

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS AND MANAGEMENT INFORMATION CIRCULAR

MEETING TO BE HELD DECEMBER 15, 2026, AT 10:00 A.M. (MONTRÉAL TIME)

Dated November 9, 2026

Website: www.falcores.com

November 9, 2026

Dear Shareholder:

We are pleased to invite you to attend our annual meeting of shareholders to be held on December 15, 2026, at 10:00 a.m. (Montréal Time), in a virtual only format to facilitate shareholder access to the meeting and maximize shareholder attendance, via a live audio webcast online at https://virtual-meetings.tsxtrust.com/en/1986. Shareholders will not be able to attend the meeting in person.

For more information about how to attend, ask questions and vote at the meeting, see the management information circular.

During the meeting, we will provide you with an update on the advancement of the Horne 5 Project and our corporate activities. You will be asked to:

1. Approve the election of directors;
2. Approve the appointment of PricewaterhouseCoopers LLP/s.r.l./s.e.n.c.r.l., a partnership of Chartered Professional Accountants, as the Corporation's independent auditor for the fiscal year 2027, and to authorize the directors to fix its remuneration;
3. To consider and, if deemed advisable, to pass, with or without amendments, an ordinary resolution approving the Corporation's rolling 10% long-term incentive plan, as more particularly described in the accompanying circular; and
4. Transact any other business that may come before the meeting.

Mr. Mario Caron has informed the board of directors of Falco that he will not be standing for re-election at the meeting and will be retiring from Falco's board of directors. On behalf of Falco and the other directors, I would like to take this opportunity to express our gratitude to Mario for his leadership, dedication and insight during his 11-year tenure as a director of Falco, four of which as Chair of its board.

Our management information circular provides you with the information that will assist in formulating your decision for your vote.

If you cannot attend the meeting, we urge you to exercise your vote by completing the proxy document.

Should you have any questions about our activities or the matters to be dealt with at the meeting, you can reach us by sending an email at info@falcores.com.

We appreciate your support and are confident that our efforts on your behalf will move the Horne 5 Project to the development phase.

Yours truly,

"Alexander Dann"
Alexander Dann
Chair of the Board

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NOTICE OF ANNUAL MEETING OF SHAREHOLDERS AND NOTICE OF AVAILABILITY OF PROXY MATERIALS

Meeting Date:	December 15, 2026
Time:	10:00 a.m. (Eastern Standard Time)
Location:	Virtual only format, via a live audio webcast online at https://virtual-meetings.tsxtrust.com/en/1986
Record Date:	November 2, 2026
Proxy Voting Deadline:	December 11, 2026

NOTICE IS HEREBY GIVEN that an annual meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares of FALCO RESOURCES LTD. (the "**Corporation**") will be held on December 15, 2026 at 10:00 a.m. (Montréal Time), for the following purposes:

1. To receive the annual audited financial statements of the Corporation for the year ended June 30, 2026, together with the report of the auditor thereon;

2. To elect the directors of the Corporation for the ensuing year;

3. To appoint PricewaterhouseCoopers LLP/s.r.l./s.e.n.c.r.l., a partnership of Chartered Professional Accountants, as the Corporation's independent auditor for the fiscal year 2027, and to authorize the directors to fix its remuneration;

4. To consider and, if deemed advisable, to pass, with or without amendments, an ordinary resolution to approve the Corporation's rolling 10% long-term incentive plan, as more particularly described in the accompanying management information circular; and

5. To transact such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

Particulars of the foregoing matters are set forth in the management information circular (the "**Circular**") that accompanies this Notice of Annual Meeting of Shareholders and Notice of Availability of Proxy Materials (together, the "**Notice of Meeting**").

As permitted by Canadian securities regulators, you are receiving this notification as the Corporation has decided to use the "notice-and-access" mechanism for delivery to both registered and non-registered shareholders of this Notice of Meeting, the Circular prepared in connection with the Meeting, and other proxy-related materials (the "**Proxy Materials**") as well as the annual audited consolidated financial statements of the Corporation for the financial year ended June 30, 2026, together with the independent auditor's report thereon, and related management's discussion and analysis. The notice-and-access provisions are a set of rules developed by the Canadian securities regulators that allow issuers to post electronic versions of proxy-related materials on-line, via SEDAR+ and one other website, rather than mailing paper copies of such materials to shareholders.

The Proxy Materials are available on the Corporation's corporate website (https://www.falcores.com/en/investors/#assemblee), on SEDAR+ (www.sedarplus.ca) or on the website of TSX Trust Company (https://docs.tsxtrust.com/FPC2026).

Shareholders may request a paper copy of the Proxy Materials by email at tsxtis@tmx.com or by phone at 1 (866) 600-5869.

To ensure that you receive the materials in advance of the voting deadline and the Meeting, all requests must be received no later than December 4, 2026 to ensure timely receipt. Requests for Proxy Materials may be made up to one year from the date the Circular is filed on SEDAR+.

If you request a paper copy of the Proxy Materials, please take note that no additional proxy form or voting instruction form shall be sent to you. Therefore, please make sure that you retain the form that you received with the Notice of Meeting for voting purposes.

Your participation is important to us. In the event you cannot participate, we urge you to express your support by voting, using your proxy in advance of the Meeting, on the various proposals that will be put forward at our Meeting, which are further described in the Circular.

Only Shareholders of record as at the close of business on November 2, 2026 (the "**Record Date**") are entitled to receive notice of, and vote at the Meeting and any postponement or adjournment thereof. For information on how you may vote, please refer to Part 1 of the Circular.

To ensure your representation at the Meeting, please complete, sign, date and return your voted proxy which will be delivered to you separately, whether or not you plan to attend. Submitting your proxy does not prevent you from voting at the Meeting.

Proxies completed by **registered Shareholders** must be returned to the Corporation in one of the following manners:

Internet

Go to www.voteproxyonline.com and follow the instructions on screen. You will need your control number, which appears below the Record Date on the proxy form.

Fax

Complete both sides of the proxy form, sign and date it and fax both sides to our transfer agent, TSX Trust Company, Attention: Proxy Department, at 416-595-9593.

Mail

Complete, sign and date the form and return it in the envelope provided, or send it to: TSX Trust Company, Attention: Proxy Department, 100 Adelaide, Suite 301, Toronto, Ontario, M5H 4H1, Canada.

Beneficial Shareholders whose common shares are registered in the name of an intermediary (such as a broker) should carefully follow the voting instructions provided by their intermediary. A detailed description of how beneficial shareholders can return proxies can be found on page 8 of the Circular.

DATED at Montréal, Québec, the 9th day of November 2026.

By Order of the Board of Directors,

"Alexander Dann"
Alexander Dann
Chair of the Board

MANAGEMENT INFORMATION CIRCULAR

This management information circular (the "**Circular**") is provided in connection with the solicitation of proxies by the management ("**Management**") of Falco Resources Ltd. (the "**Corporation**" or "**Falco**") for use at the annual meeting (the "**Meeting**") of the holders of common shares of the Corporation (the "**Common Shares**" and the holders of the Common Shares, the "**Shareholders**") to be held on December 15, 2026 at 10:00 a.m. (Montréal Time), or any adjournment or postponement thereof, for the purposes set forth in the accompanying notice of annual meeting of shareholders and notice of availability of proxy materials (the "**Notice of Meeting**"). Unless otherwise noted, information in this Circular is given as at November 9, 2026 and all currency amounts are shown in Canadian dollars.

PART 1: VOTING INFORMATION

1.1. Who can vote?

Registered and beneficial Shareholders

You have the right to vote if you owned Common Shares of the Corporation at the close of business on the Record Date (November 2, 2026). Each Common Share you owned as at the Record Date entitles you to one vote.

You are a registered Shareholder if the Common Shares are registered in your name. This means that your name appears in the Shareholders' register maintained by our transfer agent, TSX Trust Company. You are a non-registered (or beneficial) Shareholder if your bank, trust company, securities broker or other financial institution or intermediary (your nominee) holds your Common Shares for you in a nominee account.

Common Shares outstanding and principal holders of our Common Shares

On November 9, 2026, the Corporation had 355,257,805 Common Shares issued and outstanding.

To the knowledge of the directors and executive officers of the Corporation, as of the Record Date, the following entity beneficially owns, directly or indirectly, or exercises control or direction over, 10% or more of the issued and outstanding Common Shares of the Corporation:

Shareholder	Number of Common Shares	Percentage of Issued Capital
Barkerville Gold Mines Ltd., a wholly-owned subsidiary of Osisko Gold Group Inc.	56,715,240	16.0%

1.2. How to vote?

You can vote at the Meeting or by proxy. Voting by proxy means you are giving someone else the authority to vote your Common Shares on your behalf (called your proxyholder).

Completing the proxy form

This package includes either a proxy form (for registered holders) or voting instruction form (for beneficial holders) that includes the names of Falco officers or directors who are proxyholders. When you vote by proxy, you are giving them the authority to vote your Common Shares for you according to your

instructions. If you return your proxy form or voting instruction form and do not specify how you want to vote your Common Shares, one of these officers will vote your Common Shares FOR the items.

You can also appoint someone else to be your proxyholder. Print his or her name in the space provided on the form, or by completing another proxy form. The person does not need to be a Shareholder. Your vote can only be counted if he or she attends the Meeting and votes your Common Shares according to your instructions. If you do not specify how you want to vote your Common Shares, your proxyholder can vote as he or she sees fit.

Your proxyholder will vote according to your instructions on these items and on any ballot that may be called for. If there are changes or new items, your proxyholder has the discretionary authority to vote your Common Shares on these items as he or she sees fit.

Returning your proxy form

To be effective, we must receive your completed proxy form or voting instruction no later than 10:00 a.m. (Montréal time) on the Proxy Voting Deadline (December 11, 2026).

If the Meeting is postponed or adjourned, we must receive your completed form of proxy by 10:00 a.m. (Montréal time), no later than two (2) full business days before any adjourned or postponed meeting at which the proxy is to be used. Late proxies may be accepted or rejected by the Chair of the Meeting at his discretion and he is under no obligation to accept or reject a late proxy. The Chair of the Meeting may waive or extend the proxy cut-off without notice.

Exercise of discretion

With respect to matters specified in the proxy, if no voting instructions are provided, the nominees named in the accompanying form of proxy will vote the Common Shares represented by the proxy FOR the approval of such matter.

The nominee named in your proxy form will vote or withhold from voting in accordance with your instructions on any ballot that may be called for. The proxy will confer discretionary authority on the nominee with respect to matters identified in the proxy form for which a choice is not specified and any other matter that may properly come before the Meeting or any postponement or adjournment thereof, whether or not the matter is routine and whether or not the matter is contested.

As of the date of this Circular, Management is not aware of any amendment, variation or other matter that may come before the Meeting. If any amendment, variation or other matter properly comes before the Meeting, the nominee intends to vote in accordance with the nominee's best judgment.

Registered Shareholders

Registered Shareholders can vote by proxy or at the Meeting in one of the following ways:

Voting by proxy

Internet

Go to www.voteproxyonline.com and follow the instructions on screen. You will need your control number, which appears below the Record Date on the proxy form.

Fax

Complete both sides of the proxy form, sign and date it and fax both sides to our transfer agent, TSX Trust Company, Attention: Proxy Department, at 416-595-9593.

Mail

Complete, sign and date the form and return it in the envelope provided, or send it to: TSX Trust Company, Attention: Proxy Department, 100 Adelaide, Suite 301, Toronto, Ontario, M5H 4H1, Canada.

By appointing someone to attend the Meeting

This person does not need to be a Shareholder. Strike out the names that are printed on the form and print the name of the person you are appointing as your proxyholder in the space provided. Complete your voting instructions, sign and date the form. Make sure the person you are appointing is aware that he or she has been appointed and attends the Meeting on your behalf. Your proxyholder should confirm to TSX Trust Company his/her attendance upon registration at the Meeting.

NOTICE-AND-ACCESS RULES

The Corporation has elected to use the notice-and-access provisions under Regulation 51-102 – *Continuous Disclosure Obligations* ("**Regulation 51-102**") and Regulation 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* ("**Regulation 54-101**", and together with Regulation 51-102, the "**Notice-and-Access Provisions**") for the Meeting. The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that allows issuers to post electronic versions of proxy-related materials on-line, via SEDAR+ and one other website, rather than mailing paper copies of such materials to Shareholders.

Instead of receiving this Circular, Shareholders will receive a Notice of Meeting with the proxy or voting instruction form, as the case may be, along with instructions on how to access the Meeting materials online. The Corporation will send the Notice of Meeting and proxy form directly to registered Shareholders and NOBOs (as defined below). The Corporation will pay for intermediaries to deliver the Notice of Meeting, voting instruction form and other Meeting materials requested by OBOs (as defined below). This Circular and other relevant materials are available on the Corporation's corporate website (www.falcores.com), on SEDAR+ (www.sedarplus.ca) or on the website of TSX Trust Company (https://docs.tsxtrust.com/FPC2026).

OBOs may request a paper copy of the Meeting materials, at no cost, from Broadridge Investor Communications Corporation by calling toll-free 1 (877) 907-7643 and entering the 16-digit control number located on the voting instruction form or via internet at www.proxyvote.com by using the 16-digit control number located in the voting instruction form. To ensure that you receive the materials in advance of the voting deadline and the Meeting, all requests must be received no later than December 4, 2026 to ensure timely receipt. Requests for Meeting materials may be made up to one year from the date the Circular is filed on SEDAR+.

The Corporation will not use procedures known as 'stratification' in relation to the use of Notice-and-Access Provisions. Stratification occurs when an issuer using Notice-and-Access Provisions sends a paper copy of the Circular to some Shareholders with a Notice Package.

If you request a paper copy of the materials, please take note that no additional proxy form or voting instruction form shall be sent to you. Therefore, please make sure that you retain the form that you received with the Notice of Meeting for voting purposes.

Beneficial Shareholders

The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold Common Shares in their own name. Shareholders who hold their Common Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their Common Shares in their own name (referred to herein as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders who appear on the records maintained by the Corporation's registrar and transfer agent as registered holders of Common Shares will be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, then those Common Shares will, in all likelihood, not be registered in the Shareholder's name. Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co., the registration name for The Depository Trust Company, which acts as nominee for many United States brokerage firms. Common shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted or withheld at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of Shareholder meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of instrument of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the instrument of proxy provided directly to registered Shareholders by the Corporation. However, its purpose is limited to instructing the registered Shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("**Broadridge**") in Canada. Broadridge typically prepares a machine-readable voting instruction form ("**VIF**"), mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. A Beneficial Shareholder who receives a Broadridge VIF cannot use that form to vote Common Shares directly at the Meeting. The VIFs must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.

The Notice of Meeting, Circular, Proxy and VIF, as applicable, are being provided to both registered Shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two (2) categories - those who object to their identity being known to the issuers of securities which they own ("**OBOs**") and those who do not object to their identity being made known to the issuers of the securities which they own ("**NOBOs**"). Subject to the provisions of Regulation 54-101, issuers may request and obtain a list of their NOBOs from

intermediaries directly or via their transfer agent and may obtain and use the NOBO list for the distribution of proxy-related materials directly (not via Broadridge) to such NOBOs. If you are a NOBO and the Corporation or its agent has sent these materials directly to you, your name, address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the Common Shares on your behalf. By choosing to send these materials to you directly, the Corporation (and not the intermediary holding Common Shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the VIF. As a result, if you are a NOBO, you can expect to receive a scannable VIF from TSX Trust Company. Please complete and return the VIF to TSX Trust Company in the envelope provided or by facsimile. In addition, internet voting instructions can be found on the VIF. TSX Trust Company will tabulate the results of the VIFs received from the Corporation's NOBOs and will provide appropriate instructions at the Meeting with respect to the Common Shares represented by the VIFs they receive.

If you are an OBO, the Corporation will also pay for brokers and intermediaries to send the Notice of Meeting, Circular and VIF directly to you. Please complete and return the VIF to Broadridge in accordance with the instructions provided on such VIF.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered Shareholder and vote the Common Shares in that capacity. Regulation 54-101 allows a Beneficial Shareholder who is a NOBO or an OBO to submit to the Corporation or an applicable intermediary any document in writing that requests that the NOBO, OBO or a nominee of the NOBO and OBO be appointed as proxyholder. If such a request is received, the Corporation or an intermediary, as applicable, must arrange, without expenses to the NOBO and OBO, to appoint such NOBO, OBO or its nominee as a proxyholder and to deposit that proxy within the time specified in this Circular, provided that the Corporation or the intermediary receives such written instructions from the NOBO or OBO at least one business day prior to the time by which proxies are to be submitted at the Meeting, with the result that such a written request must be received by 10:00 a.m. (Montréal time) on the day which is at least three business days prior to the Meeting. A Beneficial Shareholder who wishes to attend the Meeting and to vote their Common Shares as proxyholder for the registered Shareholder, should enter their own name in the blank space on the VIF or such other document in writing that requests that the NOBO, or OBO, or a nominee of the NOBO or the OBO be appointed as proxyholder and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.

All references to Shareholders in the Notice of Meeting, Circular and the accompanying Proxy are to registered Shareholders of the Corporation as set forth on the list of registered Shareholders of the Corporation as maintained by the registrar and transfer agent of the Corporation, TSX Trust Company, unless specifically stated otherwise.

1.3. Revoking Your Proxy

Registered Shareholders

You can revoke a vote you made by proxy in any one of three ways:

1. Complete a new proxy form that is dated later than the proxy form you want to revoke, and then mail it to TSX Trust Company, so they receive it by 10:00 a.m. (Montréal time) on December 11, 2026;

2. Send a notice in writing from you or your attorney to our Investor Relations department by 10:00 a.m. (Montréal time) on December 11, 2026; or

3. Provide a notice in writing from you or your attorney to the Chair of the meeting at the meeting or, if it is adjourned, when the meeting resumes.

1.4. Electronic Delivery of Material

You have the option to receive certain disclosure documentation from Falco electronically, by email notification inviting you to access documentation online at www.sedarplus.ca or in the "Investor Information" section of Falco's website at www.falcores.com. Delivery in electronic format, rather than paper, reduces costs to the Corporation and benefits the environment.

Registered Shareholders can consent to electronic delivery by completing and returning the consent form accompanying this Circular to TSX Trust Company. Non-registered holders can consent to electronic delivery by completing and returning the appropriate form received from their intermediary. If you do not consent to receive documentation through email notification, you will continue to receive documentation by mail.

If you wish to receive (or continue to receive) quarterly financial statements and Management's Discussion and Analysis (the "**MD&A**") by mail during the fiscal year 2027, you must check the appropriate box on the form of proxy (if you are a registered Shareholder) or voting instruction form (if you are a non-registered Shareholder). If you do not make this request, quarterly reports will not be sent to you. Financial statements and MD&A are available on the Corporation's website at www.falcores.com.

PART 2: BUSINESS OF THE MEETING

The Meeting will be held in order to:

1. Receive the annual audited financial statements of the Corporation for the year ended June 30, 2026, together with the report of the auditor thereon;

2. Elect the directors of the Corporation for the ensuing year;

3. Appoint PricewaterhouseCoopers LLP/s.r.l./s.e.n.c.r.l. ("**PricewaterhouseCoopers**"), a partnership of Chartered Professional Accountants, as the Corporation's independent auditor for the fiscal year 2027, and to authorize the directors to fix its remuneration;

4. To consider and, if deemed advisable, to pass, with or without amendments, an ordinary resolution to approve the Corporation's rolling 10% long-term incentive plan, as more particularly described in this Circular; and

5. Transact such further or other business as may properly come before the meeting or any adjournment or adjournments thereof.

2.1 Receipt of Annual Audited Financial Statements

The annual audited financial statements of the Corporation (the "**Financial Statements**") for the financial year ended June 30, 2026, and the report of the auditor thereon will be submitted at the Meeting. These Financial Statements and related MD&A were sent to all Shareholders who requested them in conjunction with this Notice of Meeting and Circular. The Corporation's Financial Statements and related MD&A for

the year ended June 30, 2026, are available on SEDAR+ (www.sedarplus.ca) as well as on the Corporation's website (www.falcores.com).

2.2 Election of Directors

Management is supervised by the board of directors of the Corporation (hereinafter called the "**Board of Directors**" or "**Board**") as per the *Canada Business Corporations Act* (the "**CBCA**"). The members of the Board are elected annually at each annual meeting of Shareholders to hold office until the next annual meeting unless, prior thereto, he or she resigns, or the office of such director becomes vacant by death, removal, or other cause. Our articles of incorporation, as amended, provide that our Board shall consist of a minimum of one (1) and a maximum of twelve (12) directors. Accordingly, a total of six (6) nominees are being proposed as directors for election by the Shareholders at the Meeting for the current year, each to hold office until the next annual meeting of Shareholders or until such person's successor is elected or appointed. You can vote for all of these proposed directors, vote for some of them and against for others, or against for all of them.

In accordance with the CBCA, for all uncontested shareholder meetings, each director will be elected at the Meeting only if the number of votes cast "for" the nominee represents a majority of the total votes cast "for" and "against" them. Notwithstanding the above, under the CBCA majority voting rules, if an incumbent director is not elected by a majority of votes at the Meeting, the incumbent director will be permitted to continue in office until the earlier of (i) the 90th day after the Meeting; and (ii) the day on which their successor is appointed or elected.

The following tables set out information about each director's summary career profile, their Board committee memberships, meeting attendance during the most recently completed financial year, principal directorships with other reporting issuers as well as other public and parapublic corporations on whose boards the nominees currently serve or have served in the past five years and the number of securities they hold, either in the form of Common Shares, warrants to acquire Common Shares or stock options of the Corporation.

Unless otherwise directed, the persons named in the enclosed proxy form intend to VOTE FOR the election of each of the proposed nominees whose names are set out below. The proposal requires the approval of a majority of the votes cast at the Meeting.

Each of the nominees has provided the information as to the Common Shares of the Corporation he or she beneficially owns or over which he or she exercises control or direction, as at November 9, 2026. All nominees have served continuously as director of the Corporation since their appointment or first election in such capacity.

If any proposed nominee is unable to serve as a director or withdraws his or her name, the individuals named in your form of proxy or voting instruction form reserve the right to nominate and vote for another individual in their discretion.

We expect all of our directors to demonstrate leadership and integrity and to conduct themselves in a manner that reinforces our corporate values and culture of transparency, teamwork and individual accountability.

Above all, we expect that all directors will exercise their good judgment in a manner that keeps the interests of Shareholders at the forefront of decisions and deliberations. Each candidate must have a demonstrated track record in several of the skills and experience requirements deemed important for a balanced and effective Board.



René Branchaud has been a member of the legal profession since 1983 and is a former Partner of the law firm Lavery, de Billy LLP, where he practiced law for more than 40 years, specializing in mining and securities law. He obtained his law degree from Université Laval in 1982. He is a director of Cerro de Pasco Resources Inc, of Morocco Strategic Minerals Corporation and of Abcourt Mines Inc., all listed on the TSX Venture Exchange.

RENÉ BRANCHAUD
Director since:
N/A[(1)]

Independent[(2)]

Age: **66**
Trois-Rivières, Québec, Canada

BOARD AND COMMITTEE MEETING ATTENDANCE DURING THE FISCAL YEAR ENDED JUNE 30, 2026			
	Regular	***Ad Hoc***	***Total***
Board	-	-	-

OTHER PUBLIC BOARDS DURING PAST 5 YEARS	
Cerro de Pasco Resources Inc	2022 – Present
Abcourt Mines Inc.	2021 – Present
Morocco Strategic Minerals Corporation	2018 – Present

FALCO SECURITIES HELD	
Type of Securities	***Number of Securities***
Common Shares	0
Stock Options	0
Warrants	0

OWNERSHIP GUIDELINE – TARGET DATE TO MEET[(3)]
N/A

2025 VOTES			
IN FAVOUR:	N/A	***AGAINST:***	N/A

NOTES:
(1) Mr. Branchaud is standing for election for the first time at the Meeting.
(2) "Independent" refers to the standards of independence established in Regulation 52-110.
(3) For further details concerning the Ownership Guideline, see "Role of the Board of Directors – Securities Ownership" at pages 32-33 of the Circular.



Mr. Alexander Dann is a corporate director and a chartered professional accountant with over 30 years of experience leading financial operations and strategic planning for multinational public companies, primarily in the mining and manufacturing sectors. From February 2021 to September 2026, he was Chief Financial Officer and Vice President, Finance of Osisko Gold Group Inc. Prior to that, Mr. Dann served as Chief Financial Officer of The Flowr Corporation from November 2017 to March 2020, where he successfully guided such corporation from a small private company to a TSX-V publicly traded corporation. Prior to that, he was Chief Financial Officer of Avion Gold Corp. and Era Resources Inc., until their acquisitions by Endeavour Mining Corporation and The Sentient Group, respectively. Mr. Dann also held senior finance roles with Falconbridge Ltd. (now part of Glencore Canada Corporation), Rio Algom Limited (now part of BHP Billiton) and Litens Automotive Partnership (a group within Magna International Inc.). Mr. Dann is the nominee of Osisko Gold Group Inc. on the Corporation's Board of Directors pursuant to the Investor Rights Agreement entered into between the Corporation and Osisko Gold Group Inc. (formerly known as Osisko Development Corp.) on November 27, 2020 (the "**OGG Investor Rights Agreement**").

Mr. Dann obtained his Chartered Accountant designation in 1995 and holds a Bachelor's degree in Business Administration from Université Laval in Québec City.

ALEXANDER DANN
Chair of the Board since:
December 16, 2025
Director since:
March 5, 2021

Independent[(1)]
Age: **60**
Toronto, Ontario, Canada

BOARD AND COMMITTEE MEETING ATTENDANCE DURING THE FISCAL YEAR ENDED JUNE 30, 2026

	Regular	***Ad Hoc***	***Total***
Board	4/4	7/7	11/11
Audit Committee	4/4	-	4/4

OTHER PUBLIC BOARDS DURING PAST 5 YEARS

None.

FALCO SECURITIES HELD

Type of Securities	***Number of Securities***
Common Shares	230,000
Stock Options	1,000,000
Warrants	40,000

OWNERSHIP GUIDELINE – TARGET DATE TO MEET[(2)]

Target Attained

2025 VOTES

IN FAVOUR:	94.32%	***AGAINST:***	5.68%

NOTES:
(1) "Independent" refers to the standards of independence established in Regulation 52-110.
(2) For further details concerning the Ownership Guideline, see "Role of the Board of Directors – Securities Ownership" at pages 32-33 of the Circular.



Ms. Paola Farnesi is a senior financial professional with over 35 years of experience in corporate finance, financial reporting, M&A and risk management. She was Vice President and Treasurer of Domtar Corporation until March 2026, responsible for negotiating and arranging $2.5 billion in corporate financings, overseeing an insurance portfolio of $50 billion in insurable values and managing the investments of pension fund assets of $8 billion. From 1994 to 2008, Ms. Farnesi held several other leadership positions at Domtar Corporation, including Vice President, Internal Audit, where she was responsible for the implementation and subsequent compliance efforts related to Sarbanes-Oxley. Prior to joining Domtar Corporation, Ms. Farnesi worked at Ernst & Young for the assurance group in Montréal. She currently sits on the boards of directors of Nouveau Monde Graphite Inc. and Birks Group Inc.

Ms. Farnesi holds a Bachelor of Commerce and a Graduate degree in Public Accountancy from McGill University, is a member of the Chartered Professional Accountants of Québec and obtained the ICD.D designation from the Institute of Corporate Directors.

PAOLA FARNESI
Director since:
November 22, 2016

Independent[1]

Age: **59**

Montréal, Québec, Canada

BOARD AND COMMITTEE MEETING ATTENDANCE DURING THE FISCAL YEAR ENDED JUNE 30, 2026

	Regular	***Ad Hoc***	***Total***
Board	4/4	7/7	11/11
Audit Committee – *Chair*	4/4	-	4/4
Compensation Committee	2/2	-	2/2
Nominating and Corporate Governance Committee	4/4	-	4/4

OTHER PUBLIC BOARDS DURING PAST 5 YEARS

Birks Group Inc.	September 2025 – Present
Nouveau Monde Graphite Inc.	June 2025 – Present
Quebec Precious Metals Corporation	June 2021 – July 2022

FALCO SECURITIES HELD

Type of Securities	***Number of Securities***
Common Shares	277,089
Stock Options	1,000,000
Warrants	40,000

OWNERSHIP GUIDELINE – TARGET DATE TO MEET[2]

Target Attained

2025 VOTES

IN FAVOUR:	97.25%	***AGAINST:***	2.75%

NOTE:
(1) "Independent" refers to the standards of independence established in Regulation 52-110.
(2) For further details concerning the Ownership Guideline, see "Role of the Board of Directors – Securities Ownership" at pages 32-33 of the Circular.



Mr. Luc Lessard holds a Bachelor's degree in Mining Engineering from Université Laval in Québec City, is a member of the *Ordre des ingénieurs du Québec* and has over 35 years of experience in the design, construction and operation of mines. He is the President, Chief Executive Officer of Falco since February 2015 and held the position of Chief Operating Officer of Osisko Development Corp. (now Osisko Gold Group Inc.) from January 2021 to December 2023.

Prior to joining Falco, he was Senior Vice-President, Technical Services of OR Royalties Inc. (then known as Osisko Gold Royalties Ltd), Chief Operating Officer of Canadian Malartic GP (jointly owned by Agnico Eagle Mines Limited and Yamana Gold Inc.) and prior to that, Chief Operating Officer and Senior Vice-President, Engineering and Construction of Osisko Mining Corporation, where he was responsible for the design, construction and commissioning of the Canadian Malartic gold mine. He also was Vice-President of Engineering and Construction for Iamgold and General Manager for Cambior. During his career, Mr. Lessard worked on several surface and underground mining projects.

LUC LESSARD
Director since:
December 23, 2014

Non-Independent[1]

Age: **62**
St-Bruno, Québec, Canada

BOARD AND COMMITTEE MEETING ATTENDANCE DURING THE FISCAL YEAR ENDED JUNE 30, 2026

	Regular	***Ad Hoc***	***Total***
Board	4/4	7/7	11/11
Environment and Technical Committee	-	-	-

OTHER PUBLIC BOARDS DURING PAST 5 YEARS		***FALCO SECURITIES HELD***	
Osisko Metals Incorporated	February 2016 – October 2024	***Type of Securities***	***Number of Securities***
		Common Shares	2,364,253
		Stock Options	3,250,000
		Warrants	78,125

OWNERSHIP GUIDELINE – TARGET DATE TO MEET

N/A[2]

2025 VOTES

IN FAVOUR:	97.48%	***AGAINST:***	2.52%

NOTES:
(1) "Independent" refers to the standards of independence established in Regulation 52-110.
(2) The Ownership Guideline (as defined below) is only applicable to non-executive directors. For further details, see "Role of the Board of Directors – Securities Ownership" at pages 32-33 of the Circular.



Ms. Lucy Potter joined Rio Tinto in 2023, as General Manager, Technical where she supports technical assurance and enterprise risk to enable safe, sustainable production and optimized commercial outcomes across the business. She brings more than 25 years of experience spanning the full mining value chain, including exploration, mineral resource stewardship, operations, and enterprise-level technical governance, with a career shaped by work across multiple jurisdictions and a broad range of commodities.

Prior to her current role, Ms. Potter held senior technical leadership positions within Rio Tinto Minerals, and previously spent more than a decade at Glencore, including serving as Global Head of Geology and Mineral Resources, where she oversaw resource governance, estimation, and strategic planning across a diverse global portfolio. Earlier in her career, she held progressively senior roles with Falconbridge and IAMGOLD, building a strong resource development and project foundation.

She holds a Bachelor of Science in Geology from McGill University, a Bachelor of Education from Laurentian University, and a Graduate Diploma in Mining Law, Finance and Sustainability from Western University. Ms. Potter is a Professional Geologist (Québec) and has completed extensive executive and governance training.

Ms. Potter is the nominee of OR Royalties Inc. on the Corporation's Board of Directors pursuant to the Investor Rights Agreement entered into between the Corporation and OR Royalties Inc. (formerly known as Osisko Gold Royalties Ltd) on November 27, 2020.

LUCY POTTER
Director since:
N/A[(1)]

Independent[(2)]

Age: **50**
Montréal, Québec, Canada

BOARD AND COMMITTEE MEETING ATTENDANCE DURING THE FISCAL YEAR ENDED JUNE 30, 2026

	Regular	***Ad Hoc***	***Total***
Board	-	-	-

OTHER PUBLIC BOARDS DURING PAST 5 YEARS	***FALCO SECURITIES HELD***	
	Type of Securities	***Number of Securities***
None.	*Common Shares*	0
	Stock Options	0
	Warrants	0

OWNERSHIP GUIDELINE – TARGET DATE TO MEET[(3)]

N/A

2025 VOTES

IN FAVOUR:	N/A	***AGAINST:***	N/A

NOTES:
(1) Ms. Potter is standing for election for the first time at the Meeting.
(2) "Independent" refers to the standards of independence established in Regulation 52-110.
(3) For further details concerning the Ownership Guideline, see "Role of the Board of Directors – Securities Ownership" at pages 32-33 of the Circular.



Ms. Chantal Sorel is a corporate director. She has over 35 years of experience in general management with full profit and loss responsibility, project financing, project management, operations, strategic development, business development, mergers and acquisitions, in the industries of mining and metallurgy, power, infrastructure, industrial facilities, rail and transit. Ms. Sorel has been adviser at Aéroports de Montréal from 2020 to 2024 for infrastructures. Previously, she was Executive Vice President and Managing Director, Capital at AtkinsRéalis (formerly known as the SNC-Lavalin Group) from 2016 to 2019 where she was responsible for the project financing and asset management of a $20 billion infrastructure and industrial asset portfolio. She currently sits on the boards of directors of NAV Canada and Nouveau Monde Graphite Inc.

Ms. Sorel holds a Degree in architecture from Université de Montréal and a master's degree in Project Management from Université du Québec à Montréal and completed the Director Education Program jointly offered by the Institute of Corporate Directors, the McGill Executive Institute and the Rotman School of Management at the University of Toronto.

CHANTAL SOREL
Director since:
May 24, 2017

Independent[1]

Age: **62**
Montréal, Québec, Canada

BOARD AND COMMITTEE MEETING ATTENDANCE DURING THE FISCAL YEAR ENDED JUNE 30, 2026

	Regular	***Ad Hoc***	***Total***
Board	4/4	7/7	11/11
Compensation Committee	2/2	-	2/2
Environment and Technical Committee – *Chair*	-	-	-
Nominating and Corporate Governance Committee – *Chair*	4/4	-	4/4

OTHER PUBLIC BOARDS DURING PAST 5 YEARS

NAV Canada	January 2025 – Present
Nouveau Monde Graphite Inc.	June 2024 – Present

FALCO SECURITIES HELD

Type of Securities	***Number of Securities***
Common Shares	252,500
Stock Options	1,000,000
Warrants	40,000

OWNERSHIP GUIDELINE – TARGET DATE TO MEET[2]

Target Attained

2025 VOTES

IN FAVOUR:	97.17%	***AGAINST:***	2.83%

NOTES:
(1) "Independent" refers to the standards of independence established in Regulation 52-110.
(2) For further details concerning the Ownership Guideline, see "Role of the Board of Directors – Securities Ownership" at pages 32-33 of the Circular.

Director Independence

A director is not independent if such director has a direct or indirect relationship that the Board believes could reasonably be expected to interfere with the ability to exercise independent judgment.

As of the date of this Circular, five (5) of the Corporation's six (6) nominee directors are independent. Mr. Lessard, President and Chief Executive Officer of the Corporation does not meet the independence standards as an executive officer of the Corporation.

Mr. Alexander Dann is the representative of Osisko Gold Group Inc. on the Board of Directors of the Corporation, in accordance with the OGG Investor Rights Agreement. Prior to his retirement as Chief Financial Officer of Osisko Gold Group Inc. on September 30, 2026, Mr. Alexander Dann was considered to have a material relationship with the Corporation by virtue of his position with the Corporation's largest shareholder. As a result of his retirement from his position with Osisko Gold Group Inc., the Board has determined based on all relevant facts that as of the date hereof, Mr. Dann does not have a relationship with the Corporation which could be reasonably expected to interfere with the exercise of Mr. Dann's independent judgement.

As at the date hereof, Mr. Dann, Ms. Farnesi, Ms. Sorel, Ms. Potter and Mr. Branchaud meet the independence standards pursuant to provisions of Regulation 52-110 and *Regulation 58-101 respecting Disclosure of Corporate Governance Practices* ("**Regulation 58-101**").

The Corporation does not have an executive committee of its Board of Directors.

The information pertaining to the Corporation's cease trade orders and bankruptcies, or penalties or sanctions, not being within the knowledge of the Corporation, has been furnished by the proposed directors.

Corporate Cease Trade Orders

To the knowledge of the Corporation, no proposed director is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that:

(a) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under applicable securities legislation, and which in all cases was in effect for a period of more than 30 consecutive days (an "**Order**"), which Order was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer of such company; or

(b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer of such company.

Bankruptcies, or Penalties or Sanctions

To the knowledge of the Corporation, other than as described below, no proposed director is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that:

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

(b) has, within ten (10) years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his assets;

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

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

Luc Lessard, the President and Chief Executive Officer of the Corporation, served as a member of the board of directors of 11272420 Canada Inc., the parent company of Stornoway Diamonds (Canada) Inc. which operates the Renard Diamond mine in Québec until October 31, 2025. 11272420 Canada Inc. and Stornoway Diamonds (Canada) Inc. sought protection from their creditors pursuant to the *Companies' Creditors Arrangement Act* on October 27, 2023.

2.3 Appointment of Auditor

PricewaterhouseCoopers, a partnership of Chartered Professional Accountants, will be nominated at the Meeting for appointment as auditor of the Corporation and remuneration to be fixed by the Board of Directors.

Accordingly, the Board of Directors and Management are recommending that Shareholders vote FOR the appointment of PricewaterhouseCoopers, as auditor of the Corporation for the ensuing year, until the close of the next annual meeting of Shareholders, at a remuneration to be fixed by the directors. **Unless contrary instructions are indicated on the proxy form or the voting instruction card, the persons designated in the accompanying form of proxy or voting instructions card intend to vote FOR the appointment of PricewaterhouseCoopers. The proposal requires the approval of a majority of the votes cast at the Meeting.**

2.4 Corporation's Long-Term Incentive Plan

The Corporation's current long-term incentive plan (the "**LTIP**") was most recently approved by Shareholders at the December 15, 2025 annual and special meeting of Shareholders. The purpose of the LTIP is to attract, retain and motivate persons of training, experience and leadership as directors, officers, employees and consultants of the Corporation and its subsidiaries, to advance the long-term interests of the Corporation by providing such persons with the opportunity and incentive, through equity-based compensation, to acquire an ownership interest in the Corporation, and to promote a greater alignment of interests between such persons and shareholders of the Corporation.

Pursuant to Policy 4.4 – *Security Based Compensation* ("**Policy 4.4**") of the TSX Venture Exchange (the "**TSXV**"), a corporation listed on the TSXV is required to obtain the approval of its shareholders for a "rolling" security-based compensation plan at each annual meeting of shareholders. In addition, the "rolling plan" must be submitted for the TSXV review and acceptance every year. As a "rolling plan", the LTIP provides that the aggregate number of Common Shares to be reserved and set aside for issue upon the exercise or redemption and settlement for all awards granted under the LTIP, shall not exceed 10% of the issued and outstanding Common Shares, outstanding at the time of the granting of the award (on a non-diluted basis, excluding any Options granted to Eligible Charitable Organizations (as defined in the LTIP)).

As of the Record Date, there are 14,836,667 Options outstanding under the LTIP, and 20,689,113 additional Options may be granted (based on the current issued capital of 355,257,805 Common Shares). Notice of Options granted under the LTIP must be given to the TSXV on a monthly basis. Any amendments to the LTIP must also be approved by the TSXV and, if necessary, by the Shareholders, prior to becoming effective.

No amendments were made to the LTIP since its last approval by the Shareholders at the December 15, 2025 annual and special meeting of Shareholders.

For further details concerning the LTIP, including a summary thereof, see "Executive Compensation – Stock Option and Other Compensation Securities".

Shareholder Approval of the LTIP

Pursuant to Policy 4.4 of the TSXV, the Corporation is required to obtain its Shareholders' approval of the LTIP. Accordingly, Shareholders will be asked to pass an ordinary resolution, in substantially the following form, to approve and ratify the LTIP (the "**LTIP Resolution**"):

"**BE IT RESOLVED, AS AN ORDINARY RESOLUTION, THAT**:

1. the Long-Term Incentive Plan ("**LTIP**") of the Corporation, as described in the Circular of the Corporation dated November 9, 2026, be and is hereby approved and ratified;

2. all compensation securities issued and to be issued under the LTIP, be and are hereby approved; and

3. any 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 to execute or cause to be executed, whether under corporate seal of the Corporation or otherwise, and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, including to make any changes to the LTIP if required by the TSXV, as in the opinion of such director or officer may be necessary or desirable in order to carry out the terms of this resolution, such determination to be conclusively evidenced by the execution and delivery of such documents or the doing of any such act or thing."

Accordingly, the Board of Directors and Management are recommending that Shareholders vote FOR the approval of the LTIP Resolution. Unless contrary instructions are indicated on the proxy form or the voting instruction card, the persons designated in the accompanying form of proxy or voting instructions card intend to vote FOR the LTIP Resolution. The proposal requires the approval of a majority of the votes cast at the Meeting.

A copy of the Corporation's LTIP is available on SEDAR+ and on the Corporation's website, or may be obtained upon request via email at info@falcores.com.

PART 3: ABOUT FALCO

3.1. Corporate Governance Practices

Falco believes in the importance of a strong Board of Directors and sound corporate governance policies and practices to direct and manage our business affairs. Good corporate governance is essential to retaining the trust of our Shareholders, attracting the right people to the organization and maintaining our social license in the communities where we work and operate. Falco also believes that good governance enhances its performance.

The Corporation's governance framework is evolving as the Corporation continues to grow. Its governance policies also respect the rights of Shareholders and comply with the rules of the Canadian Securities Administrators ("**CSA**") and the TSXV.

The Board has adopted board and committee charters as well as other appropriate policies and practices. Independent directors are expected to hold in-camera meetings at each quarter-end Board and Committee meeting. A copy of the Corporation's Code of Ethics, as well as Board and Committee charters, are posted on Falco's website at www.falcores.com and can be requested via email at info@falcores.com.

The following discussion outlines some of Falco's current corporate governance practices, particularly with respect to the matters addressed by *Policy Statement 58-201 to Corporate Governance Guidelines* (the "**Canadian Guidelines**") and Regulation 58-101 adopted by the CSA.

Code of Ethics

The Board has adopted a Code of Ethics applicable to all of its directors, officers and employees, including the Chair of the Board, the President and Chief Executive Officer, the Chief Financial Officer and other persons performing financial reporting functions. The Code of Ethics was last reviewed by the Board of Directors on September 30, 2026.

The Code of Ethics communicates to directors, officers and employees standards for business conduct in the use of Falco time, resources and assets, and identifies and clarifies proper conduct in areas of potential conflict of interest. The Code of Ethics is designed to deter wrongdoing and promote: (a) honest and ethical conduct; (b) compliance with laws, rules and regulations; (c) prompt internal reporting of Code of Ethics violations; and (d) accountability for adherence to the Code of Ethics. Violations from standards established in the Code of Ethics, and specifically under internal accounting controls, are reported to the Chief Financial Officer and can be reported anonymously. The Chief Financial Officer will report to the Audit Committee, which will report to the Board any reported alleged violations at least quarterly, or more frequently depending on the specifics of the reported alleged violation.

The President and Chief Executive Officer and the Nominating and Corporate Governance Committee are responsible for promoting a corporate culture, which supports the highest of ethical standards, encourages personal integrity and assumes social responsibility.

The Corporation will adopt, from time to time, policies and guidelines relating to ethics that apply to all directors, officers and employees of the Corporation. The Corporation's Code of Ethics is reviewed on an annual basis as well as adherence thereto.

The Corporation is committed to encouraging the respect of individuals, their integrity and their dignity by ensuring that the working environment and relations between employees shall be free of violence,

discrimination, and harassment. The Corporation has adopted a Policy on the Prevention of Harassment in the Workplace and the Handling of Complaints, which forms an integral part of the Code of Ethics and provides for intervention measures applicable to harassment complaints or situations which could constitute a violation of such Policy.

Each director, officer and employee is provided with a copy of the Code of Ethics and is asked to sign an acknowledgement that the standards and principles of the Code of Ethics will be maintained at all times on Falco business. Management of the Corporation reports annually to the Nominating and Corporate Governance Committee all non-compliance statements so disclosed by directors, officers and designated employees.

The Corporation's Code of Ethics provides that directors, officers and employees must avoid conflicts of interests, both real and perceived. In practice, should a director have a material interest or be otherwise in conflict of interest with respect to a transaction or agreement considered by the Board, he/she must disclose his/her conflict of interest and withdraw from any discussions, assessment or decision related to the particular transaction or agreement.

Any officer, director or employee who is aware of any situation that is or could reasonably be expected to give rise to a conflict of interest or who is aware of a related party transaction must discuss the matter promptly with their immediate supervisor or the Chief Financial Officer and Corporate Secretary. The Corporation will ensure compliance with any applicable disclosure, "minority approval" and formal valuation requirements set forth in applicable legislation, as it applies to related party transactions and other special transactions involving the Corporation.

The Board may implement any measures that it finds necessary in order to ensure the exercise of independent judgment. In the event a director has a material interest in any transaction or agreement, such director will abstain from voting in that regard.

In addition, the Board has established under the Corporation's Internal Whistleblowing Policy, a process for the receipt and treatment of all complaints concerning accounting, internal accounting controls, auditing or any other wrongdoing, including in connection with the Corporation's Code of Ethics submitted by any employee, including procedures for the confidential anonymous submissions by employees of concerns regarding said matters. To help in this process, the Corporation established an Ethics Line, which is a phone and internet-based reporting system (1-855-940-2004 or ethics@falcores.com).

There has been no "questionable event" (as defined in the Whistleblowing Policy) communicated in fiscal year 2026 through the ethics line or otherwise, to report any conduct of a director or Executive Officer that would constitute a departure from the Code of Ethics.

Through the above-noted methods, the Board encourages and promotes a culture of ethical business conduct. In addition, the directors, officers and employees of the Corporation are expected to act and to hold their office within the best interests of the Corporation. The Corporation expects that all directors shall act in compliance of all laws and regulations applicable to their office as director of the Corporation.

A copy of the Code of Ethics is available on the Corporation's website at www.falcores.com.

Anti-Bribery, Anti-Corruption and Anti-Money Laundering Policy

The Board of Directors has determined that, on the recommendation of the Nomination and Corporate Governance Committee, to formalize its policy on compliance with respect to anti-bribery, anti-corruption and anti-money laundering policy, having therefore adopted on November 21, 2022 a Policy respecting

anti-bribery, anti-corruption and anti-money laundering (the "**Policy**") and which was last reviewed on September 30, 2026.

The Corporation's Board of Directors is committed to strict compliance with this Policy, fostering a culture of integrity and maintaining high ethical standards throughout the Corporation and with those who act as our representatives.

The Compliance Officer for this Policy is the Corporation's Chief Financial Officer and Corporate Secretary (the "**Compliance Officer**").

The Corporation is conducting its business in accordance with all laws, rules and regulation applicable to it and the highest ethical standards and takes a zero-tolerance approach to bribery, corruption and money laundering. The Policy is intended to provide guidance and procedures to the Corporation's personnel and representatives for compliance with Canada's *Corruption of Foreign Public Officials Act* ("**CFPOA**"), the *Canadian Criminal Code* ("**CC**") and other local laws pertaining to bribery, corruption and money laundering. Although the CFPOA and the CC are laws of Canada, such laws have extra-territorial application and can therefore apply to the Corporation anywhere in the world.

This Policy complements the Corporation's Code of Ethics and the other policies of the Corporation and provides guidelines for compliance with anti-bribery and anti-money laundering laws applicable to the Corporation's operations wherever conducted. This Policy is not intended to replace any applicable laws.

The Policy shall be distributed to and signed by each of the Corporation's employees when they are hired. Directors, officers and designated employees are required, on an annual basis, to declare their commitment to abide by the Corporation's Policy. Any non-compliance to the Policy will be reported to the Nominating and Corporate Governance Committee which will be responsible for reviewing the Policy on an annual basis.

Through the above-noted methods, the Board encourages and promotes a culture of ethical business conduct. In addition, the directors, officers and employees of the Corporation are expected to act and to hold their office within the best interests of the Corporation. The Corporation expects that all directors shall act in compliance of all laws and regulations applicable to their office as director of the Corporation.

3.2. Role of the Board of Directors

The primary responsibility of the Board is to supervise the management of the business and affairs of the Corporation. In discharging its fiduciary duties, Board members are expected to use their experience and expertise to guide Management and ensure good governance practices are adhered to. The Board oversees the Corporation's systems of corporate governance and financial reporting and controls to ensure that the Corporation reports adequate and reliable financial and other information to Shareholders and engages in ethical and legal conduct.

The Corporation expects each member of its Board to act honestly and in good faith and to exercise business judgment that is in the best interests of the Corporation and its stakeholders. The Chair does not have a second or casting vote in the case of equality of votes in any matter brought before the Board.

In addition to possessing the requisite skill and experience required to carry out their functions, directors must demonstrate a track record of honesty, integrity, ethical behaviour, fairness and responsibility and a commitment to representing the long-term interests of Falco's stakeholders. They must also be able to devote the time required to discharge their duties and responsibilities effectively.

In addition to the foregoing, each director is expected to:

- Develop an understanding of Falco's strategy, business environment, the market in which the Corporation operates and its financial position and performance;
- Be willing to share expertise and experience with Management and fellow directors, and to use a respectful, collegial approach in challenging the views of others;
- Diligently prepare for each Board and committee meeting by reviewing all of the meeting materials in advance of the meeting date;
- Actively and constructively participate in each meeting and seek clarification when necessary to fully understand the issues being considered;
- Leverage experience and wisdom in making sound strategic and operational business decisions; and
- Demonstrate business acumen and a mindset for risk oversight.

Additional information relating to the duties and responsibilities of the Board is included in the Charter of the Board of Directors attached in this Circular as Schedule "A".

Committees of the Board

The Board has established four standing committees, namely: the Audit Committee, the Compensation Committee, the Environment and Technical Committee and the Nominating and Corporate Governance Committee. Following is a description of the authority, responsibilities, duties and function of such committees.

Audit Committee

The Audit Committee meets regularly in order to assist the Board of Directors in fulfilling its oversight responsibilities with respect to the following: (i) the Corporation's accounting and financial reporting principles and policies and internal audit controls and procedures; (ii) the integrity and transparency of the Corporation's financial statements and the independent audit thereof; (iii) selecting, evaluating and, where deemed appropriate, replacing the external auditors; (iv) evaluating the independence of the external auditors; (v) the Corporation's risk identification, assessment and management program; and (vi) the Corporation's compliance with legal and regulatory requirements in respect of the above.

The function of the Audit Committee is to provide independent and objective oversight. Management of the Corporation is responsible for the preparation, presentation and integrity of the Corporation's financial statements. Management is responsible for maintaining appropriate accounting and financial reporting principles and policies and internal controls and procedures that provide for compliance with accounting standards and applicable laws and regulations. The external auditors are responsible for planning and carrying out a proper audit of the Corporation's annual financial statements and other procedures. In fulfilling their responsibilities thereunder, it is recognized that members of the Audit Committee are not full-time employees of the Corporation and are not, and do not represent themselves to be, accountants or auditors by profession or experts in the fields of accounting or auditing including in respect of auditor independence. As such, it is not the duty or responsibility of the Audit Committee or its members to conduct "field work" or other types of auditing or accounting reviews or procedures or to set auditor independence standards, and each member of the Audit Committee shall be entitled to rely on (i) the integrity of those persons and organizations within and external to the Corporation from which it receives information, (ii) the accuracy of the financial and other information provided to the Audit Committee by such persons or organizations absent actual knowledge to the contrary (which shall be promptly reported to the Board of Directors) and (iii) representations made by Management as to non-audit services provided by the auditors to the Corporation.

The Audit Committee met four (4) times during the most recently completed financial year. Since December 20, 2021, the Audit Committee is composed of the following three (3) directors:

- Ms. Paola Farnesi – Chair *(Independent)*
- Mr. Mario Caron *(Independent)*
- Mr. Alexander Dann *(Independent)*[(1)]

NOTE:

(1) Mr. Dann meets the independence standards since October 1, 2026. For further details concerning director independence, see "Election of Directors – Director Independence" at page 20 of the Circular.

All members of the Audit Committee are "financially literate" and/or "financial experts", within the meaning of applicable regulations. In considering criteria for determination of financial literacy, the Board assesses the ability to understand financial statements of the Corporation. In determining accounting or related financial expertise, the Board considers familiarity with accounting issues pertinent to Falco, past employment experience in finance or accounting, requisite professional certification in accounting, and any other comparable experience or background which results in the individuals' financial sophistication.

A copy of the Charter of the Audit Committee is attached in this Circular as Schedule "B".

Relevant Education and Experience

The following sets out the Audit Committee members' education and experience that is relevant to the performance of his responsibilities as an audit committee member.

Paola Farnesi: Ms. Farnesi is a senior financial professional with over 35 years of experience in corporate finance, financial reporting, M&A and risk management. She was Vice President and Treasurer of Domtar Corporation until March 2026, responsible for negotiating and arranging $2.5 billion in corporate financings, overseeing an insurance portfolio of $50 billion in insurable values and managing the investments of pension fund assets of $8 billion. From 1994 to 2008, Ms. Farnesi held several other leadership positions at Domtar Corporation, including Vice President, Internal Audit, where she was responsible for the implementation and subsequent compliance efforts related to Sarbanes-Oxley. Prior to joining Domtar Corporation, Ms. Farnesi worked at Ernst & Young for the assurance group in Montréal.

Ms. Farnesi holds a Bachelor of Commerce and a Graduate degree in Public Accountancy from McGill University, is a member of the Chartered Professional Accountants of Québec and obtained the ICD.D designation from the Institute of Corporate Directors.

Alexander Dann: Mr. Alexander Dann is a corporate director and a chartered professional accountant with over 30 years of experience leading financial operations and strategic planning for multinational public companies, primarily in the mining and manufacturing sectors. From February 2021 to September 2026, he was Chief Financial Officer and Vice President, Finance of Osisko Gold Group Inc. Prior to that, Mr. Dann served as Chief Financial Officer of The Flowr Corporation from November 2017 to March 2020, where he successfully guided such corporation from a small private company to a TSX-V publicly traded corporation. Prior to that, he was Chief Financial Officer of Avion Gold Corp. and Era Resources Inc., until their acquisitions by Endeavour Mining Corporation and The Sentient Group, respectively. Mr. Dann also held senior finance roles with Falconbridge Ltd. (now part of Glencore Canada Corporation), Rio Algom Limited (now part of BHP Billiton) and Litens Automotive Partnership (a group within Magna International Inc.).

Mr. Dann obtained his Chartered Accountant designation in 1995 and holds a Bachelor's degree in Business Administration from Université Laval in Québec City.

Mario Caron: Mr. Mario Caron is a mining executive with over 40 years of experience in the mining industry in senior executive and board positions. His experience was gained nationally and internationally in both underground and open pit operations. As CEO of public companies, he secured mining licenses and various permits in numerous jurisdictions. From 2016 to 2023, he was the Chairman of New Moly LLC (formerly known as Alloycorp Mining Inc.), a privatized company since August 2016 with a molybdenum deposit in British Columbia.

Mr. Caron received his Bachelor of Engineering, Mining at McGill University and is a retired member of the Association of Professional Engineers of Ontario and of the *Ordre des ingénieurs du Québec*.

Audit Committee Oversight

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

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on the exemptions in Sections 2.4 and 6.1.1 of Regulation 52-110 or an exemption from Regulation 52-110, in whole or in part, granted under Part 8 of Regulation 52-110.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted any specific policies and procedures for the engagement of non-audit services. However, any non-audit service shall be submitted to the Chair of the Audit Committee for approval.

External Auditor Service Fees (By Category)

The aggregate fees billed by the Corporation's external auditor in each of the last two (2) fiscal years are as follows:

	2026	**2025**
Audit fees[(1)]	$170,130	$110,339
Audit-related fees	Nil	Nil
Tax fees[(2)]	Nil	Nil
All other fees	$1,346	$2,656
Total	**$171,476**	**$112,995**

NOTES:

(1) This represents the aggregate fees billed for audit services, including fees relating to the review of quarterly financial statements and statutory audits of the Corporation.

(2) This represents the aggregate fees billed for tax compliance, tax advice and tax planning services.

Compensation Committee

The Compensation Committee is responsible for approving compensation objectives and the specific compensation programs for policies and practices of the Corporation on matters of remuneration, succession planning, compensation recruitment, development, retention and performance evaluations, which policies are developed and implemented in conformity with the Corporation's objectives with the view to attracting and retaining the best qualified members of Management and employees. The Compensation Committee is responsible for recommending, monitoring and reviewing compensation programs for senior executives.

The Compensation Committee met two (2) times during the most recently completed financial year. Since February 13, 2019, the Compensation Committee is composed of the following three (3) independent directors:

- Mr. Mario Caron (Chair) *(Independent)*
- Ms. Paola Farnesi *(Independent)*
- Ms. Chantal Sorel *(Independent)*

As Mr. Caron is not standing for re-election, a new Chair will be appointed in due course following the Meeting.

Environment and Technical Committee

The Environment and Technical Committee is a committee of the Board of Directors to which the Board delegates its responsibility to oversee various aspects of the activities of the Corporation in respect of the work environment (occupational health and safety), the human environment (corporate social responsibility matters) and the physical environment (environmental matters) and any technical matters that may arise.

The Environment and Technical Committee has the general mandate (i) to consider and evaluate all aspects of the Corporation's occupational health and safety, corporate social responsibility and environmental matters; (ii) to recommend to the Board the steps to be taken in connection with these three (3) areas of activity; and (iii) to oversee the implementation and administration of corporate policies and guidelines adopted by regulatory authorities and the Board with respect to occupational health and safety, corporate social responsibility and environmental matters.

The Environment and Technical Committee did not meet during the most recently completed financial year as the subject matters normally presented to such Committee were addressed during meetings of the Board. Since June 28, 2024, the Environment and Technical Committee is composed of the following two (2) directors:

- Ms. Chantal Sorel (Chair) *(Independent)*
- Mr. Luc Lessard *(Non-Independent)*

Falco expects that an additional director will be appointed upon the Environment and Technical Committee resuming formally its meetings.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee is responsible for the monitoring of the Corporation's corporate governance and nomination matters.

The Nominating and Corporate Governance Committee has the general mandate to (i) consider and assess all issues that may affect the Corporation in the areas of corporate governance and nomination generally; (ii) recommend actions or measures to the Board to be taken in connection with these two (2) areas; and (iii) monitor the implementation and administration of such actions or measures, or of corporate policies and guidelines adopted by regulatory authorities or the Board with respect to said two (2) areas.

Corporate governance practices determine the process and structure used to manage and run the internal and commercial business of the Corporation with a view to preserving its financial and operational integrity, complying with all applicable rules in general and increasing its value to Shareholders.

As regards corporate governance matters, the Nominating and Corporate Governance Committee is responsible for establishing practices which must be followed and should be in line with corporate governance rules and guidelines in effect from time to time as adopted by relevant authorities. The Nominating and Corporate Governance Committee is also responsible for recommending to the Board new candidates for directors and to assist the Board in the assessment of the performance of senior officers, of the Board and its committees and of individual directors.

The Nominating and Corporate Governance Committee met four (4) times during the most recently completed financial year. Since May 27, 2021, the Nominating and Corporate Governance Committee is composed of the following three (3) independent directors:

- Ms. Chantal Sorel (Chair) *(Independent)*
- Mr. Mario Caron *(Independent)*
- Ms. Paola Farnesi *(Independent)*

Risk Oversight

The Board oversees an enterprise-wide approach to risk management designed to support the achievement of organizational objectives, including strategic objectives, to improve long-term organizational performance and enhance Shareholder value. A fundamental part of risk management is not only understanding the risks a company faces and what steps Management is taking to manage those risks, but also understanding what level of risk is appropriate for the Corporation. The involvement of the full Board in setting the Corporation's business strategy is a key part of its assessment of the Board's tolerance to risk and also a determination of what constitutes an appropriate level of risk for the Corporation.

Board Effectiveness Assessment

Following the implementation in June 2016 of a formal procedure for assessing the performance of the Board and its Committee members, a detailed questionnaire is distributed annually to each member of the Board in order to enable individual directors to provide feedback on the effectiveness of the Board and its standing Committees as well as the contribution of each member. The assessment is conducted on an anonymous basis through a web platform, which generates and produces a report of the assessment results. Thereafter, the Chair of the Nominating and Corporate Governance Committee discusses the results and any issues arising from the performance assessments with the members of the Nominating and Corporate Governance Committee in the presence of the Chair of the Board. The Chair of the Nominating and Corporate Governance Committee also reports to the full Board on the Board's performance assessment.

The Nominating and Corporate Governance Committee assesses the operation of the Board and its standing Committees, the adequacy of information given to directors, communication between the Board and Management, the Board size and overall skills. The Nominating and Corporate Governance Committee also recommends changes to the Board in order to enhance its performance based on the survey feedback.

Board's Skills Matrix

The Nominating and Corporate Governance Committee, together with the Board Chair, is responsible for determining the needs of the Board in the long-term and identifying new candidates to stand as nominees for election or appointment as directors.

The Board ensures that the skill set developed by directors, through their business expertise and experience, meets the needs of the Board.

The Nominating and Corporate Governance Committee reviews annually the credentials of the members of the Board. The following table exemplifies the current skills that each nominee possesses:

	SKILLS									
Directors	***Months of Directorship***	***Financial[1]***	***M&A[2]***	***Industry Knowledge[3]***	***Technical / Mining[4]***	***Government Relations[5]***	***Governance[6]***	***Human Resources[7]***	***Sustainability[8]***	***Management[9]***
René Branchaud[10]	N/A	✓	✓	✓		✓	✓	✓		✓
Alexander Dann	68	✓	✓	✓	✓	✓	✓	✓	✓	✓
Paola Farnesi	120	✓	✓	✓			✓	✓	✓	✓
Luc Lessard	141		✓	✓	✓	✓	✓	✓	✓	✓
Lucy Potter[10]	N/A			✓	✓		✓	✓	✓	✓
Chantal Sorel	112	✓		✓	✓		✓	✓	✓	✓

NOTES:
(1) **Financial:** Ability to understand: (i) financial statements; (ii) financial controls and measures; (iii) capital markets; and (iv) financing options.
(2) **Mergers and Acquisitions:** Understanding of: (i) capital markets in friendly and unfriendly transactions; (ii) complexity of integration post-business continuation; and (iii) general legal requirements in mergers and acquisitions ("**M&A**").
(3) **Industry Knowledge:** Understanding of the mining industry globally and the associated risks (including price and currency volatility, future growth, global supply, capital access, social license to operate and productivity).
(4) **Technical/Mining:** Understanding of: (i) exploration activities; (ii) mine operations, including risks/challenges/opportunities (mining, milling); (iii) ability to have knowledge of construction/development/planning/scheduling/monitoring of construction/contract administration/forecasting; and (iv) understanding of marketing of metals.
(5) **Government Relations:** Understanding of: (i) legislative and decision-making process of governments; and (ii) experience in dealing with governments (policy making, lobbying, etc.).
(6) **Governance:** Understanding of (i) the requirements/process for oversight of Management; (ii) ethical conduct and responsibilities; (iii) various stakeholder requirements; (iv) commitment of directorship; and (v) evolving trends with respect to governance of public companies.
(7) **Human Resources:** Ability to: (i) review management structure for large organization; (ii) develop/assess/monitor remuneration packages (salary, benefits, long-term and short-term incentives); and (iii) understand how to motivate people.
(8) **Sustainability:** Understanding of (i) environmental risks in the mining industry; (ii) government regulations with respect to environmental, health & safety; and (iii) understanding of and experience in community relations and stakeholder involvement.
(9) **Management:** Ability to (i) plan, operate and control various activities of a business; (ii) experience as a senior officer; (iii) lead growth.
(10) Ms. Potter and Mr. Branchaud are standing for election for the first time at the Meeting.

Director Orientation and Education

In May 2017, the Corporation implemented a formal program for orientation of new directors and to provide easy access to documentation for current directors. The orientation program includes a new director's handbook and the opportunity to visit an operating mine and the Horne 5 site. This reference guide provides information related to:

- Board and Committee Charters;
- Corporate Policies and Procedures;
- Description of Role and Responsibilities of the Chair of the Board, Committee Chair and President and Chief Executive Officer;
- Information on the Board and Committees Composition;
- Compensation structure;
- Board assessment results;
- Budget and financing information;
- Duties and responsibilities of directors;

- Various publications on governance matters, risk management, compensation issues, capital markets, gold and precious metals market information are also provided on an ongoing basis.

Throughout the year, Management provided to the Board of Directors monthly progress reports on Horne 5 Project. The Board and Committee members also receive formal presentations by Management and external advisors, and are provided documentation from various advisors and consultants on various topics in relation to the mining industry. In addition, new directors are briefed on the Corporation's current property holdings and assets, ongoing exploration programs, overall strategic plans, short, medium and long-term corporate objectives, financials status, general business risks and mitigation strategies, site visits and existing company policies.

The skills and knowledge of the Board as a whole are such that no formal continuing education process is currently deemed necessary. The Board is comprised of individuals with varying backgrounds, who have, both collectively and individually, extensive experience in running and managing public companies, particularly in the natural resource sector. Board members are encouraged to communicate with Management, auditors and technical consultants to keep themselves current with industry trends and developments and changes in legislation, with Management's assistance.

Harassment Policy

In 2019, the Board of Directors adopted, following recommendations of the Compensation Committee, a policy on the prevention of psychological or sexual harassment in the workplace and the handling of complaints (the "**Harassment Policy**"). The Corporation does not tolerate nor accept any form of harassment, such as workplace violence (including domestic violence), psychological or sexual harassment, and discrimination. The Harassment Policy is intended to affirm the commitment of the Corporation to prevent and put an end to any situation of harassment in its business. It is also intended to establish the principles of intervention that are applied when a harassment complaint is filed or when harassment is reported to the Corporation or to their representatives, if any. Complaints can be provided to persons designated in the policy, including the Chief Financial Officer and Corporate Secretary, and all communications are forwarded to the Chair of the Governance and Nomination Committee.

Through the above-noted methods, the Board encourages and promotes a culture of ethical business conduct. In addition, the directors, officers and employees of the Corporation are expected to act and to hold their office within the best interests of the Corporation. The Corporation expects that all directors shall act in compliance of all laws and regulations applicable to their office as director of the Corporation.

In accordance with new regulatory requirements, the Harassment Policy was last reviewed by the Board of Directors on September 30, 2026.

Securities Ownership

A securities ownership guideline (the "**Ownership Guideline**") for all non-executive directors was adopted by the Board of Directors, upon recommendation of the Compensation Committee, on November 10, 2017, in order to further align the long-term interests of the Corporation's Shareholders and that of its directors. The Ownership Guideline provides direction to non-executive directors of the Corporation as to the level and amounts of ownership considered satisfactory in meeting the ownership requirements. Accordingly, non-executive directors are required to hold Common Shares of the Corporation in an amount equivalent to one time their annual cash retainer. The applicable method of calculation for the purpose of determining the value of the Common Shares held, is based on the higher of (i) cost of the acquisition or (ii) market value at time of determination. Each non-executive director shall have three years to comply with the

Ownership Guideline starting from the date of approval or from the date of election or appointment whichever comes last.

As of the date hereof, all non-executive directors have attained their target ownership level, except for Ms. Lucy Potter and Mr. René Branchaud, who are standing for election for the first time at the Meeting.

Policy regarding the Diversity of the Board of Directors

The Corporation is committed to diversity among its Board of Directors. On May 27, 2020, the Board adopted a policy regarding the diversity of the Board of Directors (the "**Diversity Policy**"), following recommendations of the Nominating and Corporate Governance Committee. In an increasingly complex global marketplace, the ability to draw on a wide range of viewpoints, backgrounds, skills, and experience is critical to the Corporation's success. By bringing individuals from diverse backgrounds and giving each person the opportunity to contribute their skills, experience and perspectives in an inclusive workplace, the Corporation believes that it is better able to develop solutions to challenges and deliver sustainable value for the Corporation and its stakeholders. The Corporation considers diversity to be an important attribute of a well-functioning Board, which will assist the Corporation to achieve its long-term goals.

At all times, the Corporation seeks to maintain a Board comprised of talented and dedicated directors with a mix of experience, skills and backgrounds collectively reflecting the strategic needs of the business and the nature of the environment in which the Corporation operates. When assessing Board composition or identifying suitable candidates for appointment or re-election to the Board, the Corporation will consider candidates using objective criteria having due regard to the benefits of diversity and the needs of the Board.

The Corporation aspires to have and maintain at least thirty percent (30%) of women representation on the Board of the Corporation. The Board has not adopted formal targets for each of the other "designated groups" as defined in the *Employment Equity Act*, as the Board considers the representation of the "designated groups" in the process of selecting individual candidates.

With a view to enhancing Board diversity, the Nominating and Corporate Governance Committee will be guided by the following principles when recommending nominees for appointment to the Board:

(1) having candidates who are highly qualified based on their experience, expertise, skills and qualities; and
(2) evaluating candidates based upon their expertise with reference to skills identified as required by the Board in accordance with the director skills matrix.

In addition, when assessing the composition of the Board, the Nominating and Corporate Governance Committee's principal focus is on ensuring that the Board has the diverse experiences, skills and backgrounds needed to oversee collectively the business of the Corporation. The Nominating and Corporate Governance Committee takes a balanced approach when considering the extent to which personal characteristics are taken into account to ensure the Board can fulfill its role in all respects.

The Diversity Policy is reviewed annually by the Nominating and Corporate Governance Committee to ensure it is effective in achieving its objectives. The Diversity Policy was last reviewed on September 30, 2026. Any changes to the Diversity Policy as well as additional diversity achievements will be reported annually in the Corporation's management information circular. A copy of the Diversity Policy is available on the Corporation's website at www.falcores.com.

Directors

Designated Group	Target	Number	Achievement
Women[(1)]	30%	3	50%
Aboriginal Persons	n/a	0	n/a
Persons with Disabilities	n/a	0	n/a
Members of Visible Minorities	n/a	0	n/a

(1) Assumes the election of all nominees at the Meeting.

Policy regarding the Diversity in Corporate Talents

The Corporation is committed to diversity among its Management team. On September 28, 2020, the Board adopted a policy regarding the diversity in corporate talent (the "**Management Diversity Policy**") following recommendations of the Compensation Committee.

In an increasingly complex global marketplace, the ability to draw on a wide range of viewpoints, backgrounds, skills, and experience is critical to the Corporation's success. By bringing together individuals from diverse backgrounds and giving each person the opportunity to contribute their skills, experience and perspectives in an inclusive workplace, the Corporation believes that it is better able to develop solutions to challenges and deliver sustainable value for the Corporation and its stakeholders. The Corporation considers diversity as defined in the Management Diversity Policy ("**Diversity**") to be an important attribute of a well-functioning company, which will assist the Corporation to achieve its long-term goals.

The Corporation believes that Diversity enriches discussions and performance of its team in the pursuit of its short and long-term corporate objectives. Furthermore, the Corporation believes promotion of Diversity is best served through careful consideration of all of the knowledge, experience, skills and backgrounds of each individual candidate for senior management roles in light of the needs of the Corporation without focusing on a single Diversity characteristic and, accordingly, has not adopted specific corporate talent Diversity goals other than the gender representation target. As part of its strategy to recruit and maintain a diversified organization, the Corporation will:

- promote Diversity within its team, with particular emphasis on gender diversity;
- promote the contribution of women and other members of the Designated Groups as defined in the Management Diversity Policy ("**Designated Groups**") to the success of the organization;
- assist in the development of women and other members of the Designated Groups within the organization through training, inside sponsorship and outside mentoring;
- ensure that, for every open position within the organization, at least one female be considered as potential candidate;
- encourage an awareness in all staff of their rights and responsibilities with regard to fairness, equity and respect for all aspects of Diversity;
- actively participate in internal and external initiatives to promote Diversity in its industry with specific focus on gender diversity; and
- provide work environment that accommodates family and work life balance, while maintaining a high achievement culture.

The Corporation will aim to have 25% of senior management roles held by women. The Corporation has not adopted formal targets for each of the other members of the Designated Groups, as the Corporation considers the representation of the other members of the Designated Groups in the process of selecting individual candidates.

The Management Diversity Policy is reviewed annually by the Compensation Committee to ensure it is effective in achieving its objectives. The Management Diversity Policy was last reviewed on September 30, 2026. A copy of the Policy regarding Diversity in Corporate Talent is available on the Corporation's website at www.falcores.com.

Senior Management

Designated Group	Target	Number	Achievement
Women	25%	1	Yes
Aboriginal Persons	n/a	0	n/a
Persons with Disabilities	n/a	0	n/a
Members of Visible Minorities	n/a	0	n/a

The Vice President, Environment, Sustainable Development and Community Relations, one of the three NEOs (as defined under section entitled "Part 4: Named Executive Officer and Director Compensation") of the Corporation identifies as a woman.

Policy regarding Tenure on the Board of Directors

The Board of Directors is committed to a process of Board renewal and succession-planning for non-executive directors in order to balance the benefits of experience with the need for new perspectives to the Board while maintaining an appropriate degree of continuity and adequate opportunity for transition of Board and Board Committee roles and responsibilities. Accordingly, the Board adopted on September 23, 2020, following the recommendations of the Nominating and Corporate Governance Committee, a policy regarding the tenure on the Board of Directors (the "**Board Tenure Policy**").

The Nominating and Corporate Governance Committee is responsible for recommending nominees for election to the Board and, in furtherance of such responsibility, it analyzes the competencies and skills of existing non-executive directors, oversees an annual director evaluation process, and assesses the current and future needs of the Board, including the need to comply with the Corporation's Policy regarding the diversity of the Board of Directors (as more fully described below).

In order to assist the Nominating and Corporate Governance Committee and the Board in succession-planning for non-executive directors and appropriate Board renewal, the Board has adopted limits on Board tenure. Non-executive directors will not be re-nominated for election at an annual meeting after the earlier of the following has occurred:

- such director has served 12 years following the later of (i) September 23, 2020 and (ii) the date on which the director first began serving on the Board (the "**Term Limit**"); or

- such director has reached the age of 72 years old on or before the date of the annual meeting of Shareholders of the Corporation called in respect of the election of directors (the "**Retirement Age**");

provided that, for greater certainty, there should be no expectation that a non-executive director will serve on the Board for the periods contemplated by the Term Limit or until such director reaches the Retirement Age (collectively the "**Board Tenure Limits**").

Notwithstanding the foregoing, the Board Tenure Limits shall not apply to a non-executive director who has yet to be elected annually for the fifth consecutive time by the Shareholders. Once a non-executive director has been elected or re-elected for five (5) times, these Board Tenure Limits apply notwithstanding

that such director has continued to receive satisfactory annual performance evaluations, has needed skills and experience and meets other Board policies or legal requirements for Board service.

Exceptionally, on a case-by-case basis and on the recommendation of the Nominating and Corporate Governance Committee, a non-executive director who has reached the Term Limit or the Retirement Age may be nominated to serve on the Board for up to a maximum of two (2) additional years.

In determining whether to make such a recommendation to the Board, the Nominating and Corporate Governance Committee shall consider the following factors, among others:

(1) the director has received positive annual performance assessments; and

(2) the Nominating and Corporate Governance Committee believes it is in the best interests of the Corporation that the director continues to serve on the Board.

Notwithstanding the foregoing, the Board retains full discretion in approving such recommendation by the Nominating and Corporate Governance Committee.

In addition, directors are expected to inform the Chair of the Board of any major change in their principal occupation so that the Board would have the opportunity to decide the appropriateness of such director's continuance as a member of the Board or of a Board Committee. Directors are also expected to provide the Chair of the Board, with information as to all boards of directors that they sit on or that they have been asked to join so as to allow the Board to determine whether it is appropriate for such director to continue to serve as a member of the Board or of a Board Committee. The Nominating and Corporate Governance Committee will apply Board nominee selection criteria, including directors' past contributions to the Board and availability to devote sufficient time to fulfill their responsibilities, prior to recommending directors for re-election for another term. A copy of the Board Tenure Policy is available on the Corporation's website at www.falcores.com.

Tenure on the Board of Directors

The following table illustrates the age group, gender, applicable tenure and location of residence for each of the nominee non-executive directors:

	Age			***Gender***		***Applicable Tenure***		***Region***	
Name	50 – 59	60 – 69	70 – 79	Female	Male	12 years* (From September 2020 or the Last Election)	72 years of age* (Last Election)	Ontario, Canada	Québec, Canada
Alexander Dann Independent		√			√	2033		√	
Paola Farnesi Independent	√			√		2032			√
Chantal Sorel Independent		√		√		2032			√
Lucy Potter Independent	√			√		2038**			

René Branchaud Independent		√			√		2032**		√

* Board Tenure Limits shall not apply to a non-executive director who has yet to be elected annually for the fifth consecutive time by the Shareholders.
** Assumes their election at the Meeting.

Environmental, Social and Governance Matters

Sustainable development is an intrinsic value that influences the Corporation's decision-making process. The Corporation prioritizes environmental, social and governance ("**ESG**") criteria to create value and contribute to the prosperity of host communities while minimizing or avoiding environmental impacts. The Corporation also ensures that the principles of sustainable development guide its decisions and actions through strong policies and transparent and enhanced disclosure in order to make the Corporation's strategy on ESG matters more widely known and understood.

On December 7, 2023, the Corporation released its ESG report titled "*Falco Resources Ltd. 2022 ESG Report*", which details the ESG performance of its activities for the period ending December 31, 2022 (the "**ESG Report**"). The ESG Report describes the Management's and Board's approach to, and performance in, a variety of ESG criteria and gives the Corporation an opportunity to highlight its initiatives and progress in line with international reporting standards (such as SASB, IFC, GRI), which is valuable to rating agencies and investors. The ESG Report released in December 2023 continues to reflect the Corporation's current approach to ESG matters. The ESG Report is available on the Corporation's website at https://www.falcores.com/en/sustainability/#ESG.

In terms of sustainability, the Corporation has an uncompromising roadmap, whether for the actions taken on the ground or for the decisions that will guide its future. The Corporation has an organizational structure supported by policies such as an Environmental Policy, Corporate Social Policy, Health and Safety Policy and Code of Ethics, among others. The Corporation also implements strategies to promote diversity including prioritizing the use of indigenous services for exploration and development activities. Through its board-level committees, ESG approach and strategies are recommended to the Board of Directors, as well as the relevant action plans.

Falco has specified the relative importance of ESG themes (materiality matrix (in French)). Additional information on the Corporation's evolving governance practices can be found on the Corporation's website at https://www.falcores.com/en/sustainability/.

PART 4: NAMED EXECUTIVE OFFICER AND DIRECTOR COMPENSATION

4.1 Executive Compensation

The information contained below is provided as required under Form 51-102F6V for Venture Issuers, as such term is defined in *Regulation 51-102 respecting Continuous Disclosure Obligations*.

Director and Named Executive Officer Compensation

For purposes of this Circular, Named Executive Officer ("**NEOs**") of the Corporation means, at any time during the most recently completed financial year:

(1) The Corporation's chief executive officer ("**CEO**");
(2) The Corporation's chief financial officer ("**CFO**");

(3) The most highly compensated executive officer other than the CEO and CFO at the end of the most recently completed financial year whose total compensation was more than $150,000 for that financial year; and

(4) Each individual who would be a named executive officer under paragraph (3) but for the fact that the individual was not an executive officer of the Corporation, and was not acting in a similar capacity, at the end of the most recently completed financial year.

During the Corporation's fiscal year ended June 30, 2026, the following individuals were NEOs of the Corporation:

- Luc Lessard, President and Chief Executive Officer;
- Anthony Glavac, Chief Financial Officer; and
- Hélène Cartier, Vice President, Environment, Sustainable Development and Community Relations.

Compensation Advisory Fees

No advisory fees have been incurred by the Corporation for compensation consultants for the fiscal years ended June 30, 2026 and June 30, 2025.

NAMED EXECUTIVE OFFICER AND DIRECTOR COMPENSATION, EXCLUDING COMPENSATION SECURITIES

The following table details all compensation paid to the Corporation's NEOs and directors for the fiscal years ended June 30, 2026 and June 30, 2025:

Table of Compensation Excluding Compensation Securities							
Name and Position	**Year**	**Salary, Consulting Fee, Retainer or Commission ($)**	**Bonus ($)**	**Committee or Meeting Fees ($)**	**Value of Perquisites ($)**	**Value of all Other Compensation ($)**	**Total Compensation ($)**
Luc Lessard President, CEO and Director	2026	415,000	207,500	Nil	Nil	Nil	622,500
	2025	415,000	207,500	Nil	Nil	Nil	622,500
Anthony Glavac[(1)] CFO and Corporate Secretary	2026	148,000	74,000	Nil	Nil	Nil	222,000
	2025	137,000	68,000	Nil	Nil	Nil	205,000
Hélène Cartier Vice President, Environment, Sustainable Development and Community Relations	2026	300,000	150,000	Nil	Nil	Nil	450,000
	2025	309,610	140,400	Nil	Nil	Nil	450,010
Alexander Dann Chair of the Board	2026	33,750	Nil	Nil	Nil	Nil	33,750
	2025	26,250	Nil	Nil	Nil	Nil	26,250
Mario Caron[(2)] Director	2026	37,500	Nil	Nil	Nil	Nil	37,500
	2025	45,000	Nil	Nil	Nil	Nil	45,000
Paola Farnesi Director	2026	36,000	Nil	Nil	Nil	Nil	36,000
	2025	36,000	Nil	Nil	Nil	Nil	36,000
Chantal Sorel Director	2026	31,250	Nil	Nil	Nil	Nil	31,250
	2025	31,250	Nil	Nil	Nil	Nil	31,250

NOTES:

(1) On November 13, 2019, Mr. Anthony Glavac was appointed Chief Financial Officer of the Corporation. In addition, Mr. Glavac served as Chief Financial Officer of Osisko Metals Incorporated ("**Osisko Metals**") from August 17, 2018 to December 11, 2024, and based on a Management and Technical Services Agreement with Osisko Metals, a monthly fee of $7,500 in respect of Mr. Glavac's services as Chief Financial Officer was paid to the Corporation from July 1, 2024 to March 31, 2025. On December 11, 2024, Mr. Glavac was appointed as Chief Financial Officer of Pine Point Mining Limited ("**PPML**"), a subsidiary of Osisko Metals. Based on a Management and Technical Services Agreement with PPML, a monthly fee of $6,500 in respect of Mr. Glavac's services was paid to the Corporation for the year ended June 30, 2026. On December 11, 2019, Mr. Glavac was also appointed Chief Financial Officer of NioBay Metals Inc. ("**NioBay**") and based on a Management and Technical Services Agreement with NioBay, a monthly fee of $6,250 for the year ended June 30, 2026 in respect of Mr. Glavac's services as Chief Financial Officer was paid to the Corporation.

(2) Mr. Mario Caron is not standing for re-election at the Meeting.

STOCK OPTIONS AND OTHER COMPENSATION SECURITIES

The following table lays out all compensation securities granted or issued to the Corporation's NEOs and directors by the Corporation or one of its subsidiaries during the fiscal year ended June 30, 2026, for services provided or to be provided, directly or indirectly, to the Corporation or any of its subsidiaries:

Compensation Securities							
Name and position	**Type of compensation security**	**Number of compensation securities, number of underlying securities, and percentage of class**[(1)(2)(3)]	**Date of issue or grant**	**Issue, conversion or exercise price ($)**	**Closing price of security or underlying security on date of grant ($)**	**Closing price of security or underlying security at year end ($)**	**Expiry date**
Luc Lessard President, CEO and Director	Options	2,250,000	November 4, 2025	$0.33	$0.30	$0.485	November 4, 2030
Anthony Glavac CFO and Corporate Secretary	Options	1,500,000	November 4, 2025	$0.33	$0.30	$0.485	November 4, 2030
Hélène Cartier Vice President, Environment, Sustainable Development and Community Relations	Options	2,000,000	November 4, 2025	$0.33	$0.30	$0.485	November 4, 2030
Alexander Dann Chair of the Board	Options	500,000	November 4, 2025	$0.33	$0.30	$0.485	November 4, 2030
Mario Caron[(1)] Director	Options	600,000	November 4, 2025	$0.33	$0.30	$0.485	November 4, 2030
Paola Farnesi Director	Options	500,000	November 4, 2025	$0.33	$0.30	$0.485	November 4, 2030
Chantal Sorel Director	Options	500,000	November 4, 2025	$0.33	$0.30	$0.485	November 4, 2030

(1) Mr. Mario Caron is not standing for re-election at the Meeting.

No Options were exercised by the Corporation's directors and NEOs during the financial year ended June 30, 2026.

On November 21, 2014, the Board originally adopted the LTIP for directors, officers, employees and consultants, which was thereafter ratified by the Shareholders on December 23, 2014, and approved by the TSXV. The LTIP was subsequently amended in November 2016, November 2017, February 2021 and December 2022. The LTIP was last approved by the Shareholders at the December 15, 2025 annual and special meeting of Shareholders.

This summary is qualified in all respects by the full text of the LTIP, a copy of which is available on SEDAR+ and on the Corporation's website or may be obtained upon request via email at info@falcores.com.

In accordance with the LTIP, the securities issuable are:

- Deferred share units ("**DSUs**") and restricted share units ("**RSUs**"), which can be settled in cash or in Common Shares;
- Performance share units ("**PSUs**"), which can be settled in cash or in Common Shares; and
- Stock options ("**Options**"), which are settled in Common Shares.

The purpose of the DSUs, RSUs, PSUs and Options is to assist the Corporation in attracting and retaining individuals with experience and ability, to allow certain employees of the Corporation designated at the Compensation Committee's discretion, to participate in the long-term success of the Corporation and to promote a greater alignment of interests between the grantees designated under the LTIP and those of Shareholders.

Under the LTIP, the aggregate number of Common Shares to be reserved and set aside for issue upon the exercise or redemption and settlement for all awards granted under the LTIP, shall not exceed 10% of the issued and outstanding Common Shares, outstanding at the time of the granting of the award (on a non-diluted basis, excluding any Options granted to Eligible Charitable Organizations, as such term is defined in the LTIP). In respect of PSUs, the maximum number of Common Shares issuable under the grant shall be included in the calculation for such purposes.

Deferred Share Units

A DSU is a notional security that entitles the recipient to receive cash or Common Shares upon resignation from the Board (in the case of directors) or at the end of employment. The terms applicable to DSUs under the LTIP (including whether dividend equivalents will be credited to a participant's DSU account) are determined by the Board at the time of the grant.

Typically, DSUs have been granted (i) as a component of a director's annual retainer, or (ii) as a component of an officer's annual incentive grant. The deferral feature strengthens alignment with the long-term interests of Shareholders.

If and when dividends are declared, additional DSUs may be credited to DSU holders in an amount equal to the greatest whole number which may be obtained by dividing (i) the value of such dividend or distribution on the record date established for such dividends by (ii) the Market Price (as defined in the LTIP) of one share on such record date. DSUs vest in accordance with their grant agreement, provided that no DSU may vest before the date that is one year following the date it is granted or issued, except if such vesting is in connection with (i) a change of control, take-over bid, reverse take-over or other similar transaction or (ii) except in the event of death of the participant.

Restricted Share Units

An RSU is a notional security that entitles the recipient to receive cash or Common Shares at the end of a vesting period. The terms applicable to RSUs under the LTIP (including the vesting schedule and whether dividend equivalents will be credited to a participant's RSU account) are determined by the Board at the time of the grant.

RSUs vest upon lapse of the applicable restricted period. For employees, vesting generally occurs in three equal instalments on the first three anniversaries of the grant date. RSUs vest in accordance with their grant agreement, provided that no RSU may vest before the date that is one year following the date it is granted or issued, except if such vesting is in connection with (i) a change of control, take-over bid, reverse take-over or other similar transaction or (ii) except in the event of death of the participant.

If and when dividends are declared, additional RSUs may be credited to RSU holders in an amount equal to the greatest whole number which may be obtained by dividing (i) the value of such dividend or distribution on the record date established for such dividends by (ii) the Market Price (as defined in the LTIP) of one share on such record date.

Performance Share Units

A PSU is a notional security but, unlike other equity-based incentives, vesting is contingent upon achieving certain performance criteria, thus ensuring greater alignment with the long-term interests of Shareholders. The terms applicable to PSUs under the LTIP (including the performance cycle, performance criteria for vesting and whether dividend equivalents will be credited to a participant's PSU account) are determined by the Board at the time of the grant.

PSUs do not vest, and cannot be paid out (settled), until the completion of the performance cycle. For Canadian holders, the performance cycle shall in no case end later than December 31 of the calendar year that is three years after the grant date. PSUs vest in accordance with their grant agreement, provided that no PSU may vest before the date that is one year following the date it is granted or issued, except if such vesting is in connection with (i) a change of control, take-over bid, reverse take-over or other similar transaction or (ii) except in the event of death of the participant.

Unless otherwise determined by the Board, or unless otherwise provided in the participant's service agreement or award agreement (provided, however, that any DSU, RSU or PSU granted or issued to a participant who is a director, officer, employee or consultant of the Corporation must expire within a reasonable period, not exceeding 12 months, following the date the participant ceases to be an eligible participant), if a participant's employment, service or engagement terminates in any of the following circumstances, DSUs, RSUs and PSU shall be treated in the manner set forth below:

Reason for Termination	**Treatment of DSUs, RSUs and PSUs**
Death	Outstanding DSUs, RSUs and PSUs that were vested on or before the date of death shall be settled as of the date of death. Outstanding DSUs, RSUs and PSUs that were not vested on or before the date of death shall vest and be settled as of the date of death, prorated to reflect the actual period between (i) the grant date in case of DSUs or RSUs or (ii) the commencement of the performance cycle and the date of death (in the case of PSUs, based on the participant's performance for the applicable performance period(s) up to the date of death). Subject to the foregoing, any remaining DSUs, RSUs and PSUs shall in all respects terminate as of the date of death.
Retirement	Outstanding DSUs, RSUs and PSUs that were vested on or before the date of retirement shall be settled as of the date of retirement. Outstanding DSUs, RSUs and PSUs that would have vested on the next vesting date following the date of retirement shall be settled as of such vesting date. Subject to the foregoing, any remaining DSUs, RSUs and PSUs shall in all respects terminate as of the date of retirement.
Disability	Outstanding DSUs, RSUs and PSUs as of the date of disability shall continue to vest and be settled in accordance with their terms (in the case of PSUs, based on the participant's performance for the applicable performance period(s) up to the date of disability). Subject to the foregoing, any remaining DSUs, RSUs and PSUs shall in all respects terminate as of the date of disability.
Resignation	Outstanding DSUs, RSUs and PSUs that were vested on or before the date of resignation shall be settled as of the date of resignation, after which time the DSUs, RSUs and PSUs shall in all respects terminate.

Termination without Cause/Wrongful Dismissal - No Change in Control Involved	Outstanding DSUs, RSUs and PSUs that were vested on or before the termination date shall be settled as of the termination date. Outstanding DSUs, RSUs and PSUs that would have vested on the next vesting date following the termination date (in the case of PSUs, prorated to reflect the actual period between the commencement of the performance cycle and the termination date, based on the participant's performance for the applicable performance period(s) up to the termination date) shall be settled as of such vesting date. Subject to the foregoing, any remaining DSUs, RSUs and PSUs shall in all respects terminate as of the termination date.
Change in Control	DSUs, RSUs and PSUs do not vest and become immediately exercisable upon a change in control, unless: • the successor fails to continue or assume the obligations under the LTIP or fails to provide for a substitute award, or • if the DSU, RSU or PSU is continued, assumed or substituted, the participant is terminated without cause (or constructively dismissed) within two (2) years following the change in control, subject to any required approvals of the TSXV.
Termination of the Participant for Just Cause	Outstanding DSUs, RSUs and PSUs (whether vested or unvested) shall automatically terminate on the termination date and be forfeit.

No RSUs, PSUs or DSUs have been awarded during the most recently completed financial year and since the original adoption of the LTIP on November 21, 2014, and none are outstanding as at the end of the most recently completed financial year.

Stock Options

Option Terms and Exercise Price	The number of Common Shares subject to each Option grant, exercise price, vesting, expiry date and other terms and conditions are determined by the Board. The exercise price must not be less than the Discounted Market Price (as defined in the TSXV Corporate Finance Manual) of the Common Shares at the date of grant.
Term	Options shall be for a fixed term and exercisable as determined by the Board, provided that no Option shall have a term exceeding ten years. Options granted to any Eligible Charitable Organization shall expire on or before the earlier of (i) the date that is ten years from the date the Options were granted; and (ii) the 90th day following the date the holder of the Options ceases to be an Eligible Charitable Organization.
Vesting	All Options granted pursuant to the LTIP will be subject to such vesting requirements as may be imposed by the Board, with all Options issued to consultants performing Investor Relations Activities vesting in stages over at least 12 months with no more than 1/4 of the Options vesting in any three-month period.
Participation Limits	When combined with all of the Corporation's other previously established security-based compensation arrangements, including the limitation imposed on the maximum number of Common Shares which may be issued upon the exercise or redemption and settlement for all awards, the LTIP shall not result in the grant: (i) to insiders, within a 12 month period, of a number of awards exceeding 10% of the issued Common Shares of the Corporation; (ii) of a number of Common Shares issuable to insiders at any time exceeding 10% of the issued and outstanding Common Shares; (iii) to any one person in any 12 month period which could, when exercised, result in the issuance of Common Shares exceeding five percent (5%) of the issued and outstanding Common Shares of the Corporation, calculated at the date of grant, unless the Corporation has obtained the requisite disinterested shareholder approval to the grant; (iv) to any one consultant in any 12 month period which could, when exercised, result in the issuance of Common Shares exceeding 2% of the issued and outstanding Common Shares of the Corporation, calculated at the date of grant; (v) in any 12 month period, to persons employed or engaged by the Corporation to perform Investor Relations Activities which could, when exercised, result in the issuance of Common Shares exceeding, in aggregate, 2% of the issued and outstanding Common Shares of the Corporation, calculated at the date of grant; or (vi) to Eligible Charitable Organizations, Options which could, when exercised, result in the issuance of Common Shares exceeding, in aggregate, 1% of the issued and outstanding Common Shares of the Corporation, calculated at the date of grant.
Exercise of Option	The Board, in its sole discretion, may permit the exercise of an Option (i) by payment of the exercise price per Common Share subject to each Option, (ii) through a cashless exercise mechanism or (iii) through a net exercise mechanism.

Circumstances Involving Cessation of Entitlement to Participate	Reasons for Termination	Vesting	Expiry of Options
	Death	Unvested Options automatically vest as of the date of death	Options expire on the earlier of the scheduled expiry date of the Option and one year following the date of death
	Disability	Options continue to vest in accordance with the terms of the Option	Options expire on the scheduled expiry date of the Option, unless the participant ceases to qualify as an Eligible person under the Plan, in which case the Option shall expire on the earlier of the scheduled expiry date and up to one year following the date of cessation
	Retirement	Options continue to vest in accordance with the terms of the Option	Options expire on the earlier of the scheduled expiry date of the option and up to one year following the date of retirement
	Resignation	Unvested Options as of the date of resignation automatically terminate and shall be forfeited	Options expire on the earlier of the scheduled expiry date of the Option and three months following the date of resignation Options granted to persons engaged primarily to provide Investor Relations Activities expire on the earlier of the scheduled expiry date of the Option and 30 days following the date of resignation
	Termination without Cause/ Constructive Dismissal (No Change in Control)	Unvested Options continue to vest in accordance with the terms of the Option	Options expire on the earlier of scheduled expiry date of the Option and one year following the termination date
	Change in Control	Options do not vest and become immediately exercisable upon a change in control, unless: • the successor fails to continue or assume the obligations under the LTIP or fails to provide for a substitute award, or • if the Option is	Options expire on the scheduled expiry date of the Option

		continued, assumed or substituted, the participant is terminated without cause (or constructively dismissed) within two (2) years following the change in control, subject to any required approvals of the TSXV	
	Termination with Cause	Options granted, whether vested or unvested as of the termination date, automatically terminate and shall be forfeited	Options granted, whether vested or unvested as of the termination date, automatically terminate and shall be forfeited

A copy of the Corporation's LTIP is available on SEDAR+ and on the Corporation's website, and may be obtained upon request via email at info@falcores.com.

The Compensation Committee and the Board believe that equity-based compensation plans are the most effective way to align the interests of Management with those of Shareholders. Long-term incentives must also be competitive with the peer group and align with the Corporation's compensation philosophy to target the market median.

In determining the number of Options to be granted to the executive officers and directors, the Board or the Compensation Committee, as the case may be, takes into account the number of Options, if any, previously granted to each executive officer and director and the exercise price of any outstanding Options to ensure that such grants are in accordance with the policies of the TSXV.

4.2 Oversight and Description of Director and Named Executive Compensation

Executive Officers

The Corporation's executive compensation philosophy is based on pay for performance and prudent risk management to motivate the senior leadership to execute corporate strategy in a manner that delivers strong results for Shareholders.

Objectives of the Executive Compensation Program

The Corporation's executive compensation practices underpin a number of objectives:

- Attract, motivate and retain highly qualified and experienced executives;
- Recognize and reward contributions to the success of the Corporation as measured by the accomplishment of performance objectives;
- Ensure that a significant proportion of compensation is directly linked to the success of the Corporation while not encouraging excessive or inappropriate risk-taking;
- Promote adherence to the high standards and values reflected in the Corporation's Code of Ethics;
- Ensure retention by setting total direct compensation targets at a level that is competitive with the markets in which the Corporation competes; and

– Protect long-term Shareholder interests by ensuring NEOs and other interests are aligned with those of Shareholders.

Fundamentally, the Corporation's compensation practices are intended to promote value-creation actions for the benefit of Shareholders, and to reward individual and team efforts for meeting short-term and long-term objectives.

Executive Compensation Strategy

NEOs do not control a number of significant factors that impact financial results, including commodity prices, foreign exchange rates, and regulatory uncertainty. Compensation program design thus considers factors over which the executive officers can exercise control, such as meeting budget targets established by the Board of Directors at the beginning of each year, controlling costs, mitigating risks, taking successful advantage of business opportunities and enhancing the competitive and business prospects of the Corporation.

Total Compensation Components

The Compensation Committee believes that the objective of NEO compensation practices should be to align the Total Direct Compensation (as hereinafter defined) with that of similar sized companies. Total Direct Compensation is the total of base salary (or consulting fees), annual incentive bonus and the value of equity-linked long-term incentive compensation.

Elements	Description	Objectives
Base Salary	Base salary is determined through an analysis of a comparator group. It reflects the capability of the individual as demonstrated over an extended period of time.	Attraction, retention and motivation; Annual salary adjustments as appropriate.
Annual Incentive Bonus	Annual cash incentive bonus is a portion of variable compensation that is designed to reward executives on an annual basis for achievement of corporate and business objectives, relative to corporate and individual performance.	Pay for performance; Align with business strategy; Attraction, retention and motivation.
Long-Term Incentives	Equity compensation is a portion of variable compensation that is designed to align executive and Shareholder interests, focus executives on long-term value creation, and also support the retention of key executives.	Align to Shareholder interests; Pay for performance; Attraction, retention and motivation.
Benefits	Executives who are employees participate in standard corporate medical, extended health and dental insurance.	Attraction and retention.

Total Direct Compensation

The Corporation's executive officer's total compensation is composed of three major components: base salary, short-term incentives and long-term incentives.

Base Salary

Base salaries (or consulting fees) of the Corporation's executive officers are determined through an analysis of salaries paid by companies in a comparator group, as well as individual performance measured against the achievement of business objectives. Base salaries are normally reviewed at the beginning of each calendar year. The President and Chief Executive Officer recommends base salary adjustments to the Compensation Committee for the NEOs, other than himself, and other officers. The Compensation Committee determines the base salary adjustment for the President and Chief Executive Officer taking into consideration the performance of the President and Chief Executive Officer, market conditions and the Corporation's ability to pay.

Short-Term Incentives

The short-term incentive program is a variable element of compensation and consists of an annual cash bonus. Annual bonuses may be awarded at the sole discretion of the Board, based on recommendations of the Compensation Committee, for team achievements, contributions and efforts that the Compensation Committee has determined can reasonably be expected to have a positive impact on Shareholder value.

The short-term incentive program for the NEOs is based on their performance as a team against corporate objectives approved by the Board of Directors and bonuses are paid in full following award approved by the Board of Directors, at its full discretion, based on recommendation of the Compensation Committee. The annual incentive compensation for each of the NEOs has been established at 100% of their respective target, which is 50% of base salary.

The objectives included (i) environmental, social and governance objectives, including continuing to maintain Falco's social license with all stakeholders, retaining existing resources and identifying or recruiting new talents to support project initiatives and advancing discussions with stakeholders, (ii) permitting objectives, including advancing permitting discussions with the Quebec government towards obtaining the government decree authorizing the Horne 5 Project and obtaining an extension of the option period with First Quantum Minerals Ltd. for the tailings site and other permitting matters, (iii) maintaining relations with Glencore Canada Corporation with clear communications and transparency, and advancing discussions with respect to mining title matters and conditions precedent under the Operating and License Agreement, and (iv) investor relations and finance objectives, including extending debt instruments with each of OR Royalties Inc. and Glencore Canada Corporation, completing equity financing to fund the Corporation's budget, increasing visibility of Falco in developing a complete communication and marketing plan and adhering to the approved budget.

The Compensation Committee and the Board monitored the progress made in reaching such objectives and had related discussions with management. Environmental, social and governance objectives, investor relations and finance objectives were attained. While a government decree authorizing the Horne 5 Project has not yet been obtained, significant progress was made with respect to permitting objectives leading to the Corporation's announcement on June 16, 2026 of receipt of a confirmation from the government that the environmental acceptability analysis is nearing completion. The Compensation Committee considered that delays in receipt of permitting approvals have also affected several other companies with mining development projects in the Province of Québec and are dependent on factors that are not entirely within the control of the Corporation. Therefore, based on its review, the Compensation Committee provided a recommendation to the Board to pay a bonus to the NEOs based on 100% of their respective targets.

Reviewing Performance

The President and Chief Executive Officer and senior management, in consultation with the Board, are responsible for developing the Corporation's overall strategic plan. On the basis of the strategic plan, annual business plans and budgets are prepared, which are reviewed and approved by the Board.

Risk management is a consideration of the Board when implementing its compensation program. The Board and the Compensation Committee do not believe that the compensation program results in unnecessary or inappropriate risk taking including risks that are likely to have a material adverse effect on the Corporation.

Directors' Compensation

Annual retainers for the Board and its Committees are paid on a quarterly basis to non-executive directors only.

During the fiscal year ended June 30, 2026, the Directors' Compensation Policy consisted of the following components:

Directors – Annual ($ Value)	
Cash retainer	$25,000
Chairman of the Board – Annual ($ Value)	
Cash retainer	$40,000
Incentives and Committee Retainers – Initial and Annual ($ Value)	
Audit Chair Retainer	$8,500
Other Committee Chairs Retainer	$2,500
Committee Member Retainer (excluding Chair)	$1,250

Directors are entitled to participate in security-based compensation arrangements or other plans adopted by the Corporation from time to time with the approval of the Board.

NEOs who also act as directors of the Corporation do not receive any additional compensation for services rendered in such capacity, other than as paid by the Corporation to such NEOs in their capacity as executive officers.

Proportion of Common Shares Held by Directors and Executive Officers

Collectively, as of November 9, 2026, the directors and executive officers of the Corporation, as a group, own directly or indirectly, 3,823,147 Common Shares representing approximately 1.1% of the issued and outstanding Common Shares.

Pension Benefits

The Corporation does not have a pension plan that provides for payments or benefits to the NEOs, nor to the directors.

4.3 Termination and Change of Control Benefits

Mr. Luc Lessard entered into an employment agreement dated February 17, 2015, as the Corporation's President and Chief Executive Officer, which agreement outlined his base salary and other elements of total compensation put into place upon his appointment. Mr. Lessard entered into an amended and restated employment agreement with Falco effective as of December 31, 2023, which was subsequently amended on September 18, 2024.

The Corporation is entitled to terminate its employment agreement with Mr. Lessard for cause, which would entitle Mr. Lessard to receive his base salary and the Corporation would also continue his benefits up to and including the date of termination. The Corporation would reimburse Mr. Lessard for any business expenses reasonably incurred by the latter up to and including the termination date in accordance with the Corporation's normal expenses policy.

In the event of a termination by the Corporation without cause, Mr. Lessard shall be entitled to: (i) his base salary accrued and unpaid up to and including the date of termination; (ii) a lump sum payment equal to one (1) year base salary and (iii) a one (1) year bonus, provided that the bonus for purposes of such shall be the average of the bonus paid by the Corporation to the executive for each of the two (2) calendar years immediately preceding the termination date; (iv) continuation in the benefits plan until the date that is eight (8) weeks from the termination date (and effective as of December 31, 2023, three (3) months after the termination); (v) any stock options or other equity compensation awards which have been awarded shall vest and be exercisable in accordance with the applicable plan; and (vi) the Corporation will pay the executive an amount equal to all accrued but unused vacation time determined as of the termination date, determined based upon the executive's base salary on the termination date.

Should Mr. Lessard's employment be terminated by the Corporation (or by Mr. Lessard as a result of a substantial diminution of duties) within 12 months following a change of control, Mr. Lessard shall be entitled to: (i) his base salary accrued and unpaid up to and including the date of termination; (ii) a lump sum payment equal to two (2) years base salary; (iii) a two (2) years bonus established at the target bonus, (iv) continuation in the benefits plan until the date that is eight (8) weeks from the termination date; (v) any stock options or other equity compensation awards which have been awarded shall vest and be exercisable in accordance with the applicable plan; and (vi) the Corporation will pay the executive an amount equal to all accrued but unused vacation time determined as of the termination date, determined based upon the executive's base salary on the termination date.

The employment agreement described above also provides for non-compete and non-solicitation restrictions upon termination of employment.

Mr. Anthony Glavac and Ms. Hélène Cartier each have an employment agreement as executive officers of the Corporation that outlines base salary and other elements of total compensation, which was put into place upon their appointment and subsequently amended on September 18, 2024. The Corporation is entitled to terminate the respective employment agreements with Mr. Glavac and Ms. Cartier, at any time for cause, which would entitle Mr. Glavac and Ms. Cartier to receive their base salary and the Corporation would also continue the benefits up to and including the date of termination. The Corporation would reimburse Mr. Glavac and Ms. Cartier for any business expenses reasonably incurred by them up to and including the termination date in accordance with the Corporation's normal expenses policy.

In the event of a termination by the Corporation without cause, Mr. Glavac and Ms. Cartier shall be entitled to: (i) the base salary accrued and unpaid up to and including the date of termination; (ii) a lump sum payment equal to one (1) year base salary; (iii) a one (1) year bonus, provided that the bonus for purposes of such shall be the average of the bonus paid by the Corporation to the executive for each of the two (2)

calendar years immediately preceding the termination date; (iv) continuation in the benefits plan until the date that is eight (8) weeks from the termination date; (v) any stock options or other equity compensation awards which have been awarded shall vest and be exercisable in accordance with the applicable plan; and (vi) the Corporation will pay the executive an amount equal to all accrued but unused vacation time determined as of the termination date, determined based upon the executive's base salary on the termination date.

Should the executive's employment be terminated by the Corporation (or by the executive as a result of a substantial diminution of duties) within 12 months following a change of control, Mr. Glavac and Ms. Cartier shall be entitled to: (i) the base salary accrued and unpaid up to and including the date of termination; (ii) a lump sum payment equal to two (2) years base salary; (iii) a two (2) years bonus established at the target bonus; (iv) continuation in the benefits plan until the date that is eight (8) weeks from the termination date; (v) any stock options or other equity compensation awards which have been awarded shall vest and be exercisable in accordance with the applicable plan; and (vi) the Corporation will pay the executive an amount equal to all accrued but unused vacation time determined as of the termination date, determined based upon the executive's base salary on the termination date.

4.4 Securities Authorized for Issuance Under Equity Compensation Plans

The following table provides information regarding the number of Common Shares to be issued upon the exercise of outstanding Options and the weighted-average exercise price of the outstanding Options in connection with the LTIP as at June 30, 2026:

Plan Category	Number of Common Shares to be issued upon exercise of outstanding Options	Weighted-average exercise price of outstanding Options	Number of Common Shares remaining available for future issuance under equity compensation plans[(1)]
Equity compensation plans approved by securityholders	15,100,000	0.35	20,291,155
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	15,100,000	0.35	20,291,155

NOTE:
(1) Based on the total number of Common Shares authorized for issuance under the Corporation's LTIP, less the number of Options outstanding as at June 30, 2026.

PART 5: OTHER INFORMATION

5.1 Indebtedness of Directors and Executive Officers

As of November 9, 2026, no director, officer, employee, proposed nominee for election as a director of the Corporation or any of their respective associates, nor any former executive officer, director and employee of the Corporation, has been indebted, or is presently indebted, to the Corporation or any of its subsidiaries, or to another entity if the indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries. During the year ended June 30, 2026, the Corporation did not grant any loan to such persons.

5.2 Interest of Informed Persons in Material Transactions

Since the commencement of Falco's most recently completed fiscal year, no director or executive officer of Falco, no director or executive officer of an entity that is itself an informed person or a subsidiary of the Corporation or Shareholder who beneficially owns, or controls or directs, directly or indirectly, more than 10% of the outstanding Common Shares, or any known associates or affiliates of such persons, has or has had any material interest, direct or indirect, in any transaction or in any proposed transaction that has materially affected or is reasonably expected to materially affect the Corporation.

5.3 Other Matters

Management knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matter properly comes before the Meeting, the accompanying proxy will be voted on such matter in accordance with the best judgment of the person or persons voting the proxy.

Other than as specifically discussed under Part 2 – *Business of the Meeting* of this Circular, no director, executive officer or proposed nominees for election as a director of the Corporation, past, present or nominated hereunder, or any associate or affiliate of such persons, or any person on behalf of whom this solicitation is made, has any interest, direct or indirect, by way of beneficial ownership of Common Shares or otherwise, in any matter to be acted upon at the Meeting, except that such persons may be directly involved in the normal business of the Meeting or the general affairs of the Corporation.

5.4 Shareholder Proposals for the 2027 Annual Meeting

Shareholder proposals submitted to the Corporation for the next Annual Meeting of the Shareholders must be received during the 60-day period that begins on the 150th day before the anniversary of the previous annual meeting of shareholders of the Corporation. The period for submitting a proposal to the Corporation in connection with the next annual meeting of shareholders is between July 17, 2027 and September 14, 2027.

5.5 Additional Information

Additional information regarding the Corporation and its business activities is available on SEDAR+ at www.sedarplus.ca.

The Corporation's financial information is included in the Corporation's audited financial statements (including notes thereto), as well as in the accompanying management's discussion and analysis (MD&A) for the financial year ended June 30, 2026. A copy of the Corporation's audited financial statements and MD&A for the financial year ended June 30, 2026, may be obtained upon request from Anthony Glavac, Chief Financial Officer and Corporate Secretary, 1100, Avenue des Canadiens-de-Montréal, Suite 300, Montréal, Québec, H3B 2S2 or by e-mail to info@falcores.com.

5.6 Approval of Directors

The Board of Directors of the Corporation has approved the contents of the Circular and its sending to the Shareholders.

DATED at Montréal, Québec, the 9th day of November 2026.

ON BEHALF OF THE BOARD OF DIRECTORS
OF FALCO RESOURCES LTD.

"Luc Lessard"
Luc Lessard
President and Chief Executive Officer

SCHEDULE "A"
BOARD OF DIRECTORS CHARTER

I. OVERALL ROLE AND RESPONSIBILITY

The Board of Directors (the "**Board**") of Falco Resources Ltd. (the "**Corporation**") is elected by the Corporation's shareholders to supervise the management of the business and affairs of the Corporation.

The Board monitors the manner in which the Corporation conducts its business as well as the senior management responsible for the day-to-day operations of the Corporation. It sets the Corporation's policies, assesses their implementation by management and reviews the results.

The prime stewardship responsibility of the Board is to ensure the viability of the Corporation and to ensure that it is managed in the best interest of the Corporation and its shareholders as a whole while taking as well into account the interests of other stakeholders. Directors shall exercise their business judgment in a manner consistent with their fiduciary duties. In particular, directors are required to act honestly and in good faith with a view to the best interests of the Corporation and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

The Board's main expectations of the Corporation's management are to protect the Corporation's interests and ensure the long-term growth of shareholder value.

II. MEMBERSHIP AND QUORUM

The Board shall be composed of a minimum of 3 and a maximum of 12 members. The Board shall also be constituted with a majority of individuals who qualify as independent directors, as per the standards of independence established in Regulation 58-101 *respecting Disclosure of Corporate Governance Practices* and Regulation 52-110 *respecting Audit Committees*.

The quorum at any duly constituted meeting of the Board is a majority of directors in office.

III. STRUCTURE AND OPERATIONS

Proceedings and meetings of the Board are governed by the provisions of the by-laws of the Corporation relating to the regulation of the meetings and proceedings of the Board insofar as they are applicable and not inconsistent with this Charter and the other provisions adopted by the Board in regards to committee composition and organization.

IV. DUTIES AND RESPONSIBILITIES OF THE BOARD

In addition to statutory responsibilities, the Board, either directly or through one of its committees, assumes responsibility for:

(a) **satisfying itself**, to the extent feasible, as to the integrity of the President and Chief Executive Officer ("**CEO**") and other senior officers, and that the CEO and other senior officers maintain a culture of integrity throughout the Corporation;

(b) **ensuring** that the Corporation is operated so as to preserve its financial integrity and in accordance with policies approved by the Board;

(c) **ensuring**, through the Nominating and Corporate Governance Committee, that appropriate structures and procedures are in place so that the Board and its committees can function independently of management and in accordance with sound corporate governance practices;

(d) **reviewing and approving** key policy statements developed by management on various issues such as ethics, regulatory compliance and communications with shareholders, other stakeholders and the general public;

(e) **discussing and developing** the Corporation's approach to (i) corporate governance (ii) environmental, social and governance (ESG) and (iii) diversity and inclusion initiatives and strategies in general, with the involvement of the Nominating and Corporate Governance Committee and other committees of the Corporation, as the case may be;

(f) **adopting** a strategic planning process and thereafter reviewing and, where appropriate, approving, annually, a strategic plan and a budget which takes into account, among other things, the opportunities and risks of the business (all of which are developed at first by management), and monitoring the Corporation's performance with reference to the adopted budget and strategic plan;

(g) **appointing** the CEO, setting forth the position description, as well as planning for the succession of the CEO with the recommendation of the Nominating and Corporate Governance Committee and the Compensation Committee respectively;

(h) **evaluating** the performance and reviewing the compensation of the CEO with the Compensation Committee, and ensuring that such compensation is competitive and measured according to appropriate benchmarks which reward contribution to shareholder value;

(i) **appointing, training, evaluating and monitoring** officers as well as planning for their succession with the recommendations of the Nominating and Corporate Governance Committee; determining management compensation with the recommendations of the Nominating and Corporate Governance Committee and the Compensation Committee, respectively and ensuring that such compensation is competitive and measured according to appropriate industry benchmarks;

(j) **overseeing**, through the Audit Committee, the quality and integrity of the Corporation's accounting and financial reporting systems, and disclosure controls and procedures;

(k) **ensuring**, through the Audit Committee, the integrity of the Corporation's internal controls and management information systems;

(l) **overseeing**, through the Audit Committee, the process for evaluating the adequacy of internal control structures and procedures of financial reporting;

(m) **overseeing**, through the Audit Committee, cybersecurity, privacy and data security risk exposure;

(n) **advising** management on critical and sensitive issues;

(o) **ensuring** that the Board's expectations of management are understood, that all appropriate matters come before the Board in a timely and effective manner and that the Board is kept informed of shareholder feedback;

(p) **conducting** annually, through the Nominating and Corporate Governance Committee, a review of Board practices and the Board's and committees' performance (including director's individual contributions), to ascertain that the Board, its committees and the directors are capable of carrying out and do carry out their roles effectively;

(q) **ensuring** with the Compensation Committee, the adequacy and form of the compensation of non-executive directors taking into account the responsibilities and risks involved in being an effective director;

(r) **determining**, with the Nominating and Corporate Governance Committee, in light of the opportunities and risks facing the Corporation, what competencies, skills and personal qualities the Board should seek in recruiting new Board members, and the appropriate size of the Board to facilitate effective decision-making;

(s) **determining**, annually, with the Nominating and Corporate Governance Committee, the independence of each member of the Board as such term is defined by applicable laws and regulations including, rules and guidelines of stock exchanges to which the Corporation is subject;

(t) **setting forth**, with the recommendation of the Nominating and Corporate Governance Committee, the position description for the Chair of the Board and the Chair of the committees of the Board;

(u) **determining** annually, with the Audit Committee, if each member of the Audit Committee is "financially literate" as such terms are defined under applicable laws and regulations including rules and guidelines of stock exchanges to which the Corporation is subject;

(v) **selecting**, upon the recommendation of the Nominating and Corporate Governance Committee, nominees for election as directors;

(w) **selecting** the Chair of the Board;

(x) **selecting**, to the extent the Chair of the Board is not independent, the Lead Director of the Board and ensure the director appointed as Lead Director is and remains independent at all times;

(y) **ensuring**, through the Nominating and Corporate Governance Committee, that new directors have a good understanding of their role and responsibilities and of the contribution expected of them (including as regards attendance at, and preparation for, meetings), and that they are provided with adequate education and orientation as regards the Corporation, its business and activities;

(z) **reviewing and approving** all material transactions;

(aa) **approving** unbudgeted capital expenditures, or significant divestiture, as well as acquisitions where environmental or other liabilities exist and which could result in significant exposure to the Corporation;

(bb) **reviewing and approving**, with the involvement of the relevant committee of the Board, the content of the principal communications by the Corporation to its shareholders and the public, including, as applicable, quarterly and annual financial statements and management's discussion and analysis, annual information form, information circulars, prospectuses and other similar documents which may be issued and distributed;

(cc) **ensuring** ethical behavior and compliance with laws;

(dd) **monitoring**, directly or through one of its committees, compliance with the Code of Ethics and the Anti-Bribery, Anti-Corruption and Anti-Money Laundering Policy; and

(ee) **consider** the means by which stakeholders can communicate with the members of the Board (including independent directors).

Directors are expected to make reasonable efforts to attend all Board meetings and to review materials distributed to them in advance of Board meetings.

V. CHARTER

The Nominating and Corporate Governance Committee shall periodically review this Charter and recommend appropriate changes to the Board.

SCHEDULE "B"
AUDIT COMMITTEE CHARTER

I. PURPOSES OF THE AUDIT COMMITTEE

The purposes of the Audit Committee (the "**Committee**") are to assist the Board of Directors (the "**Board**") of Falco Resources Ltd (the "**Corporation**"):

1. in its oversight of the Corporation's accounting and financial reporting principles and policies and internal audit controls and procedures;
2. in its oversight of the integrity, transparency and quality of the Corporation's financial statements and the independent audit thereof;
3. in selecting, evaluating and, where deemed appropriate, replacing the Auditors;
4. in evaluating the qualification, independence and performance of the Auditors;
5. in its oversight of the Corporation's risk identification, assessment and management program; and
6. in the Corporation's compliance with legal and regulatory requirements in respect of the above.

The function of the Committee is to provide independent and objective oversight. The Corporation's management team ("**Management**") is responsible for the preparation, presentation and integrity of the Corporation's financial statements. Management is responsible for maintaining appropriate accounting and financial reporting principles and policies and internal controls and procedures that provide for compliance with accounting standards and applicable laws and regulations. The external auditor (the "**Auditor**") is responsible for planning and carrying out a proper audit of the Corporation's annual financial statements and other procedures. In fulfilling their responsibilities hereunder, it is recognized that members of the Committee are not full-time employees of the Corporation and are not, and do not represent themselves to be, accountants or auditors by profession or experts in the fields of accounting or auditing including in respect of auditor independence. As such, it is not the duty or responsibility of the Committee or its members to conduct "field work" or other types of auditing or accounting reviews or procedures or to set auditor independence standards, and each member of the Committee shall be entitled to rely on (i) the integrity of those persons and organizations within and external to the Corporation from which it receives information, (ii) the accuracy of the financial and other information provided to the Committee by such persons or organizations absent actual knowledge to the contrary (which shall be promptly reported to the Board) and (iii) representations made by Management as to non-audit services provided by the Auditor.

The Auditor is ultimately accountable to the Board and the Committee as representatives of shareholders. The Committee is directly responsible (subject to the Board's approval) for the appointment, compensation, retention (including termination), scope and oversight of the work of the Auditor engaged by the Corporation (including for the purpose of preparing or issuing an audit report or performing other audit, review or attestation services or other work of the Corporation), and is also directly responsible for the resolution of any disagreements between Management and any such firm regarding financial reporting.

The Auditor shall submit annually, to the Corporation and the Committee:

- as representatives of the shareholders of the Corporation, a formal written statement delineating all relationships between the Auditor and the Corporation ("**Statement as to Independence**"); and

- A formal written statement of the fees billed in compliance with the disclosure requirements of Form 52-110F1 or Form 52-110F2 of National Instrument 52-110 *Audit Committees*, as applicable.

II. COMPOSITION OF THE COMMITTEE

The Committee shall be comprised of three or more directors, two of which shall be independent to the extent required under National Instrument 52-110 and other applicable legislation and stock exchange rules. The members of the Committee are appointed (and may be replaced) by the Board. Determination as to whether a particular director satisfies the requirements for membership on the Committee shall be made by the Board.

All members of the Committee shall be financially literate (able to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements), and at least one member of the Committee shall have accounting or related financial expertise or sophistication as such qualifications are interpreted by the Board in light of applicable laws and stock exchange rules. The later criteria may be satisfied by past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual's financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer of an entity with financial oversight responsibilities.

III. MEMBERSHIP, MEETINGS AND QUORUM

The Committee shall meet at least four times annually or more frequently if circumstances dictate, to discuss with Management the annual audited financial statements and quarterly financial statements, and all other related matters. The Committee may request any officer or employee of the Corporation or the Corporation's external counsel or Auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

Proceedings and meetings of the Committee are governed by the provisions of the Corporation's by-laws relating to the regulation of the meetings and proceedings of the Board as they are applicable and not inconsistent with this Charter and the other provisions adopted by the Board in regards to Committee composition and organization.

The quorum at any meeting of the Committee is a majority of members in office. All members of the Committee should strive to be at all meetings.

IV. DUTIES AND POWERS OF THE COMMITTEE

To carry out its purposes, the Committee shall have unrestricted access to information and shall have the following duties and powers:

1. with respect to the Auditor:
    (a) to review and assess, annually, the performance of the Auditor, and recommend to the Board the nomination of the Auditor for appointment by the shareholders, or if required, the revocation of appointment of the Auditor;
    (b) to review and approve the fees charged by the Auditor for audit services;

(c) to review and pre-approve all services other than audit services, to be provided by the Corporation's Auditor or to its subsidiaries (as applicable), and associated fees and to ensure that such services will not have an impact on the Auditor's independence. The Committee may delegate such authority to one or more of its members, which member(s) shall report thereon to the Committee;

(d) to ensure that the Auditor prepare and deliver annually a Statement as to Independence (it being understood that the Auditor are responsible for the accuracy and completeness of such statement), to discuss with the Auditor any relationships or services disclosed in the Statement as to Independence that may impact the objectivity and independence of the Corporation's Auditor and to recommend that the Board take appropriate action in response to the Statement as to Independence to satisfy itself of the Auditor's independence; and

(e) to instruct the Auditor that it is ultimately accountable to the Committee and the Board, as representatives of the shareholders.

2. with respect to financial reporting principles and policies, financial risk management and internal controls:

(a) to advise Management that they are expected to provide to the Committee a timely analysis of significant financial reporting issues and practices;

(b) to ensure that the Auditor prepares and delivers as applicable, a detailed report covering 1) critical accounting policies and practices to be used; 2) material alternative treatments of financial information within generally accepted accounting principles that have been discussed with Management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the Auditor; 3) other material written communications between the Auditor and Management such as any Management letter or schedule of unadjusted differences; and 4) such other aspects as may be required by the Committee or legal or regulatory requirements;

(c) to consider any reports or communications (and Management's responses thereto) submitted to the Committee by the Auditor, including reports and communications related to:

- deficiencies noted following the audit of the design and operation of internal controls;
- consideration of fraud in the audit of the financial statements;
- detection of illegal acts;
- the Auditor's responsibilities under generally accepted auditing standards;
- significant accounting policies;
- Management judgements and accounting estimates;
- adjustments arising from the audit;
- the responsibility of the Auditor for other information in documents containing audited financial statements;
- disagreements with Management;
- consultation by Management with other accountants;
- major issues discussed with Management prior to retention of the Auditor;

- difficulties encountered with Management in performing the audit;
- the Auditor's judgement about the quality of the entity's accounting principles; and
- reviews of interim financial information conducted by the Auditor.

(d) to meet with Management and Auditor:

- to discuss the scope of the annual audit and to review and approve the audit plan;
- to discuss the audited financial statements, including the accompanying Management's discussion and analysis;
- to discuss the unaudited interim quarterly financial statements, including the accompanying Management's discussion and analysis;
- to discuss the appropriateness and quality of the Corporation's accounting principles as applied in its financial reporting;
- to discuss any significant matters arising from any audit or report or communication referred to in item 2(c) above, whether raised by Management or the Auditor, relating to the Corporation's financial statements;
- to resolve disagreements between Management and the Auditor regarding financial reporting;
- to review the form of opinion the Auditor proposes to render to the Board and shareholders;
- to discuss significant changes to the Corporation's auditing and accounting principles, policies, controls, procedures and practices proposed or contemplated by the Auditor or Management, and the financial impact thereof;
- to review any non-routine correspondence with regulators or governmental agencies and any employee complaints or published reports that raise material issues regarding the Corporation's financial statements or accounting policies;
- to review, evaluate and monitor (as applicable) the Corporation's risk Management program including the revenue protection program and the Corporation's cyber security initiatives. This function should include:
    - risk assessment;
    - quantification of exposure;
    - risk mitigation measures; and
    - risk reporting.
- to monitor and review communications received in accordance with the Corporation's Internal Whistleblowing Policy and any other relevant policy, as approved by the Board from time to time;
- to review major capital expenditures and other major spending or any other transactions that could change the Corporation's financial or organizational structure, including off-balance sheet items;
- following completion of the annual audit and quarterly reviews, review separately with each of Management and the Auditor, any significant changes to planned procedures, any difficulties encountered during the course of the audit and reviews, including any restrictions on the scope of the work or access to required information

and the cooperation that the Auditor received during the course of the audit and review.

(e) to discuss with the Chief Financial Officer any matters related to the financial affairs of the Corporation;

(f) to discuss with Management any significant legal matters that may have a material effect on the financial statements, the Corporation's compliance policies, including material notices to or inquiries received from governmental agencies; and

(g) to review, and discuss with the Corporation's President and Chief Executive Officer and Chief Financial Officer the procedure with respect to the certification of the Corporation's financial statements pursuant to National Instrument 52-109 *Certification of Disclosure in Issuer's Annual and Interim Filings* and any other applicable law or stock exchange rule.

3. with respect to reporting and recommendations:

(a) to prepare/review any report or other financial disclosures to be included in the Corporation's annual information form, if any;

(b) to review and recommend to the Board for approval, the interim and audited annual financial statements of the Corporation, Management's discussion and analysis of the financial conditions and results of operations (MD&A) and the press releases (as applicable) related to those financial statements;

(c) to review and recommend to the Board for approval, the annual report, Management's assessment on internal controls (as applicable) and any other like annual disclosure filings to be made by the Corporation under the requirements of securities laws or stock exchange rules applicable to the Corporation;

(d) to review and reassess the adequacy of the procedures in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, other than the public disclosure referred to in paragraph 3(b) above;

(e) to review this Charter at least annually and recommend any changes to the Board; and

(f) to report its activities to the Board on a regular basis and to make such recommendations with respect to the above and other matters as the Committee may deem necessary or appropriate.

4. to coordinate oversight and risk Management work with the Corporation's Environment and Technical Committee of the Board of any matters in relation to Health and Safety, Corporate Social Responsibility and Environmental issues;

5. to review the adequacy of the resources of the finance and accounting group, along with its development and succession plans;

6. to review and approve transactions with related parties, unless the review thereof was delegated by the Board to a special committee of independent directors formed in connection with a particular related party transaction. In carrying out its responsibilities, the Committee will: 1) receive details of related party transactions proposed by the Corporation, and actual and potential conflicts of interest relating thereto, to verify their propriety and that disclosure is appropriate; 2) if a valuation or fairness opinion is required by any applicable laws or regulations, supervise the preparation of such valuation or

fairness opinion; and 3) if approval of the Board is necessary, ensure that a recommendation is provided to the Board with respect to the related party transaction;

7. to monitor periodically the Corporation's insurance coverage;

8. to create an agenda for the ensuing year;

9. to review quarterly the expenses of the President and Chief Executive Officer;

10. to establish and reassess the adequacy of the procedures for the receipt, retention and treatment of any complaint received by the Corporation regarding accounting, internal accounting controls or auditing matters, including procedures for the confidential anonymous submissions by employees of concerns regarding questionable accounting or auditing matters in accordance with applicable laws and regulations; and

11. to set clear hiring policies regarding partners, employees and former partners and employees of the present and, as the case may be, former external auditor of the Corporation.

V. RESOURCES AND AUTHORITY OF THE COMMITTEE

The Committee shall have the resources and authority appropriate to discharge its responsibilities, as it shall determine, including the authority to engage Auditor for special audits, reviews and other procedures and to retain special counsel and other experts or consultants.