



FILO MINING CORP.

(the "Corporation")

BOARD AND EXECUTIVE OFFICER DIVERSITY POLICY

(as adopted by the Board of Directors of the Corporation (the "Board") on May 6, 2020, amended September 27, 2021)

1. Objective

- 1.1 This Board and Executive Officer Diversity Policy (the "**Diversity Policy**") is intended to set out a framework to promote diversity on the Board and in Executive Officer⁽¹⁾ positions of the Corporation and its Major Subsidiaries⁽²⁾ ("**Executive Officers**").

2. Vision

- 2.1 The Corporation recognizes the potential benefits of diversity, particularly with regard to representation on boards and Executive Officer positions. The Corporation believes that a diverse board and executive management structure, including diversity with respect to the representation of "designated groups" (as defined in the *Employment Equity Act (Canada)*), may enhance the decision making of the Board and at senior management levels, as well as allow for improved employee retention. The Corporation also acknowledges that a diverse board and management structure better reflects the diversity of the communities the Corporation operates in. While diverse individuals are evaluated, directors, Executive Officers and employees will be recruited and/or promoted based upon their merit, respective abilities and contributions, as and when required for expansion or the normal renewal process of change.

3. Policy Statement

3.1 *Diversity - Board*

The Corporate Governance and Nominating Committee of the Corporation (the "**CGN Committee**") is responsible for identifying individuals qualified to become new Board members and makes recommendations to the Board of the director nominees for election based on the "Guidelines for the Composition of the Board of Directors" approved by the Board. These Guidelines shall include a commitment for the CGN Committee to seek out highly qualified individuals diverse in gender, ethnicity, race, age, and culture to include in the pool from which board nominees are evaluated and chosen.

3.2 *Diversity - Executive Officers*

The Executive Officers of the Corporation are appointed by the Board and the Executive Officers of the Corporation's Major Subsidiaries are appointed by the board of the applicable Major Subsidiary. Management of the Corporation shall, as part of the hiring process of Executive Officers, actively seek out individuals diverse in gender, ethnicity, race, age and culture, and who have the necessary skills, knowledge and experience, to evaluate as potential candidates. The ultimate decision by management to recommend a candidate for appointment as an Executive Officer shall be made on merit and the contribution the candidate can bring to the position.

4. Targets

- 4.1 The CGN Committee may consider setting targets, and making recommendations related thereto for consideration and approval of the Board, with respect to the diversity of the Board and Executive Officer positions as and when determined appropriate given the size and stage of the Corporation.
- 4.2 In furtherance of Board diversity, the Corporation aspires to attain by its annual meeting of shareholders in 2025, and thereafter maintain, a Board composition in which at least 30% of the Board are women.

5. Monitoring and Reporting

- 5.1 As part of its consideration of Board and Executive Officer succession and in furtherance of the Corporation's commitment to diversity, the CGN Committee will:
- (i) monitor the proportion of the Corporation's directors and Executive Officers and other members of senior management that are members of each of the designated groups;
 - (ii) review the Corporation's determination regarding the adoption of specific diversity targets for directors and Executive Officers in respect of each of the designated groups; and
 - (iii) monitor compliance with this Diversity Policy and the annual and cumulative progress made by the Corporation in achieving the objectives of this Diversity Policy.
- 5.2 The CGN Committee will provide reports to the Board on these matters on a periodic basis.

6. Review of the Diversity Policy

- 6.1 The CGN Committee shall review this Diversity Policy annually and make recommendations with respect to any material changes to the Board for consideration and approval.

(1) Executive Officer means an individual who is:

- (a) a chair, vice-chair or president;
- (b) a chief executive officer or chief financial officer;
- (c) a vice-president in charge of a principal business unit, division or function including sales, finance or production; or
- (d) performing a policy-making function.

(2) Major Subsidiary means a subsidiary of the Corporation that:

- (a) the assets of the subsidiary, as included in the Corporation's most recent annual audited or interim financial statements, are 30 per cent or more of the consolidated assets of the Corporation reported on that balance sheet or statement of financial position, as the case may be; or
- (a) the revenue of the subsidiary, as included in the Corporation's most recent annual audited or interim financial statements, is 30 per cent or more of the consolidated revenue of the Corporation reported on that statement.