



CORNERSTONE CAPITAL RESOURCES INC.

Notice of Annual General and Special Meeting of Shareholders

To be held on June 30, 2021

and

Management Information Circular

Dated May 26, 2021

Due to the ongoing public health concerns related to COVID-19, the Annual General and Special Meeting of Shareholders of Cornerstone Capital Resources Inc. will be held on June 30, 2021 in a virtual-only format, via live audio webcast. A virtual-only meeting format is being adopted to enfranchise and give all shareholders an equal opportunity to participate at the Meeting regardless of their geographic location or other particular constraints, circumstances or risks they may be facing as a result of COVID-19. **You will not be able to attend the Meeting physically. Important details about the Meeting and how shareholders can participate virtually are set out in this Management Information Circular and the accompanying Meeting materials.**

**CORNERSTONE CAPITAL RESOURCES INC.
NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON JUNE 30, 2021**

Cornerstone Capital Resources Inc. (the "Corporation") is hereby giving notice that the annual general and special meeting of shareholders of the Corporation will be held on **June 30, 2021 at 11:00 a.m. (Eastern Time) (including any adjournment(s) or postponement(s) thereof, the "Meeting")**. Due to the ongoing public health concerns related to the novel coronavirus disease (known as "COVID-19") and to mitigate against its risks, the Meeting will be held in a virtual-only format via live audio webcast at <https://web.lumiagm.com/294847526>. You will not be able to attend the Meeting physically.

The Meeting will be held to:

1. receive the audited financial statements of the Corporation for the financial year ended December 31, 2020 together with the report of the auditors;
2. set the number of directors of the Corporation to be elected at six;
3. elect the directors of the Corporation for the ensuing year;
4. re-appoint the auditors of the Corporation and authorize the board of directors of the Corporation to fix their remuneration;
5. consider and, if deemed appropriate, pass, with or without variation, an ordinary resolution approving, ratifying and confirming the Corporation's Advance Notice By-Law No. 2 as adopted by the Corporation's board of directors, which sets out the advance notice requirements for director nominations, as more particularly described in the accompanying management information circular for the Meeting; and
6. transact such other business as may properly be brought before the Meeting.

The nature of the business to be transacted at the Meeting is described in further detail in the accompanying management information circular for the Meeting, which is deemed to form part of this notice of meeting. Please read the management information circular before you vote on the matters being transacted at the Meeting.

Due to the ongoing public health concerns related to COVID-19, the Corporation will be conducting the Meeting in a virtual-only format. A virtual-only Meeting format is being adopted in response to the COVID-19 situation to enfranchise and give all the Corporation's shareholders an equal opportunity to participate at the Meeting regardless of their geographic location or the constraints, circumstances or risks they may be facing as a result of COVID-19.

This notice, the accompanying management information circular and the form of proxy or voting instruction form have been sent to you in connection with the Meeting. As described in the enclosed Meeting materials, registered shareholders are entitled to participate, vote and ask questions at the virtual Meeting if they held their common shares as of the close of business on May 26, 2021, the record date. Non-registered shareholders as of the record date that wish to participate and vote at the virtual Meeting will be required to first appoint themselves as proxyholder in advance of the Meeting by writing their own name in the appropriate space on the voting instruction form provided by their intermediary, generally being a bank, trust company, investment dealer, clearing agency or other institution. **In all cases, shareholders must carefully follow the instructions set out in their applicable form of proxy or voting instruction form AND in the accompanying management information circular under**

"General Proxy Information". The Meeting will be accessible by logging in online at <https://web.lumiagm.com/294847526>. To be admitted to the virtual Meeting, registered shareholders and duly appointed proxyholders must enter a 15- digit Control Number or Username found on their form of proxy or otherwise provided by Computershare Trust Company of Canada ("Computershare"), our transfer agent and registrar, as described in the accompanying management information circular.

A shareholder who wishes to appoint a person other than the management nominees identified on the form of proxy or voting instruction form (including a non-registered shareholder who wishes to appoint themselves as proxyholder to participate at the Meeting) must carefully follow the instructions in the accompanying management information circular and on their form of proxy or voting instruction form. **These include the additional step of registering that proxyholder with Computershare after submitting the form of proxy or voting instruction form. Failure to register the proxyholder with Computershare will result in the proxyholder not receiving a Username and not being able to attend the Meeting.**

The form of proxy or voting instruction form must be completed and returned in accordance with the instructions set out therein and in the accompanying management information circular. To be effective at the Meeting, registered shareholders must deposit their form of proxy with Computershare **no later than 11:00 a.m. (Eastern Time) on June 28, 2021 or not less than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time fixed for any adjourned or postponed meeting, provided however, that late proxies may be accepted or rejected by the Chairman of the Meeting in his or her discretion. Non-registered shareholders must carefully follow the instructions on their voting instruction form, as their intermediaries may set deadlines for voting that are further in advance of the Meeting than those set out in the accompanying management information circular.**

DATED at Ottawa, Ontario, this 26th day of May 2021.

By order of the Board of Directors

"Greg Chamandy"

Greg Chamandy
Chairman of the Board

CORNERSTONE CAPITAL RESOURCES INC.

Management Information Circular for the Annual General and Special Meeting to be held on June 30, 2021 Dated May 26, 2021

THE MEETING

This management information circular (the "Circular") is furnished in connection with the solicitation of proxies by the management of Cornerstone Capital Resources Inc. (the "Corporation", "we", "our" or "us") for use at the annual general and special meeting of the holders ("shareholders") of the common shares of the Corporation (including any adjournment or postponement thereof, the "Meeting") to be held at 11:00 am (Eastern Time) on June 30, 2021 or at any adjournment(s) or postponement(s) thereof. The Corporation's board of directors (the "Board") has fixed the close of business on May 26, 2021 as the record date (the "Record Date"), being the date for the determination of the shareholders entitled to notice of and to vote at the Meeting, and any adjournment(s) or postponement(s) thereof. Only shareholders of record at the close of business on the Record Date will be entitled to vote at the Meeting, unless that shareholder has transferred any shares after that date and the transferee shareholder, not later than 10 days before the Meeting, establishes ownership of the shares and requests that the transferee's name be included on the list of shareholders.

Due to the ongoing public health concerns related to the novel coronavirus disease (known as "COVID-19") and to mitigate against its risks, the Meeting will be held in a virtual-only format at <https://web.lumiagm.com/294847526>. You will not be able to attend the Meeting physically.

A virtual-only Meeting format is being adopted in response to the COVID-19 situation to enfranchise and give all shareholders an equal opportunity to participate at the Meeting regardless of their geographic location or the constraints, circumstances or risks they may be facing as a result of COVID-19.

For further details concerning how registered and non-registered shareholders may participate at the virtual Meeting, see "General Proxy Information" below. The instructions and procedures for registered and non-registered shareholders to participate at the virtual Meeting differ and should be read carefully. If you have questions regarding your ability to participate or vote at the Meeting, please contact Computershare Trust Company of Canada ("Computershare"), our transfer agent and registrar, at 1-800-564-6253.

These proxy materials are being sent to both registered and non-registered owners of the Corporation's securities. If you are a non-registered owner, and the Corporation or the transfer agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Intermediary (as defined below) holding the securities on your behalf. The Corporation does not intend to pay for Intermediaries to forward the materials to objecting beneficial owners as defined under National Instrument 54-101 – *Communication with Beneficial Owners of a Reporting Issuer* ("NI 54-101") (i.e., those shareholders that object to having their contact information provided to the Corporation), in which case the objecting beneficial owner will only receive the material if the Intermediary assumes the cost of delivery.

GENERAL PROXY INFORMATION

Accessing and Voting at the Virtual Meeting

The Meeting will be hosted online by way of a live audio webcast. Shareholders and duly appointed proxyholders can attend the Meeting online by going to the LUMI platform at <https://web.lumiagm.com/294847526>. **Shareholders will not be able to attend the Meeting in person.** The LUMI platform will allow registered shareholders and duly appointed proxyholders, including non-registered shareholders who have duly appointed themselves, to participate, ask questions and vote at the virtual Meeting. A summary of the information shareholders or their duly appointed proxyholders will need to attend the virtual Meeting is provided below. The Meeting will begin at 11:00 a.m. (Eastern Time) on June 30, 2021. Shareholders and duly appointed proxyholders that wish to attend the Meeting are encouraged to log in at least one hour before the Meeting begins.

- Both (i) registered shareholders that have received their 15-digit Control Number and (ii) duly appointed proxyholders (including non-registered shareholders that have appointed themselves as proxyholders) that were assigned a Username by Computershare will be able to vote and submit questions during the virtual Meeting. To do so, please go to <https://web.lumiagm.com/294847526> prior to the start of the virtual Meeting to login. Click on “**I have a login**” and enter your 15-digit Control Number or Username along with the password “**cornerstone2021**” (case sensitive). Computershare will provide duly appointed proxyholders with a Username after the deadline for the submission of proxies as described herein has passed. Registered shareholders should refer to “How to Vote – Registered Shareholders” for further details. Non-registered shareholders should refer to “How to Vote – Non-Registered Shareholders” for further details.
- Non-registered shareholders who have not appointed themselves as proxyholders to vote at the virtual Meeting will not be able to attend the Meeting.
- If, as a registered shareholder, you are using your Control Number to log in to the Meeting and you accept the terms and conditions, you will be provided the opportunity to vote by online ballot at the appropriate time on the matters put forth at the Meeting. If you have already voted by proxy (and have not revoked your proxy prior to the commencement of the Meeting in accordance with the revocation instructions in the Circular), you do not need to vote again during any online ballot. Your previously submitted proxy will be counted for purposes of the vote notwithstanding any vote during the online ballot. If you are using the Username provided by Computershare to log in to the online meeting (i.e. Computershare sent you an email with a Username), you must accept the terms and conditions to represent the shares appointed to you.

If you are eligible to vote at the Meeting, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the Meeting. You will also need the latest version of any of Chrome, Safari, Edge or Firefox. If you have questions regarding your ability to participate or vote at the Meeting, please contact Computershare at 1-800-564- 6253.

Registered shareholders may vote at the virtual Meeting by completing a ballot that will be made available online during the Meeting, as further described below under the section entitled “How to Vote – Registered Shareholders – Voting at the Meeting”.

If you are a registered shareholder and wish to appoint a third party proxyholder to vote on your behalf at the Meeting, you must appoint such proxyholder by inserting their name in the space provided on the form of proxy accompanying this Circular and follow all of the instructions below under "How to Vote – Registered Shareholders – Appointing a Third Party as Proxy", within the prescribed deadline.

If you are a non-registered shareholder and wish to participate and vote at the Meeting, you must first appoint yourself as proxyholder by inserting your own name in the space provided on the voting instruction form provided to you and follow all of the instructions set out therein and below under the section entitled "How to Vote – Non-Registered Shareholders – Voting at the Meeting or Appointing a Third Party as Proxy", within the prescribed deadline and then register yourself as proxyholder. Non-registered shareholders who have not appointed themselves as proxyholders to vote at the Meeting will not be able to attend the Meeting.

How to Vote

Voting at the meeting will only be available for registered shareholders and duly appointed proxyholders. A registered shareholder, or a non-registered shareholder who has appointed themselves or a third party proxyholder to represent them at the meeting, will appear on a list of shareholders prepared by Computershare.

The manner in which you vote your common shares depends on whether you are a registered shareholder or a non-registered shareholder. You are a registered shareholder if you have a share certificate issued in your name and you appear as the registered shareholder on the books of the Corporation. You are a non-registered shareholder if your common shares are registered in the name of an intermediary, generally being a bank, trust company, investment dealer, clearing agency or other institution (collectively "Intermediaries", and each an "Intermediary").

Registered Shareholders

As a registered shareholder, you may vote by: (i) attending the Meeting virtually, (ii) appointing a proxyholder designated by the Corporation in the form of proxy as your proxyholder, (iii) appointing a third party as your proxyholder by following the procedures below, or (iv) mail, telephone or internet.

Voting at the Meeting

If you are a registered shareholder, the 15-digit Control Number located on the form of proxy or in the email notification you received is your Username. Once you have identified your Control Number / Username, follow the instructions in the above section entitled "Accessing and Voting at the Virtual Meeting" to participate at the Meeting.

Appointing a Proxy Designated by the Corporation

Voting by proxy is the easiest way for registered shareholders to vote at the virtual Meeting. As a registered shareholder, you have received a form of proxy in this package. Registered shareholders are requested to vote their shares in accordance with the instructions on the form

of proxy for use at the Meeting or any adjournment(s) or postponement(s) thereof.

As a registered shareholder, you should submit your form of proxy in sufficient time to ensure your votes are received by the offices of **Computershare, attention: proxy department, 8th floor, 100 University Avenue, Toronto Ontario M5J 2Y1 to arrive no later than 11:00 a.m. (Eastern Time) on June 28, 2021**, or not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays) prior to the time set for any adjournment(s) or postponement(s) of the Meeting, provided however, that the Chairman of the Meeting may, in his or her sole discretion, accept proxies delivered to him or her up to the time when any vote is taken at the Meeting or adjournment(s) or postponement(s) thereof, or in accordance with any other manner permitted by law.

Appointing a Third Party as Proxy

You may appoint a person other than the proxyholders designated by the Corporation on your form of proxy to represent you and vote on your behalf at the Meeting. This person does not need to be a shareholder to be appointed as your proxyholder. To do so, strike out the names of the proxyholders designated by the Corporation printed on the form of proxy and write the name of the person that you are appointing in the space provided. Follow the voting instructions included on the form of proxy and then sign and date the form of proxy. Once complete, return the form of proxy to the offices of **Computershare, attention: proxy department, 8th floor, 100 University Avenue, Toronto Ontario M5J 2Y1 to arrive no later than 11:00 a.m. (Eastern Time) on June 28, 2021**, or not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays) prior to the time set for any adjournment(s) or postponement(s) of the Meeting, provided however, that the Chairman of the Meeting may, in his or her sole discretion, accept proxies delivered to him or her up to the time when any vote is taken at the Meeting or adjournment(s) or postponement(s) thereof, or in accordance with any other manner permitted by law.

In addition, in order for your proxyholder to attend and participate at the Meeting, you must also register the appointment of your proxyholder at <http://www.computershare.com/Cornerstone> and provide Computershare with your proxyholder's contact information so that Computershare may provide your proxyholder with a Username via email. Registering your proxyholder is an additional step that must be completed by no later than 11:00 a.m. (Eastern Time) on June 28, 2021. Once your proxyholder receives their Username, your proxyholder must follow the instructions in the above section entitled "Accessing and Voting at the Virtual Meeting" to participate at the Meeting.

Failure to register the proxyholder will result in the proxyholder not receiving a Username to participate at the virtual Meeting. Without a Username, your proxyholder will not be able to ask questions or vote at the virtual Meeting.

Voting by Mail, Telephone or Internet

If you do not plan to participate at the virtual Meeting, or you do not intend to nominate a proxyholder to vote at the virtual Meeting in your place, you can vote by proxy in any of the following ways:

- **By Mail:** Complete, date and sign the form of proxy in accordance with the instructions

included on the form of proxy. Return the completed form of proxy in the envelope provided to Computershare, attention: proxy department, 8th floor, 100 University Avenue, Toronto Ontario M5J 2Y1.

- By Telephone: Call Computershare at 1-866-732-8683 and follow the voice instructions. You will need your 15-digit Control Number, which can be found on your form of proxy.
- By Internet: Follow the instructions for internet voting on the form of proxy.

To be voted at the Meeting, proxies must be received by **Computershare no later than 11:00 a.m. (Eastern Time) on June 28, 2021, or not later than forty-eight (48) hours** (excluding Saturdays, Sundays and statutory holidays) prior to the time set for any adjournment(s) or postponement(s) of the Meeting.

Non-Registered Shareholders

If you are a non-registered shareholder, you have received a voting instruction form in this package. Non-registered shareholders may vote (i) through their Intermediary in accordance with the instructions provided by their Intermediary, (ii) at the Meeting by appointing themselves or a third party as proxyholder by following the procedures below, or (iii) by mail, telephone or internet as permitted and described in the voting instruction form provided to you. Each Intermediary has its own procedures which should be carefully followed by non-registered shareholders to ensure that their common shares are voted by their Intermediary on their behalf at the virtual Meeting.

Voting Through Your Intermediary

To vote your common shares held through an Intermediary at the virtual Meeting or any adjournment(s) or postponement(s) thereof, you must carefully follow the instructions on the voting instruction form provided by your Intermediary. Intermediaries may set deadlines for voting that are further in advance of the Meeting than those set out in this Circular. Please contact your Intermediary if you did not receive a voting instruction form or have any questions about how to participate or vote at the virtual Meeting.

Voting at the Meeting or Appointing a Third Party as Proxy

If you are a non-registered shareholder and wish to participate and vote at the Meeting or appoint a third party proxyholder to participate and vote on your behalf at the Meeting, you must appoint yourself or another individual, as applicable, as proxyholder by inserting the proxyholder's name in the applicable space (if permitted) on the voting instruction form provided to you and follow all of the applicable instructions, within the prescribed deadline, provided by your Intermediary. If you are appointing yourself as proxyholder, do not complete the voting section on the voting instruction form, as your vote will be taken at the Meeting, and return the voting instruction form to your Intermediary in the envelope provided. If you appoint a proxyholder other than the proxyholder designated by the Corporation, please make them aware and ensure they will participate at the Meeting and have received their Username prior to the Meeting. Your proxyholder must vote your common shares in accordance with your instructions at the Meeting. If your proxyholder does not attend the Meeting, your common shares will not be voted. **Appointing yourself or a third party as proxyholder must be completed before registering such proxyholder, which is an additional step to be completed once you have submitted your voting instruction form, as described below.**

Step 1: If you are a non-registered shareholder who wishes to appoint yourself or a third party as your proxyholder, you must first insert your name or the name of the person you wish to appoint as proxyholder in the blank space provided in the voting instruction form (if permitted) and follow the instructions set out in the voting instruction form by your Intermediary for submitting such voting instruction form. By doing so, you are instructing your Intermediary to appoint yourself or a third party (as applicable) as your proxyholder. It is important that you comply with the signature and return instructions provided in the voting instruction form by your Intermediary and return the voting instruction form in accordance with those instructions, within the prescribed deadline.

A non-registered shareholder located outside of Canada (including non-registered shareholders located in the United States) wishing to participate and vote at the Meeting or, if permitted, wishing to appoint a third party as their proxyholder may be required, in addition to the steps described above and below, to obtain a valid legal proxy from their Intermediary. You must then follow the instructions from your Intermediary included with the legal proxy form and in the voting instruction form sent to you or contact your Intermediary to request a legal proxy form or a legal proxy if you have not received one. After obtaining a valid legal proxy from your Intermediary, you must then submit such legal proxy to Computershare by following the instructions set out in the form of proxy. Non-registered shareholders located in the United States may send their legal proxy form to Computershare by (i) mail at: attention: proxy department, 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1; or (ii) by email at USLegalProxy@computershare.com. Requests for registration must be labelled as "Legal Proxy" and must be received no later than 11:00 a.m. (Eastern Time) on June 28, 2021. You will receive a confirmation of your registration by email after we receive your registration materials.

Step 2: Once you have completed Step 1, in order for you or your proxyholder (other than the proxyholders designated by the Corporation) to attend and participate at the Meeting, you must register the appointment of you or your proxyholder, as applicable, at <http://www.computershare.com/Cornerstone> and provide Computershare with you or your proxyholder's contact information so that Computershare may provide you or your proxyholder with a Username via email. You must register yourself or your proxyholder by no later than 11:00 a.m. (Eastern Time) on June 28, 2021. Without a Username, you or your proxyholder will not be able to participate or vote at the Meeting. Once you or your proxyholder receives the Username, you or your proxyholder must follow the instructions in the above section entitled "Accessing and Voting at the Virtual Meeting" to participate at the Meeting.

In all cases, your voting instructions must be received in sufficient time to allow your voting instruction form to be forwarded by your Intermediary to Computershare before 11:00 a.m. (Eastern Time) on June 28, 2021. If you plan to participate at the virtual Meeting (or to have your proxyholder attend the virtual Meeting), you or your proxyholder will not be entitled to vote or ask questions online unless the proper documentation is completed and received by your Intermediary well in advance of the virtual Meeting to allow them to forward the necessary information to Computershare before 11:00 a.m. (Eastern Time) on June 28, 2021. You should contact your Intermediary well in advance of the Meeting and follow their instructions if you want to participate, or have your third-party proxyholder participate on your behalf, at the virtual Meeting.

Appointment and Revocation of Proxies

By returning a form of proxy, you are authorizing the person named in the proxy to attend the

virtual Meeting and vote your common shares on each item of business according to your instructions. The form appointing a proxy must be in writing and must be executed by you or your attorney authorized in writing or, if you are a corporation, under your corporate seal or by an authorized officer or attorney of the corporation.

THE PERSONS NAMED IN THE ENCLOSED FORM OF PROXY ARE OFFICERS OR DIRECTORS OF THE CORPORATION. A REGISTERED SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON, WHO NEED NOT BE A SHAREHOLDER, TO REPRESENT HIM OR HER AT THE VIRTUAL MEETING. TO EXERCISE THIS RIGHT, A REGISTERED SHAREHOLDER SHOULD INSERT THE NAME OF HIS OR HER REPRESENTATIVE IN THE BLANK SPACE PROVIDED ON THE FORM OF PROXY AND STRIKE OUT THE OTHER PROXY NOMINEE NAMES, AND DEPOSIT THE COMPLETED AND EXECUTED PROXY IN THE MANNER DESCRIBED ABOVE. A NON-REGISTERED SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON, WHO NEED NOT BE A SHAREHOLDER, TO REPRESENT HIM OR HER AT THE VIRTUAL MEETING, MAY DO SO BY FOLLOWING THE INSTRUCTIONS ON THE VOTING INSTRUCTION FORM AND IN THE MANNER DESCRIBED ABOVE.

Revocability of Proxy

You may revoke your proxy at any time prior to a vote. In addition to revocation in any other manner permitted by law, a proxy given pursuant to this solicitation may be revoked by an instrument in writing executed by a shareholder or by a shareholder's attorney duly authorized in writing or, if the shareholder is a body corporate, under its corporate seal, or by a duly authorized officer or attorney of the corporation. To be effective the instrument in writing must be deposited either (i) at the Corporation's head office at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof, (ii) at the offices of Computershare, attention: proxy department, 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1 so that it arrives no later than June 28, 2021 at 11:00 a.m. (Eastern Time), or (iii) with the chairman of the Meeting on the date of the Meeting or any adjournment thereof. If you are a non-registered shareholder, you must contact your Intermediary to revoke any prior voting instructions.

The revocation of a proxy does not affect any matter on which a vote has been taken before the revocation.

Persons Making the Solicitation

This solicitation is made on behalf of management. The Corporation will bear the costs incurred in the preparation and mailing of the proxy materials. In addition to mailing forms of proxy, proxies may be solicited by personal interviews, or by other means of communication, by the directors, officers and employees who will not be remunerated for their services.

Exercise of Discretion by Proxy

Where you specify a choice with respect to any matter to be acted upon, the shares will be voted in accordance with the specification. If you do not provide instructions your shares will be voted in favour of the matters as set out in the form of proxy. The persons appointed under the form of proxy are conferred with discretionary authority with respect to amendments of the matters specified and with respect to any other matters which may properly be brought before the Meeting. At the time of printing of this Circular, management of the Corporation is not aware of any amendments.

Notice and Access

The Corporation is not sending the Notice of Meeting and Circular to registered shareholders or non-registered shareholders using notice-and-access delivery procedures defined under NI 54-101 and National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”).

Request for Financial Statements

National Instrument 51-102 sets out the procedures for a shareholder to receive financial statements. If you wish to receive financial statements, you may use the enclosed form or provide instructions in any other written format. Registered shareholders must also provide written instructions to receive the financial statements. Financial Statements and Management’s Discussion and Analysis (MD&A) are also available at www.SEDAR.com and on the Corporation’s website.

VOTING SHARES AND PRINCIPAL SHAREHOLDERS

The Corporation is authorized to issue an unlimited number of common shares. As at the Record Date of May 26, 2021, there were **36,521,194** common shares issued and outstanding. As a shareholder, you are entitled to one vote for each share you own. In accordance with the Corporation’s Amended and Restated By-Law No. 1, a quorum for the transaction of business at the Meeting is at least two persons present in person, each being a shareholder entitled to vote thereat or a duly appointed proxy or representative for any absent shareholder so entitled and representing in the aggregate not less than 25% of the shares entitled to be voted at the Meeting.

To the knowledge of the directors and executive officers of the Corporation as of the date hereof, only the following persons or companies beneficially own, directly or indirectly, or exercise control or direction over shares carrying 10% or more of the voting rights attached to all outstanding shares of the Corporation which have the right to vote in all circumstances:

Name (Province/State and Country of Residence)	Number of Common Shares Beneficially Owned or Controlled	Percentage of Common Shares Outstanding⁽¹⁾
Dmyant Sangha⁽²⁾ <i>(Ontario, Canada)</i>	6,729,993	18.33%
Greg Chamandy⁽³⁾ <i>(London, England)</i>	4,050,000	10.95%

-
- (1) Calculated on a partially-diluted basis. As of the date hereof, there were **36,521,194** common shares outstanding on a non-diluted basis.
 - (2) Includes 772,943 common shares held by Mr. Sangha, 5,757,050 common shares held by Maxit Capital LP, who is acting jointly or in concert with Mr. Sangha in respect of the common shares, and 200,000 options to acquire common shares held by Mr. Sangha. Accordingly, on a partially-diluted basis, based on the securities of the Corporation outstanding as of the date hereof, Mr. Sangha holds 6,729,993 common shares, or 18.33% of the outstanding common shares.
 - (3) Includes 100,000 common shares held by Mr. Chamandy, 3,500,000 common shares (the "Trust Shares") held by Reliance Trust Company SA ("Reliance Trust"), in its capacity as trustee of The Life Partners Trust (the "Trust"), and 450,000 options to acquire common shares held by Mr. Chamandy. Accordingly, on a partially-diluted basis, based on the securities of the Corporation outstanding as of the date hereof, Mr. Chamandy holds 4,050,000 common shares, or 10.95% of the outstanding common shares. Reliance Trust legally owns and, subject to the Control Right (as defined below), exercises control and direction over the Trust Shares in its capacity as trustee for the Trust, the beneficiaries of which are Mr. Chamandy, Marie Chantal Condoroussis (Mr. Chamandy and Ms. Condoroussis, together with Reliance Trust, the "Trust Parties"), their children and any other persons designated in accordance with the terms of a deed of settlement dated November 9, 2020, as supplemented on November 30, 2020, pursuant to which the Trust was established (the "Deed of Settlement"). In accordance with the terms of the Deed of Settlement, the trustees of the Trust shall not, without Mr. Chamandy's consent: (i) transfer or encumber any interest in the Trust Shares; (ii) enter into any transaction or agreement in relation to the Trust Shares; or (iii) exercise any rights attached to the Trust Shares, including any voting rights (the "Control Right"). The Control Right shall terminate upon its revocation by the trustees, with Mr. Chamandy's consent, or upon Chamandy's death or incapacity.

The directors and officers of the Corporation own or control, directly or indirectly, in the aggregate, 4,095,976 common shares, representing approximately 11.22% of the outstanding common shares as at the date hereof (excluding common shares underlying unexercised or unvested options or unexercised warrants), and 1,912,000 options to acquire common shares. No warrants are outstanding as at the date hereof.

MATTERS TO BE ACTED UPON AT THE MEETING

Financial Statements

The Board has approved the audited consolidated financial statements for the fiscal year ended December 31, 2020, together with the auditor's report thereon. Copies of these financial statements have been sent to those shareholders who had requested them and are also available on SEDAR at www.SEDAR.com.

Set Numbers of Directors

At the Meeting, shareholders will be asked to pass an ordinary resolution fixing the number of directors to be elected to the Board at six. The number of directors will be approved if the affirmative vote of at least a majority of common shares present or represented by proxy at the Meeting and entitled to vote thereat are voted in favour of fixing the number of directors at six.

The shares represented by proxy will be voted FOR the resolution to set the number of directors for the ensuing year at six, unless the authority to do so is withheld.

Election of Directors

It is proposed that six directors be elected, to hold office until the next annual meeting or until successors are elected or appointed. There are currently six directors, each of whom retires from office at the close of the Meeting, unless re-elected. All six of the directors are standing for re-election. Unless otherwise directed, it is the intention of management to vote proxies in favour of the nominees. The nominees are set out in the table immediately below.

Name and Residence ⁽¹⁾	Number of Common Shares Beneficially Owned or Controlled (Percentage of Common Shares Outstanding) ⁽²⁾	Number of Options (Percentage of Options Outstanding) ⁽³⁾	Number of Warrants (Percentage of Warrants Outstanding) ⁽⁴⁾	Offices Held and Time as Director	Principal Occupation
Greg Chamandy <i>London, England</i>	3,600,000 ⁽⁵⁾ 9.86%	450,000 19.03%	Nil	Current Chairman of the Board, Director since July 12, 2017	Founder and former Chairman & CEO of Gildan Activewear, former Chairman and co-owner of Europe's Best frozen foods, former Executive Chairman of Richmond Mines Inc.
Brooke Macdonald <i>Florida, USA</i>	240,267 0.66%	436,250 18.45%	Nil	President of the Corporation since February 24, 2011, CEO since January 1, 2012 and Director since April 2009	President & CEO of the Corporation. Prior to that, Vice President, Legal Affairs, Skye Resources Inc.
David Loveys <i>Newfoundland and Labrador, Canada</i>	38,053 ⁽⁶⁾ 0.10%	200,000 8.46%	Nil	Chief Financial Officer of the Corporation and Director since November 2006	President, D.R. Loveys & Associates Inc. since May 2005. Prior to that, Treasurer of CHC Helicopter Corporation since August 1998.
John Clarke ^{(7), (8)} <i>Newfoundland and Labrador, Canada</i>	56,433 0.15%	190,000 8.03%	Nil	Director since July 1999	Barrister & Solicitor – Clarke Law Offices
Colin McKenzie ^{(7), (8)} <i>Nova Scotia, Canada</i>	7,417 0.02%	190,000 8.03%	Nil	Director since February 2005	Past President & CEO of the Corporation. Prior to that, Vice President, Exploration, Skye Resources Inc.
Beverley Evans ^{(7), (8)} <i>Newfoundland and Labrador, Canada</i>	12,556 0.03%	192,000 8.12%	Nil	Director since June 11, 2010	Partner, Knightsbridge Robertson Surette. Prior to that, Executive VP, Pike Group of Companies. Prior to that CFO, Research and Development Corporation. Prior to that CFO and Corporate Secretary, Fishery Products International Ltd.

-
- (1) The information as to the securities of the Corporation beneficially owned or controlled, directly or indirectly, by the nominees is based upon information furnished by the nominees, as of the date hereof.
- (2) As of the date of hereof, there were **36,521,194** common shares outstanding.
- (3) As of the date hereof, there were **2,364,792** options to acquire common shares outstanding.
- (4) As of the date hereof, there were Nil warrants to acquire common shares outstanding.
- (5) Includes the Trust Shares. See "Voting Shares and Principal Shareholders".
- (6) Includes 384 common shares held by D.R. Loveys & Associates Inc.
- (7) Member of the Audit Committee.
- (8) Member of the Corporate Governance & Compensation Committee.

Pursuant to a share exchange agreement dated July 2017 (the "Share Exchange Agreement") between Mr. Chamandy and the Corporation, Mr. Chamandy exchanged ordinary shares of SolGold plc ("SolGold") for newly issued common shares of the Corporation. Pursuant to the Share Exchange Agreement, for as long as Mr. Chamandy owns more than 10% of the outstanding common shares, he is entitled to designate one nominee for election or appointment to the Board, in accordance with the terms of the Share Exchange Agreement. Pursuant to a share transfer restriction agreement dated November 30, 2020 (the "Transfer Restriction Agreement") between the Corporation, Mr. Chamandy, Ms. Condoroussis and Reliance Trust, in its capacity as trustee of the Trust, each of the Trust Parties agreed to not, either individually or jointly, without the consent of the Corporation, (i) transfer, in one transaction or a series of transactions, in aggregate 2.5% or more of the issued and outstanding common shares of the Corporation to any one transferee or group of transferees, other than sales of common shares on the open market that are not pre-arranged or certain permitted transfers to affiliates; or (ii) enter into, with respect to in aggregate 2.5% or more of the issued and outstanding common shares of the Corporation, any agreement, commitment or understanding to deposit or tender such common shares to a take-over bid, tender offer or exchange offer or to vote such common shares in favour of any resolution or transaction (collectively, the "Transfer Restrictions"). Pursuant to the Transfer Restriction Agreement, Mr. Chamandy has agreed to not, without the consent of the Corporation, amend or revoke the Control Right. As well, Mr. Chamandy and Reliance Trust have agreed to subject any future securities of Cornerstone that are contributed to the Trust to control provisions substantially similar to those provided by the Control Right. The Transfer Restrictions replace the restrictions on dispositions of common shares that were contained in the Share Exchange Agreement.

Except as noted below, to the knowledge of the Corporation, no proposed director is, as at the date of the Circular or has been, within the last 10 years, a director or executive officer of any company that (a) was the subject of an order that was issued while the director was acting in the capacity as director or executive officer, or (b) was subject to an order that was issued after the director ceased to be a director or executive officer and which resulted from an event that occurred while that person was acting in the capacity as director or executive officer, or (c) while that person was acting in that capacity or within one 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.

Mr. Chamandy was Chairman and Chief Financial Officer of Liquid Nutrition Group Inc. when:

- Liquid Nutrition Group Inc.'s securities were subject to: (a) a cease trade order issued by the British Columbia Securities Commission on June 12, 2015; (b) a cease trade order issued by the Ontario Securities Commission on June 24, 2015; and (c) a cease trade order issued by the Alberta Securities Commission on September 23, 2015 (collectively, the "CTOs"). The CTOs were issued due to a failure to file interim financial statements for the period ended March 31, 2015, management's discussion and analysis for the period ended March 31, 2015 and certification of such filings. The CTOs have not been revoked as of the date hereof.
- Liquid Nutrition Group Inc.'s wholly-owned subsidiary, Liquid Nutrition Franchising Corporation, of which Mr. Chamandy was then a director, filed a proposal to its creditors pursuant to the Bankruptcy and Insolvency Act in May 2015. Ratification of

the proposal was dismissed by the Superior Court of Quebec on May 16, 2017, and Liquid Nutrition Franchising Corporation was deemed to have made an assignment pursuant to subsection 62(2)(a) of the BIA.

Mr. Chamandy is currently a director of Liquid Nutrition Group Inc. and Liquid Nutrition Franchising Corporation.

In December 2015, Mr. Chamandy was fined \$5,000 by the Autorité des marchés financiers for misstating in an insider report filing the increase in his ownership in securities of Richmond Mines Inc. following a purchase of securities of the issuer (approximately 50 shares were understated).

To the knowledge of the Corporation, no proposed director has within the last 10 years 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.

Shareholders can vote for all the proposed nominees for directors of the Corporation, vote for some of the proposed nominees and withhold for others, or withhold from voting for all or any of the proposed nominees. Unless the authority to do so is withheld, the persons named in the enclosed form of proxy will vote FOR the election of the six nominees whose names are set forth above.

Appointment of Auditors

Management is proposing to re-appoint UHY McGovern Hurley LLP, Chartered Accountants, as auditors, to hold office until the next annual meeting, and to authorize the directors to fix their remuneration.

Unless the authority to do is withheld, the persons named in the enclosed form of proxy intend to vote FOR the re-appointment of UHY McGovern Hurley LLP, to serve as auditors of the Corporation for the ensuing year and to authorize the Board to fix their remuneration.

Approval of Advance Notice By-Law No. 2

On April 29, 2021, the Board passed a resolution adopting Advance Notice By-Law No. 2 (the "Advance Notice By-Law"), being a by-law that sets out advance notice requirements for director nominations. At the Meeting, shareholders will be asked to consider, and if deemed appropriate, to pass, with or without variation, an ordinary resolution set forth below (the "Advance Notice By-Law Resolution"), approving, ratifying and confirming the Advance Notice By-Law. The Advance Notice By-Law became effective upon its adoption by the Board on April 29, 2021. However, pursuant to the provisions of the *Business Corporations Act* (Alberta) (the "ABCA"), the Advance Notice By-Law will cease to be effective unless the Advance Notice By-Law Resolution is passed by a simple majority of the votes cast by shareholders represented in person or by proxy at the Meeting.

The full text of the Advance Notice By-Law is attached as Schedule "B" to this Circular and is available under the Corporation's profile on SEDAR at www.SEDAR.com.

Purpose of Advance Notice By-Law

The Corporation is committed to: (a) facilitating an orderly and efficient annual or, where the need arises, special meeting process; (b) ensuring that all shareholders of the Corporation, including those voting by proxy, receive adequate notice of director nominations and sufficient information with respect to all director nominees; (c) allowing the Corporation and its shareholders to evaluate all nominees' qualifications and suitability as directors of the Corporation; and (d) allowing shareholders of the Corporation to cast an informed vote with respect to the election of directors.

The purpose of the Advance Notice By-Law is to provide shareholders, directors and management of the Corporation with a transparent, fair and structured framework under which the Corporation's shareholders may submit director nominations. The Advance Notice By-Law fixes a deadline by which shareholders of the Corporation must submit director nominations to the Corporation prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Corporation for the notice to be in proper written form.

Terms of the Advance Notice By-Law

Pursuant to the Advance Notice By-Law, if a shareholder intends to nominate persons for election as directors of the Corporation at a meeting of shareholders, other than pursuant to a shareholder proposal or by way of a requisition of shareholders, such nomination must comply with the procedures set out in the Advance Notice By-Law, including providing timely notice in proper written form.

To be timely, a nominating shareholder's notice must be made:

- in the case of an annual meeting of shareholders, not later than the close of business on the 30th day prior to the date of the meeting (i.e. no later than 5:00 p.m. (Eastern Time) on May 31, 2021 in the case of the Meeting); provided that if the meeting of shareholders is to be held less than 50 days after the date (the "Notice Date") on which the first public announcement of the date of the meeting was made, notice may be given not later than the close of business on the 10th day following the Notice Date;
- in the case of a special meeting of shareholders (which is not also an annual meeting of shareholders) called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the 15th day following the date (the "Special Meeting Notice Date") on which the first public announcement of the date of the meeting was made; and
- in the case of an annual meeting of shareholders or a special meeting of shareholders (which is not also an annual meeting of shareholders) called for the purpose of electing directors (whether or not called for other purposes) where notice-and-access (as defined in NI 54-101) is available and used for delivery of proxy-related materials, not later than the close of business on the 40th day prior to the date of the meeting; provided that if the meeting of shareholders is to be held less than 50 days after the Notice Date or the Special Meeting Notice Date, as applicable, notice may be given, in the case of an annual meeting of shareholders, not later than the close of business on

the 10th day following the Notice Date and, in the case of a special meeting (which is not also an annual meeting of shareholders), not later than the close of business on the 15th day following the Special Meeting Notice Date.

To be in proper written form, a nominating shareholder's notice must set forth, or be accompanied by, as applicable, the information specified in the Advance Notice By-Law regarding both the nominating shareholder and the person whom the nominating shareholder proposes to nominate for election as a director (a "proposed nominee"), as well as the written consent duly signed by the proposed nominee to being named as a nominee for election to the Board and to serve as a director of the Corporation, if elected, in accordance with the ABCA. Such notice must be promptly updated and supplemented, if necessary, so that the information provided or required to be provided in such notice will be true and correct as of the record date for the meeting.

Delivery of the notice pursuant to the Advance Notice By-Law may only be given by given by personal delivery or by email, and shall be deemed to have been given and made only at the time it is served by personal delivery or sent by email to the Corporate Secretary of the Corporation or, if the Corporation has not designated a Corporate Secretary at the relevant time, to the Chief Financial Officer of the Corporation at: 1730 St. Laurent Blvd., Suite 800, Ottawa, Ontario, K1G 3Y7, or, in the case of email, to ir@cornerstoneresources.ca; provided that if such delivery is made on a non-business day or later than 5:00 p.m. (Eastern Time) on a day that is a business day, then such delivery or communication shall be deemed to have been made on the next following day that is a business day.

The Chair of the meeting shall have the power and duty to determine whether a nomination of a person for election to the Board was made in accordance with the Advance Notice-By-Law and, if the Chair determines that a nomination does not comply with the Advance Notice By-Law, to declare that such defective nomination shall be disregarded. The Board may, in its sole discretion, waive any requirement in the Advance Notice By-Law.

The foregoing summary of the Advance Notice By-Law is qualified in its entirety by reference to the complete text of the Advance Notice By-Law, which is attached as Schedule "B" to this Circular, and, in the event of any conflict between the provisions thereof and this summary, the provisions of the Advance Notice By-Law will govern.

Advance Notice By-Law Resolution

Pursuant to the ABCA, the Advance Notice By-Law Resolution must be approved by a simple majority of the votes cast by shareholders represented in person or by proxy at the Meeting. At the Meeting, shareholders will be asked to consider and, if deemed appropriate, to pass, with or without variation, the Advance Notice By-Law Resolution as set forth below, subject to such amendments, variations or additions as may be approved at the Meeting:

"RESOLVED THAT:

1. pursuant to subsection 102(2) of the *Business Corporations Act* (Alberta), Advance Notice By-Law No. 2 of Cornerstone Capital Resources Inc. (the "Corporation"), in the form adopted by the Board of Directors of the Corporation on April 29, 2021 and as set forth in Schedule "B" to the management information circular of the Corporation dated May 26, 2021, be and is hereby approved, ratified and confirmed; and
2. any one director or officer of the Corporation be and is hereby authorized and directed,

for and in the name of and on behalf of the Corporation (whether under the corporate seal of the Corporation or otherwise), to execute and deliver such agreement, documents, certificates and instruments and to take such other actions as such person may determine to be necessary or advisable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such agreement, document, certificate and instrument and the taking of any such action.”

Unless the authority to do so is withheld, the persons named in the enclosed form of proxy intend to vote FOR the Advance Notice By-Law Resolution.

RECOMMENDATION OF DIRECTORS

Our directors have reviewed and considered all facts respecting the foregoing matters, which they have considered to be relevant to shareholders. It is the unanimous recommendation of our directors that shareholders vote for passage of the foregoing resolutions.

OTHER MATTERS WHICH MAY COME BEFORE THE MEETING

Management 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 common shares represented thereby in accordance with their best judgment on such matter.

AUDIT COMMITTEE

Audit Committee Charter

The full text of the Audit Committee Charter is attached as Schedule “A” to this Circular.

Composition of the Audit Committee

Members of the Audit Committee are Beverley Evans, FCPA, FCA (Chair), John Clarke and Colin McKenzie. All members of the committee are independent and all three members are financially literate. Mr. McKenzie, a professional geologist, and Mr. Clarke, a lawyer, both have extensive experience in the mineral exploration and mining industries.

Ms. Evans, who was appointed to the Committee on June 11, 2010, is a Chartered Professional Accountant who has extensive experience with public companies.

Audit Committee Oversight

The Audit Committee reports directly to the Board. During the year, all recommendations of the Audit Committee were adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the Corporation's most recently completed financial year, it has not relied on the exemptions contained in section 2.4 or part 8 of National Instrument 52-110 – *Audit Committees* ("NI 52-110"). Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditors, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total amount of fees payable to the auditor in the fiscal year in which the non-audit services were provided. Part 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

Pre-Approval Policies and Procedures

The Audit Committee must approve all non-audit services provided by the auditors prior to any work commencing.

External Auditor Service Fees

Audit Fees

The aggregate fees billed by the external auditors in the years ending December 31, 2020 and December 31, 2019 for audit services were \$45,000 and \$40,000, respectively.

Audit-Related Fees

The aggregate fees billed by the external auditor in the years ending December 31, 2020 and December 31, 2019, for assurance and related services by the Corporation's external auditor that were reasonably related to the performance of the audit or review of the Corporation's financial statements and are not reported above under the heading "Audit Fees" were \$Nil and \$5,000, respectively.

Tax Fees

The aggregate fees billed by the external auditor in the years ending December 31, 2020 and December 31, 2019 for tax compliance, tax advice and tax planning services were \$5,900 and \$5,900, respectively.

All Other Fees

The aggregate fees billed by the external auditor in the years ending December 31, 2020 and December 31, 2019, for all other services other than as described above under the headings "Audit Fees", "Audit-Related Fees" and "Tax Fees" were \$Nil and \$Nil, respectively.

Exemption

The Corporation is relying on the exemption provided by Part 6.1 of NI 52-110 for Venture Issuers which allows for an exemption from Part 5 (Reporting Obligations) of NI 52-110 and allows for the short form of disclosure of audit committee procedures set out in Form 52-110F2 and disclosed in this Circular.

CORPORATE GOVERNANCE DISCLOSURE

1. Board of Directors

Following the Meeting and assuming the election of all of the proposed nominees, the Board will be composed of six Directors. Brooke Macdonald is President and CEO and David Loveys is CFO, and both are accordingly not considered independent. Greg Chamandy is a 10% shareholder and Chairman and is not considered independent. John Clarke, Beverley Evans and Colin McKenzie are independent.

2. Mandate and Responsibility of the Board

The Board is responsible for supervising management in carrying on the business and affairs of the Corporation. Directors are required to act and exercise their powers with reasonable prudence in the Corporation's best interests. The Board is responsible for overseeing management's performance in the following areas: the strategic planning process; identification and management of the principal risks associated with the business; planning for succession of management; policies regarding communications with shareholders and others; and the integrity of internal controls and management information systems.

In carrying out its mandate, the Board relies primarily on management to provide it with regular detailed reports on the Corporation's operations and its financial position. The Board reviews and assesses these reports and other information provided to it at meetings of the full Board and of its committees. The CEO is a member of the Board, giving the Board direct access to information on all areas of responsibility.

3. Directorships

Greg Chamandy is a director of each of Liquid Nutrition Group Inc. and Liquid Nutrition Franchising Corporation. David Loveys is a director of Aurion Resources Limited.

4. Position Descriptions

The Board has not developed a written position description for the Chairman, but the President & CEO's consulting agreement contains a position description, and the Audit and the Corporate Governance & Compensation Committees' respective Charters contain descriptions of the functions of those committees. The Board is of the view that given the Corporation's size, the relatively frequent discussions between Board members and the CEO, and the experience of the individual members of the Board, the responsibilities of the Chairman are known and understood without a position description being reduced to writing. The Chairman's duties include assisting the CEO and the Secretary in setting the agenda for meetings and chairing those meetings as well as advising management on the strategic direction of the Corporation.

5. Orientation and Continuing Education

The Board ensures that all new members are provided access to senior management to discuss current business strategies or any other items of interest, including historical information about the Corporation. New members are encouraged to meet individually with existing Board members to gain a better knowledge of the Corporation's history. The Corporation also encourages and supports Board members to enrol in corporate education programs.

6. Ethical Business Conduct

The Board has adopted a formal written Code of Business Conduct which is published on the Corporation's website. The Board views good corporate governance as an integral component to its success and to meet its responsibilities to shareholders. The Board encourages ethical business conduct through the nomination of Board members it considers experienced in ethical business standards.

7. Nomination of Directors

The Board does not have a nominating committee. Recruitment of new directors is principally the responsibility of the existing Board, often with recommendations from shareholders. Prior to standing for election, new nominees to the Board are reviewed by the entire Board.

8. Compensation

The Corporate Governance and Compensation Committee, which is currently made up of John Clarke (Chair), Beverley Evans and Colin McKenzie, reviews the CEO's and other executive officers' remuneration on an annual basis and recommends any changes to the Board for approval. All members of the Corporate Governance and Compensation Committee are independent directors.

9. Other Board Committees

The Board has appointed a Corporate Governance and Compensation Committee as noted in 8 above. This Committee is responsible to oversee Corporate Governance and reviews the compensation of Executive Officers.

10. Assessment

The Board reviews the performance of all its members, and its committees, at least annually, by individual meetings of independent and non-independent directors to ensure all members are fully aware of their responsibilities to contribute to the effective management and oversight of the Corporation.

EXECUTIVE COMPENSATION

DEFINITION OF NAMED EXECUTIVE OFFICERS

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

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

COMPENSATION DISCUSSION AND ANALYSIS

The compensation of the Corporation’s NEOs has been established to attract and retain executives critical to the short and long term success of the Corporation. Such compensation must be competitive with other similar organizations in the industry.

Compensation is in the form of a base consulting fee, which is a set specific annual amount or, in some cases based on time charged to the Corporation at an agreed upon daily or hourly rate. In addition, the Corporation grants options to purchase common shares to the NEOs under the Corporation’s stock option plan.

Through its executive compensation practices, the Corporation seeks to provide value to its shareholders through strong executive leadership. Specifically, the Corporation’s executive compensation structure seeks to (1) attract and retain talented and experienced executives necessary to achieve the Corporation’s strategic objectives, (2) motivate and reward executives whose knowledge, skills and performance are critical to the Corporation’s success, and (3) align the interests of the Corporation’s executives and shareholders by motivating executives to increase shareholder value.

Compensation Process – The compensation of NEOs is the responsibility of the Corporate Governance and Compensation Committee, which makes recommendations to the independent members of the Board, who determine both the long term and short term compensation, including consulting fees, merit bonuses and stock option based compensation.

Option Based Awards – Long-term incentive in the form of options to purchase common shares are intended to align the interests of the Corporation’s directors and its executive officers with those of its shareholders, to provide a long-term incentive that rewards these individuals for their contribution to the creation of shareholder value. The stock option incentive plan is administered by the Board. In establishing the number of incentive stock options to be granted to the NEOs, reference is made to the number of stock options granted to officers of other publicly traded companies that, like the Corporation, are involved in the mineral exploration industry, as well as those of other publicly traded Canadian companies of a comparable size to the Corporation. The

Board also considers previous grants of options and the overall number of options that are outstanding relative to the number of outstanding common shares in determining whether to make any new grants of options. The level of effort, time, responsibility, ability, experience and level of commitment of the executive officer is also considered in determining the level of incentive stock option compensation.

The NEOs and directors are not permitted to purchase financial instruments, including prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEOs or directors.

The Corporate Governance and Compensation Committee, consisting of John Clarke (Chair), Colin McKenzie and Beverley Evans, reviews the CEO's and other NEO's remuneration on an annual basis and recommends any changes to the Board for approval. All the members of the Committee are independent directors. The non-management members of the Board receive an annual stipend of \$20,000 each as Board members, and an additional \$3,000 each for membership of either the Audit or Corporate Governance Committees. The Non-Executive Board Chairman receives an additional \$9,000 per annum, Chair of the Audit Committee \$6,000 and Chair of the Corporate Governance & Compensation Committee \$3,000. All Board members also receive reimbursement of expenses incurred while acting as a director. The Board reviews the stock option plan and any grants to the Board members or officers.

SUMMARY COMPENSATION TABLE

The following compensation information relates to amounts paid to the named executive officers.

Name and Principal Position	Year	Consulting Fees (\$)	Share-Based Awards (\$)	Option-Based Awards (\$) (2)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long Term Incentive Plans			
Brooke Macdonald <i>President & CEO</i>	2020	375,029	Nil	Nil	Nil	Nil	Nil	Nil	375,029
	2019	377,254	Nil	344,934	Nil	Nil	Nil	Nil	722,188
	2018	357,003	Nil	336,475	Nil	Nil	Nil	Nil	693,478
David Loveys⁽¹⁾ <i>CFO</i>	2020	198,000	Nil	Nil	Nil	Nil	Nil	Nil	198,000
	2019	198,000	Nil	187,314	Nil	Nil	Nil	Nil	385,314
	2018	43,275 ⁽¹⁾	Nil	196,950	Nil	Nil	Nil	26,000 ⁽¹⁾	266,225
Yvan Crepeau <i>VP Exploration; President of Cornerstone Ecuador S.A., other wholly-owned Ecuadorian subsidiaries & Minera Cornerstone Chile Ltda.⁽⁴⁾</i>	2020	376,770	Nil	Nil	Nil	Nil	Nil	Nil	376,770
	2019	369,283	Nil	207,109	Nil	Nil	Nil	Nil	576,392
	2018	390,803	Nil	180,870	Nil	Nil	Nil	Nil	571,673

-
- (1) David Loveys was appointed CFO on December 31, 2018. As described below, the Corporation pays D.R. Loveys & Associates Inc. \$198,000 plus HST for providing the services of Mr. Loveys as CFO. Mr. Loveys earned fees as a consultant, as well as directors' fees during 2018 prior to his December 31, 2018 appointment as CFO.
- (2) The Corporation used the Black-Scholes option pricing model for determining the fair value of stock options issued at the grant date. There is no certainty that the options will be exercised and that the fair value as shown will be received by the NEO. No options were issued during 2020.
- (3) As described below, the Corporation pays Macdonald Consulting LLC US\$252,000 per annum for providing the services of Mr. Macdonald as President & CEO.
- (4) As described below, under the terms of a professional services contract, Mr. Crepeau invoices Cornerstone Ecuador S.A. ("CESA") and the Corporation a total of US\$210,000 per year. The balance is attributable to Mr. Crepeau's expatriate benefits package.

Effective October 1, 2018, the Corporation entered into an amended and restated consulting agreement with Mr. Macdonald and Macdonald Consulting LLC for a two-year term ending October 1, 2020, which has since been extended to October 1, 2022. Under Mr. Macdonald's consulting agreement, the Corporation has agreed to pay a base consulting fee to Macdonald Consulting LLC of US\$21,000 per month (US\$252,000 per year), and a "Special Transaction Bonus" (described below).

The Corporation has entered into a consulting agreement with D.R. Loveys & Associates Inc. for the services of CFO David Loveys for an 18-month period beginning July 1, 2020 and ending on December 31, 2021 (the initial term of the agreement was for a period of 18 months which ended on June 30, 2020). The monthly base consulting fee is \$16,500.00 (\$198,000.00 per year) plus HST. The agreement may be renewed for an additional term but is otherwise automatically renewable on a month to month basis unless terminated.

Under the terms of a professional services contract dated May 2, 2017 between CESA and Mr. Crepeau, acting as an independent contractor, Mr. Crepeau invoices CESA and the Corporation a total of US\$210,000 per year. The contract continues indefinitely unless terminated by either party on 15 days' notice.

The Corporation has also entered into change of control agreements with each of Mr. Macdonald and Mr. Crepeau, as described below under the heading "Termination and Change of Control Benefits".

INCENTIVE PLAN AWARDS

Outstanding Option-Based Awards

The following table provides details of outstanding option-based awards granted to NEOs as at December 31, 2020.

Name	Option-Based Awards				Share-Based Awards	
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option ExpiryDate	Value of Unexercised in-the-Money Options (\$)	Number of Shares or Units of Shares That Have Not Vested (#)	Market or Payout Value of Share- Based Awards That Have Not Vested (\$)
Brooke Macdonald <i>President & CEO</i>	35,000	1.00	2021/06/13	141,750	N/A	N/A
	61,250	2.20	2021/08/08	174,563		
	125,000	3.00	2021/11/15	256,250		
	15,000	9.50	2022/07/12	-		
	125,000	4.30	2023/09/12	93,750		
	75,000	4.00	2024/08/05	78,750		
David Loveys <i>CFO</i>	10,000	1.00	2021/06/13	40,500	N/A	N/A
	12,500	2.20	2021/08/08	35,625		
	50,000	3.00	2021/11/15	102,500		
	20,000	9.50	2022/07/12	-		
	62,500	4.30	2023/09/12	46,875		
	45,000	4.00	2024/08/05	47,250		
Yvan Crepeau <i>VP Exploration; President, and President of Cornerstone Ecuador S.A., other wholly- owned Ecuadorian subsidiaries & Minera Cornerstone Chile Ltda.</i>	25,000	1.00	2021/06/13	101,250	N/A	N/A
	25,000	2.20	2021/08/08	71,250		
	75,000	3.00	2021/11/15	153,750		
	11,250	9.50	2022/07/12	-		
	62,500	4.30	2023/09/12	46,875		
	55,000	4.00	2024/08/05	57,750		

* The value of unexercised in-the-money options is calculated by multiplying the difference between the closing price of the common shares on the TSX Venture Exchange (the "TSXV") on December 31, 2020, which was \$5.05, and the option exercise price, by the number of outstanding options. Where the difference is negative, the options are not in-the-money and no value is reported. These stock options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the common shares on the date of exercise.

Value Vested or Earned During the Year

The following table provides information regarding value vested or earned through incentive plan awards by the NEOs during the year ended December 31, 2020.

Name	Option-Based Awards – Value Vested During the Year (\$)	Share-Based Awards – Value Vested During the Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
Brooke Macdonald <i>President & CEO</i>	57,500	N/A	N/A
David Loveys <i>CFO</i>	31,375	N/A	N/A
Yvan Crepeau <i>VP Exploration; President, and President of Cornerstone Ecuador S.A., other wholly-owned Ecuadorian subsidiaries & Minera Cornerstone Chile Ltda.</i>	34,875	N/A	N/A

** The value of unexercised in-the-money options is calculated by multiplying the difference between the closing price of the common shares on the TSXV on December 31, 2020, which was \$5.05, and the option exercise price, by the number of outstanding options. Where the difference is negative, the options are not in-the-money and no value is reported. These stock options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the common shares on the date of exercise.*

PENSION PLAN BENEFITS AND DEFERRED COMPENSATION PLANS

The Corporation does not offer any pension benefits or deferred compensation plans to its NEOs.

TERMINATION AND CHANGE OF CONTROL BENEFITS

The Corporation has entered into Change of Control Agreements with Brooke Macdonald (President & CEO) and Yvan Crepeau (Vice President Exploration). Both agreements define a "Change of Control" as: (a) the acquisition, directly or indirectly, by any Person or group of Persons acting in concert, of common shares of the Corporation which, when added to all other common shares of the Corporation at the time held directly or indirectly by such person or persons acting in concert, totals for the first time more than 50% of the outstanding common shares of the Corporation; or (b) the removal, by extraordinary resolution of the shareholders of the Corporation, of more than 50% of the then incumbent directors of the Corporation, or the election of a majority of directors to the Corporation's board who were not nominees of the Corporation's incumbent board at the time immediately preceding such election; or (c) consummation of a sale of all or substantially all of the assets of the Corporation, or the consummation of a reorganization, merger or other transaction which has substantially the same effect, except where such sale or transaction is exclusively to an affiliate of the Corporation; or (d) any transaction or series of related transactions which has substantially the same effect as (a) to (c)

above.

Both agreements are “double trigger” (i.e., a change of control must occur AND be followed within 12 months by a wrongful or constructive wrongful dismissal) and the termination payments are equal to (1) in the case of Mr. Crepeau, 1.5 times annual base compensation, and (2) in the case of Mr. Macdonald, the greater of (i) 2 times his annual base consulting fee (currently US\$252,000), plus the target Merit Bonus (as defined below) under his consulting agreement, or (ii) severance payable under his consulting agreement.

In addition, under Mr. Macdonald’s consulting agreement, the Corporation has agreed to pay a “Special Transaction Bonus” in cash equal to the greater of US\$500,000 or 0.5% of the aggregate value of the consideration received for all the securities and/or assets acquired under a Transaction (as defined in the consulting agreement) that is completed or substantially ready to be completed prior to the end of his consulting agreement. Under Mr. Macdonald’s consulting agreement, a “Transaction” includes any merger, amalgamation, plan of arrangement, reorganization, or similar transaction, as well as any acquisition by a Person or group of Persons acting jointly or in concert of 50.1% or more of the common shares of the Corporation or the acquisition by one or more third parties of all or substantially all of the Corporation’s assets, or any transaction pursuant to which the shareholders hold less than 50% of the outstanding shares of the enterprise immediately after giving effect to the transaction. In each case, such Transaction must be supported by the Board and, if required, approved by the shareholders.

At the discretion of the Board, Mr. Macdonald may be awarded a bonus with a value of up to 100% of his annual compensation (the “Merit Bonus”). If a Special Transaction Bonus is earned prior to the end of his consulting agreement, then any Merit Bonus paid within the 12-month period prior to the payment of the Special Transaction Bonus shall be deducted from the Special Transaction Bonus. Mr. Macdonald is also entitled to two times his annual base consulting fee if he is terminated without cause.

Under the consulting agreement with D.R. Loveys & Associates Inc. (which covers an eighteen month period beginning July 1, 2020), termination during any month to month period entitles Mr. Loveys to 30 days written notice or pay in lieu of notice. In the event of termination without cause, the Corporation has agreed to pay D.R. Loveys & Associates Inc. the greater of: (1) the outstanding consulting fees for the remainder of the term or any fixed term renewal, and (2) \$100,000.

The following table summarizes the estimated payments to which each NEO would be entitled following a change of control of the Corporation if such change of control occurred on December 31, 2020 and resulted in the termination of such executive’s employment with the Corporation without cause or a resignation for good reason by such executive in accordance with the terms of each such executive’s employment or consulting agreement. The payments calculated in US\$ have been converted into Canadian dollars for the purpose of this table using the exchange rate of \$1.00 = US\$0.7854 in effect as of the close of business on December 31, 2020.

	Base salary (\$)	Bonus Payment (\$)	Options and Warrants⁽¹⁾ (\$)	Total (\$)
Brooke Macdonald <i>President & CEO</i>	\$641,693 ⁽²⁾	\$1,295,738 ⁽³⁾	\$897,563	\$2,834,993
David Loveys <i>CFO</i>	\$198,000 ⁽⁴⁾	Nil	\$272,750	\$470,750
Yvan Crepeau <i>VP Exploration; President, and President of Cornerstone Ecuador S.A., other wholly-owned Ecuadorian subsidiaries & Minera Cornerstone Chile Ltda.</i>	\$401,058	Nil	\$568,125	\$969,183

-
- (1) Option and warrant payout is based on the closing price of the common shares on the TSXV on December 31, 2020, which was \$5.05, assuming exercise of securities by holders thereof.
- (2) Mr. Macdonald is entitled to US\$504,000 as a result of the early termination of his employment agreement.
- (3) As described above, Mr. Macdonald is entitled to a Special Transaction Bonus equal to the greater of US\$500,000 or 0.5% of the aggregate value of the consideration received for all the securities and/or assets acquired under a supported change of control transaction, less the amount of any Merit Bonus received in the last 12 months. Assuming a Board supported transaction on December 31, 2020 and based on the closing price of the common shares on the TSXV on December 31, 2020, which was \$5.05, the total consideration for all of the outstanding shares of the Corporation (including in-the-money options and warrants assuming exercise by holders thereof) would have been \$194,978,288. Accordingly, Mr. Macdonald would have been entitled to US\$765,702 in respect of the Special Transaction Bonus assuming a Board supported transaction as of December 31, 2020.
- This also assumes Mr. Macdonald is also entitled to the full amount of his Merit Bonus under his consulting agreement (being up to 100% of his annual compensation of US\$252,000).
- (4) Assuming Mr. Loveys is terminated at the end of December 31, 2020 he would be entitled to approximately twelve months of severance pay under his consulting agreement.

COMPENSATION OF DIRECTORS

The following table provides details with respect to compensation paid to, or earned, by the directors of the Corporation who were not NEOs, during the year ended December 31, 2020.

Name	Fees Earned (\$) <small>(1)</small>	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Greg Chamandy <i>Chairman & Director</i>	29,000	Nil	Nil	Nil	Nil	Nil	Nil
John Clarke <i>Director</i>	31,500	Nil	Nil	Nil	Nil	Nil	Nil
Colin McKenzie <i>Director</i>	29,500	Nil	Nil	Nil	Nil	Nil	Nil
Beverley Evans <i>Director</i>	31,000	Nil	Nil	Nil	Nil	Nil	Nil

⁽¹⁾ Fees relate to annual retainers and committee fees for non-management directors.

The Corporation used the Black-Scholes option pricing model for determining the fair value of stock options issued at the grant date. There is no certainty that the options will be exercised and that the fair value as shown will be received by the directors.

Outstanding Option-Based Awards

The following table provides details of outstanding option-based awards granted to directors of the Corporation who were not NEOs as at December 31, 2020.

Name	Option-Based Awards				Share-Based Awards	
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised in-the-Money Options (\$)	Number of Shares or Units of Shares That Have Not Vested (#)	Market or Payout Value of Share-Based Awards That Have Not Vested (\$)
Greg Chamandy <i>Director</i>	250,000	9.50	2022/07/12	-	N/A	N/A
	125,000	4.30	2023/09/12	93,750		
	75,000	4.00	2024/08/05	78,750		
John Clarke <i>Director</i>	10,000	1.00	2021/06/13	40,500	N/A	N/A
	12,500	2.20	2021/08/08	35,625		
	50,000	3.00	2021/11/15	102,500		
	20,000	9.50	2022/07/12	-		
	62,500	4.30	2023/09/12	46,875		
	35,000	4.00	2024/08/05	36,750		
Colin McKenzie <i>Director</i>	10,000	1.00	2021/06/13	40,500	N/A	N/A
	12,500	2.20	2021/08/08	35,625		
	50,000	3.00	2021/11/15	102,500		
	20,000	9.50	2022/07/12	-		
	62,500	4.30	2023/09/12	46,875		
	35,000	4.00	2024/08/05	36,750		
Beverley Evans <i>Director</i>	10,000	1.00	2021/06/13	40,500	N/A	N/A
	12,500	2.20	2021/08/08	35,625		
	50,000	3.00	2021/11/15	102,500		
	20,000	9.50	2022/07/12	-		
	62,500	4.30	2023/09/12	46,875		
	37,000	4.00	2024/08/05	38,850		

* The value of unexercised in-the-money options is calculated by multiplying the difference between the closing price of the common shares on the TSXV on December 31, 2020, which was \$5.05, and the option exercise price, by the number of outstanding options. Where the difference is negative, the options are not in-the-money and no value is reported. These stock options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the common shares on the date of exercise.

Pursuant to the Corporation's stock option plan, in the event an offer to acquire all of the outstanding common shares is made by a third party or the Corporation proposes to sell all or substantially all of its assets and undertakings or to merge, amalgamate or be absorbed by another entity (save and except for a subsidiary or subsidiaries of the Corporation) under any circumstances which involve or may involve or require the liquidation of the Corporation, a distribution of its assets among its shareholders or the termination of its corporate existence, then regardless of whether or not a vesting requirement is otherwise in place at such time, the options granted under the stock option plan may be exercised at any time up to and including (but not after) a date that is 30 days immediately following the date of the completion of such sale or prior to the close of business on the expiry date or (in the case of a merger, amalgamation or similar transaction) the effective date of such transaction, whichever is earlier (the "Transaction Option Vesting"). The Corporation may require the acceleration of the time for the exercise of the

option and the time for the fulfillment of any conditions or restrictions on such exercise.

Value Vested or Earned During the Year

The following table provides details of value vested or earned through incentive plan awards by Directors of the Corporation who were not NEOs as at December 31, 2020.

Name	Option-Based Awards – Value Vested During the Year \$	Share-Based Awards – Value Vested During the Year \$	Non-Equity Incentive Plan Compensation – Value Earned During the Year \$
Greg Chamandy <i>Director</i>	57,500	N/A	N/A
John Clarke <i>Director</i>	27,875	N/A	N/A
Colin McKenzie <i>Director</i>	27,875	N/A	N/A
Beverley Evans <i>Director</i>	28,575	N/A	N/A

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides information regarding compensation plans under which securities of the Corporation are authorized for issuance in effect as of the end of the Corporation's most recently completed financial year ended December 31, 2020:

Plan Category	Number of Common Shares to be Issued Upon Exercise of Outstanding Options	Weighted-Average Exercise Price of Outstanding Options	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans
Equity compensation plans approved by securityholders	2,364,792	\$3.80	795,208
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	2,364,792	\$3.80	795,208

The Corporation's stock option plan was last approved by shareholders at the Corporation's annual general meeting held on June 25, 2019. The aggregate number of shares that may be issued upon the exercise of all options granted under the stock option plan is 3,160,000 common shares, representing under 10% of the outstanding common shares of the Corporation at the time the option plan was approved by the shareholders.

MANAGEMENT CONTRACTS

The Corporation's management functions are not, to any substantial degree, performed by a

person or persons other than its directors or senior officers, other than as disclosed herein.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Management is not aware of any indebtedness outstanding by any of the directors, executive officers or any of their associates, or any guarantees, support agreements, letters of credit or similar arrangements provided by the Corporation or any subsidiaries, to these individuals, at the date of this Circular or at December 31, 2020 the date of the most recently completed financial year.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

On June 30, 2020, SolGold made an offer (the "Hostile Bid") to acquire all of the issued and outstanding common shares of the Corporation. The Hostile Bid expired on October 14, 2020 without any common shares being taken up.

On December 9, 2020, the Corporation completed a non-brokered private placement (the "Offering") of 1,540,000 common shares at an issue price of \$5.00 per common share for total gross proceeds of \$7,700,000. Mr. Macdonald, Mr. Loveys and Mr. Crepeau subscribed for 10,000, 2,000 and 5,000 common shares, respectively, pursuant to the Offering. As well, Mr. Chamandy, Mr. Clarke, Ms. Evans and Mr. McKenzie, subscribed for 100,000, 4,000, 2,000 and 2,000 common shares, respectively, pursuant to the Offering.

Other than the potential triggering of change of control payments described above under the heading "Termination and Change of Control Benefits" and the Transaction Option Vesting described above under the heading "Outstanding Option-Based Awards" in connection with the Hostile Bid and the director and officer participation in the Offering described above, there were no material interests, direct or indirect, of any of the informed persons, any proposed nominee for election as a director, or any associate or affiliate of such persons, in any transaction since the last completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation or any of the subsidiaries.

INTERESTS OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED UPON

Except as disclosed elsewhere in this Circular, management is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who has been a director or executive officer at any time since the beginning of the last financial year, of any proposed nominee for election as a director, or of any associates or affiliates of any of these individuals, in any matter to be acted on at the Meeting.

ADDITIONAL INFORMATION

Additional financial information regarding the Corporation's business is contained in the audited consolidated financial statements and management's discussion and analysis for the year ended December 31, 2020. These statements and all the continuous disclosure documents submitted to the securities regulators can be found on SEDAR at www.SEDAR.com. Shareholders may request a copy of the financial statements and management's discussion and analysis at 1730 St. Laurent Blvd., Suite 800, Ottawa, ON, K1G 3Y7 phone: (343) 689-0714; fax: (343) 689-0716; email: ir@cornerstoneresources.com.

SCHEDULE "A"

Cornerstone Capital Resources Inc.

Audit Committee Charter

ORGANIZATION

An Audit Committee shall be appointed annually by the Board and shall consist of at least three (3) members from among the directors of the Corporation. Each Audit Committee member shall, where possible, be an independent director, free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee.

All Audit Committee members shall be sufficiently versed in financial matters to understand the Corporation's accounting practices and policies and the major judgments involved in preparing the financial statements.

The Board shall designate the Chair of the Committee.

STATEMENT OF POLICY

The Committee shall fulfill its responsibilities within the context of the following principles:

1. General

The Committee expects the management of the Corporation to operate in compliance with the laws and regulations governing the Corporation and to maintain strong financial, reporting and control processes.

2. Communications

The Committee shall have direct, open and frank communications throughout the year with management, other Committee Chairs, and the external auditors.

3. Meeting Agenda

Committee meeting agendas shall be the responsibility of the Chair of the Committee in consultation with the Committee members, management and the external auditors.

4. Information Needs

The Committee expects that written materials will be received from management and the external auditors at least five (5) days in advance of meeting dates.

5. In-Camera Meetings

At each meeting, the Committee shall meet in private session, if required, and may meet with

the external auditors, with management, and with the Committee members only.

6. Reporting to the Board

The Committee, through its Chair, shall report after each Committee meeting to the Board, if required, at the Board's next regular meeting.

7. The External Auditors

The Committee expects that in discharging its responsibilities to the shareholders, the external auditors shall be accountable to the Board through the Audit Committee. The external auditors shall report all material issues or potentially material issues to the Committee.

OPERATING PROCEDURES

- 1.** The Committee shall meet at least four (4) times annually, or more frequently as circumstances dictate. Meetings shall be held at the call of the Chair upon the request of two (2) members of the Committee or at the request of the external auditors.
- 2.** A quorum shall be a majority of the members.
- 3.** Unless the Committee otherwise specifies, the Secretary of the Corporation shall act as Secretary at all meetings of the Committee.
- 4.** In the absence of the Chair of the Committee, the members shall appoint an acting Chair.
- 5.** A copy of the minutes of the prior meeting of the Committee shall be provided to each member of the Committee prior to each meeting.

RESPONSIBILITIES & DUTIES

To fulfill its responsibilities and duties, the Committee shall:

Financial Reporting

- 1.** Review the Corporation's annual and quarterly financial statements with management and, in the case of the annual financial statements, also with the external auditors, to gain reasonable assurance that the statements are accurate, complete and in accordance with International Financial Reporting Standards (IFRS). The Committee shall report upon the annual financial statements to the Board before the Board approves such financial statements.
- 2.** Receive from the external auditors a report on their review of the annual financial statements.
- 3.** Receive from management a copy of the representation letter provided to the external auditors and receive from management any additional representations required by the Committee.
- 4.** Review and, if appropriate, recommend approval to the Board of management discussion

and analysis, AIF forms (if prepared) and reports to the shareholders issued by the Corporation with respect to the Corporation's annual and quarterly financial statements.

5. Review and, if appropriate, recommend approval to the Board of prospectuses, any material change disclosures of a financial nature, and similar disclosure documents to be issued by the Corporation.

Accounting Policies

1. Review with management and the external auditors the appropriateness of the Corporation's accounting policies and disclosures.

2. Review with management and the external auditors the Corporation's underlying accounting policies and any significant estimates and judgments.

Risk and Uncertainty

1. Review with management the significant financial risks and principal business risks facing the Corporation and gain reasonable assurance that they are being effectively managed or controlled.

2. Ascertain that policies and procedures are in place to minimize environmental, occupational health and safety, and other risks to asset value.

3. Review the adequacy of insurance coverage maintained by the Corporation.

4. Review regularly with management, the external auditors and the Corporation's legal counsel any legal claim or other contingency that could have a material effect upon the financial position of the Corporation.

Financial Controls and Control Deviations

1. Review with management the effectiveness of the Corporation's internal financial controls to ensure they are comprehensive, coordinated and cost effective.

Compliance with Laws and Regulations

1. Review regular reports from management and the external auditors with respect to the Corporation's compliance with laws and regulations having a material impact on the financial statements, various tax and other withholding accounts and other laws and regulations which could expose directors to liability.

Relationship with External Auditors

1. Recommend to the Board the nomination of external auditors.

2. Approve the remuneration and the terms of engagement of the external auditors as set out in the engagement letter.

3. Review the performance of the external auditors annually.

4. Receive a report annually from the external auditors with respect to their independence, such report to include a disclosure of all engagements (and fees related thereto) for any non-audit services by the Corporation.

5. Review with the external auditors the scope of the audit, the areas of special emphasis to be addressed in the audit, the general overall audit plan and the materiality levels, which the external auditors propose to employ. Review the results of the external audit with the external auditors including the auditors' report, overall presentation of the financial statements, any adjustments needed or contemplated, areas of difficulty and any changes to the original audit plan.

6. Meet privately with the external auditors to determine that no management restrictions have been placed on the scope and extent of the audit examinations conducted by the external auditors or the reporting of their findings to the Committee.

7. Establish effective communication processes with management and the Corporation's external auditors to assist the Committee to monitor objectively the quality and effectiveness of the relationship among the external auditors, management and the Committee.

Other Responsibilities

1. After consultation with the Chief Financial Officer, discuss annually the reasonableness of the expenses of the Chief Executive Officer.

2. After consultation with the Chief Financial Officer and the external auditors, gain reasonable assurance annually of the quality and sufficiency of the Corporation's accounting personnel.

3. Perform such other functions as may from time to time be assigned to the Committee by the Board.

ACCOUNTABILITY

1. Review and update this Charter on a regular basis for approval by the Board.

2. From time to time, as requested by the Board, disclose its mandate and this Charter in the Corporation's statement of corporate governance practices.

SCHEDULE "B"

Cornerstone Capital Resources Inc.

Advance Notice By-Law No. 2

See attached.

CORNERSTONE CAPITAL RESOURCES INC.

ADVANCE NOTICE BY-LAW NO. 2

A by-law relating generally to the nomination of persons for election as directors of **CORNERSTONE CAPITAL RESOURCES INC.** (the “**Corporation**”).

BE IT ENACTED AND IT IS HEREBY ENACTED as a by-law of the Corporation with effect as of the Effective Date (as defined below), subject to ratification, approval and confirmation by ordinary resolution of the shareholders of the Corporation at the next meeting of shareholders, as follows:

INTRODUCTION

1. The Corporation is committed to: (a) facilitating an orderly and efficient annual or, where the need arises, special meeting process; (b) ensuring that all shareholders of the Corporation, including those voting by proxy, receive adequate notice of director nominations and sufficient information with respect to all director nominees; (c) allowing the Corporation and its shareholders to evaluate all nominees’ qualifications and suitability as directors of the Corporation; and (d) allowing shareholders of the Corporation to cast an informed vote with respect to the election of directors.

The purpose of this Advance Notice By-Law No. 2 (the “**By-Law**”) is to provide shareholders, directors and management of the Corporation with a transparent, fair and structured framework under which the Corporation’s shareholders may submit director nominations. This By-Law fixes a deadline by which shareholders of the Corporation must submit director nominations to the Corporation prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Corporation for the notice to be in proper written form.

This By-Law will be subject to periodic review and, subject to the Act (as defined below), may be amended for the purposes of, among other things, complying with the requirements of applicable securities regulatory authorities or stock exchanges, or to meet evolving industry standards.

NOMINATIONS OF DIRECTORS

2. Nomination Procedures

Subject to the applicable provisions of the Act and the articles of the Corporation as from time to time amended, only persons who are nominated in accordance with the procedures set out in this By-Law shall be eligible for election as directors of the Corporation. Nominations of persons for election to the board of directors of the Corporation (the “**Board**”) may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of one or more directors. Such nominations must be made:

- (a) by or at the direction of the Board (or any duly authorized committee thereof), including pursuant to a notice of meeting;
- (b) by or at the direction or request of one or more shareholders pursuant to a “**proposal**” within the meaning of, and made in accordance with, the provisions

of the Act, or a requisition of the shareholders made in accordance with the provisions of the Act; or

- (c) by any person (a “**Nominating Shareholder**”): (i) who, at the close of business on the date of the giving of the notice provided for below in this By-Law and at the close of business on the record date for notice of such meeting, is entered in the securities register of the Corporation as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting and provides evidence of such beneficial ownership to the Corporation; and (ii) who complies with the notice procedures set out below in this By-Law.

3. **Timely Notice**

In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given notice thereof that is both timely (as set out below in section 4) and in proper written form (as set out below in section 5) to the Corporate Secretary of the Corporation or, if the Corporation has not designated a Corporate Secretary at the relevant time, to the Chief Financial Officer of the Corporation at the principal executive office of the Corporation, even if such matter is already the subject of a notice to the shareholders or a Public Announcement (as defined below).

4. **Manner of Timely Notice**

To be timely, a Nominating Shareholder’s notice to the Corporate Secretary or Chief Financial Officer of the Corporation, as applicable, must be given:

- (a) in the case of an annual meeting of shareholders, not later than the close of business on the 30th day prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the “**Notice Date**”) on which the first Public Announcement of the date of the annual meeting of shareholders was made by the Corporation, notice by the Nominating Shareholder may be given not later than the close of business on the 10th day following the Notice Date;
- (b) in the case of a special meeting of shareholders (which is not also an annual meeting of shareholders) called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the 15th day following the date (the “**Special Meeting Notice Date**”) on which the first Public Announcement of the date of the special meeting of shareholders was made by the Corporation; and
- (c) in the case of an annual meeting of shareholders or a special meeting of shareholders (which is not also an annual meeting of shareholders) called for the purpose of electing directors (whether or not called for other purposes) where notice-and-access (as defined in National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*) is available and used for delivery of proxy-related materials, not later than the close of business on the 40th day prior to the date of the meeting of shareholders; provided, however, that

in the event that the shareholders' meeting is to be held on a date that is less than 50 days after the Notice Date or the Special Meeting Notice Date, as applicable, notice by the Nominating Shareholder shall be given, in the case of an annual meeting of shareholders, not later than the close of business on the 10th day following the Notice Date and, in the case of a special meeting (which is not also an annual meeting of shareholders), not later than the close of business on the 15th day following the Special Meeting Notice Date.

5. Proper Form of Notice

To be in proper written form, a Nominating Shareholder's notice to the Corporate Secretary or Chief Financial Officer of the Corporation, as applicable, must set out:

- (a) as to each person whom the Nominating Shareholder proposes to nominate for election to the Board:
 - (i) the name, age, business address and residential address of the person;
 - (ii) the principal occupation, business or employment of the person, both present and within the five years preceding the notice;
 - (iii) the country of residence of the person, including the person's status as a "**resident Canadian**" (as such term is defined in the Act);
 - (iv) each class or series and number of shares in the capital of the Corporation and any related financial instruments that are, directly or indirectly, controlled or directed or that are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;
 - (v) full particulars of all direct and indirect contracts, agreements, arrangements, understandings or relationships (collectively, "**Arrangements**"), including without limitation financial, compensation and indemnity related Arrangements, between the person or any associate or affiliate (as those terms are respectively defined in the Act) of such person and (I) any Nominating Shareholder or any of its Representatives (as defined below), or (II) any other person or entity, relating to the proposed nominee's nomination for election, or potential service, as a director of the Corporation; and
 - (vi) any other information relating to the person or his or her associates or affiliates that would be required to be disclosed in a dissident proxy circular in connection with a solicitation of proxies for the election of directors pursuant to the Act and Applicable Securities Laws (as defined below); and
- (b) as to each Nominating Shareholder giving the notice and each beneficial owner, if any, on whose behalf the nomination is made:

- (i) the name, business address and, if applicable, residential address of such person;
 - (ii) each class or series and number of shares in the capital of the Corporation and any related financial instruments that are, directly or indirectly, controlled or directed or that are owned beneficially or of record, by such person, as of the record date for the meeting (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;
 - (iii) full particulars regarding any proxy or Arrangement pursuant to which such Nominating Shareholder or any of its Representatives has a right to vote or direct the voting of any shares of the Corporation or nominate directors to the Board;
 - (iv) full particulars of the interests in, or rights or obligations associated with, any Arrangements of such person, the purpose or effect of which is to alter, directly or indirectly, the economic interest of such person in a security of the Corporation or the economic exposure of such person to the Corporation;
 - (v) full particulars regarding any Arrangements, including without limitation financial, compensation and indemnity related Arrangements, between the Nominating Shareholder or any Representative of the Nominating Shareholder and any proposed nominee or any of its Representatives; and
 - (vi) any other information relating to such Nominating Shareholder or any of its Representatives that would be required to be made in a dissident proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws; and
- (c) a written consent duly signed by each proposed nominee to being named as a nominee for election to the Board and to serve as a director of the Corporation, if elected, in accordance with the Act.

Reference to “**Nominating Shareholder**” in this By-Law shall be deemed to refer to each shareholder that nominates a person for election as a director in the case of a nomination where more than one shareholder is involved in making such nomination proposal.

6. Information Required by Law

The Corporation may require any proposed nominee for election as a director to the Board to furnish such other information as may be necessary to determine the eligibility of such proposed nominee to serve as an independent director of the Corporation in the same manner as would be required and disclosed by management nominees, to comply with the Act, Applicable Securities Laws and the rules of any stock exchange on which the securities of the Corporation are then listed for trading.

In addition, to be considered timely and in proper written form, a Nominating Shareholder's notice shall be promptly updated and supplemented, if necessary, so that the information provided or required to be provided in such notice will be true and correct as of the record date for the meeting of shareholders to which such notice relates.

7. Eligibility for Nomination as a Director

The procedures set forth in this By-Law shall be the exclusive means for any person to bring nominations for election to the Board before any annual or special meeting of the shareholders of the Corporation. No person shall be eligible for election as a director unless nominated in accordance with this By-Law; provided, however, that nothing in this By-Law shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of the Corporation of any matter that is properly before such meeting pursuant to the provisions of the Act. The Chair of the meeting of shareholders of the Corporation shall have the power and duty to determine whether a nomination of a person for election to the Board was made in accordance with this By-Law and, if the Chair determines that a nomination does not comply with this By-Law, to declare that such defective nomination shall be disregarded.

8. Delivery of Notice

Notwithstanding any other provision of this By-Law or of any other by-law of the Corporation, notice given to the Corporate Secretary or Chief Financial Officer of the Corporation, as applicable, pursuant to this By-Law may only be given by personal delivery or email (at such email address as may be stipulated from time to time by the Corporate Secretary or Chief Financial Officer of the Corporation for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery to the Corporate Secretary or Chief Financial Officer of the Corporation at the address of the principal executive office of the Corporation or delivered to the Corporate Secretary or Chief Financial Officer of the Corporation by email (at the aforesaid email address); provided that if such delivery is made on a non-business day or later than 5:00 p.m. (Eastern Time) on a day that is a business day, then such delivery or communication shall be deemed to have been made on the next following day that is a business day.

9. Board Discretion

Notwithstanding any of the foregoing, the Board may, in its sole discretion, waive any requirement of this By-Law.

DEFINED TERMS

10. For the purposes of this By-Law:

- (a) **“Act”** means the *Business Corporations Act* (Alberta) and the regulations thereunder, as from time to time amended, and every statute or regulation that may be substituted therefor and, in the case of such amendment or substitution, any reference in this By-Law shall be read as referring to the amended or substituted provisions;

- (b) **“Applicable Securities Laws”** means the applicable securities legislation, as amended from time to time, of each province and territory of Canada, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission or similar regulatory authority of each province and territory of Canada;
- (c) **“Public Announcement”** means disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by or on behalf of the Corporation under its profile on the System for Electronic Document Analysis and Retrieval at www.sedar.com; and
- (d) **“Representatives”** of a person means the associates and affiliates of such person, all persons acting jointly or in concert with such person or any of the foregoing, and the associates and affiliates of any of such persons acting jointly or in concert, and **“Representative”** means any one of them.

GOVERNING LAW

- 11. This By-Law shall be interpreted and enforced in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable in that province.

EFFECTIVE DATE

- 12. This By-Law was approved and adopted by the Board on April 29, 2021 (the **“Effective Date”**) and is and shall be effective and in full force and effect in accordance with its provisions from and after such date. Notwithstanding the foregoing, if this By-Law is not approved by ordinary resolution of the shareholders of the Corporation present in person or voting by proxy at the next meeting of those shareholders validly held following the Effective Date, then this By-Law shall terminate and be void and of no further force and effect following the termination of such meeting of shareholders.

PASSED by the directors of the Corporation on April 29, 2021.

APPROVED, RATIFIED AND CONFIRMED by the shareholders of the Corporation on

_____.