

N E T W O R K

Media Group Inc.

**NOTICE AND
MANAGEMENT INFORMATION CIRCULAR**

**FOR THE ANNUAL GENERAL
MEETING OF SHAREHOLDERS
JUNE 27, 2017**

DATED MAY 23, 2017

NETWORK MEDIA GROUP INC.
1488 Frances Street, Vancouver, British Columbia, Canada V5L 1Y9
Tel: (604) 739-8825 /Fax: (604) 909-2895

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual General Meeting (the “**Meeting**”) of NETWORK MEDIA GROUP INC. (the “**Company**” or “**Network**”) will be held at the Company’s offices located at 1488 Frances Street, Vancouver, BC, V5L 1Y9, on Tuesday, June 27, 2017, at 11:00 a.m. (Pacific Standard Time) for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company for its financial year ended November 30, 2016, together with the report of the auditor thereon;
2. To fix the number of Directors to be elected at six (6);
3. To elect directors of the Company;
4. To re-appoint Wolrige Mahon LLP as auditors of the Company for the ensuing year at a remuneration to be fixed by the board of directors; and
5. To transact such other proper business as may come before the Meeting or any adjournment or postponement thereof.

The Company’s Board of Directors has fixed May 23, 2017, 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.

Accompanying this Notice of Annual General Meeting are: (a) the Management Information Circular, which provides additional information relating to the matters to be dealt with at the Meeting; and (b) a form of Proxy (“Proxy”) or Voting Instruction Form (“VIF”). Please note, shareholders who wish to receive the Company’s future annual and/or interim financial statements and management’s discussion and analysis thereon, must “opt-in” to receive these materials by selecting the box contained on the enclosed Proxy or VIF.

Shareholders who cannot attend the Meeting in person may vote by proxy if a registered shareholder or by providing voting instructions if a non-registered shareholder. Instructions for voting in both manners are included in the accompanying Management Information Circular, the form of Proxy and/or VIF.

To be valid, Proxies and VIFs must be received by Computershare Investor Services Inc., the Company’s transfer agent (“Computershare”), at 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 by 11:00 a.m. PST on June 25, 2017.

If you a non-objecting non-registered shareholder, and receive a VIF from Computershare, please complete and return the form in accordance with the instructions, otherwise you may lose your right to vote at the Meeting.

If you are an objecting non-registered shareholder and receive these materials through your broker or another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or such other intermediary, otherwise you may lose you right to vote at the Meeting.

DATED at Vancouver, British Columbia, this 23rd day of May, 2017.

By Order of the Board of Directors
of Network Media Group Inc.

(signed) “*Derik A. Murray*”

DERIK MURRAY
Chief Executive Officer

NETWORK MEDIA GROUP INC.

MANAGEMENT INFORMATION CIRCULAR

as at May 23, 2017

INFORMATION CONTAINED IN THIS CIRCULAR

The information contained in this Management Information Circular (the “**Circular**”) is given as at May 23, 2017 (the “**Record Date**”), except where otherwise noted. No person has been authorized to give any information or to make any representation in connection with the matters described herein other than those contained in this Circular and, if given or made, any such information or representation should be considered not to have been authorized by the Company. This Circular does not constitute the solicitation of a proxy by any person 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 any person to whom it is unlawful to make such solicitation. Information contained in this Circular should not be construed as legal, tax or financial advice and shareholders are urged to consult their own profession advisors in connection therewith.

VOTING

PROXY SOLICITATION

This Circular is furnished in connection with the solicitation of proxies by or on behalf of management of NETWORK MEDIA GROUP INC. (the “**Company**” or “**Network**”) for use at the Annual General Meeting (the “**Meeting**”) of the holders of common shares (the “**Common Shares**”) in the capital of the Company. The Meeting will be held at the offices of the Company at 1488 Frances Street, Vancouver, British Columbia, V5L 1Y9, on June 27, 2017, at 11:00 a.m. (PST), or any postponement(s) or adjournment(s) therefore, for the purposes set forth in the accompanying Notice of Meeting.

Solicitation of proxies will be primarily by mail, but may also be undertaken by way of telephone, internet or oral communication by management of the Company. The cost of the solicitation of proxies will be borne by the Company.

HOW TO VOTE

Only registered holders of Common Shares (the “**Registered Shareholders**”), or their duly appointed proxyholders, are permitted to vote at the Meeting. Some holders of Common Shares are classified as non-registered or beneficial shareholders (the “**Beneficial Shareholders**”) because the Common Shares they own are not registered in their names but are instead registered in the name of an intermediary or nominee through which they purchased the shares (Registered Shareholders and Beneficial Shareholders are collectively referred to as “**Shareholders**”).

Shareholders who cannot attend the Meeting in person may vote: (i) if a Registered Shareholder, by completing and returning the enclosed form of proxy (the “**Proxy**”); or (ii) if a Beneficial Shareholder, by providing voting instructions in the manner as further detailed below. Either of the foregoing methods may be effected by mail, by phone or over the internet.

In order to be valid, completed Proxies and/or voting instructions must be returned to the Company’s transfer agent, Computershare Investor Services Inc. (“Computershare”), 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 (Fax: (866) 249-7775) not later than 48 hours, excluding Saturdays, Sundays and holidays, prior to the time fixed for the Meeting, or any adjournment thereof.

REGISTERED SHAREHOLDERS

- *Voting in Person*

If you are a Registered Shareholder who plans to vote in person at the Meeting, do NOT complete and return the enclosed Proxy. Instead, you will need to register with Computershare when you arrive at the Meeting and your vote will be taken and counted at the Meeting. If your Common Shares are registered in the name of a corporation, a duly authorized officer of the corporation may attend on its behalf, but documentation indicating such officer’s authority may need to be presented at the Meeting.

- *Voting by Proxy*

A Proxy returned to Computershare will not be valid unless dated and signed by the Registered Shareholder or by that shareholder’s attorney duly authorized by written instrument; or, if the shareholder is a corporation or association, the form of Proxy must be executed by an officer or by an attorney duly authorized by written instrument. If the form of Proxy is

executed by an attorney for an individual shareholder, or by an officer or attorney of a shareholder that is a corporation or association, documentation evidencing the power to execute the Proxy and signing capacity may be required.

If not dated, the Proxy will be deemed to have been dated the date the Company mailed it.

The Common Shares represented by Proxy will be voted or withheld from voting in accordance with the instructions of the Registered Shareholder on any ballot that may be called for and, if that shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. If a choice with respect to such matters is not specified, the form of Proxy confers discretionary authority upon the named proxyholder with respect to matters identified in the accompanying Notice of Meeting. It is intended that the persons designated by management in the form of Proxy will vote the shares represented by the Proxy **in favour of** each matter identified in the Proxy and **FOR** the nominees of management for directors and auditor.

The Proxy confers discretionary authority upon the named proxyholders with respect to amendments to or variations in matters identified in the accompanying Notice of Meeting and other matters which may properly come before the Meeting. As at the date of this Circular, management is not aware of any amendments, variations, or other matters to come before the Meeting other than the matters referred to in the Notice of Meeting. If such should occur, the persons designated by management will vote thereon in accordance with their best judgment, exercising discretionary authority.

- Appointment of Proxyholder

A Registered Shareholder of the Company has the right to designate a person (who need not be a shareholder of the Company) to attend and act for that Registered Shareholder at the Meeting.

If you are a Registered Shareholder and returning your Proxy to Computershare, such right may be exercised by (i) inserting in the blank space provided in the enclosed form of Proxy the name of the person to be designated or by completing another proper form of Proxy and delivering it to Computershare in the manner as provided above, or (ii) if you are using the internet, you may designate another proxyholder by following the instructions on the Computershare website.

If you appoint a proxyholder, other than the management designees whose names are contained on the enclosed form of Proxy, that proxyholder must attend and vote at the Meeting for your vote to be counted.

- Revocation of Proxies

In addition to revocation in any other manner permitted by law, a Registered Shareholder who has submitted a Proxy may revoke it at any time insofar as it has not been exercised.

A Proxy may be revoked, as to any matter on which a vote shall not already have been cast pursuant to the authority conferred by such proxy, by instrument in writing executed by the shareholder or by his or her attorney duly authorized by written instrument or, if the shareholder is a company, by an officer or attorney thereof duly authorized by written instrument, and deposited with Computershare, at any time up to and including the last business day preceding the date of the Meeting, or with the Chairman of the Meeting on the date of the Meeting prior to the commencement of the Meeting. A Proxy may also be revoked if the shareholder personally attends the Meeting and votes his or her common shares, or in any other manner permitted by law.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

BENEFICIAL SHAREHOLDERS – Special Instructions

The following information is of significant importance to Beneficial Shareholders who do not hold Common Shares in their own name, but instead whose Common Shares are held on their behalf by, and registered in the name of, an intermediary. An “Intermediary” may include, among others, banks, trust companies or other financial institutions, securities dealers or brokers, and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans, or in the name of a clearing agency (such as The Canadian Depository of Securities Limited) of which the Intermediary is a participant.

There are two kinds of Beneficial Shareholders: those who object to their name being made known to the Company (called Objecting Beneficial Owners, or “**OBOs**”) and those who do not object to the Company knowing who they are (called Non-Objecting Beneficial Owners, or “**NOBOs**”).

In accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), the Company has elected to send the Notice of Meeting and Circular (collectively, the “**Meeting Materials**”) directly to NOBOs and indirectly, through Intermediaries, to the OBOs, unless a Beneficial Shareholder has waived the right

to receive them. The Company is not relying on the notice and access delivery procedures outlined in NI 54-101 to distribute copies of proxy-related materials in connection with the Meeting.

The Meeting Materials are being sent to both Registered Shareholders and Beneficial Shareholders of the Company. If you are a Beneficial Shareholder, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of Company securities have been obtained in accordance with applicable securities regulatory requirements from the Intermediary on your behalf. By choosing to send these materials to you directly, the Company (and not the Intermediary) has assumed responsibility for (i) delivering these materials to you and (ii) executing your proper voting instructions.

The Meeting Materials sent to NOBOs who have not waived the right to receive meeting materials are accompanied by a voting instruction form (“VIF”), instead of a Proxy form. By returning the VIF in accordance with the instructions noted on it, NOBOs are able to instruct the voting of their Common Shares.

The Intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to OBOs, unless an individual OBO has waived the right to receive them. Intermediaries will frequently use service companies to forward the Meeting Materials to OBOs. Generally, an OBO who has not waived the right to receive Meeting Materials will either:

- i) be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the OBO and must be completed, but not signed, by the OBO and deposited with Computershare Investor Services Inc.; or
- ii) more typically, be given a voting instruction form (“VIF”) which is not signed by the Intermediary, and which, when properly completed and signed by the OBO and returned to the Intermediary or its service company, will constitute voting instructions which the Intermediary must follow.

The Company will not be paying for Intermediaries to deliver Meeting Materials and related documents to OBOs (who have not otherwise waived their right to receive proxy-related materials). Accordingly, OBOs will not receive copies of the Meeting Materials and related documents unless their Intermediary assumes the costs of delivery.

VIFs, whether provided by the Company or by an Intermediary, should be completed and returned in accordance with the specific instructions noted on the VIF. Beneficial Shareholders should carefully follow the instructions set out in the VIF, including those regarding when and where the VIF should be delivered. The purpose of this procedure is to permit Beneficial Shareholders to direct the voting of the Common Shares which they beneficially own. **Should a Beneficial Shareholder who receives a VIF wish to attend the Meeting or have someone else attend on the Beneficial Shareholder’s behalf, the Beneficial Shareholder may request a legal proxy as set forth in the VIF, which will grant the Beneficial Shareholder, or their nominee, the right to attend and vote at the Meeting.**

NOTICE TO SHAREHOLDERS IN THE UNITED STATES

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States *Securities Exchange Act* of 1934, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws. The enforcement by shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia), all of its directors and its executive officers are residents of Canada and a significant portion of its assets and the assets of such persons are located outside the United States. Shareholders may not have standing to bring a claim against a foreign corporation or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign corporation and its officers and directors to subject themselves to a judgment by a United States court.

APPROVAL OF MATTERS

In order to approve a motion proposed at the Meeting, a majority of greater than one-half of the votes cast will be required unless the motion requires a special resolution, in which case a majority of not less than two-thirds of the votes cast will be required. In the event a motion proposed at the Meeting requires disinterested Shareholder approval, Common Shares held by Shareholders who are interested parties will be excluded from the count of votes cast on such motion. As at the date of this Circular there are no matters requiring disinterested Shareholder approval.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents of the Company are specifically incorporated by reference into this Circular and have been previously filed with the applicable securities regulatory authorities:

- November 30, 2016 audited year-end financial statements, the auditor’s report thereon and related management’s discussion and analysis as filed on SEDAR on March 30, 2017;
- Fixed Share Option Plan dated for reference April 28, 2016, filed on SEDAR on May 12, 2016 as Schedule A to the Company’s Management Information Circular dated May 2, 2016;
- Compensation Committee Charter filed on SEDAR on May 12, 2016 as Schedule B to the Company’s Management Information Circular dated May 2, 2016; and
- Audit Committee Charter filed on SEDAR on December 1, 2011 as Appendix “D” to the Company’s Amended and Restated Prospectus.

The Company’s November 30, 2016 audited year-end financial statements, the auditor’s report thereon and related management’s discussion and analysis will be presented at the Meeting. Copies of any document incorporated herein by reference may be obtained by a Shareholder upon request without charge from the Company at 1488 Frances Street, Vancouver, British Columbia V5L 1Y9, Tel: 604 739-8825 or via e-mail: info@networkentertainment.ca. These documents are also available on SEDAR, which can be accessed at www.sedar.com.

VOTING SHARES AND PRINCIPAL HOLDERS OF VOTING SHARES

The authorized capital of the Company consists of an unlimited number of Common Shares without par value. The Common Shares are listed and posted for trading on the TSX Venture Exchange under the symbol “NTE”. Each holder of Common Shares is entitled to one vote at the Meeting, or adjournment thereof, for each Common Share registered in their name as of the close of business on May 23, 2017 (the “Record Date”).

As of the Record Date, the Company had 55,935,370 issued and outstanding Common Shares. The Company is also authorized to issue an unlimited number of preferred shares. There are no preferred shares issued and outstanding at the date of this Circular.

To the knowledge of the Company’s directors and executive officers, the only person who beneficially owns, directly or indirectly, or exercises control or direction over, voting securities carrying more than 10% of the voting rights attached to any class of voting securities of the Company is:

Shareholder Name	Number of Common Shares Held	Percentage of Issued Common Shares
Derik A. Murray ⁽¹⁾	7,061,838	12.6%

⁽¹⁾ The above information was supplied to the Company by the Shareholder directly and from insider reports available at www.sedi.ca.

Certain corporate actions made since November 30, 2016, to the date of this Circular include the resignation of Sandra Lim as a director of the Company effective April 3, 2017.

THE BUSINESS OF THE MEETING

1. FINANCIAL STATEMENTS

The audited annual consolidated financial statements of the Company for the year ended November 30, 2016, with related Management Discussion and Analysis and the report of the auditor over that period, will be presented and made available at the Meeting. These documents are also available on SEDAR at www.sedar.com under the Company's profile. Additional information relating to these documents may be obtained by a shareholder upon request without charge from the Company at 1488 Frances Street, Vancouver, British Columbia V5L 1Y9; by telephone: (604) 739-8825; or via e-mail at: info@networkentertainment.ca.

2. ELECTION OF DIRECTORS

(i) Fix Number of Directors

Directors of the Company are elected for a term of one year. The term of office of each of the nominees proposed for election as a director will expire at the Meeting, and each of them, if elected, will serve until the close of the next annual general meeting, unless he or she resigns or otherwise vacates office before that time. Under the Company's Articles and pursuant to the British Columbia *Business Corporations Act*, the number of directors may be fixed or changed from time to time set by ordinary resolution but shall not be fewer than three (3). The Company currently has six (6) directors, and the six (6) current directors are being put forward by management of the Company for re-election at the Meeting.

The Company's management recommends the Shareholders vote in favour of the resolution setting the number of directors at six (6). Unless given instructions to the contrary, the management proxyholders intend to vote FOR the resolution setting the number of directors at six (6).

(ii) Nominees for Election

The table below sets out the nominees proposed for election as directors of the Company together with the number of Common Shares that are beneficially owned, directly or indirectly, or over which control or direction is exercised, by each nominee. Proposed members of the Audit Committee and Compensation Committee are also indicated.

Each of the nominees has agreed to stand for election and management of the Company is not aware of any intention of any of them not to do so. If, however, one or more of them should become unable to stand for election, it is likely that one or more other persons would be nominated at the Meeting for election and, in that event, the persons designated in the form of proxy will vote in their discretion for a substitute nominee.

None of the proposed nominees for election as a director of the Company are proposed for election pursuant to any arrangement or understanding between the nominee and any other person, except the directors and executive officers of the Company acting solely in such capacity.

The Company's Articles include an advance notice provision (the "Advance Notice Provision") providing for advance notice to the Company in circumstances where nominations of persons for election to the Board are made by shareholders of the Company other than pursuant to (i) a requisition of a meeting made pursuant to the provisions of the BCA or (ii) a shareholder proposal made pursuant to the provisions of the BCA. The Advance Notice Provision fixes a deadline by which holders of Common Shares must submit director nominations to the Company prior to any annual or special meeting of shareholders and sets forth the minimum information that a shareholder must include in the notice to the Company for the notice to be in proper written form. The foregoing is merely a summary of the Advance Notice Provision, is not comprehensive and is qualified by the full text of such provision, which is available under the Company's profile on SEDAR at www.sedar.com as filed on August 14, 2014.

The Company has not received notice of a nomination in compliance with the Advance Notice Provision and, as such, any nominations other than nominations by or at the direction of the Board or an authorized officer of the Company will be disregarded at the Meeting.

Name, Province or State and Country of Residence of Nominee	Present Principal Occupation, Business or Employment ⁽¹⁾	Director Since	Common Shares Held ⁽²⁾
Derik A. Murray British Columbia, Canada	Chief Executive Officer (Network Media Group Inc.)	December 23, 2011	7,061,838

Name, Province or State and Country of Residence of Nominee	Present Principal Occupation, Business or Employment ⁽¹⁾	Director Since	Common Shares Held ⁽²⁾
Paul Gertz British Columbia, Canada	President & Chief Operating Officer (Network Media Group Inc.)	December 29, 2011	3,802,160
Steve Kotlowitz California, United States	Chief Operating Officer (The Sports Corporation)	March 20, 2012	3,000
Robert Pirooz ⁽³⁾ ⁽⁴⁾ British Columbia Canada	Executive Director (Network Media Group Inc.), Director (RIWI Corp., Armor Minerals Inc.)	July 16, 2014	3,723,285 ⁽⁵⁾
Peter Scarth ⁽³⁾ British Columbia, Canada	CEO and Chairman (Hummingbird Hydrogen)	June 3, 2013	465,500
Dr. Greg Zeschuk Alberta , Canada	Executive Director (Alberta Small Brewers Assoc.), Director (Biba Ventures, Zeros 2 Heroes), Board of Trustees (Strollery Children's Hospital Foundation)	December 4, 2013	2,857,142 ⁽⁶⁾

- (1) Includes occupations for preceding five years unless the director was elected at the previous annual general meeting and was shown as a nominee for election as a director in the information circular for that meeting.
- (2) The approximate number of Common Shares of the Company carrying the right to vote in all circumstances beneficially owned, or over which control or direction, directly or indirectly, is exercised by each proposed nominee as of May 23, 2017. This information is not within the knowledge of the management of the Company and has been furnished by the respective individuals, or has been extracted from the register of shareholdings maintained by the Company's transfer agent or from insider reports filed by the individuals and available through the internet at www.sedi.ca.
- (3) Member of the Audit Committee.
- (4) Member of the Compensation Committee.
- (5) Hemisphere Holdings Ltd., a company over which Mr. Pirooz exercises control and direction, owns 1,214,285 Common Shares, and Mr. Pirooz directly owns 2,509,000 Common Shares.
- (6) 1124005 Alberta Ltd., a company wholly owned by Dr. Zeschuk, owns all these shares.

Management recommends voting in favour of the election of each proposed nominee as a director of the Company for the ensuing year. The Shareholders will elect each nominee separately based on a majority of votes cast at the Meeting. Unless given instructions to the contrary, the management proxyholders intend to vote FOR the nominees named in this Circular.

3. RE-APPOINTMENT OF AUDITOR

Wolrige Mahon LLP, Chartered Accountants, Suite 900, 400 Burrard Street, Vancouver, British Columbia, V6C 3B7, will be nominated at the Meeting for reappointment as auditor of the Company. Wolrige Mahon LLP, Chartered Accountants, has been auditor of the Company since February 25, 2014.

The Company's management recommends the Shareholders vote in favour of the appointment of Wolrige Mahon LLP as auditor of the Company for the ensuing year. Unless given instructions to the contrary, the management proxyholders intend to vote FOR the appointment of Wolrige Mahon LLP as auditor of the Company until the close of its next annual general meeting.

STATEMENT OF EXECUTIVE COMPENSATION

Securities laws require a *Statement of Executive Compensation – Venture Issuers* in accordance with Form 51-102F6V be included in this Circular. Form 51-102F6V prescribes the disclosure requirements in respect of the compensation of certain executive officers and directors of reporting issuers.

The executive officers of the Company for whom disclosure is required under Form 51-102F6V are individually referred to as a “NEO” or “Named Executive Officer”. An NEO or Named Executive Officer includes: (i) the Chief Executive Officer (“CEO”); (ii) the Chief Financial Officer (“CFO”); (iii) the most highly compensated executive officers at the end of the most recently completed financial year whose total compensation was in excess of \$150,000; and (iv) each individual for whom disclosure would have been provided under (c) but for the fact that the individual was neither serving as an executive officer of the Company, nor acting in a similar capacity, at the end of the more recently completed financial year.

For the purposes of this section, and in accordance with the foregoing definition, the Company had three NEOs during the financial year ended November 30, 2016, being Derik Murray (CEO), Paul Gertz (President and Chief Operating Officer) and Darren Battersby (CFO).

Table of Compensation – Director and NEO Compensation, Excluding Compensation Securities

The following table provides a summary of compensation paid, directly or indirectly, by the Company or a subsidiary of the Company, to each director and Named Executive Officer for the two most recently completed financial years of the Company ended November 30, 2016, and November 30, 2015.

Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Derik A. Murray CEO & Director	2016	182,562	87,900	Nil	Nil	Nil	270,463
	2015	133,000	Nil	Nil	21,000 ⁽¹⁾	Nil	154,000
Darren Battersby CFO	2016	126,000	Nil	Nil	Nil	5,214 ⁽²⁾	131,214
	2015	103,309	Nil	Nil	Nil	Nil	103,309
Paul Gertz President, COO & Director	2016	182,562	Nil	Nil	Nil	Nil	172,563
	2015	125,000	Nil	Nil	Nil	Nil	125,000
Steven Kotlowitz Director	2016	Nil	Nil	Nil	Nil	2,979 ⁽²⁾	2,979
	2015	Nil	Nil	Nil	Nil	Nil	Nil
Sandra Lim Former Director	2016	Nil	Nil	Nil	Nil	5,587 ⁽²⁾	5,587
	2015	Nil	Nil	Nil	Nil	Nil	Nil
Robert Pirooz Director (Chairman)	2016	Nil	Nil	Nil	Nil	13,799 ⁽³⁾	13,799 ⁽⁴⁾
	2015	Nil	Nil	Nil	Nil	Nil	Nil
Peter Scarth Director	2016	Nil	Nil	Nil	Nil	2,979 ⁽²⁾	2,979
	2015	Nil	Nil	Nil	Nil	Nil	Nil
Dr. Greg Zeschuk Director	2016	Nil	Nil	Nil	Nil	2,979 ⁽²⁾	2,979
	2015	Nil	Nil	Nil	Nil	Nil	Nil

⁽¹⁾ The perquisites granted to Mr. Murray in fiscal 2015 comprised of vehicle and home office allowances.

⁽²⁾ This amount represents the fair value of incentive stock options granted during the year ended November 30, 2016 and was estimated at the grant date using the Black-Scholes option pricing model in accordance with the Company’s accounting policies with the following assumptions: Expected life 5 years; Expected annual volatility 143%; Expected dividend yield 0%; Risk-free interest rate 0.65%. These values do not represent actual amounts received by the optionees as the gain, if any, will depend on the market value of the shares on the date that the stock option is exercised.

⁽³⁾ This amount represents the fair value of incentive stock options granted during the year ended November 30, 2016 and was estimated at the grant date using the Black-Scholes option pricing model in accordance with the Company’s accounting policies with the following assumptions:

- (i) as to 139,963 of the stock options granted - Expected life 3 years; Expected annual volatility 143%; Expected dividend yield 0%; Risk-free interest rate 0.65%;
- (ii) as to 75,000 of the stock options granted - Expected life 5 years; Expected annual volatility 143%; Expected dividend yield 0%; Risk-free interest rate 0.65%; and
- (iii) as to 3000,000 stock options granted - Expected life 3.3 years; Expected annual volatility 147%; Expected dividend yield 0%; Risk-free interest rate 0.66%.

These values do not represent actual amounts received by the optionees as the gain, if any, will depend on the market value of the shares on the date that the stock option is exercised.

⁽⁴⁾ During the year ended November 30, 2016, the board of directors of the Company acknowledged Mr. Pirooz is entitled to compensation in consideration of fulfilment of his duties as Chairman, however, it was agreed amongst the Company and Mr. Pirooz that such compensation would not be payable until, and only if, the payment does not constitute a financial burden on the Company.

Stock Options and Other Compensation Securities

The following table provides a summary of all option-based awards granted or issued to each director and Named Executive Officer in the most recently completed financial year of the Company ending on November 30, 2016. The Company does not have any other equity incentive plans other than its Fixed Share Option Plan.

Name and position	Type of compensation security	# of compensation securities, # of underlying securities and % of class ⁽¹⁾	Date of issue or grant (Fiscal 2016)	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Derik A. Murray ⁽²⁾ CEO and Director	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Darren Battersby ⁽³⁾ CFO	stock options	70,000 ⁽¹⁰⁾ 1.1%	Jul 28-16	0.20	0.20	0.23	Jul 28-21
Paul Gertz ⁽⁴⁾ President, COO and Director	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Steven Kotlowitz ⁽⁵⁾ Director	stock options	40,000 ⁽¹⁰⁾ 0.6%	Jul 28-16	0.20	0.20	0.23	Jul 28-21
Sandra Lim ⁽⁶⁾ Former Director	stock options	75,000 ⁽¹⁰⁾ 1.2%	Jul 28-16	0.20	0.20	0.23	Jul 28-21
Robert Pirooz ⁽⁷⁾ Director (Chairman)	stock options	300,000 ⁽¹¹⁾ 4.7%	Mar 21-16	0.20	0.10	0.23	Jul 16-19
	stock options	139,963 ⁽¹²⁾ 2.2%	Jul 28-16	0.20	0.20	0.23	Jul 16-19
	stock options	75,000 ⁽¹⁰⁾ 1.2%	Jul 28-16	0.20	0.20	0.23	Jul 28-21
Peter Scarth ⁽⁸⁾ Director	stock options	40,000 ⁽¹⁰⁾ 0.6%	Jul 28-16	0.20	0.20	0.23	Jul 28-21
Dr. Greg Zeschuk ⁽⁹⁾ Director	stock options	40,000 ⁽¹⁰⁾ 0.6%	Jul 28-16	0.20	0.20	0.23	Jul 28-21

(1) No compensation security had been re-priced, cancelled and replaced, had its term extended, or otherwise been materially modified, in the Company's financial year ended November 30, 2016.

(2) Mr. Murray held a total of 780,000 options to purchase common shares of the Company as at November 30, 2016, all of which have since expired.

(3) Mr. Battersby held a total of 392,500 options to purchase common shares of the Company as at November 30, 2016, 22,500 of which have since expired.

(4) Mr. Gertz held a total of 607,500 options to purchase common shares of the Company as at November 30, 2016, all of which have since expired.

(5) Mr. Kotlowitz held a total of 290,000 options to purchase common shares of the Company as at November 30, 2016, 250,000 of which have since expired.

(6) Ms. Lim held a total of 325,000 options to purchase common shares of the Company as at November 30, 2016. She retired from the Board effective April 3, 2017.

(7) Mr. Pirooz held a total of 2,575,000 options to purchase common shares of the Company as at November 30, 2016. All his stock options are held by Hemisphere Holdings Ltd., a company over which Mr. Pirooz has exercise and control

(8) Mr. Scarth held a total of 190,000 options to purchase common shares of the Company as at November 30, 2016.

(9) Dr. Zeschuk held a total of 290,000 options to purchase common shares of the Company as at November 30, 2016. All Dr. Zeschuk's stock options are held by 1124005 Alberta Ltd., a company solely owned by him.

(10) All stock options granted on July 28, 2016, vest on a two-year schedule (1/3 vesting on date of grant, 1/3 vesting on July 28, 2017, and remaining 1/3 vesting on July 28, 2018).

(11) Of these stock options, 52,463 will vest on July 16, 2017, and the remaining 247,537 will vest on July 16, 2018.

(12) These stock options will vest on July 16, 2018.

Exercise of Compensation Securities by Directors and NEOs

There were no compensation securities exercised by an NEO or director of the Company during the most recent financial year ended November 30, 2016.

Stock Option Plans and Other Incentive Plans

The Board of the Company adopted a fixed number share option plan that has an effective date of April 28, 2016 (the “Fixed Share Option Plan”). The Fixed Share Option Plan reserves for issuance 10,880,074 Common Shares, which represents 20% of the Company’s issued and outstanding Common Shares at the time the said plan was adopted. The Fixed Share Option Plan was approved by Disinterested Shareholders (defined in the Fixed Share Option Plan) of the Company on June 9, 2016. At November 30, 2016, there were 6,326,280 options issued and outstanding.

A copy of the Fixed Share Option Plan is attached as Schedule B to the Company’s Management Information Circular dated May 2, 2016 and filed on SEDAR at www.sedar.com on May 12, 2016. The Fixed Share Option Plan is incorporated herein by reference.

The Fixed Share Option Plan permits the grant of stock options to directors, officers, employees and consultants of the Company or any of its affiliates, but limits the number of options that may be issued to such individuals as follows (all capitalized terms as defined in the plan): (i) no Service Provider can be granted an Option if that Option would result in the total number of Options, together with all other Share Compensation Arrangements granted to such Service Provider in the previous 12 months, exceeding 5% of the Outstanding Shares, unless the Company has obtained Disinterested Shareholder Approval to do so; (ii) the aggregate number of Options granted to all Service Providers conducting Investor Relations Activities in any 12-month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the TSX Venture; and (iii) the aggregate number of Options granted to any one Consultant in any 12 month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the TSX Venture.

Furthermore, the aggregate number of Common Shares reserved for issuance to insiders of the Company under the Fixed Share Option Plan, together with any other Share Compensation Arrangements, may not exceed 10% of the Company’s outstanding share capital, and the number of Common Shares issued to insiders of the Company within any one year period, together with any other Share Compensation Arrangements, may not exceed 10% of the Company’s outstanding share capital.

The term of any options granted under the Fixed Share Option Plan will be fixed by the Board and may not exceed ten years. The exercise price of options granted under the Fixed Share Option Plan will be determined by the Board, provided it is not less than the Discounted Market Price (as defined under Policy 1.1 of the TSX Venture Policies).

Any options granted pursuant to the Fixed Share Option Plan will terminate within thirty (30) days of the option holder ceasing to act as a director, officer, employee or consultant of the Company or any of its affiliates, other than by reason of death or termination of employment with cause, unless such termination date is extended by the Board to a date that is not later than one year after the option holder ceases to hold such position with the Company. If such cessation is on account of death, the options terminate on the first anniversary of such cessation, and if it is on account of termination of employment with cause, the options terminate immediately.

The Fixed Share Option Plan also provides for adjustments to outstanding options in the event of any consolidation, subdivision, conversion or exchange of the Company’s shares. The directors of the Company may impose option vesting schedules as they see fit.

Employment, Consulting and Management Agreements

Consulting Agreements

The Company does not have any employment, consulting or management agreements or arrangements with any of the Company’s current NEOs or directors.

Termination and Change of Control Benefits

There is no contract, agreement, plan or arrangement between the Company and its Named Executive Officers that provide for payments to Named Executive Officers at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation or retirement, or as a result of a change in control of the Company or a change in a Named Executive Officer’s responsibilities.

Director Compensation

To date, the Company has not paid to its directors any fees or other of monetary compensation relating to the services rendered and duties assumed in relation to their positions on the Board. Any remuneration to the Company’s directors has generally been limited to the grant of stock options and, during the year ended November 30, 2016 the Company granted 40,000 incentive stock options to each of its independent directors, with an additional 35,000 stock options granted to the Chair of

the Audit Committee and the Chairman of the Board, respectively, considering the additional duties and responsibilities associated with those positions.

Oversight and description of Director and NEO Compensation

The primary goal of the Company's executive compensation program is to attract, retain and motivate the key executives and to align their interests with those of the Company's shareholders. The key elements of the executive compensation program are: (i) base salary; (ii) stock based compensation; and (iii) potential annual bonuses or awards. The directors are of the view that all elements of the total program should be considered, rather than any single element.

The Company has no formal policy regarding the allocation between base salary, stock based compensation, cash based bonuses or awards or other forms of compensation, but the Compensation Committee will consider and evaluate the total compensation package received or to be received by an executive officer, and seek to ensure that such total compensation package is fair, reasonable and competitive, and balances the interests of management and the Company's shareholders.

The Compensation Committee assumes responsibility for reviewing and monitoring the long-term compensation strategy of the Company, and for providing the Board with its recommendations. However, the Company's Board of Directors is responsible for determining all forms of compensation, including long-term incentive in the form of stock options, to be granted to the CEO, or such person acting in capacity of CEO of the Company, the directors and key management, and for reviewing the recommendations respecting compensation of the other officers of the Company, to ensure such arrangements reflect the responsibilities and risks associated with each position.

In arriving at its compensation recommendations, the Compensation Committee considers several factors, including the responsibilities and experience of the individuals, the performance of the individuals within the Company, the overall financial and operating performance of the Company, and the long-term interest of the Company. With respect to base salaries, the Compensation Committee and the Board discuss their collective knowledge and understanding of salaries paid to executive officers at companies that the members have personal knowledge of, however, no formal benchmark group of companies has been referenced. For share option grants under the Company's Fixed Share Option Plan, the Compensation Committee makes recommendations based on such criteria as performance, previous grants, base salary and bonuses, hiring incentives, and other competitive factors (the Company's Fixed Share Option Plan is administered by the Board of the Company and all grants require approval of the Board). When considering the grant of bonus compensation, the Compensation Committee will assess whether the Company has met certain strategic objectives and milestones and whether there are sufficient cash resources available for the granting of bonuses (the Board will approve bonus compensation dependent upon compensation levels).

During the year ended November 30, 2016 the Compensation Committee of the Board was composed of two directors, Robert Pirooz and Sandra Lim. Ms. Lim has subsequently resigned from the Board, and until the vacancy on the Compensation Committee left by her resignation is filled, the entire Board will carry out the oversight function of director and named officer compensation. The Company did not retain any compensation consultants during the financial year ended November 30, 2016.

In the recently completed financial year ended November 30, 2016, the Company granted salary raises to each of its NEO's, and provided a cash bonus to Chief Executive Officer, in recognition of their exceptional contributions to the success of the Company during the previous year.

The Company has not provided monetary compensation to its directors, including fees for attending Board or Board committee meetings. However, during the recently completed financial year ended November 30, 2016, the Company made grants of 40,000 incentive share options to each director, and an additional grant of 35,000 stock options to each of the Chair of the Audit Committee and the Chairman of the Board, as consideration for fulfilling the responsibilities attendant with their directorships.

Neither the Compensation Committee nor the Board has considered the implications of the risks associated with the Company's compensation policies and practices, however, the Company does not currently believe there are any risks arising from compensation policies and practices that are reasonably likely to have an adverse effect on the Company.

Pension Disclosure

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

AUDIT COMMITTEE

National Instrument 52-110 “Audit Committees” (“NI 52-110”) requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor. Such disclosure is set forth below.

The Audit Committee’s Charter

The Audit Committee has a charter, which was adopted by the Board on July 4, 2011. A copy of the Audit Committee Charter is attached as Appendix D to its Amended and Restated Prospectus, which was SEDAR filed on December 1, 2011.

Composition of the Audit Committee

The members of the Audit Committee are: Robert Pirooz and Peter Scarth. The resignation of Sandra Lim from the Board after November 30, 2016 has left a vacancy on the Audit Committee, which the Board is currently taking active measures to fill with a strong candidate.

All members of the Audit Committee are financially literate. A member of the Audit Committee is considered 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, and have an understanding of internal controls.

There is one independent member (Peter Scarth) and one non-independent member (Robert Pirooz) of the Audit Committee. A member of the Audit Committee is independent if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the opinion of the Company’s Board, reasonably interfere with the exercise of the member’s independent judgment. Mr. Pirooz is considered not independent because of his position as Executive Chair of the Board.

Following the election of directors pursuant to this Circular, the following will be members of the Audit Committee: Robert Pirooz and Peter Scarth.

Relevant Education and Experience

The relevant education and experience of the Audit Committee members includes:

- **Robert Pirooz** was called to the British Columbia Bar in 1990 after obtaining a Juris Doctor degree from the University of British Columbia and studying commerce at Dalhousie University. He has vast experience in commerce including advanced accounting and finance, mergers and acquisitions (which include detailed studies of targets), financial statements and detailed studies of pro forma financial statements, together with accretion analysis and liability reviews, which include embedded derivatives. He was General Counsel for Pan American Silver Corp., a TSX listed company, for 8.5 years.
- **Peter Scarth** holds a B.A., BSc. Engineering and has been a former CEO of a publicly listed company. In addition, Mr. Scarth has taken the Ontario Securities Commission securities course. He has been involved in the launch and development of several companies, including Photochannel Networks and Telepix Imaging Inc., a leading supplier of Internet imaging and e-commerce solutions. Prior to launching Telepix, Mr. Scarth worked for Eastman Kodak Company in various positions over 23 years, including as Vice President and Business Manager.

Audit Committee Oversight

The Audit Committee is responsible for the oversight of financial reporting, internal controls and public disclosure documents. The Audit Committee also recommends the appointment of the external auditors, reviews the annual audit plan and auditor compensation, approves non-audit services provided by the external auditor and evaluates the risk management procedures and systems. The Audit Committee has not made any recommendations to the Board to nominate or compensate any external auditor other than Wolrige Mahon LLP, Chartered Accountants.

Reliance on Certain Exemptions

At no time since the commencement of the Company’s most recently completed financial year ended November 30, 2016, has the Company relied on the exemption in Section 2.4 of National Instrument 52-110 - Audit Committees (De Minimis Non-audit Services), or an exemption from National Instrument 52-110, in whole or in part, granted under Part 8 of National Instrument 52-110.

As the Company is an “Issuer” pursuant to relevant securities legislation, the Company is relying on the exemption in Section 6.1 of National Instrument 52-110 - Audit Committees, from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of National Instrument 52-110.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Audit Committee Charter. Wolrige Mahon LLP, Chartered Accountants, the Company’s auditors, have not provided any material non-audit services.

External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audit services provided by Wolrige Mahon LLP, Chartered Accountants, to the Company to ensure auditor independence. Fees incurred are outlined in the following table.

Nature of Services	Fiscal Year Ended November 30, 2016	Fiscal Year Ended November 30, 2015
Audit Fees ⁽¹⁾	\$43,980	\$18,600
Audit-Related Fees ⁽²⁾	Nil	Nil
Tax Fees ⁽³⁾	\$6,032	\$2,000
All Other Fees ⁽⁴⁾	\$30,500	\$12,250

- (1) Audit Fees consist of fees for the audit of the Company’s annual financial statements or services that are normally provided in connection with statutory and regulatory filings or engagements.
- (2) Audit-Related Fees consist of fees for related services that are reasonably related to the performance of the audit or the review of the Company’s financial statements and are not reported as Audit Fees. These audit-related services may include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by statute or regulation.
- (3) Tax Fees consist of fees paid to the auditors for tax services not included as part of Audit Fees or Audit-Related Fees, which may include fees for tax compliance, tax planning and tax advice, assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) All Other Fees consist of all other non-audit services.

CORPORATE GOVERNANCE

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. National Policy 58-201 - *Corporate Governance Guidelines* provides non-prescriptive guidelines on corporate governance practices for reporting companies such as the Company. In addition, National Instrument 58-101 - *Disclosure of Corporate Governance Practices* (“NI 58-101”) prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

Composition of the Board of Directors

Directors are considered independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of the Company’s Board of Directors, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The independent members of the Board are Steve Kotlowitz, Peter Scarth and Dr. Greg Zeschuk.

The non-independent directors (and the reason they are not independent) are: Derik A. Murray (CEO of the Company), Paul Gertz (President and COO of the Company) and Robert Pirooz (Executive Chair of the Board).

Only one director, Robert Pirooz, currently serves on the board of another reporting issuer. He serves on the board of directors of Armor Minerals Inc. (formerly Rio Cristal Resources Corp.)(TSX-V) and RIWI Corp. (CSE).

The Board ensures the independent directors are regularly given an opportunity for in camera sessions with only those independent directors present.

Orientation and Continuing Education

The Board addresses the orientation of new directors on a case by case basis. Each new director brings a different skill set and professional background, and with this information, the Board can determine what orientation to the nature and operations of the Company’s business will be necessary and relevant to each new director. New directors are provided with copies of the most current strategic plans, budgets, forecasts and other internal documents. New directors are provided the opportunity

to also meet individually with members of management of the Company to become better informed as to the nature and status of operations of the various underlying production entities.

The Board encourages open discussion at all meetings, which encourages learning by the directors. Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business.

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 directors' 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.

As of the date hereof, the Company is not aware of any existing or potential conflicts of interests between the Company and any of its directors. If a conflict of interest arises at a meeting of the Board, any director in a conflict will disclose his or her interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time. All conflicts of interest, if any, are subject to the procedures and remedies provided under the *Business Corporations Act* (BC).

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience. The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

The Board as a whole will identify new candidates by taking into consideration such factors as it deems appropriate, including judgment, skill, diversity, experience with businesses and other organizations of comparable size and the need for particular experience on the Board. The Board will also determine whether a particular candidate is "unrelated" or "independent" under applicable securities laws and applicable stock exchange rules.

Compensation

The Company has a standing Compensation Committee which is tasked with making recommendations to the Board regarding: (i) executive officer and senior management compensation; (ii) executive officer and senior management development and succession; and (iii) broadly applicable compensation and benefits programs. However, it is the full Board that is responsible for determining the final compensation (including long-term incentive in the form of stock options and cash bonus awards) to be granted to the Company's executive officers, senior management and directors to ensure that such arrangements reflect the responsibilities and risks associated with each position. The goal of the Compensation Committee is to meet at least once per year to assess, evaluate, monitor and make recommendations to the Board regarding appropriate executive compensation policies as well as succession planning, and will meet more frequently if required.

Other Board Committees

The Board has established two permanent committee of directors, being the Audit Committee and the Compensation Committee.

Assessments

The Board monitors, on an ongoing basis, the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board, the Audit Committee and the Compensation Committee.

OTHER INFORMATION

Securities Authorized for Issuance Under Equity Compensation Plans

The only equity compensation plan the Company has in place is its stock option plan. The Company currently maintains a Fixed Share Option Plan approved by shareholders on June 9, 2016. The Fixed Share Option Plan has been established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. The Fixed Share Option Plan is administered by the Company's Board. The Fixed Share Option Plan provides that unless otherwise approved by the shareholders, the number of Common Shares available

pursuant to options to be granted under the Fixed Share Option Plan may not exceed 10,880,074 common shares of the Company at the time of the grant, which is 20% of the Company's issued and outstanding common shares as at the date of adoption of the Fixed Share Option Plan by the Company's Board.

The following information is as of November 30, 2016, the Company's most recently completed financial year end.

Plan Category	Number of securities to be issued upon exercise of outstanding options	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))
	(a)	(b)	(c)
Equity compensation plans approved by security holders - Fixed Share Option Plan	6,326,280	\$0.18	4,553,794
Equity compensation plans not approved by security holders	N/A	N/A	N/A

Indebtedness of Directors and Executive Officers

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company (other than in respect of amounts which would constitute routine indebtedness) as of the end of the most recently completed financial year or as at the date hereof.

Interest of Certain Persons in Matters to be Acted Upon

No director or senior officer of the Company or any proposed nominee of management of the Company for election as a director of the Company, nor any 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 the directors.

Interest of Informed Persons in Material Transactions

No directors, director nominees, officers and principal shareholders of the Company or any associate or affiliate of the foregoing have had, or will have, a direct or indirect interest in any material transaction involving the Company since the commencement of the Company's last financial year or in any proposed material transaction.

Management Contracts

The Company has not management agreements or arrangements under which the management functions of the Company are performed other than by the Company's directors and executive officers.

Penalties and Sanctions

To the knowledge of management of the Company, no proposed director of the Company has been subject to:

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

Corporate Cease Trade Orders or Bankruptcies

To the knowledge of management of the Company, no proposed director of the Company is, or within the ten years before the date of this Circular has been, a director, chief executive officer or chief financial officer of any other issuer that:

- a. was subject to a cease trade or similar order that denied the other issuer access to any exemptions under Canadian securities legislation that lasted for a period or more than 30 consecutive days (an "order") that was issued while the proposed director herein was acting in the capacity as director, chief executive officer or chief financial officer; or

- b. was subject to an order that denied the relevant issuer access to any exemption under securities legislation that lasted for a period of more than 30 consecutive days that was issued after the proposed director herein ceased to be a director, chief executive or chief financial officer and which resulted from an event that occurred while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer.

Bankruptcies and Insolvencies

To the knowledge of management of the Company, no proposed director of the Company:

- a. is, as at the date of this Circular, or has been within ten years before the date of the Circular, a director or executive officer of any 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
- b. has, within ten years before the date of this Circular, been declared 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.

Other Matters

The management of the Company is not aware of any other matter to come before the Meeting other than those set out in the Notice of Meeting accompanying this Circular. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the form of Proxy or VIF accompanying this Circular to vote the same in accordance with their best judgment on such matters.

Additional Information

Financial information about the Company is provided in its comparative financial statements for the year ended November 30, 2016, and in the related management discussion and analysis. You may obtain copies of such documents upon request from the Company at 1488 Frances Street, Vancouver, British Columbia V5L 1Y9; by telephone: (604) 739-8825; or via e-mail at: info@networkentertainment.ca. Copies of these documents will be provided free of charge to shareholders of the Company, but a reasonable charge may be applied for requests by any person or company who is not a shareholder of the Company. You may also access such documents, together with the Company's additional disclosure documents, through the internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

The Board of Directors of the Company has approved the contents and the delivery of this Information Circular to its shareholders.

DATED at Vancouver, British Columbia, May 23, 2017.

BY ORDER OF THE BOARD

(signed) "*Derik A. Murray*"

Derik A. Murray
Chief Executive Office

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