



<b>2023</b>	Notice of Annual General Meeting of Shareholders
<b>ANNUAL</b>	Information Circular
<b>GENERAL</b>	Form of Proxy and Notes Thereto
<b>MEETING</b>	Financial Statement Request Form
<b>Place:</b>	4 <sup>th</sup> Floor, 1665 Ellis Street Kelowna, British Columbia
<b>Time:</b>	10:00 a.m.
<b>Date:</b>	December 20, 2023



**CORPORATE DATA**

**Head Office**

630 – 1620 Dickson Avenue  
Kelowna, BC V1Y 9Y2

**Directors and Officers**

Dean Taylor, Director, President, Chief Executive Officer  
Darren Vucurevich, Director, Chief Financial Officer  
Mark Smith, Secretary  
Dr. Stephen Haggerty, Director  
Sheldon Nelson, Director

**Registrar and Transfer Agent**

Computershare Investor Services  
3<sup>rd</sup> Floor, 510 Burrard Street  
Vancouver, BC V6C 3B9

**Legal Counsel**

Pushor Mitchell LLP  
301 – 1665 Ellis Street  
Kelowna, BC V1Y 2B3

**Auditor**

MNP LLP, Chartered Accountants  
1500 - 640 5<sup>th</sup> Avenue S.W. Calgary, AB T2P 3G4

**Listing**

TSX Venture Exchange (V.DMI)  
OTCQB (DMIFF)



## NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN** that the 2023 Annual General Meeting (the “**Meeting**”) of holders of common shares (the “Shareholders”) of Diamcor Mining Inc. (“**Diamcor**”) will be held at 4<sup>th</sup> Floor, 1665 Ellis Street, Kelowna, British Columbia, on the 20<sup>th</sup> day of December 2023 at 10:00 a.m. (PST) for the following purposes:

- (a) To receive the audited financial statements of Diamcor for the fiscal year ended March 31, 2023 (with comparative financial statements for the preceding fiscal period) (the “Audited Financial Statements”), together with the Auditor’s Report thereon;
- (b) To set the number of directors of Diamcor at four for the ensuing year;
- (c) To elect directors of Diamcor for the ensuing year;
- (d) To appoint auditors of Diamcor for the ensuing year;
- (e) To transact such further or other business as may properly come before the Meeting and any adjournment or adjournments thereof.

Accompanying this Notice are Diamcor’s Management Information Circular and form of proxy (“Proxy”) with a financial statement request form. The accompanying Management Information Circular provides information relating to the matters to be addressed at the Meeting and is deemed to form a part of this Notice.

The Company encourages you to vote your shares by proxy in advance of the meeting, via mail, telephone or on the internet. The Company intends to follow the guidelines for maximum number of attendees permitted and physical distancing protocols as prescribed by the Public Health Agency of Canada and applicable provincial and local health authorities in British Columbia to minimize the spread of the Coronavirus disease (COVID-19), as such guidelines are applicable as at the date of the Meeting on December 20, 2023.

In the event that in person attendance at the Meeting location is not permitted due to COVID-19, the Meeting will be conducted using the following conference line number 1-800-511-8018, access code 533-4737#.

DATED at Kelowna, British Columbia, this 7th day of November 2023.

On Behalf of the Board of

**DIAMCOR MINING INC.**

*“Dean H. Taylor”*

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Dean H. Taylor, President



## **INFORMATION CIRCULAR**

(Containing information as at November 7, 2023 unless indicated otherwise)

### **SOLICITATION OF PROXIES**

This Management Information Circular (the "Information Circular") is furnished in connection with the solicitation of proxies by the management of Diamcor Mining Inc. (the "Company") for use at the Annual General Meeting of shareholders of the Company (and any adjournment thereof) to be held on Wednesday, December 20, 2023, (the "Meeting") at the time and place and for the purposes set forth in the accompanying Notice of Meeting. While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally, by telephone or by email by the regular employees of the Company at nominal cost. All costs of solicitation by management will be borne by the Company.

The Company encourages you to vote your shares by proxy in advance of the meeting, via mail, telephone or on the internet. The Company intends to follow the guidelines for maximum number of attendees permitted and physical distancing protocols as prescribed by the Public Health Agency of Canada and applicable provincial and local health authorities in British Columbia to minimize the spread of the Coronavirus disease (COVID-19), as such guidelines are applicable as at the date of the Meeting on December 20, 2023. No management presentation will be made following the business of the Meeting. The Company advises that the use of facial masks by all persons in attendance at the Meeting may be required. In the event that in person attendance at the Meeting location is not permitted due to COVID-19, the Meeting will be conducted using the following conference line number 1-800-511-8018, access code 533-4737#.

The contents and the sending of this Information Circular have been approved by the directors of the Company.

### **APPOINTMENT OF PROXYHOLDER**

The individuals named as proxyholder in the accompanying form of proxy are directors of the Company. **A SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER) TO REPRESENT HIM AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY STROKING OUT THE NAMES OF THOSE PERSONS NAMED IN THE ACCOMPANYING FORM OF PROXY AND INSERTING THE DESIRED PERSON'S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER FORM OF PROXY. A proxy will not be valid unless the completed form of proxy is received by COMPUTERSHARE INVESTOR SERVICES, 8<sup>th</sup> Floor, 100 University Avenue, Toronto, ON M5J 2Y1 not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or, if the Meeting is adjourned, with respect to any matters occurring following the recommencement of the adjourned Meeting, prior to the recommencement thereof. Proxies delivered after such times will not be accepted.**

## **REVOCACTION OF PROXIES**

A shareholder who has given a proxy may revoke it by an instrument in writing executed by the shareholder or by his attorney duly authorized in writing or, where the shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered to the registered office of the Company, at 301 – 1665 Ellis Street, Kelowna, British Columbia, V1Y 2B3 (Attention: E. Blair Forrest) at any time up to and including the last business day preceding the day of the Meeting, or if adjourned, any reconvening thereof, or to the Chairman of the Meeting on the day of the meeting or, if adjourned, any reconvening thereof, in any other manner provided by law. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

Only Registered Shareholders have the right to revoke a proxy. Non-Registered Shareholders (as defined below) who wish to change their voting instructions must, in sufficient time in advance of the Meeting, arrange for the Company (where the Non-Registered Shareholder is a NOBO (as defined below)) or their Intermediaries (where the Non-Registered Shareholder is an OBO (as defined below)) to change their vote and if necessary revoke their Proxy.

## **INFORMATION FOR NON-REGISTERED SHAREHOLDERS**

Only registered shareholders or duly appointed proxy holders are permitted to vote at the Meeting. Most shareholders of the Company are "non-registered" shareholders because the shares they own are not registered in their names but are instead registered in the names of a brokerage firm, bank or other intermediary or in the name of a clearing agency. Shareholders who do not hold their shares in their own name (referred to herein as "Beneficial Shareholders") should note that only registered shareholders may vote at the Meeting. If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in such shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities, which company acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the brokers' clients. Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided by the Company to the registered shareholders. However, its purpose is limited to instructing the registered shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("Broadridge"). Broadridge typically prepares a machine-readable voting instruction form, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented

at the Meeting. A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction form must be returned to Broadridge (or instructions respecting the voting of Common Shares must be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted.

This Information Circular and accompanying materials are being sent to both registered shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories - those who object to their identity being known to the issuers of securities which they own ("Objecting Beneficial Owners", or "OBOs") and those who do not object to their identity being made known to the issuers of the securities they own ("Non-Objecting Beneficial Owners", or "NOBOs"). Subject to the provision of National Instrument 54-101 - Communication with Beneficial Owners of Securities of a Reporting Issuer ("NI 54-101") issuers may request and obtain a list of their NOBOs from intermediaries via their transfer agents.

Pursuant to NI 54-101, issuers may obtain and use the NOBO list for distribution of proxy-related materials directly (not via Broadridge) to such NOBOs.

If you are a Beneficial Shareholder, and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the Common Shares on your behalf.

The Company has decided to take advantage of the provisions of NI 54-101 that permit it to deliver proxy-related materials directly to its NOBO's. By choosing to send these materials to you directly, the Company (and not the intermediary holding Common Shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. As a result if you are a NOBO of the Company, you can expect to receive a scannable Voting Instruction Form ("VIF") from the Transfer Agent. Please complete and return the VIF to the Transfer Agent in the envelope provided or by facsimile. In addition, telephone voting and internet voting can be found in the VIF. The Transfer Agent will tabulate the results of the VIF's received from the Company's NOBO's and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIF's they receive.

The Company's OBOs can expect to be contacted by Broadridge or their brokers or their broker's agents (collectively the "Intermediaries") as set out above. The Company does not intend to pay for Intermediaries to forward the proxy-related materials and Form 54-101F7 - Request for Voting Instructions Made by Intermediary to non-registered shareholders who are OBO's under NI 54-101. OBO's will not receive the materials unless the OBO's Intermediary assumes the cost of delivery. If you receive or have already received from your Intermediary either a voting instruction form or a proxy form follow the instructions provided in order to ensure your Common Shares are voted in accordance with your instructions. Intermediaries have their own mailing procedures and provide their own instructions. These procedures may allow for providing voting instructions by telephone, on the Internet, by mail or by fax. If you wish to vote in person at the Meeting you should follow the procedure in the instructions provided by or on behalf of your Intermediary and insert your name in the space provided on the voting instruction form or proxy form or request a form of legal proxy which will grant you the right to attend the Meeting and vote in person.

The purpose of the above procedures is to permit Non-Registered Shareholders to direct the voting of the Common Shares of the Company they beneficially own. In either case, Non-Registered Shareholders should carefully follow the instructions of their Intermediary, or the Company, as applicable, including those regarding when and where the proxy or voting instruction form is to be delivered.

A Non-Registered Shareholder may revoke a voting instruction form or any waiver of their right to receive materials relating to a meeting which has been given to an Intermediary at any time by written notice to the Intermediary. An Intermediary is not required to act on a revocation of a voting instruction form or of a waiver of the right to receive materials not relating to a meeting which is not received by the Intermediary at least seven days prior to the Meeting.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxy holder for the registered shareholder and vote the Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxy holder for the registered shareholder should enter their own names in the blank space on the proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.

All references to shareholders in this Information Circular and the accompanying form of Proxy and Notice of Meeting are to shareholders of record unless specifically stated otherwise.

## **VOTING OF PROXIES**

The shares represented by a properly executed proxy in favour of persons designated as proxy holders in the enclosed form of proxy will:

- (a) be voted or withheld from voting in accordance with the instructions of the person appointing the proxy holder on any ballot that may be called for; and
- (b) where a choice with respect to any matter to be acted upon has been specified in the form of proxy, be voted in accordance with the specification made in such proxy.

**ON A POLL, SUCH SHARES WILL BE VOTED IN FAVOUR OF EACH MATTER FOR WHICH NO CHOICE HAS BEEN SPECIFIED OR WHERE BOTH CHOICES HAVE BEEN SPECIFIED BY THE SHAREHOLDER.**

The enclosed form of proxy when properly completed and delivered and not revoked confers discretionary authority upon the person appointed proxy holder thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting, and with respect to other matters which may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting or any further or other business is properly brought before the Meeting, it is the intention of the persons designated by management as proxy holders in the enclosed form of proxy to vote in accordance with their best judgment on such matters or business. At the time of the printing of this Information Circular, the management of the Company knows of no such amendment, variation or other matter that may be presented to the Meeting.

## **VOTING SHARES AND PRINCIPAL HOLDERS THEREOF**

Authorized Capital: An unlimited number of Class A Common Shares without par value ("Common Shares")

Issued and Outstanding: 128,512,937<sup>(1)</sup> Common Shares without par value

<sup>(1)</sup> As at November 7, 2023

Only shareholders of record holding Common Shares at the close of business on November 7, 2023 (the "Record Date") who either personally attend the Meeting or who have completed and delivered a form of proxy in the manner and subject to the provisions described above shall be entitled to vote or to have their Common Shares voted at the Meeting.

On a show of hands, every individual who is present and is entitled to vote as a shareholder or as a representative of one or more corporate shareholders, or who is holding a valid proxy on behalf of a shareholder who is not present at the Meeting, will have one vote, and on a poll every shareholder present in person or represented by a valid proxy and every person who is a representative of one or more corporate shareholders, will have one vote for each Common Share registered in that shareholder's name on the list of shareholders, which is available for inspection during normal business hours at Computershare Investor Services and will be available at the Meeting. Shareholders represented by proxy holders are not entitled to vote on a show of hands.

To the knowledge of the directors and senior officers of the Company, no persons or companies beneficially own, directly or indirectly, or exercise control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company, except the following:

<b>Shareholder Name</b>	<b>Number of Shares Held</b>	<b>Percentage of Issued &amp; Outstanding Shares</b>
NM Management Ltd.	25,827,890	20.09%
Kerry R. Seale	13,617,000	10.59%

## **ELECTION OF DIRECTORS**

The Board of Directors presently consists of four directors and it has been proposed to fix the number of directors at four for the ensuing year.

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

The following table and notes thereto sets out the name of each person proposed to be nominated by management for election as a director, the province or state and country in which he is ordinarily resident, all offices of the Company now held by him, his principal occupation, the period of time for which he has been a director of the Company, and the number of Common Shares of the Company beneficially owned by him, directly or indirectly, or over which he exercises control or direction, as at November 7, 2023:



Name, Position, Province or State, and Country of Residence <sup>(1)</sup>	Principal Occupation and Occupation During Past 5 Years <sup>(1)</sup>	Previous Service as a Director	# of Shares beneficially owned or directly or indirectly controlled <sup>(2)</sup>
<b>Dean Taylor</b> <sup>(3)</sup> President, CEO & Director BC, Canada	President & CEO of the Company; President & CEO of Okanagan Valley Business Consulting Ltd. from 2001 to present	March 22, 2007	5,503,499
<b>Darren Vucurevich</b> <sup>(4)</sup> CFO & Director AB, Canada	CFO of the Company; Principal of Chartered Professional Accounting Practice	July 28, 2005	2,726,658
<b>Dr. Stephen Haggerty</b> <sup>(3)</sup> Director Florida, USA	Geophysics Research Professor, Florida International University	April 25, 2007	80,000
<b>Sheldon Nelson</b> <sup>(3) (4)</sup> Director MB, Canada	Retired since 2014; President & CEO of MDU Communications International, Inc. from 1998 to 2013	October 5, 2007	1,813,208

NOTES:

- (1) The information as to the province or state and country of residence and principal occupation, not being within the knowledge of the Company, has been furnished by the respective directors individually.
- (2) The information as to shares beneficially owned or over which a director exercises control or direction, not being within the knowledge of the Company, has been furnished by the respective directors individually.
- (3) Denotes member of the Audit Committee.
- (4) Denotes member of the Compensation Committee.

**AUDIT COMMITTEE**

Under National Instrument 52-110 - Audit Committees ("NI 52-110"), issuers are required to provide disclosure with respect to a number of matters in connection with their audit committee, including the text of their audit committee's charter, the composition of their audit committee and the fees paid to their external auditor. This information with respect to the Company is provided in Schedule "A".

**STATEMENT OF EXECUTIVE COMPENSATION**

"Named Executive Officers" (each an "NEO") means: (i) each individual who serves as the Chief Executive Officer ("CEO") or the Chief Financial Officer ("CFO") of the Company, or an individual who acted in a similar capacity during the fiscal year ended March 31, 2023, regardless of the amount of compensation of that individual; (ii) each of the Company's three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers, or acting in a similar capacity, at the end of March 31, 2022 and whose total compensation amounted to \$150,000 or more; and (iii) any additional individuals who would have been included under (ii) except that the individual was not serving as an officer, or acting in a similar capacity, of the Company as at March 31, 2023.

The Company had two NEO's during the fiscal year ended March 31, 2023, those being Dean Taylor, President & Chief Executive Officer and Darren Vucurevich, Chief Financial Officer.

## **COMPENSATION DISCUSSION & ANALYSIS**

### **Objectives of Compensation Strategy**

The objectives of the Company's compensation strategy are:

- to attract, retain and motivate executives with the requisite skills, experience and commitment necessary to achieve the Company's goals and objectives for the aggressive development of rough diamond production properties;
- to align the interests of management with those of the shareholders;
- to provide rewards for outstanding corporate and individual performance in advancing the corporate objectives of the Company.

The Company has established a Compensation Committee, comprised of two directors, which has been given the authority to assess the performance of the Company's senior executives and determine their compensation. The Compensation Committee also reviews, reports and provides recommendations to the board of directors.

### **What the Compensation Strategy is Designed to Reward**

The Compensation Committee endeavors to ensure that the Company's compensation strategy effectively compensates, motivates and rewards senior management of the Company on the basis of individual and corporate performance, both short term and long term, while keeping in mind the obligations that the Company has to its shareholders. Due to the current stage of development of the Company, and the need for the Company to maintain its cash flow for the exploration and development of its diamond properties, the base salaries of senior management of the Company are set at levels which are somewhat lower than the base salaries paid by companies of comparable or similar size within the exploration and mining industry with production potential properties in development. Accordingly, in order to compensate for the lower salary, the Compensation Committee may recommend that a bonus be issued to its senior management (see "Bonuses") thereby enabling the Company to compete for and retain executives critical to the long term advancement and success of the Company.

### **Each Element of Compensation**

Compensation includes base salary, grants of stock options and bonuses based on available funds. The amount of bonus paid or issued, if any, is based on individual performance and achievement of corporate responsibilities, accountabilities and overall contribution to the Company. Each element of compensation is determined by the board of directors based on recommendations from the Compensation Committee. Both the board of directors and the Compensation Committee make their determinations based on discussions of the general performance of the executive, the general performance of the Company and a general review of compensation trends among similar exploration and mining companies. The board of directors and the Compensation Committee do not utilize any specific benchmark or any formal objectives, criteria, or analysis in this process.

### **Why the Company Chooses to Pay Each Element**

The components of executive compensation are based generally on pay structures of similar exploration and mining companies in terms of size, assets and stage of development. It provides the Company with the ability to retain qualified and experienced individuals to achieve the Company's short and long term goals. Ultimately this provides the Company with established executives able to provide leadership and to execute strategies consistent with the Company's corporate objectives.

### **How the Company Determines the Amount for Each Element**

The Compensation Committee is responsible for making recommendations to the Board for compensation levels. Compensation levels have been determined through independent consultation that compares compensation levels of similar exploration and mining companies with production potential projects in development.

When determining compensation policies and individual compensation levels for any NEO, the Compensation Committee takes into consideration a variety of factors. These factors include the overall financial and operating performance of the Company, the Committee and the Board's overall assessment of the executive's individual performance and his contribution towards meeting corporate objectives, levels of responsibility, length of service and industry comparables.

**Salary:** The salary of an NEO is primarily determined having regard to his position, responsibilities, the assessment of such individual's performance and overall corporate performance as presented by management to the board and the Compensation Committee. The base salaries of executive officers are reviewed annually and adjusted when considered appropriate. Base salary, with earned bonuses, is intended to provide an NEO with a compensation level competitive with base salaries within the mining industry for companies with production potential projects in development.

**Bonuses:** The Compensation Committee will consider whether it is appropriate and in the best interests of the Company to award a discretionary cash and/or share bonus to an NEO and if so, in what amount. A cash or share bonus may be awarded to reward extraordinary performance that led to increased value for the shareholders through property acquisitions or divestitures, capital raising efforts, joint venture relationships and certain other predetermined and agreed upon performance criteria. Demonstrations of extraordinary personal commitment to the Company's interests, the community and the industry may also be rewarded through a cash or share bonus.

### **Option-based Awards**

Options are granted by the Company pursuant to the Company's shareholder approved stock option plan. The Company issues option-based awards to its executive officers in order to maintain qualified officers and in order to be competitive with similar resource companies. The Compensation Committee, from time to time, reviews the accomplishments achieved by the Company as at that time, and provides recommendations to the directors with respect to the grant of option-based awards. In addition, when asked and if appropriate, the CEO will provide the Compensation Committee with an overview of the Company's achievements and progress, as well as information on the employee's ongoing roles in those efforts. At that time, the CEO may also provide the Compensation Committee with recommendations for their consideration. The CEO's recommendations are then reviewed and discussed independently of the CEO by the Compensation Committee, after which time a recommendation is made to the board for approval. Should the board adopt and approve the Compensation Committee's recommendations, it is done so on the basis of a protocol that excludes any interested party from those approvals.

All option-based awards granted are issued at an exercise price that is not lower than the discounted market price allowable pursuant to TSX Venture Exchange ("TSXV") policies. The current holdings of options are taken into account by the Compensation Committee and an executive officer may be advised that no further options will be granted to him if he does not exercise outstanding options previously granted to him. By doing so the Company ensures that its officers are building an equity interest in the Company, increasing their commitment to the success of the Company.

### SUMMARY COMPENSATION TABLE

The following table is a summary of compensation paid, payable, awarded or granted to the NEO's for the financial years ended March 31, 2021, March 31, 2022 and March 31, 2023. The NEO's did not receive any non-equity long term incentive plan pay grants for 2023. The Company does not have a pension plan.

Name & Principal Position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Dean Taylor, CEO & President	2023	\$315,600	Nil	Nil	Nil	Nil	Nil	Nil	\$315,600
	2022	\$315,600	Nil	Nil	Nil	Nil	Nil	Nil	\$315,600
	2021	\$236,700	Nil	Nil	Nil	Nil	Nil	Nil	\$236,700
Darren Vucurevich, CFO	2023	\$115,500 <sup>(1)</sup>	Nil	Nil	Nil	Nil	Nil	Nil	\$115,500
	2022	\$114,000 <sup>(1)</sup>	Nil	Nil	Nil	Nil	Nil	Nil	\$114,000
	2021	\$99,750 <sup>(1)</sup>	Nil	Nil	Nil	Nil	Nil	Nil	\$99,750

NOTES:

(1) The amount shown reflects an amount paid to a company controlled by the Officer or Director.

### INCENTIVE PLAN AWARDS

#### Outstanding Share-Based and Option-Based Awards

The following table discloses particulars of all awards for each NEO outstanding at the end of the Company's financial year ended March 31, 2023, including awards granted before this most recently completed financial year.

Name	Option-Based Awards				Share-Based Awards	
	# of Securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	# of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Dean Taylor	3,250,000	\$0.11	10/21/2024	\$65,000	Nil	Nil
Darren Vucurevich	1,270,000	\$0.11	10/21/2024	\$25,400	Nil	Nil

NOTES:

(1) "In-the-money options" means the difference between the market value of the Company's shares as at the financial year end of March 31, 2023 and the exercise price of the options. The last trading price of the Company's shares on the TSXV on March 31, 2023, being the last business day of the Company's financial year, was \$0.13.

### Incentive Plan Awards – Value Vested Or Earned During the Year

The following table summarizes the value of each incentive plan award vested or earned by each NEO during the financial year ended March 31, 2023:

Name	Option-based awards – Value vested during the year (\$) <sup>(1)</sup>	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Dean Taylor	Nil	N/A	N/A
Darren Vucurevich	Nil	N/A	N/A

NOTES:

- (1) “Value vested during the year” means the aggregate dollar value that would have been realized if the options under the option-based award had been exercised on the vesting date. This amount is calculated by determining the difference between the market value of the Company’s shares as at the vesting date and the exercise price of the options.

### Narrative Discussion

Plan based awards are generally provided to the NEO’s, based on recommendation by the Compensation Committee, for targets met throughout the fiscal year. The exercise price of options granted has historically been that of the current market price on the date of grant and the expiry of such options is typically five years from the date of issue. Due to the length of time which the NEO’s have dedicated service to the Company, all plan based awards are typically issued without any vesting provisions. The Company has also issued compensation shares to the NEO’s in previous years, with such shares being based on the market price at the time of director approval of same. The issuance of compensation shares is not pursuant to a plan but rather is reviewed on a case by case basis each year, taking into consideration the financial needs of the Company along with the need to maintain key persons and is subject to shareholder and TSXV approvals. No compensation shares were issued in the fiscal year ending March 31, 2023. There are no pre-established formulae or criteria used to determine the number of options or compensation shares that may be granted.

### PENSION PLAN BENEFITS

The Company does not provide retirement benefits for its directors or executive officers.

### DIRECTOR COMPENSATION

During the most recently completed fiscal year end, directors who are not Named Executive Officers, received compensation for services as follows:

Name	Fees Earned (\$)	Share-based Awards (\$)	Option-based Awards (\$)	Non-equity incentive plan compensation (\$)	Pension Value (\$)	All other compensation (\$)	Total (\$)
Sheldon Nelson	\$24,000 <sup>(1)</sup>	Nil	Nil	Nil	N/A	\$24,000 <sup>(1)</sup>	\$48,000
Stephen Haggerty	\$24,000 <sup>(1)</sup>	Nil	Nil	Nil	N/A	N/A	\$24,000

NOTES:

- (1) The amount shown reflects an amount paid to a company controlled by the Officer or Director.

**Narrative Discussion**

The directors who are not NEO's are compensated for their service as directors through the payment of a monthly directors' fee of \$2,000.00 and meeting fees of \$1,000.00 per meeting. The directors are reimbursed for any out-of-pocket expenses incurred for attending meetings. Option-based awards are granted to the directors to incentivize the directors and to create an equity interest in the Company, such grants are done so pursuant to a plan. The compensation of the directors is determined by the Compensation Committee taking into consideration the successes of the Company during the year and the efforts made by the directors to ensure such success.

**INCENTIVE PLAN AWARDS**

**Outstanding Share-Based and Option-Based Awards**

The following table discloses the particulars of all awards for each director outstanding at the end of the Company's financial year ended March 31, 2023, including awards granted before this most recently completed financial year:

Name	Option-Based Awards				Share-Based Awards	
	# of Securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	# of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Sheldon Nelson	825,000	\$0.11	10/21/2024	\$16,500	Nil	Nil
Stephen Haggerty	150,000	\$0.11	10/21/2024	\$ 3,000	Nil	Nil

NOTES:

- (1) "In-the-money options" means the difference between the market value of the Company's shares as at the financial year end of March 31, 2023 and the exercise price of the options. The last trading price of the Company's shares on the TSXV on March 31, 2023, being the last business day of the Company's financial year, was \$0.13.

**Incentive Plan Awards – Value Vested Or Earned During the Year**

The following table summarizes the value of each incentive plan award vested or earned by each director during the financial year ended March 31, 2023:

Name	Option-based awards – Value vested during the year (\$) <sup>(1)</sup>	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Sheldon Nelson	Nil	N/A	N/A
Stephen Haggerty	Nil	N/A	N/A

NOTES:

- (1) "Value vested during the year" means the aggregate dollar value that would have been realized if the options under the option-based award had been exercised on the vesting date. This amount is calculated by determining the difference between the market value of the Company's shares as at the vesting date and the exercise price of the options.

## **Narrative Discussion**

Plan based awards are generally provided to the directors who are not NEO's, based on recommendation by the Compensation Committee, for targets met throughout the fiscal year. The exercise price of options granted has historically been that of the current market price on the date of grant and the expiry of such options is typically five years from the date of issue. Due to the length of time served and the minimal dollar value of the directors fees issued to the directors who are not NEO's, all plan based awards are issued without any vesting provisions. The Company has also issued compensation shares to the directors who are not NEO's in previous years, with such shares being based on the market price at the time of director approval of same. No compensation shares were issued to any director in the fiscal year ending March 31, 2023. The issuance of compensation shares is not pursuant to a plan but rather is reviewed on a case by case basis, taking into consideration the financial needs of the Company along with the need to maintain key persons and is subject to shareholder and TSXV approvals.

## **STATEMENT OF CORPORATE GOVERNANCE PRACTICE**

The British Columbia Securities Commission has issued guidelines on corporate governance disclosure for venture issuers as set out in Form 58-101 F2 and requires full and complete annual disclosure of listed companies' systems of corporate governance with reference to each of such guidelines (the "Guidelines"). Where a company's corporate governance system differs from the Guidelines, each difference and the reason for the difference is required to be disclosed. The Company's approach to corporate governance is set out in the attached Schedule "B".

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

At no time during the Company's last completed fiscal year was any director, executive officer, employee, proposed management nominee for election as a director of the Company or any associate of any such director, executive officer, or proposed management nominee of the Company or any former director, executive officer or employee of the Company or any of its subsidiaries indebted to the Company or any of its subsidiaries or is or has been indebted to another entity where such indebtedness is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

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

The following table provides information regarding compensation plans under which securities of the Company are authorized for issuance to directors, officers, employees and consultants in effect as of the end of the Company's most recently completed fiscal year end of March 31, 2023:

**Equity Compensation Plan Information**

<b>Plan Category</b>	<b>Column (a)  Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights</b>	<b>Column (b)  Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights</b>	<b>Column (c)  Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a))</b>
Equity Compensation Plans Approved by Securityholders	8,185,000 Common Shares	\$0.11	10,100,236 <sup>(1)</sup>
Equity Compensation Plans Not Approved by Securityholders	N/A	N/A	N/A
Total	8,185,000 Common Shares		10,100,236 Common Shares

NOTES:

- (1) As of November 7, 2023, options have been issued, cancelled or expired, resulting in outstanding options to purchase a total of 8,185,000 shares and remaining options to purchase up to 10,100,236 shares available for future grants under the provisions of the Company's approved Incentive Stock Option Plan.

The Company's current fixed stock option plan, which was amended and approved by the disinterested shareholders at the annual general meeting held on December 23, 2021 (the "Plan"), provides for the issuance by the Company of 17,945,236 shares, being 20% of the issued and outstanding share capital of the Company as of November 18, 2021.

**CORPORATE CEASE TRADE ORDERS OR BANKRUPTCIES**

No director or any proposed management nominee for election as a director of the Company is, or during the ten years preceding the date of this Information Circular has been, a director or officer of any company that, while the person was acting in that capacity:

- (a) was the subject of a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (b) was subject to an event that resulted, after the director or proposed management nominee ceased to be a director or CEO or CFO of the relevant company in the relevant company being the subject of a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (c) within a year of the director or proposed management nominee ceasing to be a director or executive officer of the relevant company, 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;



## **PERSONAL BANKRUPTCIES**

None of the proposed directors have, within the ten years prior to the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver-manager or trustee appointed to hold the assets of the proposed director.

## **PENALTIES AND SANCTIONS**

None of the proposed directors (or any of their personal holding companies) has been subject to:

- (a) 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
- (b) any other penalties or sanctions imposed by a court or regulatory body which would likely be considered important to a reasonable security holder of the Company in deciding whether to vote for a proposed director.

## **MANAGEMENT CONTRACTS**

The management functions of the Company and its subsidiaries are performed by the directors and officers of the Company.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Other than transactions carried out in the ordinary course of business of the Company or any of its subsidiaries, none of the directors or executive officers of the Company, a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company, nor any shareholder beneficially owning, directly or indirectly, Common Shares of the Company, or exercising control or direction over Common Shares of the Company, or a combination of both, carrying more than 10% of the voting rights attached to the outstanding Common Shares of the Company nor an associate or affiliate of any of the foregoing persons has since April 1, 2022 (being the commencement of the Company's last completed fiscal year) any material interest, direct or indirect, in any transactions which materially affected or would materially affect the Company or any of its subsidiaries.

## **APPOINTMENT OF AUDITOR**

Unless such authority is withheld, the persons named in the accompanying proxy intend to vote for the appointment of MNP LLP (formerly Meyers Norris Penny LLP), Chartered Accountants & Business Advisors of 1500 - 640 5th Avenue S.W., Calgary, AB, as auditors of the Company.

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

Other than the election of directors and the appointment of auditor, no person who has been a director or executive officer of the Company, nor any proposed nominee for election as a director of the Company, or any associates or affiliates of any of the foregoing, have a material interest, directly or indirectly, by way of beneficial ownership of securities or otherwise, in the matters to be approved by the shareholders.

## **PARTICULARS OF MATTERS TO BE ACTED UPON**

Other than the election of directors and the appointment of auditor, as noted above, the Company has no other business to be presented for approval by the shareholders.

## **ANY OTHER MATTERS**

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

## **ADDITIONAL INFORMATION**

Additional information regarding the Company and its business activities is available on the SEDAR+ website located at [www.sedarplus.ca](http://www.sedarplus.ca), "Company Profiles – Diamcor Mining Inc." and on the Company's website at [www.diamcormining.com](http://www.diamcormining.com). The Company's financial information is provided in the Company's audited consolidated financial statements and related management discussion and analysis for its most recently completed fiscal year which may be viewed on the SEDAR+ website. Shareholders may request copies of the Company's audited financial statements and related management discussion and analysis by contacting Dean Taylor, President & Chief Executive Officer, by telephone at 250-862-3212, or by e-mail at [deant@diamcor.com](mailto:deant@diamcor.com), or by sending a written request to the Secretary of the Company at the head office of the Company, Suite 630 – 1620 Dickson Avenue, Kelowna, BC V1Y 9Y2.

## SCHEDULE "A"

### AUDIT COMMITTEE

#### Composition of the Audit Committee

Following the election of the directors pursuant to this Information Circular, the following will be the members of the Audit Committee:

Committee Member	Independent <sup>(1)</sup>	Financially Literate <sup>(2)</sup>
Stephen Haggerty	Yes	Yes
Dean Taylor	No	Yes
Sheldon Nelson	Yes	Yes

NOTES:

- (1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company that could, in the view of the Board of Directors, reasonably interfere with the exercise of a member's independent judgment.
- (2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth 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.

#### Relevant Education and Experience

As a result of their education and experience, each member of the audit committee has familiarity with, an understanding of, or experience in:

- the accounting principles used by the Company to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- reviewing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, and
- an understanding of internal controls and procedures for financial reporting.

#### 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 of 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 (*Discretionary Exemptions*).

## Pre-Approval Policies and Procedures

The Audit Committee is required to review the performance of the Company's external auditors and to approve in advance provision of services other than auditing. The Audit Committee is also required to consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the Company. The Chairman of the Audit Committee is authorized to approve any non-audit services or additional work that the Chairman deems as necessary. In such a case, the Chairman of the Audit Committee is to notify the other members of the Audit Committee of such non-audit or additional work.

## 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 <sup>(1)</sup>	Audit Related Fees <sup>(2)</sup>	Tax Fees <sup>(3)</sup>	All Other Fees <sup>(4)</sup>
2023	\$75,000	Nil	Nil	\$5,250
2022	\$65,000	Nil	Nil	\$4,550

NOTES:

- (1) The aggregate audit fees billed.
- (2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not included under the heading "Audit Fees".
- (3) The aggregate fees billed for professional services rendered for tax compliance and preparation of corporate income tax returns.
- (4) The aggregate fees billed for products and services other than as set out under the headings "Audit Fees", "Audit Related Fees" and "Tax Fees".

## Reliance on Exemption in Section 6.1 of NI 52-110

The Company is currently a "venture issuer", as defined in Section 1.1 of NI 52-110. Accordingly, in providing the disclosure contained in this Schedule "A", the Company is relying upon the exemption in Section 6.1 of NI 52-110 (which is available to all venture issuers) whereby the Company's audit committee members are not required to be either "independent" or "financially literate".

## The Audit Committee's Charter

The primary function of the audit committee (the "Committee") is to assist the board of directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to (i) serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements; (ii) review and appraise the performance of the Company's external auditors; and (iii) provide an open avenue of communication among the Company's auditors, financial and senior management and the board of directors.

### *Meetings*

The Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

### *Responsibilities and Duties*

To fulfil its responsibilities and duties, the Committee shall:

#### Documents/Reports Review

- (a) Review and update this Charter annually.
- (b) Review the Company's financial statements, management discussion and analysis and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion or review rendered by the external auditors.

#### External Auditors

- (a) Review annually the performance of the external auditors who shall be ultimately accountable to the board of directors and the Committee as representatives of the shareholders of the Company.
- (b) Obtain annually a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
- (c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (d) Take or recommend that the full board of directors take appropriate action to oversee the independence of the external auditors.
- (e) Recommend to the board of directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (f) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- (g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- (h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:

- (i) the aggregate amount of all such non-audit services provided to the Company constitutes not more than 5% of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
- (ii) such services were not recognized by the Company at the time of the engagement to be non-audit services; and
- (iii) such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the board of directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

#### Financial Reporting Processes

- (a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- (b) Consider the external auditor's judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- (i) Review certification process.
- (j) Establishes a general policy allowing employees, unrestricted access to audit committee members and/or auditors (but not necessarily anonymously).

#### Other

Review any related party transactions.

## **SCHEDULE "B"**

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

Corporate governance relates to the activities of the board of directors of the Company (the "Board"), the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day to day management of the Company. The Board is committed to sound corporate governance practices which are both in the interest of its shareholders and contribute to effective and efficient decision making.

National Policy 58-201 *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("NI 58-101") mandates disclosure of corporate governance practices for venture issuers in Form 58-101 F2, which disclosure is set out below.

#### **Board of Directors**

##### *Structure and Compensation*

The Board is currently composed of four (4) directors. All of the proposed nominees for election as director at the 2023 annual general meeting are current directors of the Company.

NI 58-101 suggests that the board of directors of every listed company should be constituted with a majority of individuals who qualify as "independent" directors as defined under NI 52-110 – Audit Committees, 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 of directors, be reasonably expected to interfere with the exercise of a director's independent judgment. Of the proposed nominees, two (1) Dean Taylor, President and CEO, and (2) Darren Vucurevich, Chief Financial Officer, are management directors and accordingly are not considered "independent". The two (2) remaining nominees are considered by the Board to be "independent", within the meaning of NI 52-110.

Pursuant to British Columbia corporate law and the provisions of the Company's Articles, the Board may, if a qualified candidate is identified and approved by the TSX Venture Exchange, appoint an additional director to the Board who will then be presented as one of management's nominees for election to the Board at the next annual general meeting.

#### **Other Directorships**

No other directors are associated with any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction as applicable.

#### **Orientation and Continuing Education**

When new directors are appointed, they receive orientation, at a level which is appropriate for their previous experiences, on the Company's diamond properties and on the responsibilities of directors. Board meetings may also include presentations by Company's management and employees to give directors additional insight into the Company's business.

## **Ethical Business Conduct**

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

## **Nomination of Directors**

The Board considers its size each year when it considers the number of directors to recommend to the Shareholders for election at the annual general meeting of Shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

The Board does not have a nominating committee, rather these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

## **Compensation Committee**

The Compensation Committee determines compensation for the directors and executive officers and is currently comprised of two directors: Sheldon Nelson and Darren Vucurevich.

The Company's compensation philosophy for executives continues to follow several underlying principles:

- (i) To provide compensation packages that encourage and motivate performance.
- (ii) To remain competitive with other companies of similar size and scope of operations and thus allow the Company to attract and retain talented executives.
- (iii) To align the interests of the executives within the Company with the long-term interests of the Company and its security holders through stock-related programs.

When determining compensation policies and individual compensation levels for executive officers, the Compensation Committee takes into consideration a number of factors. Factors such as the overall financial and operating performance of the Company, the Compensation Committee and the Board's overall assessment of each executive's individual performance and contribution towards meeting corporate objectives, levels of responsibility, length of service and industry comparables.

Executive compensation is comprised primarily of a base salary, and participation in the Stock Option Plan, as more particularly described in the Company's Information Circular, and employment benefit plans, and may also consist of bonuses and perquisites which may be awarded on an occasional basis.

The salary for each executive officer's position is primarily determined having close regard for the incumbent's responsibilities, individual performance factors, overall corporate performance, and the assessment of such individual by the management of the Company and the Company's Compensation Committee. The salary is intended to provide the executive officer with a compensation level competitive with the base salaries within the industry. Executive officers benefit from improved performance by the Company almost entirely through their participation in the Company's Stock Option Plan and occasionally from the receipt of compensation shares and/or bonuses.



### **Other Board Committees**

The Board has no other committees other than the Audit Committee and the Compensation Committee.

### **Assessments**

The Company's board of directors monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and process of the Board and audit committee. During the year end audit, both the Board and the Audit Committee review the information contained within the financial statements, express any opinions which they may have and make self-assessments regarding whether the information is accurate and representative of clear communications between the board of directors and the management of the Company.