,000 (the "**Termination Payment**"). The Termination Payment shall be made within 7 calendar days of the effective date of termination, and shall be satisfied, at the election of the Company, in either:

(a) cash; or

(b) subject to the receipt of all requisite approvals, common shares of the Company, with the number of shares determined by dividing the Termination Payment amount by the volume-weighted average trading price ("**VWAP**") of the Company's common shares on the TSX Venture Exchange (or such other stock exchange on which the Company's shares are then listed) for the 20 trading days immediately preceding the effective date of termination. Subject to compliance with all applicable laws, including stock exchange rules, all shares issued pursuant to this provision shall be issued free and clear of any hold period, resale restriction or legend.

The Termination Payment will be the maximum compensation to which Meirelles is entitled with respect to a termination of the 2026 Meirelles Consulting Agreement The Termination Payment will not apply if Meirelles is entitled to receive any payment upon a Change of Control, except as provided for pursuant to the terms of the Change of Control.

Change in Control Severance

In the 2026 Meirelles Consulting Agreement, "Change in Control" means the occurrence of the effective date or closing, as the case may be, of any of the following transactions:

(a) the acquisition at any time, and by whatever means, by any person, or any group of two or more persons acting jointly or in concert, of the direct or indirect beneficial ownership of voting securities of South Atlantic, or rights to acquire such securities, which, together with such person's or persons' then beneficially owned voting securities of South Atlantic, or rights to acquire such securities, represents, assuming the full exercise of any and all such rights, more than 50% of the then issued and outstanding voting securities of South Atlantic, as the case may be; or

(b) any arrangement, merger or other form of reorganization or restructuring of South Atlantic if individuals who were members of the South Atlantic Board immediately prior to the completion of such transaction do not constitute a majority of members of the South Atlantic Board upon completion of such transaction; or

(c) any transaction in respect of which the South Atlantic Board has determined that a Change of Control within the meaning of this definition has occurred or will occur upon consummation of such transaction, which determination will be binding and conclusive for all purposes of this Agreement.

Upon the occurrence of a Change of Control:

(a) Meirelles shall be entitled to receive a lump sum payment equal to CDN$260,000 less any amounts received pursuant to Section 9.2(A), such payment to be made within 7 calendar days of the effective date of the Change of Control; and

(b) all of Meirelles equity incentive awards that are then outstanding (including, for greater certainty any stock options, restricted share units or deferred share units), shall be deemed to fully vest immediately prior to the effective time of the Change of Control.

Concurrent Termination and Change of Control

In the event that both a termination of 2026 Meirelles Consulting Agreement and a Change of Control occur as part of the same event or related series of events, Meirelles shall be entitled to receive a single, combined lump sum payment of CDN$350,000 (the "**Combined Payment**"), in lieu of any separate payments Termination by the Company and Change of Control. The Combined Payment shall be made within 7 calendar days of the effective date of the Change of Control, and shall be satisfied, at the election of the Company, in either:

(a) cash; or

(b) subject to the receipt of all requisite approvals, common shares of the Company (or the successor entity, as applicable), with the number of shares determined by dividing the Combined Payment amount by the VWAP of the Company's common shares on the TSX Venture Exchange (or such other stock exchange on which the Company's shares are then listed) for the 20 trading days immediately preceding the effective date of the Change of Control. Subject to compliance with all applicable laws, including stock exchange rules, all shares issued pursuant to this provision shall be issued free and clear of any hold period, resale restriction or legend.

For the avoidance of doubt, the accelerated vesting of all outstanding equity incentive awards shall continue to apply in addition to the Combined Payment.

Minco Consulting Agreement

Effective January 1, 2026 the Company entered into a formal consulting agreement (the "**Minco Agreement**") with Minco Corporate Management Inc. ("**Minco**") is a private company wholly-owned by Terese Gieselman ("**Gieselman**") for the services of Gieselman as CFO/Secretary at rate of $100 per hour (the "**Consulting Fee**"). Additionally Minco provides accounting and administration personnel services at rates between $50 - $65 per hour on a month to month basis.

Termination by the Company

The Company may terminate the Minco Agreement without cause, and shall pay Gieselman, within 30 days of such termination, an amount equal to three times (the "**Applicable Notice Period**") the monthly Consulting Fee. If the Minco Agreement ends within six months after a Change of Control Event, the Applicable Notice Period will be six months instead of three months.

If a Change of Control of the Company had occurred on February 28, 2026, the total cost to the Company of related payments to the NEOs as described hereinabove is estimated below assuming the mentioned events had occurred on February 28, 2023:

Name and Position	**Amount as at February 28, 2026**
Douglas Meirelles, President and CEO	$260,000 - $350,000
Terese Gieselman, CFO/Secretary	$15,683

Compensation Securities Table

During the most recently completed financial year February 28, 2026 no options, RSU's or DSU's were granted to NEO's and directors,

As at February 28, 2026 NEO' and directors held the following options:

1. Mr. Meirelles held:

   - 1,000,000 options fully vested and exercisable at $0.06 per share until January 5, 2027; and
   - 2,000,000 DSU's.

2. Ms. Gieselman held through Minco:

   - 200,000 options fully vested and exercisable at $0.06 per share until January 5, 2027;

3. Mr. O'Hara held:

   - an aggregate of 580,000 options (the "**O'Hara Options**") fully vested of which 290,000 were exercisable into one common share of at $0.06 per share until January 5, 2027 and 290,000 were exercisable into one common share of at $0.05 per share until May 11, 2028.

4. Mr. Brown held:

   - an aggregate of 580,000 options (the "**Brown Options**") fully vested of which 290,000 were exercisable into one common share of at $0.06 per share until January 5, 2027 and 290,000 were exercisable into one common share of at $0.05 per share until May 11, 2028.

   Subsequent to February 28, 2026, Mr. Brown resigned as director effective March 19, 2026.

Exercise of Compensation Securities by Directors and NEO's

During the most recently completed year end February 28, 2026 there was no exercise of compensation securities by directors or NEO's.

Subsequent to February 28, 2026 the O'Hara Options and Brown Options were exercised in full.

Stock Option Plan

The Company's Stock Option Plan provides that the maximum number of options eligible for issuance under the Plan is equal to 10% of the number of common shares of the Company outstanding from time to time. As required by the policies of the Exchange, as this plan is considered a "rolling plan" it requires approval by the shareholders of the Company on an annual basis, which will be sought at the Meeting. Refer to "Particulars of Other Matters to be Acted Upon – Annual Approval of Amended Rolling Stock Option Plan" for further details.

Long Term Incentive Plan

The LTIP is used to grant RSUs and DSUs to directors, officers (including NEO's) employees and consultants of the Company, as additional compensation and as an opportunity to participate in the success of the Company. The granting of such RSUs and DSUs is intended to align the interests of such persons with that of the Shareholders.

In determining the number of RSUs and DSUs to be granted to directors or executive officers, including the Named Executive Officers, the Board will take into account, among other things:

- the number of options, if any, previously granted to each director or executive officer; and

- the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the Exchange and closely align the interests of the directors and executive officers with the interests of shareholders.

The Compensation Committee which includes independent members of the Board have the responsibility of administering the compensation policies related to the directors and executive management of the Company, including option-based awards.

During the year ended February 2026, there were no RSU’s or DSU’s granted.

Employment, consulting and management agreements

Other than set out herein, the Company did not have any formal employment, management or consulting agreements under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the Company or any of its subsidiaries that were performed by a director or NEO.

Termination and Change of Control Benefits

Except as described under “*Employment, Consulting and Management Agreements*”, neither the Company, nor its subsidiaries, has a contract, agreement, plan or arrangement that provides for payments to a Named Executive Officer at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or its subsidiaries, or a change in responsibilities of the NEO following a change in control.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth as at the year ended February 28, 2026, the number of securities authorized for issuance under the Company’s Plan:

Plan Category	***Number of securities to be issued upon exercise of outstanding options, RSU’s and DSU’s (a)***	***Weighted-average exercise price of outstanding options, RSU’s and DSU’s (b)***	***Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)***
Equity compensation plans approved by security holders	5,230,000[1]	$0.06	15,172,233[2]
Equity compensation plans not approved by security holders	—	—	—
Total	5,230,000[3]	$0.06	15,172,333’3

NOTES:
1. Issued pursuant to the Option Plan and LTIP as at February 28, 2026.
2. Based on 10% of the issued and outstanding Common Shares of 109,685,666 as at February 28, 2026 and 9,4366,000 shares available under the LTIP.
3. Subsequent to February 28, 2026, the company granted an additional 14,750,000 stock options, 2,450,000 DSU’ and 500,000 RSU’s. As at July 24, 2026, being the date of this circular, there were 209,073,166 common shares issued and outstanding. As a result of the foregoing grants and share issuances, an aggregate of approximately 7,290,482 securities remained available for future issuance under the Company’s equity compensation plans as at July 24, 2026.

MANAGEMENT CONTRACTS

The Company's management functions are performed by its NEOs and the Company has no management agreements or arrangements in place under which such management functions are performed by persons other than NEOs.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors, executive officers, and employees, proposed nominees for election as directors or their associates has been indebted to the Company or to any of its subsidiaries nor has any of these individuals been indebted to another entity which indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Company or any of its subsidiaries for the financial year ended February 28, 2026.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein or as previously disclosed in an information circular of the Company, no informed person (i.e. insider) of the Company, no proposed director of the Company, and no associate or affiliate of any informed person or proposed director has had any material interest, direct or indirect, in any transaction since financial year ended February 28, 2025 or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

INFORMATION ON CORPORATE GOVERNANCE

The following information of the Company's Corporate Governance Policy is given in accordance with Form 58-101F2 of National Instrument 58-101.

Board of Directors

The Board is currently composed of three (3) directors, and it is proposed that three (3) directors will be nominated at the Meeting.

Form 58-101F2 suggests that the board of directors of every listed company should be constituted with a majority of individuals who qualify as "independent" directors under NI 58-101, which provides that a director is independent if he or she has no direct or indirect "material relationship" with the Company. "Material relationship" is defined as a relationship which could, in the view of the Company's Board, be reasonably expected to interfere with the exercise of a director's independent judgment.

Of the three proposed nominees, one nominee, Douglas Meirelles is considered "not independent". Mr. Meirelles is the current President and CEO and is considered an "inside" or a management director. Each of the remaining two proposed directors are considered by the Board to be "independent", within the meaning of NI 58-101. The independent board determines executive compensation from time to time.

Directorships

The following table sets forth the directors of the Company who currently hold directorships on other reporting issuers:

Name of Director	Other Issuer
Stephen Stow	G2 Goldfields Inc[1] FNX Inc.[2]

Notes:

(1) Listed on the TSX
(2) Listed on the CSE

Orientation and Continuing Education

The Company's Board is responsible for, among other things, providing suitable programs, with the assistance of management, for the orientation of new directors and the continuing education of incumbent directors. Each new director is given an outline of the nature of the Company's business, its corporate strategy, and current issues within the Company. New directors are encouraged to review the Company's public disclosure records and are also required to meet with management of the Company to discuss and better understand the Company's business and are given the opportunity to meet with counsel to the Company to discuss their legal obligations as directors of the Company.

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

Ethical Business Conduct

Corporate governance is the structure and process used to direct and manage the business and affairs of a corporation with the objective of enhancing shareholder value. The Board believes that the Company has in place corporate governance practices that are both effective and appropriate to the Company's size and business operations.

To facilitate meeting this responsibility, the Board seeks to foster maintaining a culture of ethical business conduct and social responsibility as critically important. Management consistently strives to instill the Company's principles into the practices and actions of the Company's management and employees.

In that regard, the Board adopted a written **Code of Business Conduct** (the "**Code**") for its directors, officers, employees and consultants. A copy of the Code can be found on the Company website at www.southatlanticgold.com and has been posted on SEDAR+ at www.sedarplus.ca;

Nomination of Directors

The Board has not established a nominating committee. In circumstances where the Company needs to nominate new directors, current directors put forward candidates to the Board for consideration and potential nomination as a director.

Compensation Committee

The Company appointed a compensation committee (the "**Compensation Committee**") on December 29, 2021. The Company's Compensation Committee will oversee the compensation of the Company's executive officers and senior management and is responsible for, among other things, reviewing and recommending to the Board all compensation arrangements for the executive officers and directors of the Company, including stock option grants. The Company's current Compensation Committee consists of William O'Hara and Stephen Stow. These directors have the responsibility for approving compensation for executive officers of the Company who are also members of the Board.

To determine the recommended compensation payable, the Compensation Committee will review compensation paid for directors and executive officers of companies of similar size and stage of development in the bioscience industry and determines an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and executive officers while taking into account the financial and other resources of the Company.

In setting the compensation, the Compensation Committee will annually review the performance of the executive officers in light of the Company's objectives and consider other factors that may have impacted the success of the Company in achieving its objectives. For further information regarding the how the Company determines compensation for its directors and executive officers, see "*Executive Compensation*".

As the directors are actively involved in the operations of the Company and the size of the Company's operations the Board has determined that additional committees are not necessary at this stage of the Company's development.

Assessments

The Board has not yet established a formal performance review process for assessing the effectiveness of the Board, the audit committee or the individual directors. It is expected that the contributions of an individual director are informally monitored by the other Board members, having in mind the business strengths of the individual and the reasons for which the individual was nominated for appointment to the Board. The Company will continue to develop its approach to corporate governance in light of its own circumstances and what are recognized as best practices in this area.

DISCLOSURE BY VENTURE ISSUERS

NI 52-110F2 requires the Company as a 'venture issuer' to disclose annually in its information circular the following information concerning the audit committee and its relationship with its independent auditors.

Audit Committee Charter

The audit committee is governed by its charter, which is set out in the attached Schedule "B" of this Circular.

Composition of the Audit Committee

As at the date of this Circular are the current members of the audit committee:

William O'Hara (Chair)	Independent(1)	Financially literate(2)
Stephen Stow	Independent(1)	Financially literate(2)
Douglas Meirelles	Non-Independent(1)	Financially literate(2)

(1) A member of an audit committee is independent if the member meets the meaning of that term as defined in section 1.4 of National Instrument 52-110 - *Audit Committees* ("**NI 52-110**").
(2) As defined by NI 52-110.

Relevant Education and Experience

Each of the members of the Audit Committee has a general understanding of the accounting principles used by the Company to prepare its financing statements and will seek clarification from the Company's auditors, where required. Each of the members of the Audit Committee also has direct experience in understanding accounting principles for private and reporting companies and experience in preparing, auditing analyzing or evaluating financial statements similar to those of the Company.

All members of the Audit Committee are financially literate as required by section 1.6 of NI 52-110.

In accordance with section 6.1.1(3) of NI 52-110 relating to the composition of the audit committee for venture issuers, a majority of the members of the audit committee are not executive officers, employees or control persons of the Company. A member of the audit committee is independent if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the view of an issuer's board of directors, reasonably interfere with the exercise of a member's independent judgment, or is one of the relationships that is deemed material, which are described above under *Board of Directors*.

William O'Hara
Mr. O'Hara is currently Managing Partner of LACG Capital Inc. He started his career at First Marathon Securities in equity research analyzing gold companies. After moving into the institutional equity sales role at National Bank Financial and then Credit Suisse First Boston, he joined Haywood Securities Inc. in 2003. During his time at Haywood, Mr. O'Hara advanced to become Managing Director and Head of Equity Sales and a member of the

Board of Directors. In late 2020, after almost 25 years identifying, analyzing capital raising and strategically advising both investment funds and corporate entities across many sectors, he formed LACG Capital Inc. whose mandate is to provide capital markets advisory services to both public and private companies in the early stages of growth. Sectors of focus include Mining and Psychedelics as well as Special Situations. Mr. O'Hara holds a Master of Science (Econs) degree from the London School of Economics with distinction, and the CFA designation.

Stephen Stow

Mr. Stow is the Founder and Executive Chairman of Zen Capital & Mergers Limited, a business advisory firm focused on gold exploration. He holds an MA in Jurisprudence from Oxford University and brings over three decades of experience in mining exploration, M&A advisory and corporate governance. Prior to emigrating to Canada, he served as Director of Corporate Finance, Asia for National Westminster Bank. Mr. Stow is also a former Director of Lumina Gold Corp. (2015–2025) and Amarillo Gold Corporation (2017–2020) and a current Director of G2 Goldfields Inc. and FNX Inc.

Douglas Meirelles

Mr. Meirelles brings over two decades of hands-on mining leadership in Brazil and Canada. He spent six years as Corporate Director and Country Manager for Luna Gold and its successor, Equinox Gold, where he was instrumental in advancing the Aurizona Gold Mine in Maranhão State through re-commissioning and into commercial production — one of Brazil's notable gold mine restarts. Prior to that, he held senior management and advisory positions with Troy Resources, Serabi Gold, Jaguar Mining, and Newcrest Mining, building deep expertise in project operations, government and community relations, and ESG practices in the Brazilian mining sector. Mr. Meirelles holds an MBA from the Kellogg School of Management at Northwestern University and is a Fellow of the Brazil-Canada Mining Chamber of Commerce.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 NI 52-110 *(De Minimis Non-audit Services)*, or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110 *(Exemptions)*.

Pre-Approval Policies and Procedures

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

External Auditor Service Fees (By Category)

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

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
February 28, 2026	$34,000	$Nil	$4,000	$Nil
February 28, 2025	$34,000	$Nil	$4,000	$Nil

[1] The Audit Fees are fees billed by the Company`s external auditor for services provided in auditing the annual financial statements.

[2] Audit Related Fees are fees billed for assurance and related services by the Company`s external auditor that are reasonably related to the performance of the audit or review of the Company`s financial statements.

[3] Tax Fees are fees billed by the external auditor for tax compliance, tax advice and planning.
[4] All Other Fees are fees billed by the external auditor for products and services not included in the categories described above.

Exemption for Venture Issuers

The Company is a “venture issuer” as defined in NI 52-110 and is relying on the exemption contained in Section 6.1 of NI 52-110, which exempts the Company from the requirements of Parts 3 *(Composition of the Audit Committee) and* Part 5 (*Reporting Obligations*) of NI 52-110.

OTHER MATTERS

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

ADDITIONAL INFORMATION

Additional information relating to South Atlantic is available on SEDAR+ under South Atlantic's issuer profile at www.sedarplus.ca. Financial information is provided in South Atlantic's financial statements and management's discussion and analysis for its most recently completed financial year, which are filed on SEDAR+ under South Atlantic's issuer profile at www.sedarplus.ca.

BOARD APPROVAL

The content and sending of this Circular has been approved by the Company's Board. The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

DATED at Kelowna, British Columbia, this 24th day of July, 2026

BY ORDER OF THE BOARD OF DIRECTORS

“Douglas Meirelles”

Douglas Meirelles, President and CEO

South Atlantic GOLD

SCHEDULE "A"

AMENDED OPTION PLAN

SOUTH ATLANTIC GOLD INC.

2026 OPTION PLAN – August 26, 2026

1. PURPOSE OF THE PLAN

The Company hereby establishes a stock option plan for Directors, Officers, Employees, Management Company Employees and Consultants (as such terms are defined below) of the Company and its subsidiaries (collectively "**Participants**"), to be known as the "Stock Option Plan" (the "**Plan**"). The purpose of the Plan is to give to Participants, as additional compensation, the opportunity to participate in the success of the Company by granting to such individuals options, exercisable over periods of up to ten years as determined by the board of directors of the Company, to buy shares of the Company at a price not less than the Market Price prevailing on the date the option is granted less applicable discount, if any, permitted by the policies of the Exchange and approved by the Board.

2. DEFINITIONS

In this Plan, the following terms shall have the following meanings:

2.1 "**Associate**" means an "Associate" as defined in the Exchange Policies.

2.2 **"Black-Out"** means a restriction imposed by the Company on all or any of its directors, officers, employees, insiders or persons in a special relationship whereby they are to refrain from trading in the Company's securities until the restriction has been lifted by the Company

2.3 "**Board**" means the Board of Directors of the Company.

2.4 "**Cashless Exercise**" has the meaning ascribed to it in Section 4.2(b)

2.5 "**Change of Control**" means the acquisition by any person or by any person and all Joint Actors, whether directly or indirectly, of voting securities (as defined in the Securities Act) of the Company, which, when added to all other voting securities of the Company at the time held by such person or by such person and a Joint Actor, totals for the first time not less than fifty percent (50%) of the outstanding voting securities of the Company or the votes attached to those securities are sufficient, if exercised, to elect a majority of the Board of Directors of the Company.

2.6 "**Company**" means South Atlantic Gold Inc. and its successors.

2.7 "**Consultant**" means a "Consultant" as defined in the Exchange Policies.

2.8 "**Consultant Company**" means a "Consultant Company" as defined in the Exchange Policies.

2.9 "**Director**" means a director (as defined under Securities Laws) of an Issuer or of any of its subsidiaries.

2.10 "**Disability**" means any disability with respect to an Optionee which the Board, in its sole and unfettered discretion, considers likely to prevent permanently the Optionee from:

(a) being employed or engaged by the Company, its subsidiaries or another employer, in a position the same as or similar to that in which he was last employed or engaged by the Company or its subsidiaries; or

(b) acting as a director or officer of the Company or its subsidiaries.

2.11 “**Discounted Market Price**” of Shares means, if the Shares are listed only on the TSX Venture Exchange, the Market Price less the maximum discount permitted under the Exchange Policy applicable to Options;

2.12 “**Distribution**” means a "Distribution" as defined in the Exchange Policies.

2.13 “**Employee**” means an "Employee" as defined in the Exchange Policies.

2.14 "**Exchange**" means the TSX Venture Exchange and, if applicable, any other stock exchange on which the Shares are listed.

2.15 "**Exchange Policies**" means the policies included in the TSX Venture Exchange Corporate Finance Manual and “Exchange Policy” means any one of them.

2.16 "**Expiry Date**" means the date set by the Board under section 3.1 of the Plan, as the last date on which an Option may be exercised.

2.17 "**Grant Date**" means the date specified in an Option Agreement as the date on which an Option is granted.

2.18 "**Insider**" means an "Insider" as defined in the Exchange Policies, other than a person who is an insider solely by virtue of being a director or senior officer of a subsidiary of the Company.

2.19 “**Investor Relations Activities**” means “Investor Relations Activities” as defined in the Exchange Policies.

2.20 “**Investor Relations Service Provider**” includes any Consultant that performs Investor Relations Activities and any Director, Officer, Employee or Management Company Employee whose role and duties primarily consist of Investor Relations Activities.

2.21 “**Joint Actor**” means a person acting “jointly or in concert with” another person as that phrase is interpreted in section 96 of the Securities Act.

2.22 “**Management Company Employee**” means a "Management Company Employee" as defined in the Exchange Policies.

2.23 "**Market Price**" of Shares at any Grant Date means the last closing price per Share on the trading day immediately preceding the day on which the Company announces the grant of the option or, if the grant is not announced, on the Grant Date, or if the Shares are not listed on any stock exchange, “Market Price” of Shares means the price per Share on the over-the-counter market determined by dividing the aggregate sale price of the Shares sold by the total number of such Shares so sold on the applicable market for the last day prior to the Grant Date.

2.24 “**Net Exercise”** has the meaning ascribed to it in Section 4.2(c) ;

2.25 “**Officer**” means an officer (as defined under Securities Laws) of an Issuer or of any of its subsidiaries.

2.26 "**Option**" means an option to purchase Shares granted pursuant to this Plan.

2.27 "**Option Agreement**" means an agreement, in the form attached hereto as Schedule “A”, whereby the Company grants to an Optionee an Option.

2.28 "**Optionee**" means each of the Participants granted an Option pursuant to this Plan and their heirs, executors and administrators.

2.29 "**Option Price**" means the price per Share specified in an Option Agreement, adjusted from time to time in accordance with the provisions of section 5.

2.30 "**Option Shares**" means the aggregate number of Shares which an Optionee may purchase under an Option.

2.31 "**Securities Act**" means the *Securities Act*, R.S.B.C. 1996, c.418, as amended, as at the date hereof.

2.32 "**Security-Based Compensation Plan**" includes any stock option plan, DSU plan, RSU plan, and/or any other compensation or incentive mechanism involving the issuance or potential issuance of securities of the Company from treasury to a Participant.

2.33 "**Shares**" means the common shares in the capital of the Company as constituted on the Grant Date provided that, in the event of any adjustment pursuant to section 5, "Shares" shall thereafter mean the shares or other property resulting from the events giving rise to the adjustment.

2.34 "**Unissued Option Shares**" means the number of Shares, at a particular time, which have been reserved for issuance upon the exercise of an Option but which have not been issued, as adjusted from time to time in accordance with the provisions of section 5, such adjustments to be cumulative.

2.35 "**Vested**" means that an Option has become exercisable in respect of a number of Option Shares by the Optionee pursuant to the terms of the Option Agreement.

2.36 **VWAP**" means the volume weighted average trading price of the Company's Common Shares on the Exchange calculated by dividing the total value by the total volume of such securities traded for the five Trading Days (as defined in the policies of the Exchange) immediately preceding the exercise of the subject Option

3. GRANT OF OPTIONS

3.1 Option Terms

The Board may from time to time authorize the issue of Options to Participants. The Option Price under each Option shall be not less than the Discounted Market Price on the Grant Date. The Expiry Date for each Option shall be set by the Board at the time of issue of the Option and shall not be more than ten years after the Grant Date. Options shall not be assignable (or transferable) by the Optionee.

3.2 Limits on Shares Issuable on Exercise of Options

At the time of grant of any Option, the aggregate number of Shares reserved for issuance under the Plan which may be made subject to Options at any time and from time to time shall not exceed 10% of the total number of issued and outstanding Shares, on a non-diluted basis, as constituted on the Grant Date of such Option. Any Common Shares subject to an Option which has been granted under the Plan and which has been subsequently cancelled or terminated in accordance with the terms of the Plan, without having been exercised, will again be available for issuance pursuant to the exercise of Options granted under the Plan.

The maximum number of Shares which may be issuable under the Plan including any and all of the Company's other Security-based Compensation Plan, within a one-year period are as follows:

(a) to any one Person (as defined in the Exchange Policies) including an Optionee, shall not exceed 5% of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis in any 12 month period (unless the Company has obtained the requisite disinterested shareholder approval pursuant to the Exchange Policies);

(b) to Insiders as a group shall not exceed 10% of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis(unless the Company has obtained the requisite disinterested shareholder approval pursuant to the Exchange Policies);

(c) to any one Consultant shall not exceed 2% in the aggregate of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis; and

(d) to all Investor Services Providers shall not exceed 2% in the aggregate of the total number of issued and outstanding Shares on the Grant Date on a non-diluted. Investor Relations Service Providers may not receive any Security Based Compensation other than Options.

The number of Shares which may be granted or issuable under any Security-based Compensation Plan, to Insiders (as a group) shall not exceed 10% of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis at any point in time (unless the Company has obtained the requisite disinterested shareholder approval pursuant to the Exchange Policies).

3.3 Option Agreements

Each Option shall be confirmed by the execution of an Option Agreement. Each Optionee shall have the option to purchase from the Company the Option Shares at the time and in the manner set out in the Plan and in the Option Agreement applicable to that Optionee. For stock options to Employees, Consultants, Consultant Companies or Management Company Employees, the Company and the Optionee represent and agree herein and in the applicable Stock Option Agreement that the Optionee is a bona fide Employee, Consultant, Consultant Company or Management Company Employee, as the case may be, of the Company or its subsidiary. The execution of an Option Agreement shall constitute conclusive evidence that it has been completed in compliance with this Plan.

4. EXERCISE OF OPTION

4.1 When Options May be Exercised

Subject to sections 4.3 and 4.4, an Option may be exercised to purchase any number of Shares up to the number of Vested Unissued Option Shares at any time after the Grant Date up to 4:00 p.m. local time on the Expiry Date (the "**Exercise Period**") and shall not be exercisable thereafter. Notwithstanding anything else contained herein, Options may not be exercised during a Black-Out unless the Board determines otherwise. Notwithstanding any other provision of this Plan, the Exercise Period of Options that would expire during a Black-Out shall be extended to the date that is 10 business days following the expiry of the applicable Black-Out.

4.2 Manner of Exercise

The Option shall be exercisable by delivering to the Company a notice specifying the number of Shares in respect of which the Option is exercised and either:

(a) Delivering payment by cash, certified cheque or wire payment; or.

(b) whereby the Company has an arrangement with a brokerage firm pursuant to which the broker will loan the Participant to purchase the underlying Common Shares (the "**Cashless Exercise**") and the broker will then sell the number of Common Shares to cover the Exercise Price to repay the loan made to the Participant. The brokerage firm receives an equivalent number of Common Shares from the Exercise of the Option and the Participant receives the balance of the Common Shares or cash proceeds from the balance of such Common Shares; or

(c) whereby Options excluding Options held by Investor Services Providers are exercised without the Participant making any cash payment to the Corporation ("**Net Exercise**") and the Participant receives only the number of Common Shares that are equal to the quotient calculated by dividing:

a. the number of Options being exercised multiplied by the difference between the VWAP of the underlying Common Shares and the Exercise Price of the Options by;

b. the VWAP of the underlying Common Shares.

Example

c.

$$\frac{\#\text{Common Shares} \times (\text{VWAP} - \text{Exercise Price})}{\text{VWAP}} = \#\text{Common Shares}$$

In the event of a Cashless Exercise or Net Exercise, the number of Options exercised, surrendered or converted, and not the number of Common Shares actually issued by the Company must be included in calculating the limits of the Stock Option Plan.

Upon an Optionee exercising an Option and paying the Company the aggregate purchase price for the Common Shares in respect of which the Option has been exercised, including a Cashless Exercise or Net Exercise, the Company shall as soon as practicable thereafter issue and deliver a certificate representing the Common Shares so purchased.

4.3 Vesting of Option Shares

The Directors, subject to the policies of the Exchange, may determine and impose terms upon which each Option shall become Vested in respect of Option Shares. Unless otherwise specified by the Board at time of granting an Option, and subject to the other limits on Option grants set out in Section 3.3 hereof, all Options granted under the Plan shall vest and become exercisable in full upon grant, except Options granted to any Investor Service Provider, which Options must vest in stages over twelve months with no more than one-quarter of the Options vesting in any three month period.

4.4 Termination of Employment

If an Optionee ceases to be a Participant, his or her Option shall be exercisable as follows:

(a) Death or Disability

If the Optionee ceases to be a Participant, due to his or her death or Disability or, in the case of an Optionee that is a company, the death or Disability of the person who provides management or consulting services to the Company or to any entity controlled by the Company, the Option then held by the Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of:

(i) 365 days after the date of death or Disability; and

(ii) the Expiry Date;

(b) Termination For Cause

If the Optionee, or in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be a Participant as a result of termination for cause, as that term is interpreted by the courts of the jurisdiction in which the Optionee, or, in the case of a Management Company Employee or a Consultant Company, of the Optionee's employer, is employed or engaged; any outstanding Option held by such Optionee on the date of such termination, whether in respect of Option Shares that are Vested or not, shall be cancelled as of that date.

(c) <u>Early Retirement, Voluntary Resignation or Termination Other than For Cause</u>
If the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be a Participant due to his or her retirement at the request of his or her employer earlier than the normal retirement date under the Company's retirement policy then in force, or due to his or her termination by the Company other than for cause, or due to his or her voluntary resignation, the Option then held by the Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of the Expiry Date and the date which is 90 days (30 days if the Optionee was engaged in Investor Relations Activities) after the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be a Participant.

For greater certainty, an Option that had not become Vested in respect of certain Unissued Option Shares at the time that the relevant event referred to in this paragraph 4.4 occurred, shall not be or become vested or exercisable in respect of such Unissued Option Shares and shall be cancelled.

4.5 Effect of a Take-Over Bid

If a *bona fide* offer (an "**Offer**") for Shares is made to the Optionee or to shareholders of the Company generally or to a class of shareholders which includes the Optionee, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of the Company, within the meaning of subsection 1(1) of the Securities Act, the Company shall, immediately upon receipt of notice of the Offer, notify each Optionee of full particulars of the Offer, whereupon (subject to the approval of the Exchanges) all Option Shares subject to such Option will become Vested and the Option may be exercised in whole or in part by the Optionee so as to permit the Optionee to tender the Option Shares received upon such exercise, pursuant to the Offer. However, if:

(a) the Offer is not completed within the time specified therein; or

(b) all of the Option Shares tendered by the Optionee pursuant to the Offer are not taken up or paid for by the offeror in respect thereof,

then the Option Shares received upon such exercise, or in the case of clause (b) above, the Option Shares that are not taken up and paid for, may be returned by the Optionee to the Company and reinstated as authorized but unissued Shares and with respect to such returned Option Shares, the Option shall be reinstated as if it had not been exercised and the terms upon which such Option Shares were to become Vested pursuant to paragraph 4.3 shall be reinstated. If any Option Shares are returned to the Company under this paragraph 4.5, the Company shall immediately refund the exercise price to the Optionee for such Option Shares.

4.6 Acceleration of Expiry Date

If at any time when an Option granted under the Plan remains unexercised with respect to any Unissued Option Shares, an Offer is made by an offeror, the Directors may, upon notifying each Optionee of full particulars of the Offer, declare all Option Shares issuable upon the exercise of Options granted under the Plan, Vested, and declare that the Expiry Date for the exercise of all unexercised Options granted under the Plan is accelerated so that all Options will either be exercised or will expire prior to the date upon which Shares must be tendered pursuant to the Offer, with the exception there can be no acceleration of the vesting requirements applicable to an Option granted to an individual performing Investor Relations Activities without the prior written approval of the Exchange. The Directors shall give each Optionee as much notice as possible of the acceleration of the Options under this section, except that not less than 5 business days notice is required and more than 30 days notice is not required.

4.7 Effect of a Change of Control

If a Change of Control occurs, all Option Shares subject to each outstanding Option other than Options granted to an individual performing Investor Relations Activities will become Vested, whereupon such Option may be exercised in whole or in part by the Optionee, subject to the approval of the Exchange, if necessary.

4.8 Exclusion From Severance Allowance, Retirement Allowance or Termination Settlement

If the Optionee, or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, retires, resigns or is terminated from employment or engagement with the Company or any subsidiary of the Company, the loss or limitation, if any, pursuant to the Option Agreement with respect to the right to purchase Option Shares which were not Vested at that time or which, if Vested, were cancelled, shall not give rise to any right to damages and shall not be included in the calculation of nor form any part of any severance allowance, retiring allowance or termination settlement of any kind whatsoever in respect of such Optionee.

4.9 Shares Not Acquired

Any Unissued Option Shares not acquired by an Optionee under an Option which has expired may be made the subject of a further Option pursuant to the provisions of the Plan.

4.10 Delivery of Certificate and Hold Periods

As soon as practicable after the receipt of the notice of exercise described in §4.2 and payment in full for the Optioned Shares being acquired, the Company will direct its transfer agent to issue a certificate to the Optionee for the appropriate number of Optioned Shares. Such certificate issued will bear a legend stipulating any resale restrictions required under applicable securities laws. In addition to any resale restrictions under applicable legislation, any options granted hereunder to Insiders or Consultants granted at any discount to Market Price, and all Shares issued on the exercise of such options will be subject to a four month hold period from the date the options are granted.

5. ADJUSTMENT OF OPTION PRICE AND NUMBER OF OPTION SHARES

5.1 Share Reorganization

Whenever the Company issues Shares to all or substantially all holders of Shares by way of a stock dividend or other distribution, or subdivides all outstanding Shares into a greater number of Shares, or combines or consolidates all outstanding Shares into a lesser number of Shares (each of such events being herein called a "**Share Reorganization**") then effective immediately after the record date for such dividend or other distribution or the effective date of such subdivision, combination or consolidation, for each Option:

(a) the Option Price will be adjusted to a price per Share which is the product of:

(i) the Option Price in effect immediately before that effective date or record date; and

(ii) a fraction, the numerator of which is the total number of Shares outstanding on that effective date or record date before giving effect to the Share Reorganization, and the denominator of which is the total number of Shares that are or would be outstanding immediately after such effective date or record date after giving effect to the Share Reorganization; and

(b) the number of Unissued Option Shares will be adjusted by multiplying (i) the number of Unissued Option Shares immediately before such effective date or record date by (ii) a fraction which is the reciprocal of the fraction described in subsection (a)(ii).

5.2 Special Distribution

Subject to the prior approval of the Exchange, whenever the Company issues by way of a dividend or otherwise distributes to all or substantially all holders of Shares;

(a) shares of the Company, other than the Shares;

(b) evidences of indebtedness;

(c) any cash or other assets, excluding cash dividends (other than cash dividends which the Board of Directors of the Company has determined to be outside the normal course); or

(d) rights, options or warrants;

then to the extent that such dividend or distribution does not constitute a Share Reorganization (any of such non-excluded events being herein called a "**Special Distribution**"), and effective immediately after the record date at which holders of Shares are determined for purposes of the Special Distribution, for each Option the Option Price will be reduced, and the number of Unissued Option Shares will be correspondingly increased, by such amount, if any, as is determined by the Board in its sole and unfettered discretion to be appropriate in order to properly reflect any diminution in value of the Option Shares as a result of such Special Distribution.

5.3 Corporate Organization

Subject to Exchange approval, whenever there is:

(a) a reclassification of outstanding Shares, a change of Shares into other shares or securities, or any other capital reorganization of the Company, other than as described in sections 5.1 or 5.2;

(b) a consolidation, merger or amalgamation of the Company with or into another corporation resulting in a reclassification of outstanding Shares into other shares or securities or a change of Shares into other shares or securities; or

(c) a transaction whereby all or substantially all of the Company's undertaking and assets become the property of another corporation;

(any such event being herein called a "**Corporate Reorganization**") the Optionee will have an option to purchase (at the times, for the consideration, and subject to the terms and conditions set out in the Plan) and will accept on the exercise of such option, in lieu of the Unissued Option Shares which he would otherwise have been entitled to purchase, the kind and amount of shares or other securities or property that he would have been entitled to receive as a result of the Corporate Reorganization if, on the effective date thereof, he had been the holder of all Unissued Option Shares or if appropriate, as otherwise determined by the Directors.

5.4 Determination of Option Price and Number of Unissued Option Shares

If any questions arise at any time with respect to the Option Price or number of Unissued Option Shares deliverable upon exercise of an Option following a Share Reorganization, Special Distribution or Corporate Reorganization, such questions shall be conclusively determined by the Company's auditor, or, if they decline to so act, any other firm of Chartered Accountants in Vancouver, British Columbia, that the Directors may designate and who will have access to all appropriate records and such determination will be binding upon the Company and all Optionees.

5.5 Regulatory Approval

Any adjustment to the Option Price or the number of Unissued Option Shares purchasable under the Plan pursuant to the operation of any one of paragraphs 5.1, 5.2, 5.3 and 5.4 is subject to the approval of the Exchange and any other governmental authority having jurisdiction where applicable.

5.6 Disinterested Shareholder Approval

An Issuer must obtain disinterested Shareholder approval of stock options including all Security-based Compensation Plan if:

(a) a stock option plan, together with all of the Issuer's previously established and outstanding stock option plans, and all Security Based Compensation under all Security-based Compensation Plans or grants, could result at any time in:

- (i) the number of shares reserved for issuance under all security based compensation plans granted to Insiders exceeding 10% of the issued shares;
- (ii) the number of shares reserved for issuance under all security based compensation plans granted to Insiders (as a group), within a 12 month period exceeding 10% of the issued shares; or
- (iii) the number of shares reserved for issuance under all security based compensation plans to any one Optionee, within a 12 month period exceeding 5% of the issued shares; or

(b) the Issuer is decreasing the exercise price of stock options previously granted to Insiders or granting any extensions to stock options granted to individuals that are Insiders at the time of the proposed amendment.

6. MISCELLANEOUS

6.1 Right to Employment

Neither this Plan nor any of the provisions hereof shall confer upon any Optionee any right with respect to employment or continued employment with the Company or any subsidiary of the Company or interfere in any way with the right of the Company or any subsidiary of the Company to terminate such employment.

6.2 Necessary Approvals

The Plan shall be effective only upon the approval of the shareholders of the Company given by way of an ordinary resolution. Any Options granted under this Plan prior to such approval shall only be exercised upon the receipt of such approval. Disinterested shareholder approval (as required by the Exchange) will be obtained for any reduction in the exercise price of any Option granted under this Plan if the Optionee is an Insider of the Company at the time of the proposed amendment. The obligation of the Company to sell and deliver Shares in accordance with the Plan is subject to the approval of the Exchange and any governmental authority having jurisdiction. If any Shares cannot be issued to any Optionee for any reason, including, without limitation, the failure to obtain such approval, then the obligation of the Company to issue such Shares shall terminate and any Option Price paid by an Optionee to the Company shall be immediately refunded to the Optionee by the Company.

6.3 Administration of the Plan

The Directors shall, without limitation, have full and final authority in their discretion, but subject to the express provisions of the Plan, to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations deemed necessary or advisable in respect of the Plan. Except as set forth in section 5.4, the interpretation and construction of any provision of the Plan by the Directors shall be final and conclusive. Administration of the Plan shall be the responsibility of the appropriate officers of the Company and all costs in respect thereof shall be paid by the Company.

6.4 Withholding Taxes

If the Company is required under the Income Tax Act (Canada) or any other applicable law to make source deductions in respect of employee stock benefits and to remit to the applicable governmental authority an amount on account of tax of the value of the taxable benefit associated with the issuance of shares on exercise of Options, then the Optionee shall:

(a) Pay to the Company, in addition to the exercise price for the Options, sufficient cash as is reasonably determined by the Company to be the amount necessary to permit the required tax remittance;

(b) Authorize the Company on behalf of the Optionee, to sell in the market on such terms and at such time or times as the Company determines a portion of the Shares being issued upon exercise of the Option to realize cash proceeds to be used to satisfy the required tax remittance; or

(c) Make other arrangements acceptable to the Company to fund the required tax remittance, in compliance with the Exchange Policy 4.4.

The requirements of this section 6.4 shall not supersede the requirements of the policies of the Exchange.

6.5 Amendments to the Plan

The Directors may from time to time, subject to applicable law and to the prior approval, if required, of the Exchange or any other regulatory body having authority over the Company or the Plan, suspend, terminate or discontinue the Plan at any time, or amend or revise the terms of the Plan or of any Option granted under the Plan and the Option Agreement relating thereto, provided that no such amendment, revision, suspension, termination or discontinuance shall in any manner adversely affect any Option previously granted to an Optionee under the Plan without the consent of that Optionee. Any amendments to the Plan or options granted thereunder will be subject to the approval of the shareholders.

6.6 Form of Notice

A notice given to the Company shall be in writing, signed by the Optionee and delivered to the head business office of the Company.

6.7 No Representation or Warranty

The Company makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of the Plan.

6.8 Compliance with Applicable Law

If any provision of the Plan or any Option Agreement contravenes any law or any order, policy, by-law or regulation of any regulatory body or Exchange having authority over the Company or the Plan, then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

6.9 No Assignment

No Optionee may assign any of his or her rights under the Plan or any option granted thereunder. Each Option Agreement will provide that the Options granted thereunder are not transferable or assignable.

6.10 Rights of Optionees

An Optionee shall have no rights whatsoever as a shareholder of the Company in respect of any of the Unissued Option Shares (including, without limitation, voting rights or any right to receive dividends, warrants or rights under any rights offering).

6.11 Conflict

In the event of any conflict between the provisions of this Plan and an Option Agreement, the provisions of this Plan shall govern.

6.12 Governing Law

The Plan and each Option Agreement issued pursuant to the Plan shall be governed by the laws of the province of British Columbia.

6.13 Time of Essence

Time is of the essence of this Plan and of each Option Agreement. No extension of time will be deemed to be or to operate as a waiver of the essentiality of time.

6.14 Entire Agreement

This Plan and the Option Agreement sets out the entire agreement between the Company and the Optionees relative to the subject matter hereof and supersedes all prior agreements, undertakings and understandings, whether oral or written.

Schedule “A”

SOUTH ATLANTIC GOLD INC.

STOCK OPTION PLAN - OPTION AGREEMENT

This Option Agreement is entered into between South Atlantic Gold Inc. (the "Company") and the Optionee named below pursuant to the Company Stock Option Plan (the "Plan"), a copy of which is attached hereto, and confirms that:

1. on •, • (the "Grant Date");

2. • (the "Optionee");

3. was granted the option (the “Option”) to purchase ● Common Shares (the "Option Shares") of the Company;

4. for the price (the "Option Price") of $• per share;

5. which shall be exercisable in full upon approval [OR set forth applicable vesting schedule];

6. terminating on the •, • (the “Expiry Date”);

all on the terms and subject to the conditions set out in the Plan. For greater certainty, Option Shares continue to be exercisable until the termination or cancellation thereof as provided in this Option Agreement and the Plan.

To exercise your Option, deliver a written notice specifying the number of Optioned Shares you wish to acquire, together with cash or a certified cheque payable to the Company for the aggregate Exercise Price, to the Company. A certificate for the Optioned Shares so acquired will be issued by the transfer agent as soon as practicable thereafter.

The Company and the Optionee represent that the Optionee under the terms and conditions of the Plan is a bona fide [DIRECTOR/ OFFICER/ EMPLOYEE/ CONSULTANT/ MANAGEMENT COMPANY EMPLOYEE/ INVESTOR RELATIONS] (mark applicable relationship) of the Company, entitled to receive Options under TSX Venture Exchange Polices.

By signing this Option Agreement, the Optionee acknowledges that the Optionee has read and understands the Plan and agrees to the terms and conditions of the Plan and this Option Agreement.

Acknowledgement – Personal Information

The undersigned hereby acknowledges and consents to:

(a) the disclosure to the TSX Venture Exchange and all other regulatory authorities of all personal information of the undersigned obtained by the Company; and
(b) the collection, use and disclosure of such personal information by the TSX Venture Exchange and all other regulatory authorities in accordance with their requirements, including the provision to third party service providers, from time to time.

IN WITNESS WHEREOF the parties hereto have executed this Option Agreement as of the ● day of ●, ●.

SOUTH ATLANTIC GOLD INC.

Per:____________________________________
Authorized Signatory

____
Signature

____
Print Name

____
Address

SOUTH ATLANTIC GOLD INC.

STOCK OPTION PLAN – EXERCISE NOTICE

To: South Atlantic Gold Inc. Inc. (the “Company”)

The undersigned hereby irrevocably gives notice, pursuant to the Company’s stock option plan (the “Plan”), of the exercise of the option to acquire and hereby subscribes for:

(a) all of the shares; or

(b) ___________________ of the shares, which are the subject of the option certificate attached hereto.

Calculation of the total exercise price:

(i) number of shares to be acquired on exercise: ___________________ shares

(ii) multiplied by the exercise price per share: $__________________

(iii) withholding taxes calculated $__________________

TOTAL EXERCISE PRICE, enclosed herewith: $__________________

The undersigned:

A: □ tenders herewith a certified cheque, bank draft or wire transfer in an amount equal to the total exercise price of the aforesaid shares, as calculated above; or
B: □ : pursuant to the Plan section 3.08 (b) shall exercise on a Cashless Exercise basis through the Participant’s Broker; or
C: □: pursuant to the Plan section 3.08 (c) shall exercise on a Net Exercise basis whereby the Participant receives only the number of Common Shares that are equal to the quotient calculated by dividing:

(i) the number of Options being exercised multiplied by the difference between the VWAP of the underlying Common Shares and the Exercise Price of the Options by;

(ii) the VWAP of the underlying Common Shares;

and directs the Company to issue the share certificate evidencing said shares in the name of the undersigned to be mailed to the undersigned at the following address:

____

____

____

DATED the __________ day of _____________, 20_____.

____

Signature of Option Holder

Name of Option Holder (please print)

South Atlantic GOLD

SCHEDULE "B"

THE AUDIT COMMITTEE'S CHARTER

Purpose

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

Composition, Procedures and Organization

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

(2) At least two (2) members of the Committee shall be independent[1] and the Committee shall endeavour to appoint a majority of independent directors to the Committee, who in the opinion of the Board, would be free from a relationship which would interfere with the exercise of the Committee members' independent judgment. At least one (1) member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices applicable to the Company. For the purposes of this Charter, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

(3) All of the members of the Committee shall be "financially literate"[2].

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

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

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

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

1 "Independent" member of an audit committee means a member who has no direct or indirect material relationship with the Company. A "material relationship" means a relationship which could, in the view *of the Company's Board of Directors, reasonably interfere with the exercise of a member's independent judgment.*

2 "Financially literate" individual is an individual who has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

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

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

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

(C) management representatives may be invited to attend all meetings except private sessions with the external auditors; and

(D) the proceedings of all meetings will be minuted.

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

(10) Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee on ceasing to be a director. The Board may fill vacancies on the Committee by election from among its number. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all its powers so long as a quorum remains in office. Subject to the above, each member of the Committee shall hold office as such until the next Annual General Meeting of the Shareholders after his/her election.

(11) The members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board may from time to time determine.

Roles and Responsibilities

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

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

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

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

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

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

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

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

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

(D) approve in advance provision by the external auditors of services other than auditing;

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

(i) contents of their report;
(ii) scope and quality of the audit work performed;
(iii) adequacy of the Company's financial and auditing personnel;
(iv) co-operation received from the Company's personnel during the audit;
(v) internal resources used;
(vi) significant transactions outside of the normal business of the Company;
(vii) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
(viii) the non-audit services provided by the external auditors;

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

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

(H) review any significant disagreements between management and the external auditor regarding financial reporting.

(3) The duties and responsibilities of the Committee as they relate to the Company's internal auditors are to:

(A) periodically review the internal audit function with respect to the organization, staffing and effectiveness of the internal audit department;

(B) review and approve the internal audit plan; and

(C) review significant internal audit findings and recommendations, and management's response thereto.

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

(A) review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;
(B) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and

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

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

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

(B) review and approve the financial sections of:

(i) the annual report to Shareholders;
(ii) the annual information form, if required;
(iii) annual and interim MD&A;
(iv) prospectuses;
(v) news releases discussing financial results of the Company; and
(vi) other public reports of a financial nature requiring approval by the Board and report to the Board with respect thereto;

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

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

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

(F) establish procedures for:

(i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
(ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;

(G) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company;

(H) review and recommend updates to the charter and receive approval of changes from the Board;

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

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

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

(L) perform other functions as requested by the full Board.

(6) The Committee shall have the authority:

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

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

(C) to communicate directly with the internal and external auditors.