

Item 13 – Establishment of guidelines for the remuneration to management

The Board of Directors proposes that the following guidelines for remuneration to the Senior Management, which were applied during 2021, shall continue to apply. Senior Management refers to the CEO and other members of Group Management (the "Management"), as well as members of the Board of Directors, to the extent they receive compensation outside the Board assignment.

The guidelines are applicable to remuneration already agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the 2022 Annual General Meeting. These guidelines do not apply to any remuneration decided or approved by the general meeting.

The guidelines' promotion of the company's business strategy, long-term interests and sustainability

Endomine's strategy is to increase the company's value by developing its assets into financially profitable mines in accordance with sustainable mining practices. In addition, Endomines seek growth through mergers, acquisitions and other co-operative arrangements. Endomines aims to broaden its resource base by acquiring assets in stable jurisdictions, preferably with a relatively short time to production and with limited capital expenditure requirements. For more information on the company's business strategy, see www.endomines.com.

A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company is able to recruit and retain a Management with high competence and capacity to achieve set goals. To this end, it is necessary that Endomines offers competitive total remuneration, applies market-based remuneration levels and terms of employment and is able to offer sign on-bonuses for the purpose of recruiting the most suitable Senior Management. The remuneration forms shall motivate the Management to do its utmost to safeguard the interest of the shareholders.

Types of remuneration, etc.

Remuneration to the Management shall consist of fixed salary, variable remuneration, any performance and share-related incentive programs, pensions and other benefits.

Fixed salary

The fixed salary is reviewed annually and should be market-based and based on competence, responsibility and performance.

Variable remuneration

The variable remuneration shall be designed with the purpose of promoting the company's long-term value creation and be based on outcomes in relation to clearly defined and measurable goals (qualitative, quantitative, general and/or individual), and be maximized in relation to the determined fixed salary. The target components, weighting and target levels can vary from year to year to reflect business priorities and usually balances the Group's financial and operational goals. Currently, these goals include a gold production of 40,000 oz per year within a two-year time period, and 100,000 oz in gold production within five years, as well as continuous profitability. The goals may also include nonfinancial/operational goals (for example, strategic, environmental, social, or other sustainability-related goals). Generally, the measurement period for variable remuneration is based on performance over a period of approximately twelve months. The variable remuneration shall not exceed the annual fixed salary. Variable remuneration to the members of the Senior Management shall not be pensionable.

When the measurement period for fulfilling the criteria for payment of variable cash compensation has been completed, the extent to which the criteria have been met shall be assessed/determined.

The Remuneration Committee is responsible for the assessment in respect of variable cash remuneration to the CEO. As far as variable cash payments are concerned to other members of Senior Management, the CEO is responsible for the assessment. As far as financial targets are concerned, the assessment shall be based on the latest financial information published by the company.

Performance and share-related incentive programs

Performance and share-related incentive programs within the company are intended to ensure long-term commitment to the company's development, an increased community of interest between the participant in the program and the company's shareholders and shall be implemented on market terms. Performance and share-related incentive programs shall be decided by the Annual General Meeting and are therefore not covered by these guidelines.

Pension and other benefits

Senior Management's pension terms shall be based on defined contribution pension solutions and follow or correspond to, and thus be limited to, the general pension plan in accordance with the ITP plan. Regarding employment conditions that are governed by rules other than Swedish, in so far as pension benefits and other benefits are concerned, appropriate adjustments may be made to comply with mandatory rules or fixed local practice, whereby the general purpose of these guidelines shall be met as far as possible.

Non-monetary benefits to members of the Senior Management shall facilitate the performance of the Senior Management and correspond to what may be considered reasonable in relation to practices in the market in which each member of the Senior Management operates. Premiums and other costs arising from such benefits may amount to a maximum of 20 per cent of the fixed annual cash salary.

Termination of employment

In case of termination of employment contracts by the company, the notice period shall not exceed twelve months. Severance pay and fixed salary for a member of the Management should in general not exceed an amount corresponding to the fixed salary for twelve months upon termination by the company.

Salary and employment conditions for employees

In the preparation of the Board of Directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the Remuneration Committee's and the Board of Directors' basis of their decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

Remuneration to the Board of Directors in addition to the fees decided at the Annual General Meeting

Members of the Board of Directors elected by the Annual General Meeting may in special cases receive remuneration for services within their respective areas of competence, which do not constitute Board work. For these services a market-based remuneration must be paid, which the Board of Directors must approve. These guidelines shall apply to such remuneration. The decision-making process to determine, review and implement the guidelines The Board of Directors has established a Remuneration Committee. The committee's tasks include preparing the Board of Directors' decision to propose guidelines for executive remuneration. The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the Annual General Meeting. The guidelines shall be in force until new guidelines are adopted by the general meeting. The Remuneration Committee shall also monitor and evaluate programs for variable remuneration for the executive management, the application of the guidelines for remuneration to Senior

Management as well as the current remuneration structures and compensation levels in the company. The members of the Remuneration Committee are independent of the company and its executive management. The CEO and other members of the executive management do not participate in the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as the remuneration concerns themselves.

Derogation from the guidelines

The Board of Directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As set out above, the Remuneration Committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines. If the Board of Directors deviates from the Guidelines for remuneration to Senior Management, this shall be reported in remuneration report before the next Annual General Meeting.