

**CURRIE ROSE RESOURCES INC.**

Suite 2702 – 401 Bay Street  
Toronto, Ontario, M5H 2Y4

*Telephone: (905) 688-9115*

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING**

NOTICE IS HEREBY GIVEN THAT the annual general and special meeting of the shareholders of Currie Rose Resources Inc. (the "Company") will be held at the Company's offices at Suite 2702, 401 Bay Street, Toronto, Ontario, on Thursday, June 14, 2018, at the hour of 10:00 a.m. (Eastern Time), for the following purposes:

1. To receive and consider the financial statements of the Company together with the auditor's report thereon for the financial year ended December 31, 2017;
2. To appoint Jones O'Connell LLP as auditor of the Company for the ensuing year;
3. To elect directors for the ensuing year;
4. To consider and, if thought fit, to pass, with or without amendment, an ordinary resolution approving the Company's 10% "rolling" stock option plan.

The accompanying information circular provides additional information relating to the matters to be dealt with at the meeting and is deemed to form part of this notice.

If you are unable to attend the meeting in person, please complete, sign and date the enclosed form of proxy and return the same in the enclosed return envelope provided for that purpose within the time and to the location set out in the form of proxy accompanying this notice.

DATED this 8th day of May 2018.

**BY ORDER OF THE BOARD**

*"Mike Griffiths"*

Mike Griffiths  
Chief Executive Officer

**CURRIE ROSE RESOURCES INC.**  
Suite 2702 – 401 Bay Street Toronto,  
Ontario, M5H 2Y4

*Telephone: (905) 688-9115*

**INFORMATION CIRCULAR**  
(As at May 8, 2018, except as indicated)

The Company is providing this Information Circular and a form of proxy in connection with management's solicitation of proxies for use at the annual and special meeting (the "**Meeting**") of the Company to be held on June 14, 2018 and at any adjournments. Unless the context otherwise requires, when we refer in this Information Circular to the Company, its subsidiaries are also included. The Company will conduct its solicitation by mail and officers and employees of the Company may, without receiving special compensation, also telephone or make other personal contact. The Company will pay the cost of solicitation.

**APPOINTMENT OF PROXYHOLDER**

The purpose of a proxy is to designate persons who will vote the proxy on a shareholder's behalf in accordance with the instructions given by the shareholder in the proxy. The persons whose names are printed in the enclosed form of proxy are officers or Directors of the Company (the "**Management Proxyholders**").

**A shareholder has the right to appoint a person other than a Management Proxyholder, to represent the shareholder at the Meeting by striking out the names of the Management Proxyholders and by inserting the desired person's name in the blank space provided or by executing a proxy in a form similar to the enclosed form. A proxyholder need not be a shareholder.**

**VOTING BY PROXY**

**Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting.** Shares represented by a properly executed proxy will be voted or be withheld from voting on each matter referred to in the Notice of Meeting in accordance with the instructions of the shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly.

**If a shareholder does not specify a choice and the shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.**

**The enclosed form of proxy also gives discretionary authority to the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of the Meeting and with respect to other matters which may properly come before the Meeting.** At the date of this Information Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

**COMPLETION AND RETURN OF PROXY**

Completed forms of proxy must be deposited at the office of the Company's registrar and transfer agent, Computershare Trust Company of Canada, 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

## **NON-REGISTERED HOLDERS**

**Only shareholders whose names appear on the records of the Company as the registered holders of shares or duly appointed proxyholders are permitted to vote at the Meeting.** Most shareholders of the Company are “non-registered” shareholders because the shares they own are not registered in their names but instead registered in the name of a nominee such as a brokerage firm through which they purchased the shares; bank, trust company, trustee or administrator of self-administered RRSP’s, RRIF’s, RESP’s and similar plans; or clearing agency such as The Canadian Depository for Securities Limited (a “Nominee”). If you purchased your shares through a broker, you are likely a non-registered holder.

In accordance with securities regulatory policy, the Company has distributed copies of the Meeting materials, being the Notice of Meeting, this Information Circular and the Proxy, to the Nominees for distribution to non-registered holders.

Nominees are required to forward the Meeting materials to non-registered holders to seek their voting instructions in advance of the Meeting. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered holder. The Nominees often have their own form of proxy, mailing procedures and provide their own return instructions. If you wish to vote by proxy, you should carefully follow the instructions from the Nominee in order that your Shares are voted at the Meeting.

If you, as a non-registered holder, wish to vote at the Meeting in person, you should appoint yourself as proxyholder by writing your name in the space provided on the request for voting instructions or proxy provided by the Nominee and return the form to the Nominee in the envelope provided. Do not complete the voting section of the form as your vote will be taken at the Meeting.

Non-registered holders who have not objected to their Nominee disclosing certain ownership information about themselves to the Company are referred to as “non-objecting beneficial owners (“NOBOs”). Those non-registered holders who have objected to their Nominee disclosing ownership information about themselves to the Company are referred to as “objecting beneficial owners” (“OBOs”).

In accordance with the requirements of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”) of the Canadian Securities Administrators, the Company has elected to send the Meeting materials directly to NOBOs. If the Company or its agent has sent these materials directly to you (instead of through a Nominee), your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Nominee holding on your behalf. By choosing to send these materials to you directly, the Company (and not the Nominee holding on your behalf) has assumed responsibility for (i) delivering these materials to you and (ii) executing your proper voting instructions.

The Company intends to pay for Nominees to deliver the Meeting materials and Form 54-101F7 *Request for Voting Instructions Made by Intermediary* to OBOs.

## **NOTICE-AND-ACCESS**

The Company is not sending the Meeting materials to shareholders using “notice-and-access”, as defined under NI 54-101.

## **REVOCABILITY OF PROXY**

In addition to revocation in any other manner permitted by law, a shareholder, his or her attorney authorized in writing or, if the shareholder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a proxy by instrument in writing, including a proxy bearing a later date. The instrument revoking the proxy must be deposited at the registered office of the

Company, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting.

## **VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

The Company is authorized to issue an unlimited number of common shares without par value, of which 25,931,002 shares were issued and outstanding as at May 8, 2018. Persons who are registered shareholders at the close of business on May 8, 2018 will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each share held. The Company has only one class of shares.

To the knowledge of the Directors and executive officers of the Company, no person beneficially owns, controls or directs, directly or indirectly, share carrying 10% or more of the voting rights attached to all share of the Company.

## **ELECTION OF DIRECTORS**

The Directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are appointed. In the absence of instructions to the contrary, the enclosed proxy will be voted for the nominees herein listed.

Pursuant to the Advance Notice Policy of the Company adopted by the Board of Directors on May 6, 2013, any additional director nominations for the Meeting must have been received by the Company in compliance with the Advance Notice Policy no later than the close of business on May 15, 2018.

## **EXECUTIVE COMPENSATION**

### Compensation Discussion and Analysis

The compensation of Company officers and Directors is based on an incentive philosophy with the intent that all efforts will be directed toward a common objective of creating shareholder value. The Company's process for determining executive compensation is not formal. The Board of Directors meets to discuss and determine executive compensation without reference to formal objectives, criteria or analysis. The compensation strategy is to attract and retain talent and experience with focused leadership in the operations, financing, and exploration asset management of the Company with the objective of maximizing the value of the Company. The officers and Board of Directors each have defined skills and experience that are essential to a junior exploration company in the mining industry.

The Company is aware of the challenges that it faces in its present stage of development and the current financial limitations of being a junior exploration company in the current financial markets.

### *Elements of Compensation*

The Company's executive compensation policy consists of an annual base salary and long term incentives in the form of stock options granted under the Company's Stock Option Plan.

The base salaries paid to officers of the Company are intended to provide fixed levels of competitive pay that reflect each officer's primary duties and responsibilities and the level of skill and experience required to successfully perform their role. The Company intends to pay base salaries to officers that are competitive with those for similar positions in the mining industry to attract and retain executive talent in the market in which the Company competes for talent. Base salaries of officers are reviewed annually by the Board of Directors.

The incentive component of the Company's compensation program is the potential longer term reward provided through the grant of stock options. The Company's Stock Option Plan is intended to attract, retain

and motivate officers and Directors of the Company in key positions, and to align the interests of those individuals with those of the Company's shareholders. The Stock Option Plan provides such individuals with an opportunity to acquire a proprietary interest in the Company's value growth through the exercise of stock options. Options are granted at the discretion of the Board of Directors, which considers factors such as how other junior exploration companies grant options and the potential value that each optionee is contributing to the Company. The number of options granted to an individual is based on such considerations. Stock options are granted at an exercise price of not less than the prevailing market price of the Company's common shares at the time of the grant, and for a term of exercise not exceeding ten years.

The Company has not currently identified specific performance goals or benchmarks as such relate to executive compensation, but from time to time does review compensation practices of companies of similar size and stage of development to ensure the compensation paid is competitive within the Company's industry. The stage of the Company's development and the small size of its specialized management team allow frequent communication and constant management decisions in the interest of developing shareholder value as a primary goal. As the Company progresses toward a revenue-producing entity, and performance goals are more apt to be delegated, particular performance goals will become more complex and measurable, and included in the compensation structure accordingly.

#### *Compensation Policies and Risk Management*

The Board of Directors considers the implications of the risks associated with the Company's compensation policies and practices when determining rewards for its officers. Commencing in 2012, the Board of Directors intends to review at least once annually the risks, if any, associated with the Company's compensation policies and practices at such time.

Executive compensation is comprised of short-term compensation in the form of a base salary and long-term ownership through the Company's Stock Option Plan. This structure ensures that a significant portion of executive compensation (stock options) is both long-term and "at risk" and, accordingly, is directly linked to the achievement of business results and the creation of long term shareholder value. As the benefits of such compensation, if any, are not realized by officers until a significant period of time has passed, the ability of officers to take inappropriate or excessive risks that are beneficial to their compensation at the expense of the Company and the shareholders is extremely limited. Furthermore, the short-term component of executive compensation (base salary) represents a relatively small part of the total compensation. As a result, it is unlikely an officer would take inappropriate or excessive risks at the expense of the Company or the shareholders that would be beneficial to their short-term compensation when their long-term compensation might be put at risk from their actions.

Due to the small size of the Company and the current level of the Company's activity, the Board of Directors is able to closely monitor and consider any risks which may be associated with the Company's compensation policies and practices. Risks, if any, may be identified and mitigated through regular Board meetings during which financial and other information of the Company are reviewed. No risks have been identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

#### *Hedging of Economic Risks in the Company's Securities*

The Company has not adopted a policy prohibiting Directors or officers from purchasing financial instruments that are designed to hedge or offset a decrease in market value of the Company's securities granted as compensation or held, directly or indirectly, by Directors or officers. However, the Company is not aware of any Directors or officers having entered into this type of transaction.

## Option-Based Awards

The Company's Stock Option Plan has been and will be used to provide share purchase options which are granted in consideration of the level of responsibility of the executive as well as his or her impact or contribution to the longer-term operating performance of the Company. In determining the number of options to be granted to the executive officers, the Board takes into account the number of options, if any, previously granted to each executive officer, and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the TSX Venture Exchange, and closely align the interests of the executive officers with the interests of shareholders.

The Board of Directors as a whole has the responsibility to administer the compensation policies related to the executive management of the Company, including option-based awards.

### Compensation Governance

Options are granted at the discretion of the Board of Directors, which considers factors such as how other junior exploration companies grant options and the potential value that each optionee is contributing to the Company. The number of options granted to an individual is based on such considerations.

### Summary Compensation Table

The following table (presented in accordance with National Instrument Form 51-102F6) sets forth all annual and long term compensation for services in all capacities to the Company for the three most recently completed financial year in respect of each of the individuals comprised of the CEO and the CFO who acted in such capacity for all or any portion of the most recently completed financial year, and each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, (other than the CEO and the CFO), as at December 31, 2017, whose total compensation was, individually, more than \$150,000 for the financial year and any individual who would have satisfied these criteria 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 the most recently completed financial year (collectively the "Named Executive Officers" or "NEOs").

NEO Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$)	Option-Based Award (\$) <sup>(1)</sup>	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-term Incentive Plans			
Harold Smith CEO <sup>(4)(6)</sup>	2017	9,000	Nil	3,244	Nil	Nil	Nil	Nil	12,244
	2016	39,250 <sup>(2)</sup>	Nil	3,244	Nil	Nil	Nil	Nil	42,494
	2015	103,500	Nil	Nil	Nil	Nil	Nil	Nil	103,500
Michael Griffiths CEO/President <sup>(4)(7)</sup>	2017	73,200	Nil	3,244	Nil	Nil	Nil	Nil	76,444
	2016	44,150 <sup>(2)</sup>	Nil	3,244	Nil	Nil	Nil	Nil	47,394
	2015	69,000	Nil	Nil	Nil	Nil	Nil	Nil	69,000
Gael Northey CFO <sup>(5)</sup>	2017	Nil	Nil	499	Nil	Nil	Nil	12,255 <sup>(3)</sup>	12,754
	2016	Nil	Nil	499	Nil	Nil	Nil	21,197 <sup>(3)</sup>	21,696
	2015	Nil	Nil	Nil	Nil	Nil	Nil	14,767 <sup>(3)</sup>	14,767
Geoff Kritzinger CFO <sup>(5)(8)</sup>	2017	12,000	Nil	Nil	Nil	Nil	Nil	Nil	12,000

(1) The Company used the Black-Scholes pricing model as the methodology to calculate the grant date fair value and relied on the following the key assumptions and estimates for each calculation: under the following assumptions: (i) risk free interest rate of

0%; (ii) expected dividend yield of 0%; (iii) expected volatility of 0%; and (iv) an expected term of ten years. The Black-Scholes pricing model was used to estimate the fair value as it is the most accepted methodology.

- (2) Subject to fees reduction arrangement described below.
- (3) Accounting service fees.
- (4) Mr. Smith ceased to be CEO on June 30, 2017, replaced by Mr. Griffiths
- (5) Mr. Northey ceased to be CEO on June 30, 2017, replaced by Mr. Kritzinger
- (6) Mr. Smith's fees are received through a related company, Windim Holdings Ltd.
- (7) Mr. Griffiths' fees are received through a related company, Black Barrell Exploration Pty. Ltd.
- (8) Mr. Kritzinger's fees are received through a related company, Geoff Kritzinger Professional Corporation, and are included in the monthly fee of \$6,000 paid to Grove Capital Group Corp. ("Grove Capital"), a company related to Mr. Stephen Coates, a non-NEO director

The Company's executive officers agreed to forgive certain of the accrued but unpaid salaries listed above. An aggregate of \$158,500 of the accrued salaries were converted into long term debt, as described in the Company's news release of July 14, 2016.

### External Management Companies

Grove Capital Group Ltd. ("Grove") is a private company controlled by Stephen Coates, a non-NEO Director of the Company. Pursuant to an agreement dated July 1, 2017, the Company entered into a business services agreement with Grove to provide management and administrative services to Currie Rose. The contract includes the cost of the corporate secretary, office rent, CFO services and other regular administrative functions. The contract is billed on a monthly basis with a thirty-day notice period. The monthly rate is \$6,000. Either party can terminate the contract on three (3) months written notice. It can also be terminated by the Company for cause without prior notice.

As described above under "Director and NEO Compensation, Excluding Compensation Securities", the Company was billed \$36,000 by Grove for services under this contract during the year ended December 31, 2017.

The Company was also charged non-recurring consulting fees by entities related to two directors: \$36,000 for capital market services and \$37,500 for project identification and analysis.

### Incentive Plan Awards

The Company does not have any incentive plans, pursuant to which compensation that depends on achieving certain performance goals or similar conditions within a specified period is awarded, earned, paid or payable to the Named Executive Officers.

### *Outstanding Share-Based Awards and Option-Based Awards*

The following table sets forth information concerning all awards outstanding under incentive plans of the Company at the end of the most recently completed financial year, including awards granted before the most recently completed financial year, to each of the Named Executive Officers:

Name	Option-Based Awards (1)				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)(1)	Option Exercise Price (\$)(1)	Option Expiration Date	Value of Unexercised In-The-Money Options (\$) (1)(5)	Number of Shares Or Units Of Shares That Have Not Vested (1)(#)	Market or Payout Value Of Share-Based Awards That Have Not Vested (1)(\$)	Market or payout value of vested share-based awards not paid out or distributed (1)(\$)
Harold Smith	260,000	0.125	May 26, 2026	Nil	Nil	Nil	Nil
CEO (2)	427,200	0.125	June 13, 2022	Nil	Nil	Nil	Nil
	12,800	\$0.125	May 26, 2019	Nil	Nil	Nil	Nil

Gael Northey CFO (3)	Nil						
Michael Griffiths President/CEO	260,000	\$0.125	May 26, 2026	Nil	Nil	Nil	Nil
	460,000	\$0.125	June 13, 2022	Nil	Nil	Nil	Nil
	80,000	\$0.125	Sept. 14, 2020	Nil	Nil	Nil	Nil
Geoff Kritzingier CFO (4)	Nil						

(1) On August 23, 2017, the Company completed a consolidation of its common shares on the basis of one post-consolidation share for each two and a half pre-consolidation shares. The purpose of the consolidation was to meet the financing requirements of the TSX Venture Exchange. The effect of the share consolidation was also such that the 6,150,000 pre-consolidation options exercisable at \$0.05 per option consolidated to 2,460,000 post-consolidation options exercisable at \$0.125 per option.

(2) Mr. Smith's options will expire by June 30, 2018, being one year from his departure from the Company.

(3) Mr. Northey's options had all expired unexercised as at December 31, 2017 following his departure from the Company on June 30, 2017.

(4) Mr. Kritzingier does not have any options.

(5) The value of unexercised in-the-money options is calculated based on the difference between the market value of the Company's common shares as at December 31, 2017 (closing price of \$0.07) and the exercise price of the options.

#### *Value Vested or Earned During the Year*

The value vested or earned during the most recently completed financial year of incentive plan awards granted to Named Executive Officers are as follows:

<i>Name</i>	<i>Option-Based Awards - Value Vested During The Year (\$)</i>	<i>Share-Based Awards - Value Vested During The Year (\$)</i>	<i>Non-Equity Incentive Plan Compensation - Value Earned During The Year (\$)</i>
Harold Smith, CEO	3,244	Nil	Nil
Michael Griffiths, CEO/President	3,244	Nil	Nil
Gael Northey, CFO	499	Nil	Nil
Geoff Kritzingier, CFO	Nil	Nil	Nil

#### Pension Plan Benefits

The Company does not have a pension plan that provides for payments or benefits to the Named Executive Officers at, following, or in connection with retirement.

#### Termination and Change of Control Benefits

Up to June 30, 2017, the Company was party to management agreements with an entity controlled by the former president for a total of \$3,000 per month (comprised of \$500 for office and equipment rental, \$1,000 for secretarial services and \$1,500 for management services). \$61,430 was paid against these obligations in June 2017. This management agreement has effectively been terminated as of June 30, 2017 with no penalty or obligation to the Company.

Effective July 1, 2017, the CEO entered into a revised contract for management services at a rate of \$10,000 per month compared to the prior rate of \$2,200 per month. The contract is for a 3 year term expiring on June 30, 2019, automatically renewing for a further 3 years upon expiry (unless terminated previously).

The contract also includes a provision for an extraordinary bonus shall be paid to (i) in the amount of 500,000 shares in the capital of the Company in the event one of the Company's projects is verified by an independent engineer's report to NI 43-101 or equivalent standard, confirming the Company's gold reserves plus resources exceeds 1,000,000 ounces of gold or gold equivalent; and (ii) in the amount of

1,000,000 shares in the capital of the Company in the event two of the Company's projects are verified by an independent engineer's report to NI 43-101 or equivalent standard, confirming the Company's gold reserves plus resources exceeds 2,000,000 ounces of gold or gold equivalent.

Except as set out above, neither the Company, nor its subsidiaries, has a contract, agreement plan or arrangement that provides for payments to a NEO following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement a change of control of the Company or its subsidiaries, or a change in responsibilities of the NEO following a change in control.

#### Director Compensation

No compensation was provided to the Directors, who are each not also a Named Executive Officer, for the Company's most recently completed financial year, other than:

- a) Consulting fees of:
- \$36,000 for capital market services provided by an entity related to Rob Kirtlan, a non-NEO director
  - \$37,500 for project identification and analysis provided by Grove Capital
- b) The monthly management contract with Grove Capital described above

The Company has no arrangements, standard or otherwise, pursuant to which Directors are compensated by the Company or its subsidiaries for their services in their capacity as Directors, or for committee participation, involvement in special assignments or for services as consultant or expert during the most recently completed financial year or subsequently, up to and including the date of this Information Circular.

The Company has a Stock Option Plan for the granting of incentive stock options to the officers, employees and Directors. The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the Directors of the Company and to closely align the personal interests of such persons to that of the shareholders.

#### *Incentive Plan Awards - Outstanding Share-Based Awards and Option-Based Awards*

The following table sets forth information concerning all awards outstanding under incentive plans of the Company at the end of the most recently completed financial year, including awards granted before the most recently completed financial year, to each of the Directors who are not Named Executive Officers:

<b>Name</b>	<b>Option-Based Awards (1)</b>				<b>Share-Based Awards</b>		
	<b>Number of Securities Underlying Unexercised Options (#)</b>	<b>Option Exercise Price (\$)</b>	<b>Option Expiration Date</b>	<b>Value of Unexercised In-The-Money Options (\$)</b> (2)	<b>Number of Shares Or Units Of Shares That Have Not Vested (#)</b>	<b>Market or Payout Value Of Share-Based Awards That Have Not Vested (\$)</b>	<b>Market or Payout Value of Vested Share-Based Awards not Paid out or Distributed (\$)</b>
Ryan Smith	40,000	0.125	May 26, 2026	Nil	Nil	Nil	Nil
	120,000	0.125	Apr. 30, 2020	Nil	Nil	Nil	Nil
Robert Kirtlan	40,000	0.125	May 26, 2026	Nil	Nil	Nil	Nil
	120,000	0.125	Oct. 27, 2020	Nil	Nil	Nil	Nil

(1) On August 23, 2017, the Company completed a consolidation of its common shares on the basis of one post-consolidation share for each two and a half pre-consolidation shares. The purpose of the consolidation was to meet the financing requirements of the TSX Venture Exchange. The effect of the share consolidation was also such that the 6,150,000 pre-consolidation options exercisable at \$0.05 per option consolidated to 2,460,000 post-consolidation options exercisable at \$0.125 per option.

(2) The value of unexercised in-the-money options is calculated based on the difference between the market value of the Company's common shares as at December 31, 2017 (closing price of \$0.07) and the exercise price of the options.

### Incentive Plan Awards - Value Vested Or Earned During The Year

The value vested or earned during the most recently completed financial year of incentive plan awards granted to Directors who are not Named Executive Officers are as follows:

<i>Director Name</i>	<i>Option-Based Awards - Value Vested During The Year (\$)</i>	<i>Share-Based Awards - Value Vested During The Year (\$)</i>	<i>Non-Equity Incentive Plan Compensation - Value Earned During The Year (\$)</i>
Ryan Smith	499	Nil	Nil
Robert Kirtlan	499	Nil	Nil

The Company does not have any incentive plans pursuant to which compensation that depends on achieving certain performance goals or similar conditions within a specified period is awarded, paid or payable to the Directors.

### Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets forth the Company's compensation plans under which equity securities are authorized for issuance as at the end of the most recently completed financial year.

<i>Plan Category</i>	<i>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a) (1)</i>	<i>Weighted-average exercise price of outstanding options, warrants and rights (b) (1)</i>	<i>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</i>
<i>Equity compensation plans approved by securityholders</i>	1,820,000	\$0.125	1,036,010
<i>Equity compensation plans not approved by securityholders</i>	Nil	Nil	Nil
<i>Total</i>	1,820,000	\$0.125	1,036,010

(1) On August 23, 2017, the Company completed a consolidation of its common shares on the basis of one post-consolidation share for each two and a half pre-consolidation shares. The effect of the share consolidation was also that the 6,150,000 pre-consolidation options exercisable at \$0.05 per option consolidated to 2,460,000 post-consolidation options exercisable at \$0.125 per option.

### INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS

As at May 8, 2018, there was no indebtedness outstanding of any current or former Director, executive officer or employee of the Company or any of its subsidiaries which is owing to the Company or any of its subsidiaries or to another entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries, entered into in connection with a purchase of securities or otherwise.

No individual who is, or at any time during the most recently completed financial year was, a Director or executive officer of the Company, no proposed nominee for election as a Director of the Company and no associate of such persons:

- (i) is or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or any of its subsidiaries; or
- (ii) whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries, in relation to a securities purchase program or other program.

**INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

Except as set out herein, no person who has been a Director or executive officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee of management of the Company for election as a Director of the Company and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the election of Directors or the appointment of auditors.

**INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

No informed person or proposed Director of the Company and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect the Company or any of its subsidiaries.

**APPOINTMENT OF AUDITORS**

Jones & O'Connell LLP, Chartered Accountants, of St. Catharines, Ontario, is the auditor of the Company. Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the re-appointment of Jones & O'Connell LLP as the auditor of the Company to hold office for the ensuing year.

**MANAGEMENT CONTRACTS**

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

**CORPORATE GOVERNANCE DISCLOSURE**

National Policy 58-201 establishes corporate governance guidelines, which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. National Instrument 58-101 mandates disclosure of corporate governance practices which disclosure is set out below.

**Independence of Members of Board**

The Company's Board currently consists of four Directors, three of whom are independent based upon the tests for independence set forth in NI 52-110. Robert Edward Kirtlan, Ryan Smith and Stephen Coates are independent. Michael Griffiths is not independent as he is the CEO of the Company.

**Management Supervision by Board**

The operations of the Company do not support a large Board of Directors and the Board has determined that the current constitution of the Board is appropriate for the Company's current stage of development. Independent supervision of management is accomplished through choosing management who demonstrate a high level of integrity and ability and having strong independent Board members. The independent Directors are, however, able to meet at any time without any members of management, including the non-independent Directors, being present. Further supervision is performed through the audit committee, which is composed of a majority of independent Directors who meet with the Company's auditor without management being in attendance. The independent Directors also have access to the Company's legal counsel and its officers.

**Risk Management**

The Board of Directors is responsible for adoption of a strategic planning process, identification of principal risks and implementing risk management systems, succession planning and the continuous disclosure requirements of the Company under applicable securities laws and regulations.

The audit committee is responsible for the risk management items set out in the audit committee charter.

**Participation of Directors in Other Reporting Issuers**

The participation of the Directors in other reporting issuers is described in the table provided under "Election of Directors" in this Information Circular.

**Orientation and Continuing Education**

While the Company does not have formal orientation and training programs, new Board members are provided with:

1. access to recent, publicly filed documents of the Company, technical reports and the Company's internal financial information;
2. access to management and technical experts and consultants; and
3. a summary of significant corporate and securities responsibilities.

Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with industry trends and developments and changes in legislation with management's assistance; and to attend related industry seminars and visit the Company's operations. Board members have full access to the Company's records.

**Ethical Business Conduct**

The Board views good corporate governance as an integral component to the success of the Company and to meet responsibilities to shareholders. The Board is in the process of adopting a Code of Conduct.

**Nomination of Directors**

The Board has responsibility for identifying potential Board candidates. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. Members of the Board and representatives of the mineral exploration industry are consulted for possible candidates.

**Compensation of Directors and the CEO**

The independent Directors are Robert Edward Kirtlan, Ryan Smith and Stephen Coates. These Directors have the responsibility for determining compensation for the Directors and senior management.

To determine compensation payable, the independent Directors review compensation paid for Directors and CEOs of companies of similar size and stage of development in the mineral exploration industry and determine an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the Directors and senior management while taking into account the financial and other resources of the Company. In setting the compensation, the independent Directors annually review the performance of the CEO in light of the Company's objectives and consider other factors that may have impacted the success of the Company in achieving its objectives.

## **Board Committees**

As the Directors are actively involved in the operations of the Company and the size of the Company's operations does not warrant a larger Board of Directors, the Board has determined that additional committees are not necessary at this stage of the Company's development.

## **Assessments**

The Board does not consider that formal assessments would be useful at this stage of the Company's development. The Board conducts informal annual assessments of the Board's effectiveness, the individual Directors and each of its committees.

### *Audit Committee*

#### **The Audit Committee's Charter**

##### *Mandate*

The primary function of the audit committee (the "Committee") is to assist the Board of Directors 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 systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The 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 system and review the Company's financial statements.
- Review and appraise the performance of the Company's external auditor.
- Provide an open avenue of communication among the Company's auditor, financial and senior management and the Board of Directors.

##### *Composition*

The Committee shall be comprised of three Directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company'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 Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

##### *Meetings*

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

### *Responsibilities and Duties*

To fulfill its responsibilities and duties, the Committee shall:

#### Documents/Reports Review

- (a) Review and update this 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 auditor.

#### External Auditor

- (a) Review annually, the performance of the external auditor who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company.
- (b) Obtain annually, a formal written statement of external auditor setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
- (c) Review and discuss with the external auditor any disclosed relationships or services that may impact the objectivity and independence of the external auditor.
- (d) Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditor.
- (e) Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditor nominated annually for shareholder approval.
- (f) At each meeting, consult with the external auditor, 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 auditor of the Company.
- (h) Review with management and the external auditor 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 auditor. 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 revenues paid by the Company to its external auditor 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 Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled

meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

#### *Financial Reporting Processes*

- (a) In consultation with the external auditor, review with management the integrity of the Company's financial reporting process, both internal and external.
- (b) Consider the external auditor 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 auditor and management.
- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditor as to appropriateness of such judgments.
- (e) Following completion of the annual audit, review separately with management and the external auditor 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 auditor in connection with the preparation of the financial statements.
- (g) Review with the external auditor 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.
- (j) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

#### Risk Management

1. To review, at least annually, and more frequently if necessary, the Company's policies for risk assessment and risk management (the identification, monitoring, and mitigation of risks).
2. To inquire of management and the independent auditor about significant business, political, financial and control risks or exposure to such risk.
3. To request the external auditor's opinion of management's assessment of significant risks facing the Company and how effectively they are being managed or controlled.
4. To assess the effectiveness of the over-all process for identifying principal business risks and report thereon to the Board.

#### *Other*

Review any related-party transactions.

#### **Composition of the Audit Committee**

The Company's Audit Committee is a committee of the whole board. Following the meeting the Audit Committee will continue to be a committee of the whole.

Mike Griffiths	Not Independent	Financially Literate
Ryan Smith	Independent (1)	Financially Literate
Robert Edward Kirtlan	Independent (1)	Financially literate (1)
Stephen Coates	Independent (1)	Financially literate (1)

(1) As defined by NI 52-110.

### **Audit Committee Member Education and Experience**

Mike Griffiths holds a BSc and a Dip. Ed. from Macquarie University in Sydney, Australia and is a Fellow of the AusIMM. Mr. Griffiths has been a director of a number of publically listed ASX and TSX-V companies since 2000 and has held a number of executive and non-executive positions during this time including Audit committee membership. Mike is also a Graduate of the Australian Institute of Company Directors (2008) with emphasis on corporate governance and audit committee functions.

**Ryan Smith** is the founder and President of R&R Homes + Design Inc, a growing residential real estate investment company in Canada. He is also Vice President of Windim Holdings Limited, a property management and development company focusing predominately on commercial real estate. In those capacities, he is keenly aware of the budgeting process, the operating statements of results, and the related accounting and physical management of assets and liabilities.

**Robert Kirtlan** has a background in accounting, finance and management involving public and private companies before working for major investment banks in Sydney and New York commencing in 1993. During this period, he was principally involved in arranging debt and equity for junior and major companies across a global resources spectrum.

Since 2001 Mr. Kirtlan has been investing in and working with companies at management level in the resources and technology sector. He is currently the Chairman of RMG Limited and Credo Resources Limited and until recently was Chairman of ASX listed Decimal Software Limited.

**Stephen Coates** is a founder and principal of Grove Capital Group Ltd, a merchant bank specializing in the incubation and development of businesses in Canada and internationally. Grove was established in 2003 to provide business development and strategic relationship advice to small-cap public and private companies primarily in the mining and resource industry. Mr. Coates began his career in investment management and advisory services at RBC Dominion Securities in Canada. Following which he joined Independent Equity Research Corp. as Vice President, Business Development. Mr. Coates is a graduate of Kings College at the UWO in London, Canada and is an active volunteer, Director and Trustee in the fields of politics, education and with local community organizations.

### **Audit Committee Oversight**

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

### **Reliance on Certain Exemptions**

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption 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 of NI 52-110.

### **Pre-Approval Policies and Procedures**

The Committee has adopted specific policies and procedures for the engagement of non-audit services as described above under the heading "External Auditors".

### **External Auditor Service Fees (By Category)**

The aggregate fees paid to the Company's external auditor in each of the last two fiscal years for audit fees are as follows:

<i>Financial Year Ending</i>	<i>Audit Fees</i>	<i>Audit Related Fees</i>	<i>Tax Fees</i>	<i>All Other Fees</i>
December 31, 2016	\$15,000	Nil	6,500	Nil
December 31, 2017	\$13,795	Nil	3,150	Nil

### **Exemption in Section 6.1 of NI 52-110**

The Company is relying on the exemption in Section 6.1 of NI 52-110 from the requirement of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations).

The Board determines new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and the President and Chief Executive Officer. The Board monitors but does not formally assess the performance of individual Board members or committee members or their contributions.

### **Expectations of Management**

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives.

## **PARTICULARS OF MATTERS TO BE ACTED UPON**

### **1. Presentation of Financial Statements**

The consolidated financial statements of the Company for the years ended December 31, 2017 and 2016 and the report of the auditors thereon will be submitted to the Meeting. Receipt at the Meeting of the auditor's report and the Company's consolidated financial statements will not constitute approval or disapproval of any matters referred to therein. The consolidated financial statements and the Management's Discussion and Analysis for the year ended December 31, 2017 have been mailed to Shareholders of record and non-objecting beneficial Shareholders. A copy of these consolidated financial statements can be obtained at [www.sedar.com](http://www.sedar.com). In the alternative, upon receiving a written request to the address on the first page of this Circular, the Company will mail a copy of the consolidated financial statements to you.

### **2. Appointment of Auditor**

The persons named in the enclosed form of proxy intend to vote for the re appointment Jones O'Connell LLP, as auditor of the Company to hold office until the next annual meeting of Shareholders and to authorize the directors of the Company to fix the auditor's remuneration.

On the representations of the said auditors, neither that firm nor any of its partners has any direct financial interest nor any material indirect financial interest in the Company or any of its subsidiaries nor has had any connection during the past three years with the Company or any of its subsidiaries in the capacity of promoter, underwriter, voting trustee, director, officer or employee.

The Shareholders are urged by Management to appoint Jones O'Connell LLP, as the Company's auditor and to authorize the Board of Directors to fix their remuneration.

### **3. Election of the Board of Directors**

The Board of Directors of the Company presently consists of four (4) directors. The persons named in the enclosed form of proxy intend to vote for the election as directors of the Company, the four (4) nominees of Management whose names are set forth below. Management does not contemplate that any of the nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion. Each director elected will hold office until the next annual meeting of Shareholders or until his successor is duly elected, unless his office is earlier vacated in accordance with the by-laws of the Company. The following table and notes thereto state the names of all the persons proposed to be nominated for election as directors, all of the positions and offices with the Company now held by them, their present principal occupations or employments and the number of shares of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised, by each of them as of May 8, 2018. The information as to shares beneficially owned has been furnished to the Board of Directors by the respective nominees.

<i><b>Name, Jurisdiction of Residence and Position</b></i>	<i><b>Principal Occupation or Employment and, if not a Previously Elected Director, Occupation During the Past 5 Years</b></i>	<i><b>Previous Service as a Director</b></i>	<i><b>Number of Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly (1)</b></i>
Michael Griffiths(5) Currumbine, Australia President & Director	CEO of the Company. Director of Tiger Resources Limited, RMG Limited and East Africa Resources Limited	Mar. 7, 2005	2,300,000(2)
Ryan James Smith(5) St. Catharines, ON Canada Director	Owner, R&R Homes Design	Apr. 16, 2015	261,480
Robert Edward Kirtlan(5) Fremantle, WA Australia Director	Chairman of RMG Limited and Credo Resources Limited. Previously Chairman of Decimal Software Limited	Oct. 13, 2015	1,500,480(3)
Stephen Coates(5) Toronto, ON Canada Director	Owner and CEO of Grove Capital Group	Apr. 21, 2017	100,000(4)

(1) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at May 8, 2018, based upon information furnished to the Company by individual Directors. Unless otherwise indicated, such shares are held directly.

(2) Of these shares, 600,000 are held indirectly by The M R & KM Superannuation Fund and 1,700,000 are held indirectly by The M.R. Griffiths Family Trust.

(3) Of these shares, 1,500,480 are held indirectly by ARK Securities & Investments Pty Ltd (ARK Family)

(4) Of these shares , 100,000 are held indirectly by Bolingbroke Investments Inc.

(5) Member of the audit committee.

No proposed Director is to be elected under any arrangement or understanding between the proposed Director and any other person or company, except the Directors and executive officers of the Company acting solely in such capacity.

Except as set out below, to the knowledge of the Company, no proposed Director:

- (a) is, as at the date of the Information Circular, or has been, within 10 years before the date of the 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 but which resulted from an event that occurred while the proposed Director was acting in the capacity as 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 the assets of the proposed Director; 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 securityholder in deciding whether to vote for a proposed Director.

The following Directors of the Company hold Directorships in other reporting issuers as set out below:

Name of Director	Name of Other Reporting Issuer
Michael Griffiths	Tiger Resources Limited*
Ryan James Smith	None
Robert Edward Kirtlan	RMG Limited* Vault Intelligence*
Stephen Coates	Exploratus Inc. Caracara Silver Inc.**

\* Listed on the ASX.

\*\* TSXV

#### **4. Adoption of New 10% "Rolling" Stock Option Plan**

##### *Current Stock Option Plan*

In April 2011, the Company adopted an incentive stock option plan (the "**2011 Option Plan**") authorizing the Company to grant stock options to the Company's directors, officers, employees and consultants in accordance with the provisions of such 2011 Option Plan and the policies of the Exchange. As of the date hereof, the Company has outstanding stock options for an aggregate of 1,820,000 shares under the 2011 Option Plan (representing approximately 7% of the current issued and outstanding shares) and there are 1,036,010 shares reserved and available for future issuance under options, which may be granted under the 2011 Option Plan.

*New 10% Rolling Stock Option Plan*

In view of the increases to the number of issued and outstanding common shares that have occurred since the implementation of the 2011 Option Plan, the Board of Directors has determined that it is in the best interests of the Company to forego a "fixed" number stock option plan in favour of a "rolling" stock option plan. As such, the Board of Directors has decided to replace the 2011 Option Plan, which is a "fixed" number stock option plan, with a new stock option plan (the "**New Plan**"), subject to acceptance by the TSXV and the shareholders of the Company, pursuant to which the maximum number of common shares that may be reserved for issuance under outstanding stock options will be 10% of the Company's issued and outstanding common shares as constituted on the date of any grant of options under the New Plan.

The purpose of the New Plan is to attract and motivate directors, senior officers, employees, management company employees and consultants (collectively, the "**Optionees**") and to give such persons, as additional compensation, the opportunity to participate in the success of the Company. Under the New Plan, options are exercisable over periods of up to 10 years as determined by the Company's board of directors and are required to have an exercise price no less than the closing market price of the Common 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 Exchange and approved by the Company's board of directors. The number of shares which may be reserved for issuance under the New Plan and all other share compensation arrangements:

- (a) to any one individual in a one-year period, may not exceed 5% of the issued shares, or 2% if the optionee is a consultant;
- (b) to Insiders (as such term is defined in the New Plan) as a group in a one-year period, may not exceed 10% in the aggregate of the number of issued and outstanding shares;
- (c) to all optionees undertaking investor relations activities in one-year period, may not exceed 2% in the aggregate of the total number of issued and outstanding shares.

The New Plan contains no vesting requirements, but permits the Company's board of directors to specify a vesting schedule in its discretion, subject to the Exchange's minimum vesting requirements, if any.

The New 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.

The New Plan will be administered by the board of directors of the Issuer, which will have full and final authority with respect to the granting of all options thereunder.

All options governed by the 2011 Option Plan that are outstanding as of the date of implementation of the New Plan (the "**Existing Options**") will count against the number of shares reserved for issuance under the New Plan as long as such options remain outstanding. Upon implementation of the New Plan, all Existing Options will forthwith be governed by the New Plan; however, any vesting schedule imposed by the 2011 Option Plan in respect of the Existing Options will remain in full force and effect.

The New Plan also contains a black-out provision. In accordance with good corporate governance practices and as recommended by National Policy 51-201 - *Disclosure Standards*, the Company may impose 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. In order to ensure that holders of outstanding stock options are not prejudiced by the imposition of such black-out periods, 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 black-out period.

The full text of the New Plan will be available for review at the Meeting. Pursuant to the policies of the TSXV, the New

Plan is required to be approved by an ordinary resolution of the shareholders entitled to vote in person or by proxy at the Meeting.

**Unless such authority is withheld, the persons named in the enclosed Proxy intend to vote FOR the approval of the New Plan.**

At the Meeting, shareholders will be asked to pass a resolution substantially in the following form:

"BE IT RESOLVED, as an ordinary resolution, that the New Plan (as defined and described in the Company's Information Circular dated May 8, 2018) pursuant to which the directors may, from time to time, authorize the issuance of options to directors, officers, employees and consultants of the Company and its subsidiaries to a maximum of 10% of the issued and outstanding common shares at the time of the grant, be and is hereby authorized, confirmed and approved."

**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.**

If the requisite shareholder approval of the New Plan is not obtained at the Meeting, the New Plan will not be implemented and the 2011 Option Plan will remain in effect.

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Company at Suite 2702, 401 Bay Street, Toronto ON M5H 2Y4, to request copies of the Company's financial statements and MD&A.

Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year, which are filed on SEDAR.

#### **OTHER MATTERS**

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

DATED this 8th day of May 2018.

APPROVED BY THE BOARD OF DIRECTORS

"MIKE GRIFFITHS"

MIKE GRIFFITHS

Chief Executive Officer