



**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF
SHAREHOLDERS
TO BE HELD ON DECEMBER 19, 2018**

AND

INFORMATION CIRCULAR

November 19, 2018

This document requires immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this notice and information circular, you should immediately contact your advisor.

MARIFIL MINES LTD.
Suite 1200 – 625 Howe Street
Vancouver, BC V6C 2T6
Telephone: (604) 365-0425

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING

TO THE SHAREHOLDERS:

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the “**Meeting**”) of shareholders of Marifil Mines Ltd. (the “**Company**”) will be held at the offices of Clark Wilson LLP, 900 - 885 West Georgia Street, Vancouver, British Columbia, on Wednesday, December 19, 2018, at the hour of 10:00 a.m. (Vancouver time) for the following purposes:

- (1) to receive the audited financial statements of the Company for the fiscal year ended December 31, 2017, and the accompanying report of the auditors;
- (2) to set the number of directors of the Company at seven (7);
- (3) to elect Robert Abenante, John Hite, Greg Burnett, Richard Walters, John W. Pearson, Michael Sweatman and Daniel Buffone as directors of the Company;
- (4) to appoint Dale Matheson Carr-Hilton LaBonte LLP as the auditors of the Company for the fiscal year ending December 31, 2018;
- (5) to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending December 31, 2018;
- (6) to consider and, if thought fit, to pass an ordinary resolution to ratify the Company’s Stock Option Plan, as described in the accompanying information circular (the “**Information Circular**”); and
- (7) to transact such further or other business as may properly come before the Meeting and any adjournment or postponement thereof.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this Notice of Meeting.

The board of directors of the Company has fixed November 13, 2018 as the record date for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered shareholder at the close of business on that date is entitled to such notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular.

If you are a registered shareholder of the Company and unable to attend the Meeting in person, please vote by proxy by following the instructions provided in the form of proxy at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of the Meeting or any adjournment or postponement thereof.

If you are a non-registered shareholder of the Company and received this Notice of Meeting and accompanying materials through a broker, a financial institution, a participant, or a trustee or administrator of a retirement savings plan, retirement income fund, education savings plan or other similar savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing that

holds your securities on your behalf (each, an “**Intermediary**”), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

DATED at Vancouver, British Columbia, this 19th day of November, 2018.

By Order of the Board of Directors of

MARIFIL MINES LIMITED

“Robert Abenante”

Robert Abenante
President, Chief Executive Officer
and Director

PLEASE VOTE. YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU EXPECT TO ATTEND THE MEETING, PLEASE COMPLETE, SIGN AND DATE THE ENCLOSED FORM OF PROXY AND PROMPTLY RETURN IT IN THE ENVELOPE PROVIDED.

MARIFIL MINES LIMITED

1200 – 625 Howe Street
Vancouver, BC V6C 2T6
Telephone: (604) 365-0425

INFORMATION CIRCULAR

November 19, 2018

INTRODUCTION

This information circular (the “**Information Circular**”) accompanies the notice of annual general and special meeting of shareholders (the “**Notice**”) of Marifil Mines Limited. (the “**Company**”) and is furnished to shareholders (each, a “**Shareholder**”) holding common shares (the “**Shares**”) of the Company in connection with the solicitation by the management of the Company of proxies to be voted at the annual general and special meeting (the “**Meeting**”) of the Shareholders to be held at 10:00 a.m. on Wednesday, December 19, 2018 at the offices of Clark Wilson LLP, 900 – 885 West Georgia Street, Vancouver, British Columbia, or at any adjournment or postponement thereof.

Date and Currency

The date of this Information Circular is November 19, 2018. Unless otherwise stated, all amounts herein are in Canadian dollars.

PROXIES AND VOTING RIGHTS

Management Solicitation

The solicitation of proxies by management of the Company will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation to any of the directors, officers and employees of the Company. The Company does not reimburse Shareholders, nominees or agents for costs incurred in obtaining from their principals authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold stock in their respective names to furnish this proxy material to their customers who are NOBOs (as defined below), and the Company will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

No person has been authorized to give any information or to make any representation other than as contained in this Information Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Information Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Information Circular. This Information Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

Appointment of Proxy

Registered Shareholders are entitled to vote at the Meeting. A Shareholder is entitled to one vote for each common share that such Shareholder holds on the record date of November 13, 2018 on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

The persons named as proxyholders (the “**Designated Persons**”) in the enclosed form of proxy are directors and/or officers of the Company.

A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING.

A SHAREHOLDER MAY EXERCISE THIS RIGHT BY INSERTING THE NAME OF SUCH OTHER PERSON IN THE BLANK SPACE PROVIDED ON THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE'S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER'S SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.

The Shareholder may vote by mail, by telephone or via the Internet by following instructions provided in the form of proxy at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) prior to the scheduled time of the Meeting, or any adjournment or postponement thereof. The Chairman of the Meeting, in his sole discretion, may accept completed forms of proxy on the day of the Meeting or any adjournment or postponement thereof.

A proxy may not be valid unless it is dated and signed by the Shareholder who is giving it or by that Shareholder's attorney-in-fact duly authorized by that Shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual Shareholder or joint Shareholders, or by an officer or attorney-in-fact for a corporate Shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarially certified copy thereof, must accompany the form of proxy.

Revocation of Proxies

A Shareholder who has given a proxy may revoke it at anytime before it is exercised by an instrument in writing: (a) executed by that Shareholder or by that Shareholder's attorney-in-fact authorized in writing or, where the Shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Company at the address set forth above, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (i) attendance at the Meeting and participation in a poll (ballot) by a Shareholder, or (ii) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

Voting of Shares and Proxies and Exercise of Discretion by Designated Persons

A Shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space on the proxy. **The Shares represented by a proxy will be voted or withheld from voting 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 NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice. At the date of this Information Circular, management of the Company is not aware of any such amendments, variations or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the Shares of a Shareholder on any matter, the Shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set out in this section is of significant importance to those Shareholders who do not hold Shares in their own name. Shareholders who do not hold their Shares in their own name (referred to in this Information Circular as "Beneficial Shareholders") should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Shares can be recognized and acted upon at the Meeting. If Shares are listed in an account statement provided by a broker, then in almost all cases those Shares will not be registered in the Beneficial Shareholder's name on the records of the Company. Such Shares will more likely be registered under the names of the Beneficial Shareholder's broker or an agent of that broker. In the United States, the vast majority of such Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). **Beneficial Shareholders should ensure that instructions respecting the voting of their Shares are communicated to the appropriate person well in advance of the Meeting.**

The Company does not have access to names of all of Beneficial Shareholders. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their 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 similar to the form of proxy provided to registered Shareholders by the Company. However, its purpose is limited to instructing the registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge typically prepares a special voting instruction form, mails this form to the Beneficial Shareholders and asks for appropriate instructions regarding the voting of Shares to be voted at the Meeting. If Beneficial Shareholders receive the voting instruction forms from Broadridge, they are requested to complete and return the voting instruction forms to Broadridge by mail or facsimile. Alternatively, Beneficial Shareholders can call a toll-free number and access Broadridge's dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and to vote the Shares held by them. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Broadridge voting instruction form cannot use that form as a proxy to vote Shares directly at the**

Meeting – the voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have the applicable Shares voted at the Meeting.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of his, her or its broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered Shareholder and vote the Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Shares as proxyholder for the registered Shareholder should enter their own names in the blank space on the instrument 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 (or agent), well in advance of the Meeting.

Alternatively, a Beneficial Shareholder may request in writing that his, her or its broker send to the Beneficial Shareholder a legal proxy which would enable the Beneficial Shareholder to attend at the Meeting and vote his, her or its Shares.

Beneficial Shareholders consist of non-objecting beneficial owners and objecting beneficial owners. A non-objecting beneficial owner is a beneficial owner of securities that has provided instructions to an intermediary holding the securities in an account on behalf of the beneficial owner that the beneficial owner does not object, for that account, to the intermediary disclosing ownership information about the beneficial owner under National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators. An objecting beneficial owner means a beneficial owner of securities that has provided instructions to an intermediary holding the securities in an account on behalf of the beneficial owner that the beneficial owner objects, for that account, to the intermediary disclosing ownership information about the beneficial owner under National Instrument 54-101.

The Company is sending proxy-related materials directly to non-objecting beneficial owners of the Shares. The Company will not pay for the delivery of proxy-related materials to objecting beneficial owners of the Shares. The objecting beneficial owners of the Shares will not receive the materials unless their intermediary assumes the costs of delivery.

All references to Shareholders in this Information Circular are to registered Shareholders, unless specifically stated otherwise.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of Shares without par value. As of the record date, determined by the board of directors of the Company (the "**Board**") to be the close of business on November 13, 2018, a total of 44,168,290 Shares were issued and outstanding. Each Share carries the right to one vote at the Meeting.

Only registered Shareholders as of the record date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

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, Shares carrying more than 10% of the voting rights attached to the outstanding Shares of the Company.

NUMBER OF DIRECTORS

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company at seven (7). An ordinary resolution needs to be passed by a simple majority of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting.

Management recommends the approval of setting the number of directors of the Company at seven (7).

ELECTION OF DIRECTORS

At present, 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 duly elected or appointed in accordance with the Company's Articles or until such director's earlier death, resignation or removal.

The Company has adopted bylaws requiring advance notice of the nomination of directors in certain circumstances (the "**Advance Notice Bylaws**"). To be timely, the advance notice by the nominating Shareholder (the "**Nominating Shareholder**") must be made:

- (a) in the case of an annual meeting of shareholders, not less than 30 and not more than 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 50 days after the date (the "**Notice Date**") on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder is to be made not later than the close of business on the 10th day after the Notice Date in respect of such meeting; 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 15th day following the day on which the first public announcement of the date of the special meeting of Shareholders was made.

For the further information about the Advance Notice Bylaws, please see the Company's information circular dated April 30, 2014.

No nominations of directors for the Meeting by Nominating Shareholders were received in accordance with the Advance Notice Bylaws.

Management of the Company proposes to nominate all of the current directors of the Company, as set out in the table below, for election by the shareholders as directors of the Company. Information concerning such persons, as furnished by the individual nominees, is as follows:

Name, Place of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years ⁽¹⁾	Director Since	Number of Shares Owned ⁽¹⁾
Robert Abenante British Columbia, Canada <i>President, Chief Executive Officer and Director</i>	President and Chief Executive Officer of Abattis Biocentrals Corp. since April 7, 2017; Director of Abattis Biocentrals Corp. since May 29, 2017; President of Emerald Power Consulting since 2010; Former Chairman, President, Chief Executive Officer and a director of Mediterranean Resources Ltd. from May 23, 2014 to October 28, 2015.	November 30, 2017	3,850,000 ⁽⁴⁾

Name, Place of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years ⁽¹⁾	Director Since	Number of Shares Owned ⁽¹⁾
Greg Burnett ⁽²⁾⁽³⁾ British Columbia, Canada <i>Director</i>	President of Carob Management (consulting company) since 1988.	February 10, 2004	1,480,250 ⁽⁵⁾
Richard Walters Washington State, USA <i>Executive Vice President and Director</i>	Self-employed Geologist since March 2000.	February 10, 2004	904,842 ⁽⁶⁾
John Hite Nevada, USA <i>Director</i>	Self-employed as a Geologic Consultant since October 2002.	December 2, 2003	2,075,990 ⁽⁷⁾
John W. Pearson ⁽²⁾⁽³⁾ Ontario, Canada <i>Director</i>	Vice-President Investor Relations of Centerra Gold Inc. since September 2006; Investor Relations representative, Stillwater Mining Company (resource company) since February 2001.	September 29, 2004	586,750 ⁽⁸⁾
Daniel Buffone Argentina, South America <i>Director</i>	President of Marifil S.A.	March 17, 2005	527,426 ⁽⁹⁾
Michael Sweatman ⁽²⁾⁽³⁾ British Columbia, Canada <i>Director</i>	Chartered Accountant; Principal of MDS Management Ltd., a management consulting company.	April 9, 2015	490,000 ⁽¹⁰⁾

(1) Information has been furnished by the respective nominees individually.

(2) Member of the Audit Committee.

(3) Member of the Compensation Committee.

(4) This number includes 3,000,000 Shares held indirectly through 1022698 B.C. Ltd. and 850,000 Shares held indirectly through 1022698 B.C. Ltd., companies wholly owned by Robert Abenante. Does not include: (i) 2,000,000 warrants held indirectly through 1053345 B.C. Ltd., each of which are exercisable into one Share at a price of \$0.10 until February 15, 2020; (ii) 850,000 warrants held indirectly through 1022698 B.C. Ltd., each of which is exercisable into one Share, of which 100,000 warrants are exercisable at a price of \$0.50 per Share until April 24, 2019 and 750,000 are exercisable at a price of \$0.10 per Share until February 15, 2020, and (iii) 175,000 stock options held directly, each of which is exercisable into one Share, of which 75,000 are exercisable at a price of \$0.115 per Share until February 4, 2020 and 100,000 are exercisable at a price of \$0.11 per Share until August 21, 2023.

(5) Does not include: (i) 1,000,000 warrants, each of which is exercisable into one Share, of which 500,000 are exercisable at a price of \$0.50 per Share until April 24, 2019 and 500,000 are exercisable at a price of \$0.10 per Share until February 16, 2020, and (ii) 285,000 stock options held directly, each of which is exercisable into one Share, of which 25,000 are exercisable at a price of \$1.00 per Share until April 5, 2020, 35,000 are exercisable at a price of \$0.50 per Share until June 28, 2020, 125,000 are exercisable at a price of \$0.115 per Share until February 20, 2020 and 100,000 are exercisable at a price of \$0.11 per Share until August 21, 2023;

(6) Does not include: (i) 358,800 warrants, each of which is exercisable into one Share, of which 258,800 are exercisable at a price of \$0.05 per Share until August 25, 2021 and 100,000 warrants are exercisable at a price of

\$0.10 per Share until February 16, 2020, and (ii) 385,000 stock options held directly, each of which is exercisable into one Share, of which 60,000 are exercisable at a price of \$0.50 per Share until June 28, 2020, 225,000 are exercisable at a price of \$0.115 per Share until February 20, 2020 and 100,000 are exercisable at a price of \$0.11 per Share until August 21, 2023;

- (7) Does not include: (i) 770,000 warrants, each of which is exercisable into one Share, of which 100,000 warrants are exercisable at a price of \$0.50 per Share until October 31, 2024, 100,000 are exercisable at a price of \$0.50 per Share until May 3, 2020, 120,000 are exercisable at a price of \$0.50 per Share until November 3, 2020 and 450,000 are exercisable at a price of \$0.50 per Share until April 26, 2019, and (ii) 190,000 stock options held directly, each of which is exercisable into one Share, of which 5,000 are exercisable at a price of \$1.00 per Share until April 5, 2020, 60,000 are exercisable at a price of \$0.50 per Share until June 28, 2020, 75,000 are exercisable at a price of \$0.115 per Share until February 20, 2020 and 50,000 are exercisable at a price of \$0.11 per Share until August 21, 2023;
- (8) Does not include: (i) 235,000 stock options held directly, each of which is exercisable into one Share, of which 25,000 are exercisable at a price of \$1.00 per Share until April 5, 2020, 35,000 are exercisable at a price of \$0.50 per Share until June 28, 2020, 125,000 are exercisable at a price of \$0.115 per Share until February 20, 2020 and 50,000 are exercisable at a price of \$0.11 per Share until August 21, 2023, and (ii) 100,000 warrants, each of which is exercisable into one Share at a price of \$0.10 per Share until February 16, 2020.
- (9) Does not include 390,000 stock options held directly, each of which is exercisable into one Share, of which 5,000 are exercisable at a price of \$1.00 per Share until April 5, 2020, 60,000 are exercisable at a price of \$0.50 per Share until June 28, 2020, 225,000 are exercisable at a price of \$0.115 per Share until February 20, 2020 and 100,000 are exercisable at a price of \$0.11 per Share until August 21, 2023.
- (10) Does not include 162,500 warrants, each of which is exercisable into one Share, of which 12,500 are exercisable at a price of \$0.50 per Share until October 31, 2019; 25,000 are exercisable at a price of \$0.50 per Share until April 24, 2020, 25,000 are exercisable at a price of \$0.50 until November 3, 2020, 50,000 are exercisable at a price of \$0.50 until April 27, 2022 and 50,000 are exercisable at a price of \$0.10 per Share until February 15, 2020, (ii) 235,000 stock options held directly, each of which is exercisable into one Share, of which 60,000 are exercisable at a price of \$0.50 per Share until June 28, 2020, 125,000 are exercisable at a price of \$0.115 per Share until February 20, 2020 and 50,000 are exercisable at a price of \$0.11 per Share until August 21, 2023.

Management does not contemplate that any of its nominees will be unable to serve as directors. If any vacancies occur in the slate of nominees listed above before the Meeting, then the Designated Persons intend to exercise discretionary authority to vote the Shares represented by proxies for the election of any other persons as directors.

Management recommends the election of each of the nominees listed above as a director of the Company.

Orders

Other than as disclosed below, to the best of management's knowledge, no proposed director of the Company is, or within the ten (10) years before the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under 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, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Trading in the securities of Genthorne Enterprises Inc. ("**Glenthorne**") was halted on April 15, 2009 by the TSX Venture Exchange pending clarification of Glenthorne's financial affairs. The securities resumed trading on May 28, 2009. Mr. Sweatman was at the time a director of Glenthorne.

Mr. Sweatman was a director of Mega Precious Metals Inc. ("**Mega**") from June 1998 to June 2015. In October 2002, trading in the common shares of Mega (then named Treat Systems Inc. ("**Treat**") was halted by the TSX Venture Exchange (the "**TSX-V**") for failure to meet the tier maintenance requirements under the policies of the TSX-V and for having been designated as an inactive issuer for a period in excess of 18 months. In August 2003, the common shares were listed for trading on the NEX board of the TSX-V. In January 2008, Treat completed a "change of business" pursuant to the policies of the TSX-V. Treat's name was changed to Mega Silver Inc. and the common shares resumed trading on the TSX-V on January 31, 2008.

Bankruptcies

To the best of management's knowledge, no proposed director of the Company is, or within ten (10) years before the date of this Information Circular, has been, a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the 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 made a proposal under any legislation relating to bankruptcies or insolvency.

Penalties and Sanctions

To the best of management's knowledge, no proposed director of the Company 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 securityholder in deciding whether to vote for a proposed director.

STATEMENT OF EXECUTIVE COMPENSATION

General

For the purpose of this Statement of Executive Compensation:

"**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 (if any) for services provided or to be provided, directly or indirectly to the Company or any of its subsidiaries (if any);

"**NEO**" or "**named executive officer**" means:

- (a) each individual who served as chief executive officer ("**CEO**") of the Company, or who performed functions similar to a CEO, during any part of the most recently completed financial year,
- (b) each individual who served as chief financial officer ("**CFO**") of the Company, or who performed functions similar to a CFO, during any part of the most recently completed financial year,

- (c) the most highly compensated executive officer of the Company or any of its subsidiaries (if any) other than individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for that 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 or its subsidiaries (if any), nor acting in a similar capacity, at the end of that financial year;

“**plan**” includes any plan, contract, authorization or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons; and

“**underlying securities**” means any securities issuable on conversion, exchange or exercise of compensation securities.

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth all direct and indirect compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company or any subsidiary thereof to each NEO and each director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or director for services provided and for services to be provided, directly or indirectly, to the Company or any subsidiary thereof for each of the two most recently completed financial years, other than stock options and other compensation securities:

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites ⁽¹⁾ (\$)	Value of All Other Compensation (\$)	Total Compensation (\$)
Robert Abenante ⁽²⁾ <i>President, CEO and Director</i>	2017 2016	30,000 ⁽³⁾ N/A	Nil N/A	Nil N/A	Nil N/A	204,509 N/A	234,509 N/A
Alexander McAulay ⁽⁴⁾ <i>CFO</i>	2017 2016	72,000 ⁽⁵⁾ 24,000 ⁽⁵⁾	Nil Nil	Nil Nil	Nil Nil	Nil Nil	72,000 24,000
Greg Burnett ⁽⁶⁾ <i>Director</i>	2017 2016	13,180 ⁽⁷⁾ 13,256 ⁽⁷⁾	Nil Nil	Nil Nil	Nil Nil	Nil Nil	13,180 13,256
Richard Walters ⁽⁸⁾ <i>Executive Vice-President and Director</i>	2017 2016	27,500 ⁽⁹⁾ 35,059 ⁽⁹⁾	Nil Nil	Nil Nil	Nil Nil	Nil Nil	27,500 35,059
John Hite ⁽¹⁰⁾ <i>Director</i>	2017 2016	Nil 38,955 ⁽⁷⁾	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil 38,955
John W. Pearson ⁽¹¹⁾ <i>Director</i>	2017 2016	13,180 ⁽⁷⁾ 13,256 ⁽⁷⁾	Nil Nil	Nil Nil	Nil Nil	Nil Nil	13,180 13,256

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites ⁽¹⁾ (\$)	Value of All Other Compensation (\$)	Total Compensation (\$)
Daniel Buffone ⁽¹²⁾ <i>Director</i>	2017	18,859 ⁽⁷⁾	Nil	Nil	Nil	Nil	18,859
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Michael Sweatman ⁽¹³⁾ <i>Director</i>	2017	13,180 ⁽⁷⁾	Nil	Nil	Nil	Nil	13,180
	2016	13,256 ⁽⁷⁾	Nil	Nil	Nil	Nil	13,256
Roger Foster ⁽¹⁴⁾ <i>Former CFO</i>	2017	N/A	N/A	N/A	N/A	N/A	N/A
	2016	51,000 ⁽¹⁵⁾	Nil	Nil	Nil	Nil	51,000

(1) "Perquisites" include perquisites provided to an NEO or director that are not generally available to all employees and that, in aggregate, are: (a) \$15,000, if the NEO or director's total salary for the financial year is \$150,000 or less, (b) 10% of the NEO or director's salary for the financial year if the NEO or director's total salary for the financial year is greater than \$150,000 but less than \$500,000, or (c) \$50,000 if the NEO or director's total salary for the financial year is \$500,000 or greater.

(2) Robert Abenante has been the director of the Company since November 30, 2017 and the President and CEO since November 10, 2017.

(3) These consulting fees were paid to 1053345 B.C. Ltd., a company wholly owned by Robert Abenante.

(4) Alexander McAulay has been the CFO since August 30, 2016.

(5) These consulting fees were paid to Assent Advisory Partners and ACM Management Inc., companies wholly owned by Alex McAulay.

(6) Greg Burnett has been a director since February 10, 2004.

(7) Directors fees paid.

(8) Richard Walters has been a director and Executive Vice-President since February 10, 2004.

(9) Consulting fees paid to R.R. Walters Consulting, a company wholly owned by Richard Walters.

(10) John Hite has been a director since December 2, 2003.

(11) John W. Pearson has been a director since September 29, 2004.

(12) Daniel Buffone has been a director since March 17, 2005.

(13) Michael Sweatman has been a director since April 9, 2015.

(14) Roger Foster was the CFO from May 26, 2012 to August 30, 2016.

(15) Consulting fees were paid to RLF Consulting Inc.

Stock Options and Other Compensation Securities

The Company did not grant or issue any compensation securities to any director or NEO in the financial year ended December 31, 2017. As at December 31, 2017:

Robert Abenante, the President, CEO and a director of the Company, did not own any compensation securities.

Alex McAulay, the CFO of the Company, did not own any compensation securities.

Greg Burnett, a director of the Company, owned an aggregate of 60,000 stock options held directly, each of which is exercisable into one Share, of which 25,000 are exercisable at a price of \$1.00 per Share until April 5, 2020 and 35,000 are exercisable at a price of \$0.50 per Share until June 28, 2020.

Richard Walters, a director of the Company, owned an aggregate of 60,000 stock options held directly, each of which is exercisable into one Share, exercisable at a price of \$0.50 per Share until June 28, 2020.

John Hite, a director of the Company, owned an aggregate of 65,000 stock options held directly, each of which is exercisable into one Share, of which 5,000 are exercisable at a price of \$1.00 per Share until April 5, 2020 and 60,000 are exercisable at a price of \$0.50 per Share until June 28, 2020.

John W. Pearson, a director of the Company, owned an aggregate of 60,000 stock options held directly, each of which is exercisable into one Share, of which 25,000 are exercisable at a price of \$1.00 per Share until April 5, 2020 and 35,000 are exercisable at a price of \$0.50 per Share until June 28, 2020.

Daniel Buffone, a director of the Company, owned an aggregate of 65,000 stock options held directly, each of which is exercisable into one Share, of which 5,000 are exercisable at a price of \$1.00 per Share until April 5, 2020 and 60,000 are exercisable at a price of \$0.50 per Share until June 28, 2020.

Michael Sweatman, a director of the Company, owned an aggregate of 60,000 stock options held directly, each of which is exercisable into one Share, exercisable at a price of \$0.50 per Share until June 28, 2020.

Roger Foster, the former CFO of the Company, did not own any compensation securities.

All of the numbers of options and exercise prices set out above have been adjusted to reflect a 2 for 1 consolidation of the issued and outstanding Shares that occurred on January 22, 2018.

Stock Option Plans and Other Incentive Plans

The Company's current stock option plan (the "Plan") is a "rolling" stock option plan, whereby the aggregate number of Shares reserved for issuance, together with any other Shares reserved for issuance under any other plan or agreement of the Company, shall not exceed ten (10%) percent of the total number of issued Shares (calculated on a non-diluted basis) at the time an option is granted. The Plan provides that the Board may, from time to time, in its discretion, grant to directors, officers, employees, consultants and other personnel of the Company and its subsidiaries or affiliates, options to purchase Shares. As at November 13, 2018, there were 2,685,000 options outstanding under the Plan, after giving effect to a 2 for 1 consolidation of the issued and outstanding Shares that occurred on January 22, 2018. The Company's shareholders ratified the Plan at the Company's annual general and special meeting held on November 30, 2017.

For additional details regarding the terms of the Plan, see below under the heading "Ratification of Stock Option Plan".

Employment, Consulting and Management Agreements

Except as disclosed below, the Company or any subsidiary thereof has not entered into any agreement or arrangement under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the Company or any of its subsidiaries that were (a) performed by a director or NEO, or (b) performed by any other party but are services typically provided by a director or a NEO.

Effective October 6, 2017, the Company entered into a consulting agreement with 1053345 B.C. Ltd., a consulting company owned by Robert Abenante, pursuant to which Mr. Abenante agreed to provide services as CEO and President of the Company and provide advice and recommendations regarding the Company's overall business strategy and future direction for a consulting fee of \$120,000 per year, plus applicable GST (the "Base Consulting Fee"). The Base Consulting Fee shall be accrued and shall be

payable as follows: (i) commencing upon closing of an equity financing of not less than \$500,000, the Base Consulting Fee shall be paid as to \$5,000 plus GST in cash on the end of each month, and the remainder of the Base Consulting Fee shall be accrued; and (ii) once the Company's working capital exceeds \$2,000,000, Mr. Abenante has the option of receiving the unpaid and accrued Base Consulting Fee in an immediate cash payment and the future monthly instalments of the Base Consulting Fee in cash each month, payable by the Company to Mr. Abenante by way of a company cheque, certified cheque or bank transfer, and the remainder shall be accrued. The Company will pay Mr. Abenante a signing bonus of \$100,000 which signing bonus will be payable within five (5) days after the closing of an equity financing of not less than \$850,000. As additional consideration for the services provided by Mr. Abenante during the term of engagement, Mr. Abenante shall be entitled to receive bonuses from time to time based on Mr. Abenante's performance during the term of which, if any, shall be determined by the Board (or a committee of the Board) in its sole discretion. In addition to the Base Consulting Fee, Mr. Abenante is entitled to receive up to a maximum of 2,000,000 Shares (the "**Performance Shares**"), which Performance Shares shall be released to Mr. Abenante upon achievement of the milestones set out below:

Description of Milestone	Amount of Milestone Bonus
Performance Shares	2,000,000 common shares to be held in escrow.
San Roque JV or Development Program	<p>On Board and TSXV approved deal for San Roque, the following common shares are to be released:</p> <ul style="list-style-type: none"> A JV agreement with a third party - 250,000 common shares A funded drill campaign of at least \$500,000 - 250,000 common shares A funded drill campaign of at least \$1,000,000 - 350,000 common shares A funded drill campaign of at least \$2,000,000 - 500,000 common shares
San Roque 43-101	500,000 common shares are to be released on the successful completion of a 43-101 which defines a resource of at least 500,000 oz of precious metals for San Roque.
Punta Colorado Revenue Generation	750,000 common shares are to be released when limestone sales contracts which exceed \$1,000,000 per annum are signed and approved by the Board.
El Carmen JV or Sale	250,000 common shares are to be released on the Board and TSXV approved deal for El Carmen.
Completion of a 43-101 other than San Roque	250,000 common shares are to be released for each 43-101 report containing a reserve equal to 200,000 oz Au eq in M&I category or 400,000 oz Au eq. in inferred category at an average of at least 0.2 g/t Au.
Completion of a 43-101 Punta Colorada	125,000 common shares are to be released for a 43-101 report evidencing a mineral deposit.
Completion of a 43-101 Las Aguilas	125,000 common shares are to be released for a 43-101 report evidencing a mineral deposit.

Description of Milestone	Amount of Milestone Bonus
Market Capitalization	750,000 common shares are to be released when the Company's market capitalization meets or exceeds \$20,000,000 CAD for at least 3 consecutive trading days.
Acquisition of new assets value in excess of \$1,500,000	750,000 common shares are to be released on each Board and TSXV approved acquisition which is equal or greater than \$1,500,000 that's valued by a independent licensed and registered engineer or CBV as applicable.
Transaction with transaction value in excess of 2,500,000	750,000 common shares are to be released on the Board and TSXV approved transaction which is valued at \$2,500,000 or greater.
Capital Raise	100,000 common shares are to be released when aggregate funds raised under the Consultant exceed \$750,000.
Capital Raise	750,000 common shares are to be released when aggregate funds raised under the Consultant exceed \$3,000,000.
Time	A maximum of 1,500,000 common shares are to be released per year unless this Agreement is terminated by the Company in which case all common shares vested by achieving other milestones are to be immediately released.

The Board acting reasonably and in good faith shall determine if any milestones have been achieved and cause the applicable Performance Shares to be released to Mr. Abenante as soon as reasonably practicable after the relevant milestone has been achieved. The Performance Shares shall be held in escrow by the Company and released upon achievement of the relevant milestone. Mr. Abenante shall provide the Company with such number of undated and executed medallion guaranteed stock powers of attorney as specified by the Company to facilitate the cancellation of any of the Performance Shares that have not been released by Mr. Abenante.

The term of the consulting agreement is for a period of two years and shall be automatically renewed for additional one year terms unless notice of non-renewal is given by either party no less than 30 days prior to the end of the term.

Effective October 6, 2017, the Company entered into a consulting agreement with R.R. Walters Consulting, a consulting company owned by Richard Walters, pursuant to which Mr. Walters agreed to provide services as Executive Vice-President of the Company and provide advice and recommendations regarding the Company's overall business strategy and future direction for a consulting fee of \$500 per work day of ten hours and exclusive of any taxation credits (the "**Base Consulting Fee**"). In addition to the Base Consulting Fee, Mr. Walters will be entitled to cash bonuses of up to a maximum of \$188,000 upon the achievement of the following milestones:

Description of Milestone	Amount of Milestone Bonus
San Roque JV or Development Program	<p>On Board and TSXV approved deal for San Roque, the following common shares are to be released:</p> <ul style="list-style-type: none"> A JV agreement with a third party - \$10,000 A funded drill campaign of at least \$500,000 - \$10,000 A funded drill campaign of at least \$1,000,000 - \$14,000 A funded drill campaign of at least \$2,000,000 - \$20,000
San Roque 43-101	\$20,000 is to be paid on the successful completion of a 43-101 which defines a resource of at least 500,000 oz Au eq of precious metals for San Roque.
El Carmen JV or Sale	\$10,000 is to be paid on completion of a Board and TSXV approved deal for El Carmen.
Completion of a 43-101 other than San Roque	\$20,000 is to be paid for each 43-101 report containing a reserve equal to 200,000 oz Au eq in M&I category or 400,000 oz Au eq. in inferred category at an average of at least 0.2 g/t Au.
Market Capitalization	\$15,000 is to be paid when the Company's average market capitalization for a period of twenty trading days is or exceeds \$20,000,000 CAD, where the Company's daily "market capitalization" is calculated as (i) the closing price on such date of the Company's common shares on the principal market on which they are then listed, multiplied by (ii) the number of common shares outstanding on such date.
Acquisition of new assets value in excess of \$1,200,000	\$15,000 is to be paid on each Board and TSXV approved acquisition which is equal or greater than \$1,200,000 that's valued by a independent licensed and registered engineer or CBV as applicable.
Transaction with transaction value in excess of \$2,000,000	\$15,000 is to be paid on each Board and TSXV approved transaction which is valued at \$2,000,000 or greater. This refers to an acquisition transaction respecting greater than \$2M in consideration.
Capital Raise	\$4,000 is to be paid when aggregate funds raised under the Consultant exceed \$750,000.
Capital Raise	\$15,000 is to be paid when aggregate funds raised under the Consultant exceed \$3,000,000.

The term of the consulting agreement is for a period of two years and shall be automatically renewed for additional one year terms unless notice of non-renewal is given by either party no less than 30 days prior to the end of the term.

Oversight and Description of Director and NEO Compensation

The overall objective of the Company’s compensation strategy is to offer short-term, medium-term and long-term compensation components to ensure that the Company has in place programs to attract, retain and develop management of the highest caliber and has in place a process to provide for the orderly succession of management, including receipt on an annual basis of any recommendations of the CEO, if any, in this regard. The Company currently has short-term, medium-term and long-term compensation components in place, and intends to further develop these compensation components. The objectives of the Company’s compensation policies and procedures are to align the interests of the Company’s employees with the interests of the Shareholders.

The Company has a Compensation Committee comprised of John W. Pearson, Greg Burnett and Michael Sweatman. Michael Sweatman is the chair of the Compensation Committee. All tasks related to developing and monitoring the Company’s approach to the compensation of officers of the Company are performed by the members of this committee in consultation with the Board. The compensation of the NEOs and the Company’s employees are reviewed, recommended and approved by this committee in consultation with the Board.

Compensation to NEOs may include a base salary that constitutes the Company’s short-term compensation component. Such salary takes into account his or her existing professional qualifications and experience. The NEOs’ performances and salaries are to be reviewed periodically on the anniversary of their employment with the Company. Increases in salary are to be evaluated on an individual basis and are performance and market-based.

The Company may also grant stock options to NEOs to satisfy the long-term compensation component. The Board may also award bonuses to its NEOs. The amount and award of such bonuses is discretionary, depending on, among other factors, the financial performance of the Company and the position of a NEO.

During the financial year ended December 31, 2017, the Company accrued consulting fees as set out above under the heading “Director and Named Executive Officer Compensation, excluding Compensation Securities”.

Pension Plan Benefits

The Company does not have any pension, defined benefit, defined contribution or deferred compensation plans in place.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth details of the Plan, being the Company’s only equity compensation plan, as of December 31, 2017. The Plan was most recently ratified and approved by the Shareholders at its last annual general and special meeting on November 30, 2017.

Plan Category	Number of shares to be issued upon exercise of outstanding options ⁽¹⁾	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) ⁽²⁾
Equity compensation plans approved by shareholders	485,000 ⁽³⁾	\$0.59 ⁽³⁾	837,087 ⁽³⁾

Plan Category	Number of shares to be issued upon exercise of outstanding options ⁽¹⁾	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) ⁽²⁾
Equity compensation plans not approved by shareholders	Nil	N/A	N/A
Total	485,000	\$0.59	837,087

(1) The Company does not have any warrants or rights outstanding under any equity compensation plans.

(2) The Plan is a rolling stock option plan under which the Company can issue such number of options as is equal to 10% of the Company's issued and outstanding Shares from time to time. As of November 13, 2018, there were 44,168,290 Shares outstanding and the Company could issue up to 1,731,829 options to acquire Shares on such date.

(3) Shares and dollar amounts have been adjusted to reflect a 2 for 1 share consolidation, which occurred on January 22, 2018.

A copy of the Plan is also available for review at the office of the Company, at Suite 1200 – 625 Howe Street, Vancouver, British Columbia V6C 2T6, during normal business hours up to and including the date of the Meeting.

See "Particulars Of Matters To Be Acted Upon – Ratification of Stock Option Plan", below.

APPOINTMENT OF AUDITOR

At the Meeting, Shareholders will be asked to pass an ordinary resolution to appoint Dale Matheson Carr-Hilton LaBonte LLP, Chartered Professional Accountants as auditors of the Company for the fiscal year ending December 31, 2018, and to authorize the directors of the Company to fix the remuneration to be to be paid to the auditors for the fiscal year ending December 31, 2018. An ordinary resolution needs to be passed by a simple majority of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting. Dale Matheson Carr-Hilton LaBonte LLP, Chartered Professional Accountants, were appointed as the auditors of the Company on March 6, 2018.

The Board terminated the engagement of Manning Elliott, Chartered Professional Accountants ("**Manning Elliott**"), the previous auditor of the Company, effective March 6, 2018. Pursuant to Section 204(4) of the *Business Corporations Act* (British Columbia), the Board is entitled to fill any causal vacancy in the office of auditor. Effective March 6, 2018, the Board appointed DMCL to the position of auditor for the Company until the Meeting. Attached as Schedule "A" to this Information Circular is a reporting package consisting of: (a) a Notice of Change of Auditor and (b) letters addressed to certain securities regulators from DMCL and Manning Elliot with respect to the change of auditor.

Management recommends that Shareholders vote for the appointment of Dale Matheson Carr-Hilton LaBonte LLP, Chartered Professional Accountants as the Company's auditors for the Company's fiscal year ending December 31, 2018 and the authorization of the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending December 31, 2018.

AUDIT COMMITTEE DISCLOSURE

Under National Instrument 52-110 *Audit Committees* (“NI 52-110”), a reporting issuer is required to provide disclosure annually with respect to its audit committee, including the text of its audit committee charter, information regarding composition of the audit committee, and information regarding fees paid to its external auditor. The Company provides the following disclosure with respect to its audit committee (the “**Audit Committee**”):

The Audit Committee Charter

The full text of the Company’s audit committee charter (the “**Audit Committee Charter**”) is attached as Schedule “A” hereto.

Composition of the Audit Committee

The Company’s Audit Committee is comprised of three directors consisting of Greg Burnett, John W. Pearson and Michael Sweatman. As defined in NI 52-110, Messrs. Burnett, Pearson and Sweatman are independent. All of the Audit Committee members are “financially literate”, as defined in NI 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as the understanding of internal controls and procedures necessary for financial reporting.

The Audit Committee is responsible for review of both interim and annual financial statements for the Company. For the purposes of performing their duties, the members of the Audit Committee have the right, at all times, to inspect all the books and financial records of the Company and any subsidiaries and to discuss with management and the external auditors of the Company any accounts, records and matters relating to the financial statements of the Company. The Audit Committee members meet periodically with management and annually with the external auditors.

Relevant Education and Experience

The following sets out the education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member and that provides each member with: (i) an understanding of the accounting principles used by the Company to prepare its financial statements; (ii) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions, (iii) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company’s financial statements, or experience actively supervising one or more individuals engaged in such activities; and (iv) an understanding of internal controls and procedures for financial reporting:

Mr. Greg Burnett

Mr. Burnett is a director of the Company. Mr. Burnett has more than 20 years of diversified business experience in corporate finance and administration. Since 1989, he has been President and principal shareholder of Carob Management Ltd., a private management consulting company based in Vancouver, British Columbia specializing in the structuring, financing and management of venture capital projects, primarily in the public market arena. Mr. Burnett presently services on the board of directors of Garibaldi Resources Corp., a junior gold exploration company focusing on projects in British Columbia and Mexico and Wolverine Minerals Corp., a company engaged in the acquisition, exploration and development of mineral properties located in Yukon and Mexico. Mr. Burnett holds a Master of Business Administration

degree (1986) and a Bachelor of Applied Sciences degree in Civil Engineering (1984) from the University of British Columbia.

Mr. John W. Pearson

John Pearson is a director of the Company. Mr. Pearson holds a Honours B.Sc. in Geology (1981) from Lakehead University and has taken a number of financial courses through the National Investor Relations Institute and the Canadian Investor Relations Institute, as well as having completed the Canadian Securities Course. Mr. Pearson has more than 30 years' experience in the natural resources industry. For the past 25 years he has worked directly as an Investor Relations Executive with mining companies writing annual reports, prospectuses, quarterly reports, news releases including the MD&A and financial statements. Since September 2006, he has been Vice President Investor Relations of Centerra Gold Inc., the largest western-based gold producer in Central Asia. Previously he worked from February 2001 through August 2006 as the investor relations representative for Stillwater Mining Company, the only North American primary PGM producer. Prior to that from 1987 through 2000 he held increasingly senior investor relations roles with SouthernEra Resources, Pegasus Gold Inc., LAC Minerals Ltd. and Canamax Resources Ltd.

Mr. Michael Sweatman

Mr. Sweatman is a Chartered Professional Accountant and operates MDS Management Ltd., a Vancouver based management consulting company since November 1992. In addition, Mr. Sweatman serves on a number of Boards of reporting companies. He is a director of Nevada Sunrise Gold Corp. and Eureka Resources, Inc. He has served and does serve as Chair of several Audit Committees, Compensation Committees and Special Committees of Boards over the past 25 years. He obtained his CA designation in 1982 and is a member of the Institutes of Chartered Professional Accountants of British Columbia and the Yukon Territory. He obtained his Bachelor of Arts degree in Economics and Commerce from Simon Fraser University in Burnaby, British Columbia in 1982.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions in Sections 2.4, 6.1.1(4), 6.1.1(5) or Part 8 of NI 52-110. Section 2.4 (*De Minimis Non-audit Services*) provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the financial year in which the non-audit services were provided. Sections 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), 6.1.1(5) (*Events Outside Control of Member*) and 6.1.1(6) (*Death, Incapacity or Resignation*) provide exemptions from the requirement that a majority of the members of the Company's Audit Committee must not be executive officers, employees or control persons of the Company or of an affiliate of the Company. Part 8 (*Exemptions*) permits a company to apply to a securities regulatory authority or regulator for an exemption from the requirements of National Instrument 52-110 in whole or in part.

Pre-Approval Policies and Procedures

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by, as applicable, the Board and the Audit Committee, on a case-by-case basis.

External Auditor Service Fees

In the following table, “audit fees” are fees billed by the Company’s external auditor for services provided in auditing the Company’s annual financial statements for the subject year. “Audit-related fees” are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit review of the Company’s financial statements. “Tax fees” are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. “All other fees” are fees billed by the auditor for products and services not included in the foregoing categories.

The aggregate fees billed by the Company’s external auditor in the last two fiscal years, by category, are as follows:

Year Ended December 31	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
2017	\$17,340	Nil	Nil	\$2,500
2016	\$35,000	Nil	\$3,750	Nil

Exemption

The Company is relying on the exemption provided by section 6.1 of National Instrument 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of National Instrument 52-110.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No current or former director, executive officer, proposed nominee for election to the Board, or associate of such persons is, or at any time since the beginning of the Company’s most recently completed financial year has been, indebted to the Company or any of its subsidiaries.

No indebtedness of current or former director, executive officer, proposed nominee for election to the Board, or associate of such person 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.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein, no: (a) director, proposed director or executive officer of the Company; (b) person or company who beneficially owns, directly or indirectly, Shares or who exercises control or direction of Shares, or a combination of both, carrying more than ten percent of the voting rights attached to the Shares outstanding (an “Insider”); (c) director or executive officer of an Insider; or (d) associate or affiliate of any of the directors, executive officers or Insiders, 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 has materially affected or would materially affect the Company, except with an interest arising from the ownership of Shares where such

person or company will receive no extra or special benefit or advantage not shared on a pro rata basis by all holders of the same class of Shares.

MANAGEMENT CONTRACTS

There were no management functions of the Company, which were, to any substantial degree, performed by a person other than the directors or executive officers of the Company, except as otherwise described in this Information Circular.

CORPORATE GOVERNANCE

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices*, the Company is required to disclose its corporate governance practices as follows:

Board of Directors

The Board facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board.

John Hite, Greg Burnett, John W. Pearson, Michael Sweatman and Daniel Buffone are "independent" in that each are independent and free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act with the best interests of the Company, other than the interests and relationships arising from being shareholders of the Company. Rob Abenante is the CEO and President of the Company.

Directorships

Certain directors of the Company are currently also directors of other reporting issuers, as described in the table below:

Name of Director of the Company	Names of Other Reporting Issuers
Robert Abenante	Abattis Bioceuticals Corp. Cryptobloc Technologies Corp.
John Hite	None
Greg Burnett	Garibaldi Resources Corp. Aloro Mining Corp.
Richard Walters	None
John W. Pearson	None
Michael Sweatman	Nevada Sunrise Gold Corporation
Daniel Buffone	None

Orientation and Continuing Education

The Board briefs all new directors with respect to the policies of the Board and other relevant corporate and business information. The Board does not provide any continuing education.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Nomination of Directors

The Company does not have a formal process or committee for proposing new nominees for election to the Board. The nominees proposed are generally the result of recruitment efforts by the members of the Board, including both formal and informal discussions among the members of the Board.

Compensation

The Compensation Committee conducts reviews with regard to the compensation of the directors and the CEO once a year. The Compensation Committee makes its recommendations to the Board, which has the authority on such compensation by considering the nature of the services provided by the respective directors and the CEO. The Governance and Compensation Committee currently consists of John W. Pearson, Greg Burnett and Michael Sweatman, all of whom are considered independent.

Other Board Committees

The Board has no other committees other than the Audit Committee.

Assessments

The Board regularly monitors the adequacy of information given to directors, communications between the Board and management and the strategic direction and processes of the Board and its committees.

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

Except as disclosed elsewhere in this Information Circular, no director or executive officer of the Company who was a director or executive officer since the beginning of the Company's last financial year, no proposed nominee for election as a director of the Company, nor any associate or affiliates of any such directors, officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of Shares or other securities in the Company or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors and the grant of options which may be granted to such persons upon the approval of the Stock Option Plan, as further discussed below.

Directors, executive officers, proposed nominees for election as director of the Company may be interested in the approval of the Company's stock option plan, pursuant to which they may be granted stock options. See "Particulars of Matters to be Acted Upon - Ratification of Stock Option Plan", below, for more information.

PARTICULARS OF MATTERS TO BE ACTED UPON

Ratification of Stock Option Plan

The Plan is a "rolling" stock option plan, whereby the maximum number of Shares that may be reserved for issuance pursuant to the exercise of options is 10% of the issued shares of the Company and, as such,

will increase with the issue of additional shares of the Company. The TSX Venture Exchange (the “Exchange”) requires listed companies that have a “rolling” stock option plan in place to receive shareholder approval of such plan on a yearly basis at the company’s annual meeting. Accordingly, shareholders of the Company will be asked at the Meeting to ratify and approve the Plan. The Plan complies with the current policies of Exchange for Tier 2 issuers.

The purpose of the Plan is to advance the interests of the Company and its shareholders by attracting, retaining and motivating selected directors, officers, employees, consultants and management company employees of the Company of high caliber and potential, and to encourage and enable such persons to acquire an ownership interest in the Company.

The following information is intended as a brief description of the Plan and is qualified in its entirety by the full text of the Plan, which is available for review at the office of the Company, at Suite 1200 – 625 Howe Street, Vancouver, British Columbia V6C 2T6:

1. the Stock Option Plan reserves, for issuance pursuant to the exercise of stock options, a maximum number of common shares of the Company equal to up to a maximum of 10% of the issued common shares of the Company at the time of any stock option grant;
2. the aggregate number of options granted to any one Person (and companies wholly owned by that Person) in a 12 month period must not exceed 5% of the issued common shares of the Company calculated on the date an option is granted to the Person (unless the Company has obtained the requisite Disinterested Shareholder Approval);
3. the aggregate number of options granted to any one Consultant in a 12 month period must not exceed 2% of the issued common shares of the Company, calculated at the date an option is granted to the Consultant;
4. the aggregate number of options granted to all Persons retained to provide Investor Relations Activities must not exceed 2% of the issued shares of the Company in any 12 month period, calculated at the date an option is granted to any such Person;
5. options issued to Persons retained to provide Investor Relations Activities must vest in stages over a period of not less than 12 months with no more than 1/4 of the options vesting in any 3 month period;
6. the minimum exercise price per common share of a stock option must not be less than the Discounted Market Price of the common shares of the Company, subject to a minimum exercise price of \$0.05;
7. options can be exercisable for a maximum of 10 years from the date of grant;
8. if an optionee providing investor relations services to the Company ceases to be an eligible participant under the Stock Option Plan, that optionee's outstanding options will terminate on the earlier of the applicable expiry date and the date that is 30 days from such event unless extended by the board at its discretion;
9. if an optionee other than an optionee providing investor relation services to the Company ceases to be an eligible participant under the Stock Option Plan, that optionee's outstanding options will terminate on the earlier of the applicable expiry date and the date that is 90 days from such an event unless extended by the board at its discretion;

10. all options are non-assignable and non-transferable; and
11. the Stock Option Plan contains provisions for adjustment in the number of common shares or other property issuable on exercise of a stock option in the event of a share consolidation, split, reclassification or other capital reorganization, or a stock dividend, amalgamation, merger or other relevant corporate transaction, or any other relevant change in or event affecting the common shares.

The Plan provides that other terms and conditions may be attached to a particular stock option grant at the discretion of the Board;

As of November 13, 2018, there were 2,685,000 stock options outstanding, after giving effect to a 2 for 1 consolidation of the issued and outstanding Shares that occurred on January 22, 2018.

Upon request, the Company will promptly provide a copy of the Plan free of charge to a Shareholder. A Shareholder may contact the Company at its office at Suite 1200 – 625 Howe Street, Vancouver, British Columbia V6C 2T6, to request a copy.

At the Meeting, Shareholders will be asked to approve the following ordinary resolution (the “**Plan Resolution**”), which must be approved by at least a majority of the votes cast by Shareholders represented in person or by proxy at the Meeting who vote in respect of the Plan Resolution:

“BE IT RESOLVED, AS AN ORDINARY RESOLUTION THAT:

1. The Company’s Stock Option Plan (the “**Plan**”) described in the Company’s information circular dated November 19, 2018, including the reservation for issuance under the Plan at any time of a maximum of 10% of the issued common shares of the Company, be and is hereby ratified, confirmed and approved, subject to the acceptance of the Plan by the TSX Venture Exchange (the “**Exchange**”);
2. The Board be authorized in its absolute discretion to administer the Plan and amend or modify the Plan in accordance with its terms and conditions and with the policies of the Exchange; and
3. Any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver, under the corporate seal of the Company or otherwise, all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to the foregoing resolutions, including, without limitation, making any changes to the Plan required by the Exchange or applicable securities regulatory authorities and to complete all transactions in connection with the administration of the Plan.”

The form of the Plan Resolution set forth above is subject to such amendments as management may propose at the Meeting, but which do not materially affect the substance of the Plan Resolution.

Management of the Company recommends that Shareholders vote in favour of the Plan Resolution at the Meeting.

ADDITIONAL INFORMATION

Shareholders may contact the Company at its office by mail at Suite 1200 – 625 Howe Street, Vancouver, British Columbia V6C 2T6, to request copies of the Company’s financial statements and related

Management's Discussion and Analysis (the "MD&A"). Financial information is provided in the Company's audited financial statements and MD&A for the most recently completed financial year and in the financial statements and MD&A for subsequent financial periods, which are available on SEDAR.

OTHER MATTERS

Other than the above, management of the Company know of no other matters to come before the Meeting other than those referred to in the Notice. If any other matters that are not currently known to management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the Designated Persons named therein to vote on such matters in accordance with their best judgment.

APPROVAL OF THE BOARD OF DIRECTORS

The contents of this Information Circular have been approved, and the delivery of it to each shareholder of the Company entitled thereto and to the appropriate regulatory agencies has been authorized, by the Board.

Dated at Vancouver, British Columbia this 19th day of November, 2018.

ON BEHALF OF THE BOARD OF DIRECTORS OF

MARIFIL MINES LIMITED

"Robert Abenante"

Robert Abenante
President, Chief Executive Officer
and Director

SCHEDULE "A"

MARIFIL MINES LIMITED AUDIT COMMITTEE CHARTER

ITEM 1: THE AUDIT COMMITTEE'S CHARTER

PURPOSE

The overall purpose of the Audit Committee (the "**Committee**") of Marifil Mines Limited (the "**Company**") 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 and related financial disclosure 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 financial information. It is the intention of the Board that through the involvement of the Committee, the external audit will be conducted independently of the Company's Management to ensure that the independent auditors serve the interests of Shareholders rather than the interests of Management of the Company. The Committee will act as a liaison to provide better communication between the Board and the external auditors. The Committee will monitor the independence and performance of the Company's independent auditors.

COMPOSITION, PROCEDURES AND ORGANIZATION

1. The Committee shall consist of at least three members of the Board of Directors (the "**Board**").
2. At least two (2) members of the Committee shall be independent and the Committee shall endeavour to appoint a majority of independent directors to the Committee, who in the opinion of the Board, would be free from a relationship which would interfere with the exercise of the Committee members' independent judgment. At least one (1) 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 applicable to the Company. For the purposes of this Charter, an individual is financially literate if he or she has 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.
3. All of the members of the Committee shall be "financially literate".
4. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
5. Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair and a secretary from among their number.
6. The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.

7. The Committee shall have access to such officers and employees of the Company and to the Company's external auditors, and to such information respecting the Company, as it considers to be necessary or advisable in order to perform its duties and responsibilities.
8. Meetings of the Committee shall be conducted as follows:
 - (a) the Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;
 - (b) the external auditors shall receive notice of and have the right to attend all meetings of the Committee;
 - (c) management representatives may be invited to attend all meetings except private sessions with the external auditors; and
 - (d) the proceedings of all meetings will be minuted.
9. The internal auditors and the external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Company as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.
10. Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee on ceasing to be a director. The Board may fill vacancies on the Committee by election from among its number. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all of its powers so long as a quorum remains in office. Subject to the above, each member of the Committee shall hold office as such until the next Annual General Meeting of the Shareholders after his/her election.
11. The members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board may from time to time determine.

ROLES AND RESPONSIBILITIES

1. The overall duties and responsibilities of the Committee shall be as follows:
 - (a) to assist the Board in the discharge of its responsibilities relating to the Company's accounting principles, reporting practices and internal controls and its approval of the Company's annual and quarterly consolidated financial statements and related financial disclosure;
 - (b) to establish and maintain a direct line of communication with the Company's internal and external auditors and assess their performance;
 - (c) to ensure that the management of the Company has designed, implemented and is maintaining an effective system of internal financial controls; and
 - (d) to report regularly to the Board on the fulfilment of its duties and responsibilities.

2. The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:
 - (a) to recommend to the Board a firm of external auditors to be engaged by the Company, and to verify the independence of such external auditors;
 - (b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;
 - (c) review the audit plan of the external auditors prior to the commencement of the audit;
 - (d) approve in advance provision by the external auditors of services other than auditing;
 - (e) to review with the external auditors, upon completion of their audit:
 - (i) contents of their report;
 - (ii) scope and quality of the audit work performed;
 - (iii) adequacy of the Company's financial and auditing personnel;
 - (iv) co-operation received from the Company's personnel during the audit;
 - (v) internal resources used;
 - (vi) significant transactions outside of the normal business of the Company;
 - (vii) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
 - (viii) the non-audit services provided by the external auditors;
 - (f) to discuss with the external auditors the quality and not just the acceptability of the Company's accounting principles;
 - (g) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management; and
 - (h) review any significant disagreements between management and the external auditor regarding financial reporting.

3. The duties and responsibilities of the Committee as they relate to the Company's internal auditors are to:
 - (a) periodically review the internal audit function with respect to the organization, staffing and effectiveness of the internal audit department;
 - (b) review and approve the internal audit plan; and
 - (c) review significant internal audit findings and recommendations, and management's response thereto.

4. The duties and responsibilities of the Committee as they relate to the internal control procedures of the Company are to:
 - (a) review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;
 - (b) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and
 - (c) periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.

5. The Committee is also charged with the responsibility to:
 - (a) review the Company's quarterly statements of earnings, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto;
 - (b) review and approve the financial sections of:
 - (i) the annual report to Shareholders;
 - (ii) the annual information form, if required;
 - (iii) annual and interim MD&A;
 - (iv) prospectuses;
 - (v) news releases discussing financial results of the Company; and
 - (vi) other public reports of a financial nature requiring approval by the Board,and report to the Board with respect thereto;
 - (c) review regulatory filings and decisions as they relate to the Company's consolidated financial statements;
 - (d) review the appropriateness of the policies and procedures used in the preparation of the Company's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;
 - (e) review and report on the integrity of the Company's consolidated financial statements;
 - (f) establish procedure for:
 - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and

- (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;
 - (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 and recommend updates to the charter and receive approval of changes from the Board;
 - (i) review the minutes of any audit committee meeting of subsidiary companies;
 - (j) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Company and the manner in which such matters have been disclosed in the consolidated financial statements;
 - (k) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and
 - (l) perform other functions as requested by the full Board.
6. The Committee shall have the authority:
- (a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,
 - (b) to set and pay the compensation for any advisors employed by the Committee; and
 - (c) to communicate directly with the internal and external auditors.