

NOTICE OF MEETING AND INFORMATION CIRCULAR FOR THE

ANNUAL GENERAL MEETING OF SHAREHOLDERS

of

DARELLE ONLINE SOLUTIONS INC.

To Be Held on January 9, 2020

All information in this Information Circular is presented as of December 2, 2019, unless otherwise stated herein.

DARELLE ONLINE SOLUTIONS INC.

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an Annual General Meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares in the capital of Darelle Online Solutions Inc. (the "**Company**" and/or "**darelle**") will be held at the offices of MNP LLP, located at Suite 2200, 1021 West Hastings Street, Vancouver, British Columbia, V6E 0C3 at 11:00 a.m. (PDT) on January 9, 2020 for the following purposes:

1. to receive the consolidated audited financial statements of the Company for the financial years ended August 31, 2019, and August 31, 2018 together with the report of the auditors thereon;
2. to appoint MNP LLP, as the auditors of the Company for the ensuing year and to authorize the Directors to fix their remuneration;
3. to set the number of Directors at four;
4. to elect Directors to hold office until the next annual meeting;
5. to consider and, if thought fit, to pass an ordinary resolution providing the required annual approval of the Company's Rolling Stock Option Plan, as particularly described in the accompanying Management Information Circular; and
6. to transact such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

Accompanying this Notice of Meeting is a Management Information Circular (the "**Information Circular**"). Reference is made to the Information Circular for details of the matters to be considered at the Meeting.

The Directors of the Company have fixed the close of business on 5:00 pm (PST) on November 26, 2019 as the record date for the Meeting (the "**Record Date**") for determining Shareholders entitled to receive notice of, and to vote at the Meeting and any postponement or adjournment of the Meeting, except to the extent that a Shareholder has transferred any darelle common shares after that date and the new holder of such darelle common shares establishes proper ownership and requests not later than 10 days before the date of the Meeting that his/her name be included in the list of Shareholders eligible to vote at the Meeting and any postponement or any adjournment thereof.

As described in the "notice and access" notification mailed to Shareholders of the Company, the Company has opted to deliver its Meeting materials to Shareholders by posting them on its website at www.darelle.com and under the Company's profile on the Canadian System for Electronic Document Analysis and Retrieval ("**SEDAR**") at www.sedar.com on December 4, 2019. The use of this alternative means of delivery is more environmentally friendly and more economical as it reduces the Company's paper and printing use and thus reduces the Company's paper and printing use and thus reduces the Company's printing and mailing costs. The Meeting materials will be available on the Company's website for one full year.

Shareholders who wish to receive paper copies of the Meeting materials prior to the meeting may request copies from the Company by calling (604) 628-2008 or by sending an email to info@darelle.com no later than December 16, 2019.

If you are not able to attend the Meeting, please vote by using the proxy form or voting instruction form included with the “notice and access” notification and return it according to the instructions provided before 11:00 am PDT on January 7, 2020.

If you have any questions about the procedures required to qualify to vote at the Meeting or about obtaining and depositing the required form of proxy, you should contact Computershare Investor Services Inc. by telephone (toll free) at 1-800-564-6253, by fax at 1-866-249-7775 or by e-mail at service@computershare.com

DATED at Nanaimo, British Columbia this 2nd day of December 2019.

ON BEHALF OF THE BOARD

(signed) “Dean Bethune”

President, Chief Executive Officer and Director

Whether or not you expect to attend the Meeting or any postponement or adjournment thereof, PLEASE SIGN, DATE AND RETURN THE ENCLOSED PROXY PROMPTLY IN THE ENCLOSED ENVELOPE OR VOTE BY PROXY USING THE TELEPHONE OR INTERNET BY FOLLOWING THE INSTRUCTIONS PROVIDED IN THE ACCOMPANYING FORM OF PROXY. To be effective, proxies must be received by Computershare Investor Services Inc. by 11:00 am (PDT) on Tuesday January 7, 2020. If you are a non-registered shareholder and receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or by other intermediary. Failure to do so may result in your common shares not being eligible to be voted by proxy at the Meeting. Your promptness in returning the proxy will assist in the expeditious and orderly processing of proxies and will ensure that your darelle common shares are represented. Please note that registered shareholders of the Company may vote in person at the Meeting and any postponement or any adjournment thereof even if you have previously returned the proxy. Proxies will be counted and tabulated by Computershare Investor Services Inc., the Company’s registrar and transfer agent in such a manner as to protect the confidentiality of how a particular shareholder votes except where they contain comments clearly intended for management, in the case of a proxy contest, or where it is necessary to determine the proxy’s validity or to permit management and the Board of the Directors to discharge their legal obligations to the Company or its Shareholders.

MANAGEMENT INFORMATION CIRCULAR

(Containing information as at December 2, 2019 unless indicated otherwise)

PERSONS MAKING THE SOLICITATION

The Management Information Circular (the “Information Circular”) is furnished in connection with the solicitation of proxies being made by management (“Management”) of Darelle Online Solutions Inc. (the “Company” and/or “darelle”) for use at the Annual General Meeting (the “Meeting”) of holders of common shares (the “Shareholders”) in the capital of the Company (the “Common Shares”) to be held on Thursday January 9, 2020 at 11:00 am PDT at the offices of MNP LLP, located at Suite 2200, 1021 West Hastings Street, Vancouver, British Columbia, V6E 0C3 and for the purposes set forth in the accompanying Notice of Meeting. While it is expected that the solicitation will be made primarily by mail, proxies may be solicited personally or by telephone by the Directors, officers and employees of the Company or by agents retained for that purpose at nominal cost. All costs of this solicitation will be borne by the Company.

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

Unless otherwise stated herein, all currency amounts indicated as “\$” in this Information Circular are expressed in Canadian Dollars, the Company’s reporting currency.

APPOINTMENT OF PROXY HOLDER AND VOTING BY PROXY

The individuals named in the accompanying form of proxy (the “Proxy”) are Directors and/or officers of the Company (the “Management Proxyholders”). A shareholder wishing to appoint a person or company other than Management Proxyholders to attend and act for the shareholder and on the shareholder’s behalf at the Meeting has the right to do so, by striking out the names of the Management Proxyholders and by inserting the desired person’s or company’s name in the blank space provided in the proxy, or by executing a proxy in a form similar to the enclosed form. In either case, the completed form of proxy must be received by Computershare Investor Services Inc. prior the Meeting or any adjournment thereof. A proxyholder need not be a shareholder.

You can choose to vote your Common Shares by proxy, by mail, by telephone or on the Internet. If you vote your Common Shares by proxy by mail, completed forms of proxies **must be received by the Company’s transfer agent, Computershare Investor Services Inc. (“Computershare”), at Proxy Department, at 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1.** Telephone and Internet voting can also be completed 24 hours a day, 7 days a week which is noted on your proxy form. If you vote by telephone, you cannot appoint anyone other than the appointees named on the proxy form as your proxyholder. For internet voting, go to www.investorvote.com and follow the instructions on the screen. For either telephone or internet voting, you will need your 15-digit control number which is noted on your proxy form. **Duly completed forms of proxy or a vote using the telephone or over the Internet must be completed no later than forty-eight (48) hour (excluding Saturdays, Sundays and holidays) before the time of the Meeting, or any adjournment thereof.**

If you are a beneficial shareholder and receive these materials through your broker or through another intermediary, please complete and return the form of proxy in accordance with the instructions provided by your broker or other intermediary.

ADVICE TO NON-REGISTERED HOLDERS OF COMMON SHARES

The information set forth in this section is of significant importance to many shareholders as a substantial number of shareholders do not hold the Common Shares of the Company in their own name. Shareholders who hold Common Shares through their banks, brokers, trustees or other persons (“Intermediaries”), or otherwise do not hold their Common Shares in their own name (referred to in this Information Circular as “Beneficial Shareholders”) should note that only Proxies deposited by Shareholders who appear on the records maintained by the Company’s registrar and transfer agent as registered holders of Company Shares (“Registered Shareholders”) 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, those Common Shares will, in all likelihood, not be registered in the Shareholder’s name. Such Common Shares more likely will be registered under the name of the Shareholder’s broker or agent of that broker. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name of the Canadian Depository for Securities which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the 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 Intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder’s meetings. The 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 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 Company and is commonly referred to as a “voting instruction form”. 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”). Broadridge typically prepares a machine-readable voting instruction form, mails such forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote their Common Shares directly at the Meeting. The voting instructions 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 those Shares voted. If you have any questions respecting the voting of Common Shares held through an Intermediary, please contact that Intermediary promptly for assistance.** Although a Beneficial Shareholder may not be recognized directly at the Meeting for purposes of 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. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their securities as proxyholder for the Registered Shareholder should enter their own name in the blank space on the form of proxy provided to them and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker.**

These security holder materials are being sent to both Registered Shareholders and Beneficial Shareholders who have not objected to the intermediary through which their common shares are held disclosing ownership about themselves to the Company (“NOBOs”). If you are a NOBO, and the

Company or its agent has sent these materials directly to you, your name and address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from Intermediary holding on your behalf. By choosing to send these materials to you directly, the Company (and not the Intermediary holding Common Shares on your behalf) has assumed responsibility for (i) delivering these materials to you and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

REVOCATION OF PROXIES

A Registered Shareholder who has given a Proxy may revoke it by an instrument in writing executed by the Registered Shareholder or by the Registered Shareholder's attorney authorized in writing or, if the Registered Shareholder is a company, by a duly authorized officer or attorney of the company, and delivered to Computershare Investor Services Inc. not less than 48 hours (excluding Saturdays, Sundays, and holidays) before the Meeting or any adjournments of it, or to the chair of the Meeting on the day of the Meeting or any adjournment of it. **Only Registered Shareholders have the right to revoke a Proxy. Beneficial Shareholders who wish to change their vote must, in accordance with the instructions provided by the Intermediaries, arrange for their respective Intermediaries to revoke the Proxy on their behalf. A revocation of a Proxy does not affect any matter on which a vote has been taken prior to the revocation.**

VOTING OF PROXIES

The Common Shares represented by a properly executed proxy in favor of Management Proxyholders will:

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

ON A POLL SUCH COMMON SHARES WILL BE VOTED IN FAVOUR OF EACH MATTER FOR WHICH NO CHOICE HAS BEEN SPECIFIED OR WHERE BOTH CHOICES HAVE BEEN SPECIFIED BY THE SHAREHOLDER. The enclosed form of proxy when properly completed and delivered and not revoked confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting, and with respect to other matters which may properly come before the Meeting. If any amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting or any further or other business is properly brought before the Meeting, it is the intention of the Management Proxyholders to vote in accordance with their best judgement on such matters or business. At the time of the printing of this Information Circular, the Management knows of no such amendment, variation or other matter that may be presented to the Meeting.

ELECTRONIC DELIVERY OF PRODUCTS

Every year, as required by laws governing public companies, the Company delivers documentation to shareholders. In order to make this process more convenient, Shareholders may choose to be notified by email when the Company's documentation, including the Meeting materials, is posted on the Company's website www.darelle.com and accordingly, such documentation will not be sent in paper form by mail other than as required by applicable laws.

Delivery in an electronic format, rather than paper, reduces costs to the Company and benefits the environment. Shareholders who do not consent to receive documentation through email notification will continue to receive such documentation by mail or otherwise, in accordance with securities laws.

By consenting to electronic delivery, Shareholders: (i) agree to receive all documents to which they are entitled electronically, rather than mail; and (ii) understand that access to the Internet is required to receive a document electronically and certain system requirements must be installed (currently Adobe Acrobat Reader to view Adobe's portable document format ("PDF")). Such documents may include the interim consolidated financial reports, the annual report (including audited annual consolidated financial statements and management's discussion and analysis ("MD&A")), the notice of annual and/or special meeting and related management information circular and materials, and other corporate information about the Company.

At any time, the Company may elect to not send a document electronically, or a document may not be available electronically. In either case, a paper copy will be mailed to Shareholders.

Registered Shareholders can consent to electronic delivery by completing and returning the form of consent included with the form of proxy. Non-registered Shareholders can consent to electronic delivery by completing and returning the appropriate form received from the applicable intermediary.

Shareholders are not required to consent to electronic delivery. The Company will notify consenting Shareholders at the email address provided by the Shareholder on the form of proxy when the documents that the Shareholder is entitled to receive are posted on the Company's website, with a link to the specific pages of the website containing the PDF document.

NOTICE AND ACCESS

In 2012, the Canadian Securities Administrators announced the adoption of regulatory amendments to securities laws governing the delivery of proxy-related materials by public companies. As a result, public companies are now permitted to advise their Shareholders of the availability of all proxy-related materials on an easily accessible website, rather than mailing physical copies of the materials.

As described in the "notice and access" notification mailed to Shareholders of the Company, the Company has opted to deliver its Meeting Materials to its Shareholders by posting them on its website at www.darelle.com and under the Company's profile on the Canadian System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com on December 2, 2019. The Meeting materials will be available on the Company's website for one full year.

The Company has decided to mail paper copies of the Information Circular to those registered and non-registered Shareholders who had previously elected to receive paper copies of the Company's Meeting materials. All other Shareholders will receive a "notice and access" notification which will contain information on how to obtain electronic and paper copies of the Information Circular in advance of the Meeting and for a full year following the Meeting.

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

Except as may be disclosed herein, no Director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year end of the Company, nor any nominee for election as a Director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting. Directors and executive officers may, however, be interest in the annual approval of the Company's 10% rolling 2017 Incentive Stock Option Plan (the "Option Plan") as detailed in "Particulars of Other Matters to be Acted Upon – Annual Approval of Option Plan".

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of Common Shares without par value and an unlimited number of Class A Preferred shares, of which 73,708,147 Common Shares and no Class A Preferred shares are issued and outstanding as at the date hereof. Each Common Share is entitled to one vote.

Shareholders registered as at November 26, 2019 (the “**Record Date**”) are entitled to attend and vote at the Meeting. Shareholders who wish to be represented by proxy at the Meeting must, to entitle the person appointed by the form of proxy to attend and vote, deliver their form of proxies at the place and within the time set forth in the notes to the form of proxy.

To the knowledge of the Directors and executive officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, securities carrying more than 10% of the voting rights attached to any class of voting securities of the Company except as follows.

Shareholder Name	Number of Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly	Percentage of Outstanding Shares
Dean Bethune	8,462,627	11.5
Kyle Kotapski	8,038,374	10.9

BUSINESS OF THE MEETING

Financial Statements and Auditor’s Report

The Company’s audited consolidated financial statements for the years ended August 31, 2019 and 2018 (collectively the “**Financial Statements**”) and the report of the auditors therein will be placed before the Meeting. Copies of the Financial Statements, the auditor’s report and management’s discussion and analysis (“**MD&A**”) for the years ended August 31, 2019 and 2018 have been mailed to all Registered Shareholders and Non-Registered Shareholders (or beneficial shareholders) who have opted to receive such materials. These documents can also be found under the Company’s profile on SEDAR at www.sedar.com. No vote by the shareholders is required to be taken with respect to the Financial Statements.

Appointment and Remuneration of Auditors

Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the appointment of MNP LLP (“**MNP**”) as auditors of the Company to hold office until the close of the next annual meeting of the Company, at a remuneration to be fixed by the Directors of the Company. MNP was first appointed as auditors of the Company June 23, 2014.

Number of Directors

The Articles of the Company provide that the Board must consist of a minimum of three Directors, to be elected annually by the Shareholders. The Board currently consists of five Directors and it is intended to set the number of Directors at four Directors for the ensuing year. At the Meeting, the Shareholders will be asked to set the number of Directors of the Company at four. **The Board recommends a vote “FOR” the setting of the number of Directors of the Company at four (4). In absence of a contrary**

instruction, the persons designated by management of the Company in the enclosed form of proxy intend to vote FOR the setting of the number of Directors of the Company at four (4).

Election of Directors

The term of office of each of the present Directors expires at the Meeting. The Board proposes to nominate the persons named in the table below for election as Directors of the Company. The nominees consist of each of the existing Directors of the Company. Each Director elected will hold office until the next annual general meeting of the Company or until his or her successor is duly elected or appointed, unless the office is earlier vacated in accordance with the Articles of the Company or the *Business Corporations Act* (British Columbia) or he becomes disqualified to act as a Director.

Advance Notice Policy

The Company has adopted an advance notice policy (the “**Advance Notice Policy**”). The Advance Notice Policy provides that any Shareholder seeking to nominate a candidate for election as a Director (a “**Nominating Shareholder**”) at any annual meeting of the Shareholders, or for any special meeting of Shareholders if one of the purposes for which the special meeting was called was the election of Directors. For a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the Company.

To be timely, a Nominating Shareholder’s notice to the Corporate Secretary of the Company must be made (a) in the case of an annual meeting of shareholders, not less than thirty (30) nor more than sixty-five (65) days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than fifty (50) days after the date (the “**Notice Date**”) on which the first public announcement (as defined below) of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day following the later of the Notice Date; and (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing Directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement (as defined below) of the date of the special meeting of shareholders was made.

The time periods for the giving of a Nominating Shareholder’s notice set forth above shall in all cases be determined based on the original date of the applicable annual meeting and/or special meeting of shareholders, and in no event shall any adjournment or postponement of a meeting of shareholders, or the reconvening of any adjourned or postponed meeting of shareholders, or the announcement thereof, commence a new time period for the giving of a Nominating Shareholder’s notice as described above.

The chair of the Meeting shall have the power and duty to determine whether a nomination was made in accordance with the notice procedures set forth in the Advance Notice Policy and, if any proposed nomination is not in compliance with such provisions, the discretion that such defective nomination will be disregarded.

The Advance Notice Policy also prescribes the proper written form for a Nominating Shareholder’s notice. The Advance Notice policy is available on the Company’s website at www.darelle.com

Majority Voting Policy

In accordance with good corporate governance practices and procedures, the Board of Directors of the Company adopted a Majority Voting Policy at a meeting of the Board on October 29, 2017 (the

“Majority Voting Policy”). The Majority Voting Policy provides that each Director of the Company must be elected by the vote of a majority of the Company’s Common Shares, represented in person or by proxy, at any meeting held for the election of Directors. Forms of proxy for the election of Directors will permit a shareholder to vote in favour of, or to withhold from voting, separately for each Director nominee.

If any nominee for Director does not receive a majority vote in favour of his or her election from the shares voted at the meeting in person or by proxy, the Corporate Governance and Nominating Committee of the Company will expeditiously consider whether to recommend that the Board request that such Director tender his or her resignation. In making this recommendation, the Corporate Governance and Nominating Committee of the Company may consider such extenuating circumstances as it deems appropriate including without limitation circumstances relating to the composition of the Board or voting results.

The Board shall consider any recommendation to this regard within ninety days (90) of the relevant shareholders’ meeting.

Director Nominees

The following table provides the name, residence, participation on the Company’s Board and Board committees, number of common shares beneficially owned or controlled or directed as of the date of this Information Circular and principal occupation during the preceding five years of each of the nominated Directors of the Company. The Company has been advised that each of the nominated Directors is willing to serve on the Board for the ensuing year. Each Director will hold office until the next annual meeting of Shareholders or until his or her successor is duly elected unless his or her office is earlier vacated in accordance with the Company’s articles.

The Board recommends a vote “FOR” the appointment of each of the following nominees as Directors. In the absence of a contrary instruction, the person(s) designated by management of the Company in the enclosed form of proxy intend to vote FOR the election as Directors of the proposed nominees whose names are set forth below, each of whom has been a Director since the date indicated below opposite the proposed nominees name.

The following table sets forth the name, province and country of residence, principal occupation, date they first became a Director of the Company and the number of shares beneficially owned by each Nominee. The statement as to the Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised by the Nominees is in each instance based upon information furnished by the Nominee concerned and is as at December 2, 2019.

Name, province and current position(s) held in the Company ⁽¹⁾	Period of Service as a Director	Number of Common Shares beneficially owned or controlled or directed, directly or indirectly ⁽²⁾	Principal Occupation within the Preceding Five Years ⁽¹⁾
Dean Bethune British Columbia President & CEO and Director	March 15, 2005 to present	8,462,627	President & CEO of the Company

Name, province and current position(s) held in the Company ⁽¹⁾	Period of Service as a Director	Number of Common Shares beneficially owned or controlled or directed, directly or indirectly ⁽²⁾	Principal Occupation within the Preceding Five Years ⁽¹⁾
Scott Hamilton Alberta CFO, Director	June 23, 2013 to present	300,000	CFO of Divergent Energy Services Corp.
Michael Ellis British Columbia Director Independent: Yes	June 23, 2013 to present	-	Director of Sales GINQO Consulting Ltd.
John Newman Alberta Director Independent: Yes	December 17, 2015 to present	650,000	Chief Financial Officer of Arrow Exploration Ltd.

Notes:

- (1) The information as to province and jurisdiction of residence, and principal occupation, not being within the knowledge of the Company, has been furnished by the respective Directors.
- (2) The information as to Common Shares beneficially owned or controlled or directed, directly or indirectly, not being within the knowledge of the Company, has been furnished by the respective Directors individually.

The Board of Directors does not have an executive committee. There are presently three standing committees of the Board: the Audit Committee, the Compensation Committee and the Corporate Governance and Nominating Committee. The following table sets out the current members of such committees:

Audit Committee	Compensation Committee	Corporate Governance and Nominating Committee
Robert Solinger (Chair)	Michael Ellis (Chair)	John Newman (Chair)
John Newman	John Newman	Scott Hamilton
Dean Bethune	Dean Bethune	Robert Solinger

Neither any of the Proposed Directors ((or any of their personal holding companies) of the Company:

- (a) is, as at the date of this Information Circular, or has been, within ten years before the date of this Information Circular, a Director, chief executive officer or chief financial officer of any company, including the Corporation, that:
 - i. was the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (an “order”) that was issued while that person was acting in the capacity as Director, chief executive officer or chief financial officer; or
 - ii. was the subject of an order that was issued after the person ceased to be a Director, chief executive officer or chief financial officer in the Corporation 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;

- (b) is, as at the date of this Information Circular, or has been within the 10 years before the date of this Information Circular, a Director or executive officer of any company, including the Company, 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 manager or trustee appointed to hold its assets; or
- (c) has within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver manager or trustee appointed to hold the assets of that individual.

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

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed Director.

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Philosophy

The Company's core compensation philosophy is to pay the Company's executive officers' competitive levels of compensation that best reflect their individual responsibilities and contributions to the Company, while providing incentives to achieve the Company's business and financial objectives.

Compensation Discussion and Analysis

For the purposes of this Information Circular, "Named Executive Officer" or "NEO" means: (a) the Chief Executive Officer "CEO", (b) the Chief Financial Officer ("CFO"), (c) the three most highly compensated executive officers of the Company, whose total compensation was more than CDN\$150,000 for the most recently completed financial year; and (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

During the financial year ended August 31, 2019 the Company had two (two) NEO's, as follows:

Name	Title
Dean Bethune	Chief Executive Officer
Scott Hamilton	Chief Financial Officer

The Company's compensation structure is designed to reward performance and to be competitive with the compensation arrangement of other Canadian companies of similar size and scope of operations. A number of factors are considered when determining NEO compensation including, the overall financial

and operating performance of the Company, the NEO's individual performance and contribution to the benefit of the Company, the individual NEO's responsibilities and length of service, levels of compensation provided by industry competitors, and the long-term interests of the Company and its shareholders.

Role of the Compensation Committee

The Board established a Compensation Committee to assist that Board in fulfilling its responsibilities to the Company's human resources and compensation issues. The Compensation Committee is comprised of three (3) Directors, the majority of whom are independent. The Compensation Committee evaluates the CEO's performance and establishes executive and senior officer compensation, determines the general compensation structure, policies and programs of the Company, including the extent and level of participation in incentive programs, and makes recommendations to the Board for its consideration and approval. The Compensation Committee has also been mandated to review the adequacy and form of the compensation of Directors and to ensure that such compensation realistically reflects the responsibilities and risk involved in being an effective Director as well as the risk any such compensation policy or practice would have a material adverse effect on the Company.

The accountability for decisions on executive remuneration is clearly within the mandate of the Compensation Committee, but management has a key role in helping support the committee in fulfilling its obligations. For example, the CEO and other senior executives make recommendations to the Compensation Committee regarding executive officer base salary adjustments, stock-based grants and discretionary bonuses. The Compensation Committee reviews the basis for these recommendations and can exercise its discretion in modifying any of the recommendations prior to making its recommendations to the Board. The CEO does not make a recommendation to the Compensation Committee with respect to his own remuneration package.

Elements of Compensation

Compensation for the NEO's is comprised primarily of three components; namely, base salary or consulting fees, participation in the Company's Option Plan, and short-term incentive compensation in the form of discretionary performance bonuses. Other benefits do not form a significant part of the remuneration package of any of the NEO's.

Each compensation component has a different function, but all elements are intended to work in concert to maximize company and individual performance by establishing specific, competitive operational and financial goals and by providing financial incentives to executives based on their level of attainment of these goals. Each element of the Company's executive compensation program is described in more detail below.

Base Salaries

Base salary can include a combination of monthly salary and/or consulting fees (collectively referred to as "base salary") An NEO's base salary is intended to remunerate the NEO for discharging job responsibilities and reflects the executive's performance over time. Individual salary adjustments and/or modifications to consulting fees paid, take into account performance contributions in connection with their specific duties. The base salary of each executive officer is determined by the Compensation Committee based on an assessment of the NEO's sustained performance and consideration of competitive compensation levels for the markets in which the Company operates. In making its recommendations to the Board, the Compensation Committee also considers the particular skills and experience of the individual. The base salaries of executive officers of executive officers are reviewed annually. As

payment of base salaries does not depend on the performance of any specific targets or goals it is not viewed as “at risk” compensation.

Long Term Incentive Compensation – Stock Options

The stock option component of a NEO’s compensation, which includes a vesting element to ensure retention, serves to both motivate the executive toward increasing share value and to enable the executive to share in the future success of the Company. Individual stock options are granted by the Board on the recommendation of senior management, in the case of employees, and by the Compensation Committee, in the case of executive officers, including the NEO’s. Options are normally awarded by the Board upon the commencement of an individual’s employment with the Company based on the level of responsibility within the Company. Additional option grants may be made periodically to ensure that the number of stock options granted to any particular individual is commensurate with the individual’s level of ongoing responsibility with the Company. In considering additional grants, a number of factors are considered, including, the role the individual plays in the Company, the number of stock options an individual has been granted, the exercise price and the value of the options and the term remaining on those options. The terms and conditions of the Company’s stock option grants, including vesting provisions and exercise prices, are governed by the terms of the Option Plan, which are described under “Securities Authorized for Issuance under Equity Compensation Plans”.

Short Term Incentive Compensation – Discretionary Cash Bonuses

The Company may award discretionary cash bonuses to executive officers and employees of the Company from time to time. The amount of the bonus that each individual may be eligible for is not set in relation to any formula or specific criteria, but is the result of a subjective determination of the Company’s performance, overall industry conditions, as well as the individual’s performance and his or her contribution to overall corporate goals. The payment of bonuses is subject to the final approval of the Board and the Board has the discretion to amend or veto bonuses in its sole discretion, as this form of compensation is “at risk”.

Risks Associated with Company’s Compensation Policies and Practices

Neither the Board nor the Compensation Committee has proceeded to a formal evaluation of the implications of the risks associated with the Company’s compensation policies and practices. Risk management is a consideration of the Board when implementing its compensation programme, and the Board and the Compensation Committee does not believe that the Company’s compensation programme results in unnecessary or inappropriate risk-taking including risks that are likely to have a material adverse effect on the Company.

The Company’s NEO’s and Directors are not permitted to purchase financial instruments, including for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or Director.

Summary Compensation Table

The following table sets forth all compensation (other than stock options and other compensation securities) paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company, or a subsidiary of the Company, to each NEO and Director, in any capacity.

Table of Compensation Excluding Compensation Securities

Name and Principal Position	Year Ended Aug.31	Salary, consulting fee, retainer (\$)	Bonus (\$)(5)	Committee or meeting fees (\$)	Value of perquisites (\$)(1)(2)	All Other Compensation (\$)	Total Compensation (\$)
Dean Bethune, President and CEO ⁽³⁾	2019	120,000	Nil	Nil	Nil	Nil	120,000
	2018	120,000	Nil	Nil	Nil	Nil	120,000
	2017	108,034	Nil	Nil	Nil	Nil	108,034
Scott Hamilton CFO ⁽³⁾	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Kyle Kotapski President DMI ⁽¹⁾	2019	120,000	Nil	Nil	Nil	Nil	120,000
	2018	120,000	Nil	Nil	Nil	Nil	120,000
	2017	121,500	Nil	Nil	Nil	Nil	121,500
Robert Solinger, Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
John Newman, Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Michael Ellis, Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Rob Toor, Former Director ⁽⁴⁾	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Grant Kemp, Former Director ⁽⁵⁾	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil

(1) Kyle Kotapski was appointed President of a wholly owned subsidiary (Darelle Media Inc.) on February 6, 2015. Consulting fees paid to 1047356 B.C. Ltd.; a private company controlled by Mr. Kotapski.

(2) Includes perquisites provided to a NEO or Director that are not generally available to all employees. An item is general a perquisite if it is not integrally and directly related to the performance of the Director's or NEO's duties. If something is necessary for a person to do his or her job, it is integrally and directly related to the job and is not a perquisite, even it is also provides some amount of personal benefit. For purposes of the table, perquisites are valued on the basis of the aggregate incremental cost to the Company and its subsidiaries.

(3) Consulting and accounting fees paid to Wescap Capital Inc., a private company controlled by Mr. Bethune.

(4) Mr. Toor resigned as a director on February 21, 2019.

(5) Mr. Kemp resigned as a director on March 9, 2018.

External Management Companies

None of the NEO's or Directors of the Company have been retained or employed by an external management company which has entered into an understanding, arrangement or agreement with the Company to provide executive management services to the Company, Director or indirectly, other than those set out under Employment Agreements.

Stock Options and Other Compensation Securities

The following table discloses all compensation securities granted or issued to each Director and NEO by the Company or one of its subsidiaries in the years ended August 31, 2019 and 2018 for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

Name and position	Type of compensation security (1)	Number of compensation securities, number of underlying securities, and percentage of class (1)	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 (3)
Dean Bethune, President & CEO	Option	750,000 (1.12%)	January 15, 2018	0.05	0.045	0.015	Jan. 14, 2023
Scott Hamilton, CFO	Option	350,000 (.047%)	January 15, 2018	0.05	0.045	0.015	Jan. 14, 2023
Kyle Kotapski, President of DMI ⁽²⁾	Option	750,000 (1.12%)	January 15, 2018	0.05	0.045	0.015	Jan. 14, 2023
Robert Solinger, Director	Option	350,000 (.047%)	January 15, 2018	0.05	0.045	0.015	Jan. 14, 2023
John Newman, Director	Option	350,000 (.047%)	January 15, 2018	0.05	0.045	0.015	Jan. 14, 2023
Robert Solinger, Director	Option	350,000 (.047%)	January 15, 2018	0.05	0.045	0.015	Jan. 14, 2023
Michael Ellis, Director	Option	100,000 (.014%)	January 15, 2018	0.05	0.045	0.015	Jan. 14, 2023
Grant Kemp, Former Director ⁽³⁾	Option	100,000 (.014%)	January 15, 2018	0.05	0.045	0.015	Jan. 14, 2023
Rob Toor, Former Director ⁽³⁾	Option	200,000 (.027%)	March 29, 2018	0.05	0.025	0.015	Mar. 28, 2023

(1) "Compensation Securities" includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

(2) As of August 31, 2019, the NEO's and Directors held the following number of Stock Options ("Options") (each one Option being exercisable to acquire one (1) common share of the Company: Dean Bethune – 850,000 Options; Scott Hamilton – 550,000 Options; Kyle Kotapski – 1,250,000 Options; Robert Solinger – 700,000 Options; John Newman – 700,000 Options; Michael Ellis; 100,000 Options; Grant Kemp – 100,000 Options.

(3) Mr. Kemp resigned as a director on March 9, 2018. Mr. Toor resigned as a director on February 21, 2019.

The following table discloses details regarding each exercise of Compensation Securities by a Director or NEO during the fiscal years ended August 31, 2019 and 2018.

Exercise of Compensation Securities by Directors and NEO's							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise(\$)	Total value on exercise date (\$)
Dean Bethune, President & CEO	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Scott Hamilton, CFO	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Kyle Kotapski, President DMI	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Robert Solinger, Director	n/a	Nil	n/a	n/a	n/a	n/a	n/a
John Newman, Director	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Michael Ellis, Director	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Grant Kemp, Former Director ⁽¹⁾	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Rob Toor, Former Director ⁽²⁾	n/a	Nil	n/a	n/a	n/a	n/a	n/a

Note:

1. Mr. Grant Kemp resigned as a Director on March 9, 2018.
2. Mr. Rob Toor resigned as a Director on February 21, 2019.

Stock Option Plans and Other Incentive Plans

Other than the Option Plan, Darelle does not have any stock option plan, stock option agreement made outside of a stock option plan, plan providing for the grant of stock appreciation rights, deferred share units or restricted stock units or any other incentive plan or portion of a plan under which awards are granted.

Pursuant to the policies of the TSX Venture Exchange, the Company is required to adopt a stock option plan prior to granting incentive stock options. At the Company's annual meeting of shareholders held on January 10, 2018, shareholders adopted the Option Plan and all unallocated options, rights or other entitlements issuable thereunder.

For a description of the material terms of the Option Plan, please see "Particulars of Other Matters to be Acted Upon – Darelle Stock Option Plan".

Employment, Consulting and Management Agreements

The following is a description of material terms of each agreement or arrangement under which compensation was provided during the years ended August 31, 2019 and 2018 or is payable in respect of services provided to the Company or any of its subsidiaries that were performed by a Director or NEO.

On February 6, 2015 the Company entered into consulting agreements with each of Mr. Dean Bethune (President and CEO of Company) and Mr. Kyle Kotapski (collectively, the “Agreements”). Mr. Kotapski is the President of the Company Media Inc. (“DMI”). The Company acquired DMI on February 6, 2015. DMI is a wholly owned subsidiary of the Company. There is no set term for the Agreements, but the Agreements will run until such time that either party provides 90 days’ notice of their intention to terminate the Agreements. Pursuant to the terms of the Agreements, each of Messrs. Bethune and Kotapski will be paid a monthly consulting fee of \$10,000 (“Consulting Fee”), exclusive of bonuses, benefits, and other compensation. Messrs. Bethune and Kotapski agreed to the deferral of payment of the monthly Consulting Fee for the first six months of the Agreements.

In the event of the death, retirement, or disability of Messrs. Bethune and/or Mr. Kotapski, the Agreements provide for the lump sum payment of an amount equal to 12 monthly Consulting Fee payments. In the event the Agreements for Mr. Bethune and Mr. Kotapski are terminated for any other reason or not for just cause, Mr. Bethune and/or Mr. Kotapski will be entitled to a payment that, in the aggregate, equals twelve monthly Consulting Fee payments applicable at the time of termination.

Directors’ Compensation

The Compensation Committee, through discussions without any formal objectives, criteria or analysis, is responsible for determining all forms of compensation to be granted to the Directors of the Company to be recommended to the Board for approval. The level of compensation for Directors is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and stage of development in the industry the company operates, and the availability of financial and other resources of the Company.

No Director was compensated either directly or indirectly by the Company or its subsidiaries during the most recently completed financial year, compensation pursuant to:

- (a) any standard arrangement for the compensation of Directors for their services in their capacity as Directors, including any additional amounts payable for committee participation or special assignments;
- (b) any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of Directors in their capacity as Directors; or
- (c) any arrangement for the compensation of Directors for services as consultants or expert.

To encourage the Directors to align their interests with Shareholders, Directors are granted incentive stock options pursuant to the Company’s Option Plan, from time to time.

Pension Plan Benefits

The Company does not have formal pension plan that provides for payments or benefits to the Directors, at, following, or in connection with retirement.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLAN

The following table (presented in accordance with Form 51-102F5) sets forth all compensation plans under which equity securities are authorized for issuance as of August 31, 2019:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
	(a)		
Equity compensation plans approved by security holders	5,925,000	\$0.05	1,445,815
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Total	5,925,000	\$0.05	1,445,815

Option Plan

The Company has a rolling share option plan (the “**Stock Option Plan**”) which was most recently approved by the Shareholders on January 13, 2017, which provides that the Company’s Board may from time to time, in its discretion, grant to the Directors, officers, employees and consultants of the Company, or any subsidiary of the Company, an option to purchase Common Shares of the Company, provided that the number of Common Shares reserved for issuance under the Stock Option Plan does not exceed 10% of the Company’s issued and outstanding Common Shares. In addition, the number of Common Shares reserved for issuance shall not exceed (i) five percent (5%) of the issued and outstanding Common Shares to any one individual in any 12 month period; (ii) two percent (2%) of the issued and outstanding Common Shares to any one consultant retained by the Corporation in any 12 month period; or (iii) two percent (2%) of the issued and outstanding Common Shares to any one employee of the Company conducting “Investor Relations Activities” in any 12 month period. The Board determines the price per Common Share and the number of stock options which may be allotted to each director, officer, employee and consultant and all other terms and conditions of the option, subject to the rules of the TSX Venture Exchange (the “Exchange”). The price per Common Share that can be acquired under the Stock Option Plan set by the Board shall not be less than the last price at which a full board lot of Common Shares was, on the last business day prior to the date on which such option is granted, traded on the Exchange or such other principal market on which the Common Shares are traded, less the applicable discount permitted (if any) by such applicable exchange or market. Options under the Stock Option Plan are non-assignable. Options must be exercised within ninety (90) days of termination of employment or cessation of position with the Company, provided that if the cessation of office, Directorship, consulting arrangement or employment was by reason of death, the option must be exercised within twelve (12) months after such death, subject to the expiry of such option.

Information regarding the terms and conditions of the Company’s Option Plan are set forth under “Particulars of Other Matters to be Acted Upon” below.

STATEMENT OF CORPORATE GOVERNANCE PRACTICE

The Company's Board of Directors and management have established certain corporate governance practices which, in the opinion of the Board, are consistent with the overall business of the Company and its stage of development. The following represents the disclosure required by National Instrument 58-101 - "Disclosure of Corporate Governance Practices" ("NI 58-101").

Corporate Governance Practices

National Policy 58-201 – Corporate Governance Guidelines sets out guidelines for effective corporate governance. These guidelines deal with matters such as the constitution and independence of corporate boards, their functions, the effectiveness and education of Board members and other items dealing with sound corporate governance. NI 59-101 requires that if management of an issuer solicits proxies from its security holders for the purpose of electing Directors, specified disclosure of the corporate governance practices must be included in its management information circular.

The Board of Directors

Four of the proposed nominees for election as Directors at the Meeting are current Directors of the Company. The Board is currently comprised of Dean Bethune, Scott Hamilton, Robert Solinger, John Newman, and Michael Ellis. With the exception of Messrs. Bethune and Hamilton, all members of the Board of Directors are independent within the meaning of NI 58-101. Messrs. Bethune and Hamilton are not independent as there are executive officers of the Company.

The independent Directors exercise their responsibilities for independent oversight of management and are provided with leadership through their position on the Board and ability to meet independently of management whenever deemed necessary.

Directorships

The current and proposed Directors of the Corporation may serve as Directors of other reporting issuers. Currently, the following Directors serve on the board of Directors of other reporting issuers or reporting issuer equivalents(s) as follows:

Director	Reporting Issuer(s) or Equivalent(s)
Robert Solinger	Kestrel Gold Inc. (TSXV)

Below is the attendance record of each Director for all Board and Committee meetings held during the period from September 1, 2018 to August 31, 2019:

Name and position	Board (5 meetings)		Audit (4 meetings)		Compensation (0 meetings)		Corporate Governance (1 meeting)	
	No.	%	No.	%	No.	%	No.	%
Dean Bethune	5	100	4	100	0	0	n/a	n/a
Scott Hamilton	5	100	n/a	n/a	n/a	n/a	1	100
Robert Solinger	5	100	4	100	n/a	n/a	1	100
John Newman	5	100	4	100	0	0	1	100
Michael Ellis	4	80	n/a	n/a	0	0	n/a	n/a
Rob Toor (1)	2	75	n/a	n/a	n/a	n/a	n/a	n/a

Note:

1. Mr. Rob Toor resigned as a Director on February 21, 2019.

Below is the attendance record of each Director for all Board and Committee meetings held during the period from September 1, 2017 to August 31, 2018:

Name and position	Board (7 meetings)		Audit (4 meetings)		Compensation (1 meetings)		Corporate Governance (1 meeting)	
	No.	%	No.	%	No.	%	No.	%
Dean Bethune	7	100	4	100	n/a	n/a	1	100
Scott Hamilton	7	100	n/a	n/a	1	100	1	100
Robert Solinger	7	100	4	100	1	100	n/a	n/a
John Newman	7	100	4	100	1	100	n/a	n/a
Michael Ellis	5	71	n/a	n/a	n/a	n/a	1	100
Grant Kemp (1)	7	100	n/a	n/a	n/a	n/a	1	100

Note:

1. Mr. Grant Kemp resigned as a Director on March 9, 2018.

Board Governance

The Board has the responsibility for the overall stewardship of the conduct of the business of the Company and the activities of management. Management is responsible for the day-to-day conduct of the business. The Board's fundamental objectives are to enhance and preserve long-term shareholder value, and to ensure the Company meets its obligations on an ongoing basis and that the Company operates in a reliable and safe manner. In performing its functions, the Board considers the legitimate interests that its other stakeholders, such as employees, customers and communities, may have in the Company. In overseeing the conduct of the business, the Board, through the CEO, sets the standards of conduct for the Company.

The Board operates by delegating certain of its authorities to management and be reserving certain powers to itself. The Board retains the responsibility for managing its own affairs including selecting its Chair, nominating candidates for election to the Board and constituting committees of the Board. Subject

to the Articles and By-Laws of the Company and the *Business Corporations Act* (British Columbia), the Board may constitute, seek the advice of and delegate powers, duties and responsibilities to committees of the Board.

Board Mandate

The Board has a written mandate which includes responsibility to supervise and evaluate management, to oversee the conduct of the Company's business, to set policies appropriate for the business of the Company and to approve corporate strategies and goals. The Board is to carry out its mandate in a manner consistent with the fundamental objective of enhancing shareholder value. In discharging its duty of stewardship over the Company the Board expressly undertakes the following specific duties and responsibilities: (i) adopting, supervising and providing guidance on the Company's strategic planning process; (ii) identifying the principal risks of the Company's business and ensuring the implementation of appropriate risk management systems; (iii) ensuring that the Company has management of the highest caliber and maintaining adequate and effective succession planning for senior management; (iv) placing limits on management's authority; (v) overseeing the integrity of the Company's internal control and management information systems; and (vi) overseeing the Company's communication policy with its shareholders and with the public generally.

Position Descriptions

The Board has adopted a written position description for the CEO. The CEO position description addresses, among other things, reporting, integrity, strategic planning, business and risk management and organizational effectiveness.

Orientation and Education

Under its mandate, the Corporate Governance and Nominating Committee is responsible for developing and implementing an orientation program for new Directors, where necessary.

Board members are encouraged to communicate with management and auditors, to keep current with industry trends and developments, and to attend related industry seminars. Board members have full access to the Company's records.

Board Diversity

The Company recognizes that improving diversity on the Board and among its senior executives presents the Company with an opportunity to develop a competitive advantage by ensuring that the Company appeals to potential employees from the broadest possible talent pool. The focus always has been, and will continue to be, to recruit and appoint the most qualified individuals.

Ethical Business Conduct

The Board has adopted a formal written code of Business Conduct and Ethics (the "**Code of Conduct**") for its Directors, officers, consultants, and employees.

Individuals governed by the Code of Conduct are required to disclose in writing all business, commercial or financial interests or activities which might reasonably be regarded as creating an actual or potential conflict with their duties. Individuals must avoid all situations in which their personal interests' conflict or might conflict with their duties to the Company or with the economic interest of the Company. All business transactions with individuals, corporations or other entities that could potentially, directly or

indirectly, be considered to be a related party, must be approved by the Board regardless of the amount involved.

Directors, officers, consultants, and employees are encouraged to report violations of the Code of Conduct on a confidential and, if preferred, anonymous basis, in accordance with the complaints procedure set out in the Code of Conduct or the Company's Whistle Blower Policy. The Audit Committee may request special treatment for any complaint, including the involvement of the Company's external auditors or outside counsel or other advisors. All complaints are required to be documented in writing by the person(s) designated to investigate the complaint, who shall report forthwith to the Chair of the Audit Committee. On an annual basis, or otherwise upon request from the Board, the Code of Conduct requires the Chair of the Audit Committee to prepare a written report to the Board summarizing all complaints received during the previous year, all outstanding unresolved complaints, how such complaints are being handled, the results of any investigations and any corrective action taken.

A copy of the Code of Conduct and the Company's Whistle Blower Policy is available on the Company's website at www.darelle.com

Whistle Blower Policy

The Company has adopted a written Whistle Blower Policy to encourage the Company's officers, Directors, consultants and employees to raise concerns regarding accounting, internal controls or auditing matters, on a confidential basis free from discrimination, retaliation or harassment. The Whistle Blower Policy is administered by the Audit Committee, a copy of which is posted on the Company's website at www.darelle.com

In addition, the Company has adopted policies to assist in the conduct of ethical business which includes the following:

- a Blackout Period Policy for its Directors, executive officers and senior management of the Company to raise the general level of awareness of the trading and confidential obligations of Directors, executive officers and senior management. All Directors, executive officers and senior management are expected to comply with the Blackout Period Policy;
- A Corporate Disclosure Policy to ensure effective communication between the Company, its shareholders and the public.

Corporate Governance and Nominating Committee

The purpose of the Corporate Governance and Nominating Committee is to provide a focus on corporate governance that will enhance corporate performance, and to ensure on behalf of the Board and Shareholders that the Company's corporate governance system is effective in the discharge of its obligations to the Company's shareholders.

The Corporate Governance and Nominating Committee also has the responsibility of proposing nominees for Director. The Committee considers the competencies and skills that the Board as a whole should possess, the competencies and skills of existing Board members and the competencies and skills of proposed new Board members. The Committee members utilize their extensive knowledge of the industry and personal contacts to identify potential nominees that possess the desired skills and competencies.

The duties and responsibilities of the Corporate Governance and Nominating Committee include, without limitation, the following:

- (a) to develop and monitor the Company's overall approach to corporate governance issues and, subject to approval by the Board, to implement and administer a system of corporate governance which reflects superior standards of corporate governance practices;
- (b) to report annually to the Company's Shareholders, through the Company's annual management information circular or annual report to Shareholders, on the Company's system of corporate governance and the operation of its system of governance;
- (c) to analyze and report annually to the Board the relationship of each Director to the Company as to whether such Director is a related Director or an unrelated Director; and
- (d) to advise the Board or any of the committees of the Board of any corporate governance issues which the Corporate Governance and Nominating Committee determines ought to be considered by the Board or any such committee.

The Company has adopted a formal written mandate for the Corporate Governance and Nominating Committee. The mandate provides that the Corporate Governance and Nominating Committee shall consist of at least three members of the Board and should be composed of a majority of "independent" Directors within the meaning of NI 58-101. The Corporate Governance and Nominating Committee members were Messrs. John Newman (Chair), Robert Solinger and Scott Hamilton. All Committee members with the exception of Mr. Scott Hamilton, were considered to be independent.

The Board appoints the members of the Corporate Governance and Nominating Committee for the ensuing year at its organizational meeting held in conjunction with each annual general meeting of the Shareholders of the Company. The Board may at any time remove or replace any member of the Corporate Governance and Nominating Committee and may fill any vacancy in the committee.

The Corporate Governance and Nominating Committee meets regularly each year on such dates and at such locations as the Chair of the committee determines. The Corporate Governance and Nominating Committee has access to such officers and employees of the Company and to such information respecting the Company and may engage independent counsel and advisors at the expense of the Company, all as it considers to be necessary or advisable in order to perform its duties and responsibilities.

AUDIT COMMITTEE AND NATIONAL INSTRUMENT 52-110, AUDIT COMMITTEES ("NI-52-110") DISCLOSURE

As a reporting issuer in British Columbia, the Company is required to have an audit committee (the "Audit Committee"). Messrs. Robert Solinger, John Newman and Dean Bethune are currently members of the Company's Audit Committee. The Company has no Executive Committee.

The principal purpose of the Audit Committee is to ensure that the Company's management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the consolidated financial statements of the Company and to review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of material facts on financial and tax related matters.

The Company has adopted a formal written mandate. The Audit Committee Charter is attached to this Information Circular as **Appendix A**. The mandate is also available on the Company's website at www.darelle.com. The mandate provides that the Audit Committee shall consist of at least three members

of the Board, a majority of whom shall be “independent” within the meaning of National Instrument 52-110 *Audit Committees* (“NI 52-110”). NI 52-110 provides that a member of an audit committee is “independent” if the member has no direct or indirect relationship with the issuer, which could, in the view of the Issuer’s Board of Directors, reasonably interfere with the exercise of the member’s independent judgment. The Company is relying upon the exemption provided by Part 6 of NI 52-110, which exempts venture issuers from the requirement to comply with the restrictions on the composition of its Audit Committee and the disclosure requirements of its Audit Committee in the form as prescribed by NI 52-110.

The Audit Committee recommends to the Board the firm of independent auditors to be nominated for appointment by the Shareholders and the compensation of the auditors. The Audit Committee meets a minimum of four times per year.

Composition of the Audit Committee and Relevant Education and Experience

Below are details of each current Audit Committee member, including their name, whether they are independent and financially literate as such terms are defined under NI 52-110, and a summary of the Audit Committee member’s education and experience which is relevant to the performance of their responsibilities as an audit committee member.

Member Name	Independent (1)	Financially Literate (2)	Education and experience relevant to performance of audit committee duties
Robert Solinger (Chair)	Yes	Yes	Mr. Solinger has acted as a director, officer and audit committee member of public companies listed on the TSX Venture Exchange for many years. Mr. Solinger currently the Chief Financial Officer of Wilcox Energy Corp. a private company focused on the development of oil and gas resources in Western Canada.
John Newman	Yes	Yes	Mr. Newman is a Fellow of CPA (Australia) and has acted as a director and, officer of several public and private oil and gas exploration companies, as well as several oilfield service companies in Western Canada.
Dean Bethune	No	Yes	Mr. Bethune is a CPA, C.A. and has acted as a director, officer and audit committee member of public companies listed on the TSX Venture Exchange and the TSX for many years.

Note:

1. To be considered independent, a member of the audit committee must not have any direct or indirect “material relationship” with the Company. A material relationship which could, in the view of the Board of Directors of the Company, reasonably interfere with the exercise of a member’s independent judgement.
2. To be considered financially literate, a member of the audit committee must have the ability 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 Company's financial statements.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor that was not adopted by the Board of Directors.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions contained in Section 2.4 of NI-52-110 (*De Minimis Non-audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions) of NI 52-110.

Pre-Approval Policies and Procedures

the Audit Committee has adopted specific policies and procedures for engagement of non-audit services as described in the Audit Committee Charter.

External Auditor Service Fees (By Category)

The aggregate fees billed by the Company's external auditors, MNP LLP, in the last two fiscal years for audit service fees are as follows.

Financial Year Ending	Audit Fees*	Audit Related Fees**	All Other Fees***
2019	20,500	\$Nil	\$Nil
2018	\$20,500	\$Nil	\$Nil

Notes:

* The aggregate fees charged for assurance and related services reasonably related to the performance of an audit, including an estimate for 2019.

** Audit Related Fees primarily relate to review or read and comment engagements on the Company's quarterly financial statements.

*** Other Fees include tax review advisory fees.

Exemption

The Corporation is relying upon the exemption in section 6.1 of the NI 52-110 — Audit Committees, which exempts venture issuers (as defined therein) from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of that instrument.

Compensation Committee

The principal purpose of the Compensation Committee is to implement and oversee compensation policies approved by the Board. The duties and responsibilities of the Compensation Committee include, without limitation, the following:

- (a) to recommend to the Board compensation policies and guidelines for the Company; and
- (b) to review and approve corporate goals and objectives relevant to the compensation of the CEO and, in light of those goals and objectives, to recommend to the Board the annual salary, bonus and other benefits, direct and indirect, of the CEO and to approve compensation for all other

designated officers of the Company, after considering the recommendations of the CEO, all within the human resources and compensation policies and guidelines approved by the Board.

The Company has adopted a formal written mandate for the Compensation Committee. The mandate provides that the committee shall consist of at least three members of the Board, a majority of whom shall be "independent" within the meaning of the Governance Guidelines. During the most completed financial year, the Compensation Committee members were Messrs. Michael Ellis (Chair), John Newman and Dean Bethune. All of the members of the Compensation Committee were independent, except for Mr. Bethune, the Company's CEO.

All members of the Compensation Committee have direct experience that is relevant to their responsibilities as Compensation Committee members. All of the members of the Compensation Committee have acted as Directors and/or Officers for a public company, and therefore have a good understanding of how compensation works and how to motivate staff. All of the members have good financial understanding, which allows them to assess the costs versus benefits of compensation plans. The members combined experience provides them with the understandings of the Company's success factors and risks which is very important when determining the metrics for measuring success. The Company did not retain any compensation consultants or advisors during or since the year ended August 31, 2019.

The Board appoints the members of the Compensation Committee for the ensuing year at its organizational meeting held in conjunction with each annual general meeting of the Company's Shareholders. The Board may at any time remove or replace any member of the Compensation Committee and may fill any vacancy in the committee.

The Compensation Committee meets at least once annually on such dates and at such locations as the Chair of the Compensation Committee determines. The Compensation Committee has access to such officers and employees of the Company and to such information respecting the Company and may engage independent counsel or advisors at the expense of the Company, all as it considers to be necessary or advisable in order to perform its duties and responsibilities. During the 2018 financial year, the Company did not engage independent counsel or advisors to assist the Compensation Committee in performing its duties and responsibilities.

Assessment of the Board

The Board, the Committee and individual Directors are not regularly assessed with respect to their effectiveness and contribution. The Board believes that such assessments are more appropriate for companies of a larger size and complexity which may have significantly larger boards of Directors. Where appropriate, the chair of the Board meets with individual Directors to discuss their contribution and that of the other Directors. Arising from such meetings, if appropriate, the Board considers procedural and substantive changes to increase the effectiveness of the Board, its committees and members.

Indebtedness of Directors and Executive Officers

None of the Company's Directors or executive officers, or former Directors or executive officers, nor any associate of such individuals, is as at the date hereof, or has been, during the financial year ended August 31, 2019, indebted to the Company or any of its subsidiaries in connection with a purchase of securities or otherwise. In addition, no indebtedness of these individuals to another entity has been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding of the Company or any of its subsidiaries.

Interest of Informed Persons in Material Transactions

Other than as set out below and in this Information Circular, other than transactions carried out in the ordinary course of business of the Company, none of the Directors or executive officers of the Company, a Director or executive officer of a person or company that is itself an informed person or subsidiary of the Company, nor any shareholder beneficially owning, directly or indirectly, Common Shares of the Company, or exercising control or direction over Common Shares of the Company, or a combination of both, carrying more than of the voting rights attached to the outstanding shares of the Company nor an associate or affiliate of any of the foregoing persons has since September 1, 2018 (being the commencement of the Company's last completed financial year) any material interest, direct or indirect, in any transactions which materially affected or would materially affect the Company or any of its subsidiaries.

Management Contracts

No management functions of the Company or its subsidiaries are performed to any substantial degree by a person other than the Directors or executive officers of the Company or its subsidiaries.

PARTICULARS OF MATTERS TO BE ACTED ON

A. Annual Financial Statements

Pursuant to the *Business Corporation Act (British Columbia)*, the Directors will place before the Shareholders at the Meeting the audited consolidated financial statements of the Company for the fiscal years ended August 31, 2019 and 2018 and the Auditor's Report thereon along with the Company's Management's Discussion and Analysis. The Financial Statements and Auditor's Report will be filed on SEDAR at www.sedar.com. Shareholder approval is not required in relation to the financial statements.

B. Appointment of Auditor

At the Meeting, the Shareholders will be asked to vote for the appointment of MNP LLP (**MNP**) as the auditors of the Company, to hold office until the next annual meeting of Shareholders and authorizing the Directors to fix the remuneration to be paid to the auditors. MNP were first appointed as auditors of the Company on June 23, 2014.

C. Approval of Stock Option Plan

The Company's current Option Plan governing the issuance of stock options was initially adopted at the annual general meeting held on June 23, 2014 and most recently approved by shareholders on January 13, 2017.

The purpose of the Option Plan is to ensure that the Company is able to provide an incentive program for Directors, officers, employees and persons providing services to the Company (each, an "**Optionee**") that provides enough flexibility in the structuring of incentive benefits to allow the Company to remain competitive in the recruitment and maintenance of key personnel.

The Option Plan is administered by the Board, which shall, without limitation, have full and final authority in its discretion, but subject to the express provisions of the Option Plan, to interpret the Option Plan, to prescribe, amend and rescind rules and regulations relating to it and to make all other

determinations deemed necessary or advisable for the administration of the Option Plan, subject to any necessary shareholder or regulatory approval. The Board may delegate any or all of its authority with respect to the administration of the Option Plan. The Board shall determine to whom options shall be granted, the terms and provisions of the respective option agreements, the time or times at which such options shall be granted and vested, and the number of Darelle Shares to be subject to each option.

The material terms of the Option Plan are qualified in its entirety by the full text of the Option Plan and are summarized below.

Under the Option Plan, options are exercisable over periods of up to 10 years as determined by the Board and are required to have an exercise price no less than the closing market price of the Company's shares on the trading day immediately preceding the day on which the Company announces the grant of options (or, if the grant is not announced, the closing market price prevailing on the day that the option is granted), less the applicable discount, if any, permitted by the policies of the TSXV and approved by the Board. Pursuant to the Option Plan, the Board may from time to time authorize the issue of options to Directors, officers, employees and consultants of the Company and its subsidiaries or employees of companies providing management or consulting services to the Company or its subsidiaries. The maximum number of common shares which may be issued pursuant to options previously granted and those granted under the Option Plan are 10% of the issued and outstanding common shares at the time of the grant. In addition, the number of shares which may be reserved for issuance to any one individual may not exceed (without shareholder approval) 5% of the issued shares on a yearly basis or 2% if the optionee is engaged in investor relations activities or is a consultant. The Option Plan contains no vesting requirements but permits the Board to specify a vesting schedule in its discretion, subject to the TSXV's minimum vesting requirements, if any.

The Option Plan provides that if a change of control (as defined in the Option Plan) occurs, or if the Company is subject to a take-over bid, all shares subject to stock options shall immediately become vested and may thereupon be exercised in whole or in part by the option holder. The Board may also accelerate the expiry date of outstanding stock options in connection with a take-over bid.

The Option Plan contains adjustment provisions with respect to outstanding options in cases of share reorganizations, special distributions and other corporation reorganizations including an arrangement or other transaction under which the business or assets of the Company become, collectively, the business and assets of two or more companies with the same shareholder group upon the distribution to the Company's shareholders, or the exchange with the Company's shareholders, of securities of the Company or securities of another corporation.

The Option Plan provides that on the death or disability of an option holder, all vested options will expire at the earlier of 365 days after the date of death or disability and the expiry date of such options. Where an optionee is terminated for cause, any outstanding options (whether vested or unvested) are cancelled as of the date of termination. If an optionee retires or voluntarily resigns or is otherwise terminated by the Company other than for cause, then all vested options held by such optionee will expire at the earlier of (i) the expiry date of such options and (ii) the date which is 90 days (30 days if the optionee was engaged in investor relations activities) after the optionee ceases its office, employment or engagement with the Company; however, the Board may extend this expiry date within a reasonable period in accordance with the policies of the TSXV.

The Option Plan contains a provision that if pursuant to the operation of an adjustment provision of the Option Plan, an optionee receives options (the "**New Options**") to purchase securities of another corporation (the "**New Corporation**") in respect of the optionee's options under the Option Plan (the "**Subject Options**"), the New Options shall expire on the earlier of: (i) the expiry date of the Subject

Options; (ii) if the optionee does not become an eligible person in respect of the New Corporation, the date that the Subject Options expire pursuant to the applicable provisions of the Option Plan relating to expiration of options in cases of death, disability or termination of employment discussed in the preceding paragraph above (the "**Termination Provisions**"); (iii) if the optionee becomes an eligible person in respect of the New Corporation, the date that the New Options expire pursuant to the terms of the New Corporation's stock option plan that correspond to the Termination Provisions; and (iv) the date that is one (1) year after the optionee ceases to be an eligible person in respect of the New Corporation or such shorter period as determined by the Board.

In accordance with good corporate governance practices and as recommended by National Policy 51-201 Disclosure Standards, the Company imposes black-out periods restricting the trading of its securities by Directors, officers, employees and consultants during periods surrounding the release of annual and interim financial statements and at other times when deemed necessary by management and the Board of Directors. In order to ensure that holders of outstanding stock options are not prejudiced by the imposition of such black-out periods, the Option Plan contains a provision to the effect that any outstanding stock options with an expiry date occurring during a management imposed black-out period or within five days thereafter will be automatically extended to a date that is 10 trading days following the end of the blackout period.

The Company does not provide any financial assistance to participate in order to facilitate the purchase of Common Shares under the Option Plan. As at the date of this Information Circular there were options outstanding under the Option Plan to acquire 5,925,000 Common Shares, representing 8.0% of the Company's current issued and outstanding Common Shares.

A copy of the Option Plan may be inspected at the head office of the Company, 4907 Fillinger Crescent, Nanaimo, B.C. V9V 1H9 during normal business hours and at the Meeting. In addition, a copy of the Option Plan will be mailed, free of charge, to any holder of Common Shares who request a copy, in writing, from the Corporate Secretary of the Company. Any such requests should be mailed to the Company, at its head office, to the attention of the Corporate Secretary.

The policies of the Exchange require that rolling plans be approved by shareholders on a yearly basis. Accordingly, Shareholders are being asked to pass an ordinary resolution to ratify and confirm the Option Plan as adopted by the board which permits the issuance of up to 10% of the issued and outstanding Common Shares of the Company from time to time. To be effective, the resolution must be passed by a simple majority of the votes cast thereon by Shareholders present in person or by proxy at the Meeting. If the resolution to approve the Option Plan is not approved by Shareholders of the Company, all unallocated stock options will be cancelled and the Company will not be permitted to make any further grants until Shareholder approval is obtained.

Shareholders will be asked to pass an ordinary resolution, in substantially the following form to re-approve the Option Plan.

“RESOLVED AS AN ORDINARY RESOLUTION THAT:

- (a) “the Option Plan (the “Plan”) of Darelle Online Solutions Inc. (the “Company”), as adopted by the Board of Directors, and described in the Company's Information Circular dated December 2, 2019, be and is hereby approved and ratified, and the Company be and is hereby authorized to reserve for issuance pursuant to the Option Plan up to 10% of the issued and outstanding Common Shares of the Company from time to time;
- (b) the Board of Directors be and is hereby authorized on behalf of the Company to make any amendments to the Option Plan as may be required by regulatory authorities or otherwise made

necessary by applicable legislation, without further approval of the shareholders of the Company, in order to ensure the adoption and efficient function of the Option Plan ; and

- (c) any Director or officer of the Company be and is hereby authorized and directed to do such acts and to execute and deliver all such instruments, deeds and documents, and any amendments thereto, as may be necessary or advisable in order to give effect to the foregoing resolutions, and to complete all transactions in connection with implementation of the Option.”

The Directors of the Company believe the passing of the foregoing ordinary resolution is in the best interests of the Company and recommend that Shareholders of the Company vote **IN FAVOUR** of the resolution. **In absence of contrary instruction, the person(s) designated by management of the Company in the enclosed form of proxy intended to vote INFAVOUR of the approval of the Option Plan.**

D. Number of Directors

The Board of Directors presently consists of five Directors, each of whose term expires at the Meeting. The number of Directors to be elected at the Meeting is proposed to be fixed at four. At the Meeting, Shareholders will be asked to fix the number of Directors to be elected at the Meeting at four. All of the proposed nominees are ordinarily resident in Canada.

In the absence of instructions to the contrary, the shares represented by Proxy will, on a poll, be voted (if management's proxies are selected) in favour of setting the number of Directors to be elected at the Meeting at four.

E. Election of Directors

The persons named in the enclosed Proxy intend to vote for the election of a Board of Directors comprised of five persons. Each director of the Company is elected annually and holds office until the next annual meeting of shareholders, unless that person ceases to be a director before then.

In the absence of instructions to the contrary, the shares represented by Proxy will, on a poll, be voted (if management's proxies are selected) in favour of the nominees herein listed. Management does not contemplate that any of the Nominees will be unable to serve as a Director.

The following table sets out the names of management's nominees for election as Directors, the positions and offices which they presently hold with the Company, the length of time they have served as Directors of the Company, their respective principal occupations, businesses or employments and, if such nominee is not presently an elected director, his or her principal occupations, business or employment during the past five years, and the number of shares of the Company which each nominee beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of this Information Circular:

Name, Jurisdiction of Residence and Position ⁽¹⁾	Principal Occupation or Employment and, if not a previously elected Director, Occupation during the past 5 years ⁽¹⁾	Date of Appointment as Director	Number of Beneficially Owned, Controlled or Directed, Directly or Indirectly	Committee Membership
Dean Bethune British Columbia President & CEO and Director Independent: No	President and CEO of the Company	March 15, 2005	8,462,627	Audit Committee, Nominating Corporate Governance
Scott Hamilton Alberta CFO, Director Independent: No	CFO of Divergent Energy Services Corp.	June 23, 2013	300,000	Compensation Committee
Michael Ellis British Columbia Director Independent: Yes	Director of Sales GINQO Consulting Ltd.	June 23, 2013	-	Nominating Corporate Governance
John Newman Alberta Director Independent: Yes	Director and Chief Financial Officer of YYC Energy Ltd.	Dec. 17, 2015	650,000	Audit Committee, Compensation Committee

Notes:

- (3) The information as to province and jurisdiction of residence, and principal occupation, not being within the knowledge of the Company, has been furnished by the respective Directors.
- (4) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at, December 2, 2019 is based upon information furnished to the Company by individual Directors.

Other than as disclosed below, no director (including any personal holding company of a proposed director):

- (a) Is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer (“CEO”) or chief financial officer (“CFO”) of any company (including the Company) that:
- (i) was the subject, while the proposed director was acting in the capacity as director, CEO, or CFO of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or
 - (ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the proposed director ceased to be a director, CEO, or CFO of such company; or
- (b) is, as at the date of this Information Circular, or has been within 10 years before the date of the Information Circular, a director or executive officer of any company (including the Company) 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; or

- (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (d) 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
- (e) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

If named as Proxy, the management designees of the Company intend to vote the Shares represented by such Proxy to vote in favour of electing management's nominees as Directors of the Company, unless otherwise directed in the instrument of Proxy.

MANAGEMENT DOES NOT CONTEMPLATE THAT THE NOMINEES WILL BE UNABLE TO SERVE AS DIRECTORS. IN ADDITION TO THE NOMINEES HEREIN LISTED, SHAREHOLDERS PRESENT AT THE MEETING SHALL BE ENTITLED TO NOMINATE AND VOTE FOR THE ELECTION OF ANY OTHER PERSON AS A DIRECTOR. FREE ENERGY HAS NOT RECEIVED NOTICE OF AND MANAGEMENT IS NOT AWARE OF ANY PROPOSED NOMINEE ADDITIONAL TO THE NOMINEES NAMED.

Any Other Matters

Management of the Company knows of no other matters which will be brought before the Meeting, other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting; the Common Shares represented by the Proxy solicited hereby will be voted on such matter in accordance with the best judgment of the persons voting such proxies.

Additional Information

The Board approves the Company's annual Financial Statements and annual MD&A, interim quarterly reports to shareholders and the content of the Company's other significant public disclosure documents. These and other prescribed documents are available on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com. Financial information regarding the Company is provided in the annual financial statements and annual MD&A for the period ended August 31, 2019 and 2018. The Company will provide, at no charge to the shareholder, a copy of its latest Financial Statements and MD&A for the year ended August 31, 2019, interim quarterly reports for subsequent periods, and a copy of this Information Circular upon request to the Company as follows:

- (i). email: info@darelle.com
- (ii). telephone: (778) 840-3325
- (iii). mail: 4907 Fillinger Crescent
Nanaimo, B.C. V9V 1H9
Attn: Corporate Secretary

Directors' Approval

The contents and distribution of this Information Circular to the Shareholders of the Company has been approved by the Board.

By Order of the Board of Directors

Dated: December 2, 2019

(Signed) Dean Bethune
Chief Executive Officer and Director

Appendix A

DARELLE ONLINE SOLUTIONS INC.

AUDIT COMMITTEE CHARTER

Mandate

The primary function of the Audit Committee is to assist the Board in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's system of internal controls regarding finance and accounting, and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Audit Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Audit Committee's primary duties and responsibilities are to:

- serve as an independent and objective party to monitor the Company's financial reporting and internal control systems and review the Company's financial statements;
- review and appraise the performance of the Company's external auditors; and
- provide an open avenue of communication among the Company's auditors, financial and senior management and the Board.

Composition

The Audit Committee shall be comprised of at least three Directors as determined by the Board, the majority of whom shall be free from any relationship that, in the opinion of the Board, would reasonably interfere with the exercise of his or her independent judgment as a member of the Audit Committee. At least one member of the Audit Committee should have accounting or related financial management expertise. All members of the Audit Committee that are not financially literate must work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Audit Committee's Charter, the definition of financially literate is the ability 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 presumably be expected to be raised by the Company's financial statements. The members of the Audit Committee shall be elected by the Board at its first meeting following the annual shareholders' meeting.

Meetings

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

Responsibilities and Duties

To fulfill its responsibilities, the Audit Committee shall:

Documents/Reports Review

- (a) Review and update and update the Charter annually.

- (b) Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.
- (c) Confirm that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements.

External Auditors

- (a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board and the Audit Committee as representatives of the shareholders of the Company.
- (b) Obtain annually, a formal written statement of the external auditors setting forth all relationships between the external auditors and the Company, consistent with the Independence Standards Board Standard 1.
- (c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (d) Take, or recommend that the full Board, take appropriate action to oversee the independence of the external auditors.
- (e) Recommend to the Board the selection and compensation and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (f) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- (g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- (h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
 - (i) the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of fees paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
 - (ii) such services were not recognized by the Company at the time of the engagement to be non-audit services; and
 - (iii) such services are promptly brought to the attention of the Audit Committee by the Company and approved prior to the completion of the audit by the Audit Committee or by one or more members of the Audit Committee who are members of the Board to

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

Financial Reporting Processes

- (a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- (b) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgements made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (g) Review with external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- (i) Review certification process.

Other

Review any related-party transactions.