

## ESSEX MINERALS INC.

### INFORMATION CIRCULAR

(as at March 20, 2018, unless indicated otherwise)

#### SOLICITATION OF PROXIES

This Information Circular and the accompanying documents (the “**Meeting Materials**”) are furnished in connection with the solicitation of proxies by the management of Essex Minerals Inc. (the “**Company**”) for use at the Annual General Meeting of Shareholders of the Company to be held on April 30, 2018 (the “**Meeting**”) and any adjournment thereof at the time and place and for the purposes set forth in the accompanying Notice of Meeting. While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by the directors and regular employees of the Company. All costs of solicitation will be borne by the Company.

#### APPOINTMENT AND REVOCATION OF PROXIES

The individuals named in the accompanying form of proxy are directors and/or officers of the Company. **A SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER) TO REPRESENT HIM AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY INSERTING SUCH PERSON’S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY AND STRIKING OUT THE TWO PRINTED NAMES OR BY COMPLETING ANOTHER FORM OF PROXY.** To be valid, a proxy must be in writing and executed by the shareholder or its attorney authorized in writing, unless the shareholder chooses to complete the proxy by telephone or the internet as described in the enclosed proxy form. Completed proxies must be received by Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or any adjournment thereof, or, at the discretion of the Chairman of the Meeting, delivered to the Chairman of the Meeting prior to the commencement of the Meeting or prior to any re-commencement of the Meeting after an adjournment.

A shareholder who has given a proxy may revoke it by an instrument in writing executed by the shareholder or by his attorney authorized in writing or, where the shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered either to the registered office of the Company, Suite 1800, 510 West Georgia Street, Vancouver, British Columbia, V6B 0M3, at any time up to and including the last business day preceding the day of the Meeting, or if adjourned, any reconvening thereof, or to the Chairman of the Meeting on the day of the Meeting or, if adjourned, any reconvening thereof or in any other manner provided by law. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

#### INFORMATION FOR BENEFICIAL HOLDERS OF SHARES

The shares owned by many shareholders of the Company are not registered on the records of the Company in the shareholders’ own names, but in the name of a securities dealer, bank or other intermediary, or in the name of a clearing agency (referred to in this Information Circular as an “**intermediary**” or “**intermediaries**”). Shareholders who do not hold their shares in their own names (referred to in this Information Circular as “**beneficial holders**”) should note that only registered shareholders may vote at the Meeting. A beneficial holder cannot be recognized at the Meeting for the purpose of voting his shares unless he is appointed by the intermediary as a proxyholder.

Applicable regulatory policy requires intermediaries to seek voting instructions from beneficial shareholders. Every intermediary has its own procedures to seek those instructions. Beneficial shareholders should follow those procedures carefully to ensure that their shares are voted at the Meeting.

The majority of brokers in Canada have delegated authority for obtaining instructions from clients to Broadridge Investor Communication Solutions, Canada (“**Broadridge**”). Broadridge typically applies a special sticker to the proxy forms, or alternatively, prepares a separate “**voting instruction**” form, mails those forms to beneficial holders, and asks beneficial holders to return the proxy or voting instruction forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions for voting at the Meeting. A beneficial holder who receives a proxy bearing a Broadridge sticker or a voting instruction form cannot deposit that proxy or form on the Meeting date to vote common shares at the Meeting. The proxy or form must be returned to Broadridge in advance of the Meeting in order to allow the shares to be voted by the named proxyholder at the Meeting.

In addition to those procedures, recent amendments to National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) allow a non-objecting beneficial holder (“**NOBO**”) to submit to the Company or an applicable intermediary any document in writing that requests that such NOBO or its nominee be appointed as the NOBO’s proxyholder. If such a request is received, the Company or the intermediary, as applicable, must arrange, without expense to the NOBO, to appoint such NOBO or its nominee as a proxyholder and to deposit that proxy within the time specified in this Information Circular, provided that the Company or the intermediary receives such written instructions at least one business day prior to the time at which proxies are to be submitted for use at the Meeting; accordingly, any such request must be received by 11:30 a.m. (Pacific time) on April 25, 2018.

An objecting beneficial owner (“**OBO**”) is a beneficial holder who has provided instructions to an intermediary holding common shares in an account on behalf of the OBO that the OBO objects to the intermediary disclosing the OBO’s name, address and share ownership information to the Company to allow the Company to send shareholder materials to the OBO. The Company does not intend to pay for intermediaries to forward to OBOs under NI 54-101 the proxy-related materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary*, and an OBO will not receive those materials unless the OBO’s intermediary assumes the cost of delivery.

**IF YOU ARE A BENEFICIAL SHAREHOLDER AND WISH TO VOTE IN PERSON AT THE MEETING, PLEASE CONTACT YOUR BROKER OR AGENT WELL IN ADVANCE OF THE MEETING TO DETERMINE HOW YOU CAN DO SO.**

#### **EXERCISE OF DISCRETION**

Shares represented by proxy are entitled to be voted on a show of hands or any poll and, where a choice with respect to any matter to be acted upon has been specified in the form of proxy, the shares will be voted or withheld from voting in accordance with the specification so made.

#### **SUCH SHARES WILL BE VOTED FOR EACH MATTER FOR WHICH NO CHOICE HAS BEEN SPECIFIED BY THE SHAREHOLDER.**

The enclosed form of proxy when properly completed and delivered and not revoked confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting, and with respect to other matters which may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting or any further or other business is properly brought before the Meeting, it is the intention of the persons designated in the enclosed form of proxy to vote in accordance with their best judgment on such matters or business. At the time of the printing of this Information Circular, the management of the Company knows of no such amendment, variation or other matter which may be presented to the Meeting.

## VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

As at the date hereof, the Company has issued and outstanding 10,425,007 fully paid and non-assessable common shares, each share carrying the right to one vote. **THE COMPANY HAS NO OTHER CLASSES OF VOTING SECURITIES.**

Any shareholder of record at the close of business on March 20, 2018 who either personally attends the Meeting or who has completed and delivered a form of proxy in the manner and subject to the provisions described above shall be entitled to vote or to have his shares voted at the Meeting.

To the knowledge of the directors and executive officers of the Company, there are no persons or companies who beneficially own, or control or direct, directly or indirectly, shares carrying 10% or more of the voting rights attached to all outstanding shares of the Company.

## ELECTION OF DIRECTORS

The Board of Directors (the “**Board**”) presently consists of four directors (the “**Directors**”) and it is intended to set the number of directors at four and to elect four directors for the ensuing year.

The term of office of each of the present Directors expires at the Meeting. The persons named below will be presented for election at the Meeting as management’s nominees and the persons named in the accompanying form of proxy intend to vote for the election of these nominees. Management does not contemplate that any of these nominees will be unable to serve as a Director. Each director elected will hold office until the next annual general meeting of the Company or until his successor is elected or appointed, unless his office is earlier vacated in accordance with the Articles of the Company, or with the provisions of the *Business Corporations Act* (British Columbia) (the “**Act**”).

Pursuant to Section 224 of the Act, the Company is required to have an audit committee. As at the date hereof, the members of the Audit and Finance Committee of the Company are Christopher Dyakowski, Cameron Paddock and Danilen Villanueva. The Company also has a Nominating and Corporate Governance Committee the members of which are Christopher Dyakowski and Stephen Kenwood.

The following table sets out the names of the nominees for election as directors, the province or state and the country in which each is ordinarily resident, all offices of the Company now held by each of them, their principal occupations, the period of time for which each has been a director of the Company, and the number of common shares of the Company beneficially owned by each, or controlled or directed, directly or indirectly, as at the date hereof.

Name, Position, Province/State and Country of Residence <sup>(1)(2)</sup>	Principal Occupation or Employment <sup>(1)</sup>	Period as a Director of the Company	No. of Shares <sup>(1)</sup>
Christopher I. Dyakowski President, Chief Executive Officer, Corporate Secretary, and Director British Columbia, Canada	Self-Employed Professional Geoscientist (mining & exploration)	November 19, 2012	1,024,000
Cameron Paddock Director British Columbia, Canada	Self-Employed Consultant	March 14, 2018	Nil
Danilen Villanueva Director British Columbia, Canada	Executive Assistant	March 14, 2018	Nil
Stephen P. Kenwood Director British Columbia, Canada	Self-Employed Professional Geoscientist	November 26, 2012	845,000 <sup>(3)</sup>

- (1) The information as to province/state and country of residence, principal occupation and shares beneficially owned is not within the knowledge of the management of the Company and has been furnished by the respective nominees.
- (2) None of the proposed nominees for election as a director is to be elected under any arrangement or understanding between the proposed director and any other person or company, except the directors and executive officers of the company acting solely in such capacity.
- (3) Of these, 20,000 shares are held by Mr. Kenwood's spouse, Jill Kenwood.

## Management

Set out below is a description of the background of the Directors and executive officers of the Company, including a description of each individual's principal occupations within the past five years:

*Christopher Dyakowski, President, Chief Executive Officer, Corporate Secretary and Director*

As the Chief Executive Officer and President of the Company, Mr. Dyakowski manages the administration of the Company and is responsible for the exploration activities of the Company. Mr. Dyakowski is a mining exploration geologist and consultant and has practiced his profession since 1975. He has been a member in good standing of the Association of Professional Engineer and Geoscientists of British Columbia since 1992. He is President of Max Investments Inc., a private investment company. He has a Bachelor of Science (Geology) Degree from the University of British Columbia (1975).

Mr. Dyakowski has served as an officer and director of many public reporting issuers in Canada. He is the former: President, Chief Executive Officer and director of San Antonio Ventures Inc. (now Renaissance Oil Corp.); President and director of Orofino Minerals Inc., San Marco Resources, Etna Resources Ltd., Discovery Ventures Inc., Unbridled Energy Corp., Weststar Resources Inc. and Storm Cat Energy Corp.; and, director of Revolver Resources Inc., Noram Ventures Inc. and Bold Ventures Inc.

*Cameron Paddock, Director*

Mr. Paddock has been a self-employed consultant since November, 2017. He previously served as a Director of Hockey Operations at North Shore Winter Club from April, 2013 to November, 2017.

He is currently a director of RewardStream Solutions Inc., a company traded on the TSXV.

*Danilen Villanueva, Director.*

Ms. Villanueva received a Bachelor of Business Administration and an Advance Diploma – International Business from Capilano University in 2015. She has been self-employed at Detona Capital Corp. since November, 2017. She has also been employed as an Executive Assistant at Cadogan Park Advisors since January, 2017. She previously served as an Office Administrator at Coalmark Holdings Corp. from July, 2016 to November, 2017.

She is currently a director of RewardStream Solutions Inc., a company traded on the TSXV.

*Stephen Kenwood, Director.*

Mr. Kenwood received a Bachelor of Science (Geology) degree from the University of British Columbia in 1987 and has been a self-employed Consulting Geologist since 1991. He is a member in good standing of the Association of Professional Engineers and Geoscientists of British Columbia since 1993 and has over 20 years of domestic and international geological experience.

He has served as an officer and Director of reporting issuers in Canada, and currently serves as a director and officer of Majestic Gold Corp., a mineral exploration company traded on the TSXV; a director of Jericho Oil Corp. an oil and gas company traded on the TSXV; a director of Ely Gold & Minerals Inc., a mineral exploration company traded on the TSXV; Chief Operating Officer and director of Sonoro Metals Corp., a mineral exploration company traded on the TSXV; and, a director of Newcastle Energy Corp., a mineral exploration company traded on the TSXV.

## Orders & Bankruptcies

Except as disclosed below, none of the proposed nominees for election as a director of the Company:

- (a) is, as at the date of this Information Circular, or has been, within ten years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:
  - (i) was subject to a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, which order was in effect for a period of more than 30 consecutive days (an “**Order**”) that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
  - (ii) was subject to an Order 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,
- (b) is, as at the date of this Information Circular, or has been, within ten years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the ten years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Mr. Phillippe was serving as an officer of Amazon Goldsands Ltd. (“**Amazon**”) when on June 3, 2010 the Executive Director of the British Columbia Securities Commission issued an order that trading in Amazon (as an OTC reporting issuer under BC Instrument 51-509 – *Issuers Quoted in the U.S. Over-The-Counter Markets*), cease until Amazon files required documents. Mr. Phillippe resigned as officer of Amazon on July 21, 2010.

### **Penalties and Sanctions**

None of the proposed nominees for election as a director of the Company have 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.

### **OTHER MATTERS TO BE VOTED ON AT THE MEETING**

#### **Appointment of Auditors**

Management of the Company will recommend to the Meeting the appointment of MNP LLP, Chartered Professional Accountants as auditors of the Company for the ensuing year. MNP LLP was first appointed auditors of the Company on March 30, 2014.

#### **Approval of Share Option Plan**

The Company has an incentive share option plan dated for reference December 12, 2014 (the “**Plan**”), for the benefit of directors, officers, employees, management employees and consultants of the Company and of its subsidiaries (“**Optionees**”). As at the date hereof, the Company has not granted any incentive stock options to purchase common shares of the Company pursuant to the Plan.

The Plan provides that the Directors of the Company may grant options to purchase common shares on terms that the Directors may determine, within the limitations of the Plan. The maximum aggregate number of common shares that may be reserved for issuance under the Plan and all other share compensation arrangements of the Company is 10% of the Company’s issued and outstanding shares at the date of grant. This is a “**rolling**” plan as the number of shares reserved for issuance pursuant to the grant of stock options will increase or decrease as the Company’s issued and outstanding share capital changes. The exercise price of an option issued under the Plan is determined by the Directors, but may not be less than the closing market price of the Company’s common shares on the day preceding the date of granting of the option less any available discount, in accordance with the policies of the TSXV. No option may be granted for a term longer than 10 years. An option may expire on such earlier date or dates as may be fixed by the Board, subject to earlier termination in the event the Optionee ceases to be eligible under the Plan by reason of death, retirement or otherwise.

The Plan provides for the following restrictions: (i) no Optionee may be granted an option if that option would result in the total number of stock options granted to the Optionee in the previous 12 months, exceeding 5% of the issued and outstanding common shares unless the Company has obtained disinterested shareholder approval in accordance with the policies of the TSX Venture Exchange (the “**TSXV**”); (ii) the aggregate number of options granted to Optionees conducting Investor Relations Activities (as defined in the policies of the TSXV) in any 12 month period must not exceed 2% of the issued and outstanding common shares, calculated at the time of grant; and, (iii) the aggregate number of options granted to any one consultant in any 12 month period must not exceed 2% of the issued and outstanding common shares, calculated at the time of grant. In addition, options granted to consultants conducting Investor Relations Activities will vest over a period of not less than 12 months as to 25% on the date that is three months from the date of grant, and a further 25% on each successive date that is three months from the date of the previous vesting or such longer vesting period as the Board may determine. Vesting of options is otherwise at the discretion of the Board.

The policies of the TSXV require that the Plan be approved by shareholders on an annual basis at the Company’s Annual General Meeting. The Plan is subject to the approval of the shareholders of the Company and review and acceptance by the TSXV.

A copy of the Plan will be available at the Meeting for review by shareholders. In addition, a copy of the Plan is available on SEDAR at [www.sedar.com](http://www.sedar.com), or shareholders may obtain a copy of the Plan from the Company prior to the Meeting, please see “Additional Information” below.

#### *Shareholder Approval of Share Option Plan*

Accordingly, the shareholders of the Company will be requested at the Meeting to pass an ordinary resolution in the following terms:

“RESOLVED that:

1. the Company’s share option plan (the “**Plan**”), as described in the Information Circular of the Company dated March 20, 2018, be and is hereby ratified, confirmed and approved, subject to acceptance by the TSX Venture Exchange with such changes as may be required by the TSX Venture Exchange;
2. the directors of the Company be and are hereby authorized to amend such provisions of the Plan as may from time to time be necessary for the Plan to comply with the Policies of the TSX Venture Exchange and to facilitate acceptance of filing thereof by the TSX Venture Exchange;
3. the Company be authorized to grant stock options pursuant and subject to the terms and conditions of the Plan, entitling the option holders to purchase up to that number of common shares that is equal to 10% of the issued and outstanding capital of the Company at the time of the grant; and
4. 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 all such deeds, documents, instruments and assurances as in the opinion of such director or officer may be necessary or desirable to give effect to the foregoing resolutions and to complete all transactions in connection with the approval of the Plan.”

The Board of Directors has determined that the approval of the Plan is in the best interests of the Company and its shareholders. The Board unanimously recommends that shareholders vote in favour of the resolution approving the Plan. The persons named in the enclosed proxy intend to vote for the approval of the foregoing resolutions at the Meeting unless otherwise directed by the shareholders appointing them.

## DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

### Director and Named Executive Officer Compensation

The following table sets forth details of all compensation paid during the two most recently completed financial years of the Company in respect of the individuals who were, at September 30, 2017, the Directors, the Chief Executive Officer (the “**CEO**”) and the Chief Financial Officer (the “**CFO**”) and together with the CEO, the “**NEOs**”) of the Company. There were no other executive officers of the Company, or any of its subsidiaries, whose total compensation was, individually, more than \$150,000 for the financial year ended September 30, 2017. *[NTD: Ken, Chris, please update the table below.]*

Table of compensation excluding compensation securities							
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 (\$)
Christopher Dyakowski, CEO, Director <sup>(1)</sup>	2017	21,000	Nil	Nil	Nil	Nil	21,000
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Ken Phillippe, CFO, and former Director <sup>(2)</sup>	2017	18,900	Nil	Nil	Nil	Nil	18,900
	2016	Nil	Nil	Nil	Nil	Nil	Nil

Table of compensation excluding compensation securities							
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 (\$)
Stephen Kenwood, Director	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Thomas Dyakowski, former Director <sup>(3)</sup>	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil

- (1) The Company entered into a contract for services dated October 1, 2016 (the “**Services Contract**”) with Max Investments Inc., a company wholly-owned and controlled by Mr. Dyakowski, pursuant to which the Company is to make payments of \$3,000 per month for administrative management services commencing on March 15, 2017 and ending on December 31, 2018. See the discussion under the heading “**External Management Companies**” below.
- (2) Payments made to Ken Phillippe for accounting services to the Company, including maintaining financial records, preparation of draft financial statements, working with auditors, and other general and administrative functions. Ken Phillippe resigned as a Director of the Company effective as of March 14, 2018.
- (3) Thomas Dyakowski resigned as a Director of the Company effective as of March 14, 2018.

### External Management Companies

The NEOs of the Company, Christopher Dyakowski and Ken Phillippe, are not employees of the Company.

The Company entered into a Services Contract dated October 1, 2016 with Max Investments Inc., a company wholly-owned and controlled by Christopher Dyakowski, pursuant to which the Company made payments of \$3,000 per month for administrative management services commencing on March 15, 2017, the date the Company completed its initial public offering and listing with the TSXV, and ending on December 31, 2018. A copy of the Services Contract is available on SEDAR at [www.sedar.com](http://www.sedar.com).

### Employment, Consulting and Management Agreements

Other than as disclosed above under “External Management Companies”, the Company is not a party to any contract, agreement, plan or arrangement with its NEOs that provide for payments to NEOs 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 NEOs responsibilities.

The Company has no plans pursuant to which it compensates its Directors for services in their capacity as Directors other than the Share Option Plan. See “Stock Option Plans and Other Incentive Plans” below. Max Investments Inc., a company controlled by Christopher Dyakowski receives \$3,000 per month pursuant to the Services Contract. See “External Management Companies” above.

### Stock Options and Other Compensation Securities

#### *Compensation Securities*

No compensation securities were granted or issued to the Directors or NEOs by the Company or one of its subsidiaries in the most recently completed financial year for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

#### *Exercise of Compensation Securities by Directors and NEOs*

No compensation securities were exercised by a Director or NEO during the most recently completed financial year.

### **Stock Option Plans and Other Incentive Plans**

See “Other Matters to be Voted on at the Meeting – Approval of Share Option Plan” for particulars of the Company’s Share Option Plan.

### **Oversight and Description of Director and Named Executive Officer Compensation**

The following discussion provides information about the Company’s executive compensation objectives, processes, and compensation decisions relating to its Directors and NEOs as listed in the table above under “Director and Named Executive Officer Compensation”.

The Company is a mineral exploration company whose assets include exploration properties located in British Columbia. The Company’s primary objective is to conduct initial exploration on various properties and then to seek partners to conduct follow-up exploration programs and continue the exploration effort. In most of these partnership arrangements, the Company will continue to act as operator and, in this way, the Company reduces dilution to its share capital and decreases its expenditures. This also allows the Company to continue exploration on these same properties with larger budgets than its own initial investment.

Notwithstanding the foregoing, given that the Company has not, as of yet, generated any significant income or cash flow from operations and operates with limited financial resources to ensure that funds are available to complete scheduled programs, the Board of Directors has to consider not only the financial situation of the Company at the time of the determination of executive compensation for its NEOs, but also the estimated financial situation in the mid and long term. An important element of executive compensation is the grant of incentive stock options by the Company to its Directors and NEOs which do not require cash disbursement by the Company.

#### *Compensation Objectives and Principles*

The primary goal of the Company’s executive compensation process is to attract and retain the key executives necessary for the Company’s long term success, to encourage executives to further the development of the Company and its operations and to motivate qualified and experienced executives. The key elements of executive compensation awarded by the Company are: (i) base salary; (ii) potential annual incentive awards; and (iii) incentive stock options. The Board of Directors is of the view that all elements should be considered rather than any single element.

Due to the Company’s size, currently the Company does not have any performance-based compensation goals.

#### *Compensation Governance*

The Nominating and Corporate Governance Committee of the Board of Directors of the Company, through discussions without any formal objectives, criteria or analysis, is responsible for determining all forms of compensation to be granted to the Chief Executive Officer, as well as to its Directors and for reviewing the Chief Executive Officer’s recommendations regarding compensation of the other NEOs of the Corporation, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of the Company’s NEOs, the Committee considers: (i) recruiting and retaining executives critical to the success of the Company and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and the Company’s shareholders; and (iv) rewarding performance, both on an individual basis and with respect to operations in general. In order to achieve these objectives, the compensation paid to the Company’s NEOs consists of base salary and/or long term incentive in the form of stock options. No base salary was paid and no stock options were granted to the Directors or NEOs of the

Company during the most recently completed financial year ended September 30, 2017. The Company does not currently use any peer group as a methodology for compensation decisions.

Information respecting the members of the Nominating and Corporate Governance Committee are set out below under “Statement of Corporate Governance Practices”.

### **Pension Disclosure**

The Company does not offer any pension plan benefits to its Directors or NEOs.

### **STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

Corporate governance is the process and structure used to direct and manage the business and affairs of a Company with the objective of enhancing value for its owners. National Instrument 58-101 of the Canadian Securities Administrators – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) requires the Company to disclose a summary of its corporate governance protocols.

### **Board of Directors**

As at the date hereof, the Board consists of four directors, one of whom is an independent director as defined in NI 58-101, meaning that he has no direct or indirect material relationship with the issuer which could, in the view of the Board, reasonably be expected to interfere with the exercise of this independent judgment, and is not otherwise deemed not to be independent. Applying the criteria in NI 58-101, Cameron Paddock, Danilen Villanueva and Stephen Kenwood are independent directors of the Company. Christopher Dyakowski is not considered independent on the basis that that he is an executive officer of the Company.

The Board is satisfied that it is not constrained in its access to information, in its deliberations, or in its ability to satisfy the mandate established by law to supervise the business and affairs of the Company and that there are sufficient systems and procedures in place to allow the Board to have a reasonable degree of independence from day-to-day management.

### **Other Directorships**

The Company’s current directors are also directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction as follows:

<b>Name of Director</b>	<b>Name of Reporting Issuer</b>
Cameron Paddock	RewardStream Solutions Inc.
Danilen Villanueva	RewardStream Solutions Inc.
Stephen Kenwood	Majestic Gold Corp.; Jericho Oil Corp.; Ely Gold & Minerals Inc.; Sonoro Metals Corp.; Newcastle Energy Corp.

### **Orientation and Continuing Education**

The Company has not yet developed an official orientation or training program for new directors. Notwithstanding the foregoing, all of the Company’s directors are familiar with mineral and oil and gas exploration and, as such, orientation has not, to date, been required. Nevertheless, new directors are provided, through discussions and meetings with other directors, officers, and employees, with a thorough description of the Company’s business, properties, assets, operations and strategic plans and objectives. Orientation activities will be tailored to the particular needs and experience of each director and the overall needs of the Board.

### **Ethical Business Conduct**

The Board conducts itself with high business and moral standards and follows all applicable legal and financial requirements. In that regard, the Board has adopted a written Code of Ethics (the “**Code**”) for its directors, officers, employees and consultants. The Code adopted by the Board has been filed with the securities regulators, in accordance with applicable legislation, and is available for viewing on SEDAR at [www.sedar.com](http://www.sedar.com). The Code establishes practices regarding compliance with the law and internal policies and guidelines, a Whistleblower Policy which details complaint procedures for financial concerns, disclosure obligations, and internal financial control. Each employee, officer, director, and material consultant is provided with a copy of the Code and certifies, among other things, that he or she has understood the Code and that he or she will continue to comply with the terms of the Code.

### **Nomination of Directors**

The Board currently has a Nominating and Corporate Governance Committee consisting of Christopher Dyakowski and Stephen Kenwood.

The Nominating and Corporate Governance Committee will consider the size of the Board each year when it considers the number of directors to recommend to the Board for director nominees. The criteria for selecting new directors shall reflect the requirements of the listing standards of the TSXV with respect to independence and the following factors:

- (a) the appropriate size of the Board;
- (b) the needs of the Company with respect to the particular talents and experience of its directors;
- (c) personal and professional integrity of the candidate;
- (d) level of education and/or business experience;
- (e) broad-based business acumen;
- (f) the level of understanding of the Company’s business and the industry in which it operates and other industries relevant to the Company’s business;
- (g) the ability and willingness to commit adequate time to Board and committee matters;
- (h) the fit of the individual’s skills and personality with those of other directors and potential directors in building a Board that is effective, collegial and responsive to the needs of the Company;
- (i) the ability to think strategically and a willingness to share ideas; and
- (j) diversity of experiences, expertise and background.

### **Compensation**

The Nominating and Corporate Governance Committee, subject to approval by the Board, is responsible for determining all forms of compensation to be granted to the Chief Executive Officer and the Chief Financial Officer. See “Oversight and Description of Director and Named Executive Officer Compensation – *Compensation Governance*” above.

### **Other Board Committees**

The Board has only two committees: the Audit and Finance Committee and the Nominating and Corporate Governance Committee.

## Assessments

The Board does not formally review the contributions of individual directors; however, it believes that its current size facilitates informal discussion and evaluation of members' contributions within that framework.

## AUDIT AND FINANCE COMMITTEE

The purpose of the Audit and Finance Committee is to assist the Board in its oversight of the quality and integrity of the accounting, auditing, reporting practices, systems of internal accounting and financial controls, the annual independent audit of the Company's financial statements, and the legal compliance and ethics programs of the Company as established by management.

### Audit and Finance Committee's Charter

The text of the Company's Audit and Finance Committee Charter is attached as Appendix 1 to this Circular.

### Composition of the Audit and Finance Committee

As at the date hereof, the members of the Audit and Finance Committee are Christopher Dyakowski, Cameron Paddock and Danilen Villanueva. In accordance with National Instrument 52-110 *Audit Committees* of the Canadian Securities Administrators ("**NI 52-110**"), each member of the Audit Committee is financially literate and Stephen Kenwood is independent. Christopher Dyakowski is not independent within the meaning of NI 52-110 for the reasons noted above under "Statement of Corporate Governance Practices – Board of Directors".

The members of the Audit and Finance Committee are financially literate within the meaning of NI 52-110 in that they have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

### Audit and Finance Committee Oversight

At no time since the commencement of the Company's most recently completed financial year did the Board of Directors of the Company decline to adopt a recommendation of the Audit and Finance Committee to nominate or compensate an external auditor.

### Relevant Education and Experience

The education and experience of each member of the Audit and Finance Committee that is relevant to the performance of his responsibilities as an Audit and Finance Committee member and, in particular, any education or experience that would provide the member with:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements;
- (b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
- (c) experience preparing, auditing, analysing 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
- (d) an understanding of internal controls and procedures for financial reporting are as follows:

Name of Member	Education	Experience
Christopher I. Dyakowski	BSc (Geo)	39 years' experience as a director and/or officer
Cameron Paddock	N/A	1 year's experience as a director and/or officer
Danilen Villanueva	BBA	1 year's experience as a director

Please see "Management" for biographic detail about the members of the Audit and Financial Committee.

### Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on an exemption under section 2.4, 6.1.1(4), (5) or (6), or granted under Part 8 of NI 52-110.

### Pre-Approval Policies and Procedures

As at the date of this Circular, the Audit and Finance Committee has not adopted any specific policies or procedures for the engagement of non-audit services.

### External Auditor Service Fees

The following table sets out, by category, the fees billed by MNP LLP, the Company's auditors, for the years ended September 30, 2017 and September 30, 2016:

	Year ended September 30, 2017	Year ended September 30, 2016
Audit fees	\$15,500	\$11,500
Audit-related fees	\$Nil	\$6,200
Tax fees	\$Nil	\$Nil
All other fees	<u>\$Nil</u>	<u>\$Nil</u>
Total	<u>\$15,500</u>	<u>\$17,700</u>

### Exemption for Venture Issuers

The Company is relying upon the exemption in section 6.1 of NI 52-110, which exempts issuers whose shares are listed only on the TSXV from the requirements of Part 3 (*Composition of Audit Committee*) and Part 5 (*Reporting Obligations*).

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

As of the end of the Company's most recent financial year ended September 30, 2017, the Company had no compensation plans in place under which equity securities of the Company are authorized for issuance.

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, executive officer, employee or former director, executive officer or employee or any of their respective associates or affiliates or any proposed nominee for election as a director of the Company is or has been at any time since the beginning of the last completed financial year, indebted to the Company or any of its subsidiaries nor has any such person been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding, provided by the Company or any of its subsidiaries.

**INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Other than as disclosed in this Information Circular, no informed person of the Company, proposed nominee for election as a director, or any associate or affiliate of the foregoing, 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 or any of its subsidiaries.

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

Other than as disclosed herein, management of the Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who has been a director or executive officer of the Company since the commencement of the Company's last completed financial year, or of any proposed nominee for election as a director of the Company, or of any associate or affiliate of any of such persons, in any manner to be acted upon at the Meeting other than the election of directors or the appointment of auditors.

**MANAGEMENT CONTRACTS**

No management functions of the Company or any of its subsidiaries are performed to any substantial degree by a person other than the directors or executive officers of the Company or subsidiary, except as disclosed herein. See "External Management Companies" above.

**OTHER BUSINESS**

Management of the Company knows of no matters to come before the Meeting other than those referred to in the Notice of Meeting accompanying this Information Circular. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the form of proxy accompanying this Information Circular to vote the same in accordance with their best judgment of such matters.

**ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Company at its offices located at 3750 West 49<sup>th</sup> Avenue, Vancouver, BC V6N 3T8 or by telephone at 604-250-2844 to request a copy of any document referenced herein including the Company's financial statements and MD&A. Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year.

DATED at Vancouver, British Columbia, this 20<sup>th</sup> day of March, 2018.

BY ORDER OF THE BOARD OF DIRECTORS

*(signed) "Christopher Dyakowski"*

Christopher Dyakowski,  
President and Chief Executive Officer

## APPENDIX 1

### AUDIT AND FINANCE COMMITTEE CHARTER OF THE BOARD OF DIRECTORS OF ESSEX MINERALS INC.

#### Organization

There shall be a committee of the board of directors (the “**Board**”) of Essex Minerals Inc. (the “**Company**”) known as the Audit and Finance Committee (the “**Committee**”). This charter shall govern the operations of the Committee.

#### Membership and Qualifications

The membership of the Committee shall be appointed by the Board and shall consist of at least three directors, the majority of whom will be non-officers (the “**Independent Directors**”).

Each independent member of the Committee shall be, while at all times a member of the Committee, free of any relationship that, in the opinion of the Board, would interfere with the member’s individual exercise of independent judgment.

Each member of the Committee shall be, while at all times a member of the Committee, generally knowledgeable in financial and auditing matters, specifically possessing the ability to read and understand fundamental financial statements including the Company’s balance sheet, statement of operations and statement of cash flows.

The Board shall appoint one member of the Committee as chair. The chair shall be responsible for leadership of the Committee, including preparing the agenda, presiding over the meetings, making committee assignments and reporting to the Board. The chair will also maintain regular liaison with the Company’s Chief Executive Officer, Chief Financial Officer and lead independent audit partner.

#### Role

The Committee assists the Board in fulfilling its responsibility for oversight of the quality and integrity of the accounting, auditing, reporting practices, systems of internal accounting and financial controls, the annual independent audit of the Company’s financial statements, and the legal compliance and ethics programs of the Company as established by management and the Board shall also perform any other related duties as directed by the Board. In fulfilling this role, the Committee is expected to maintain free and open communications with the independent auditor and management of the Company and shall meet at least once each quarter.

While the Committee has the responsibilities and powers set forth below in this charter under the headings “Authority” and “Responsibilities and Processes”, it is not the duty of the Committee to conduct audits or to determine that the Company’s financial statements are fairly presented and are in accordance with generally accepted accounting principles. Management is responsible for the preparation of financial statements in accordance with generally accepted accounting principles. It is the role of the independent auditor to audit the financial statements.

#### Authority

The Committee is granted the authority to investigate any matter brought to its attention, with full access to all books, records, facilities and personnel of the Company. The Committee has the power to engage and determine funding for outside counsel or other experts or advisors as the Committee deems necessary for these purposes and as otherwise necessary or appropriate to carry out its duties. The Company shall provide appropriate funding, as determined by the Committee, for payment of compensation to any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company and for any advisors

employed by the Committee as well as for the payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

### Responsibilities and Processes

The Committee's primary responsibilities include:

- Overseeing the Company's financial reporting process on behalf of the Board and reporting the results or findings of its oversight activities to the Board.
- Having sole authority to appoint, retain and oversee the work of the Company's independent auditor and establishing the compensation to be paid to the independent auditor. The Company's independent auditor shall report directly to the Committee.
- Establishing procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls and/or auditing matters for the confidential, anonymous submission by the Company's employees of concerns regarding questionable accounting or auditing matters.
- Pre-approving all audit services and permissible non-audit services as may be amended from time to time.
- Overseeing the Company's system to monitor and manage risk, and legal and ethical compliance programs, including the establishment and administration (including the grant of any waiver from) a written code of ethics applicable to each of the Company's principal executive officer, principal financial officer, principal accounting officer or controller or persons performing similar functions.

The Committee, in carrying out its responsibilities, believes its policies and procedures should remain flexible in order to react more effectively to changing conditions and circumstances. The Committee shall take the appropriate actions to set the overall corporate "tone" for quality financial reporting, sound business risk practices and ethical behavior.

The following shall be the principal recurring processes of the Committee relating to its oversight responsibilities. These processes are set forth as a guide, with the understanding that the Committee may supplement them as appropriate and is not intended to be a comprehensive list of all the actions that the Committee will take in discharging its duties. These processes are:

- Discussing with the independent auditor the objectivity and independence of the auditor and any relationships that may impact the auditor's objectivity or independence and receiving from the independent auditor disclosures regarding its independence and written affirmation that the independent auditor is in fact independent, and taking any action, or recommending that the Board take appropriate action to oversee the independence of the independent auditor.
- Overseeing the independent auditor relationship by discussing with the auditor the nature and scope of the audit process, receiving and reviewing audit reports, and providing the auditor full access to the Committee to report on any and all appropriate matters. The Committee has the sole authority to resolve disagreements, if any, between management and the independent auditor.
- Discussing with the independent auditor and the Company's financial and accounting personnel, together and in separate sessions, the adequacy and effectiveness of the accounting and financial controls of the Company and eliciting recommendations for the improvement of such internal control procedures or particular areas where new or more detailed controls or procedures may be desirable.
- Providing sufficient opportunity for the independent auditor to meet with the members of the Committee without members of management present. Among the items to be discussed in these

meetings are the independent auditor's evaluation of the Company's financial and accounting personnel and the cooperation that the independent auditor received during the course of the audit.

- Discussing with management their review of the adequacy of the Company's disclosure controls and procedures, the effectiveness of such controls and procedures and any findings following such review.
- Reviewing the Company's system to monitor, assess and manage risk and legal and ethical compliance program.
- Reviewing and discussing with management and the independent auditor prior to the filing of the Company's annual report:
  1. The Company's annual financial statements and related footnotes and other financial information, including the information in the "Management's Discussion and Analysis".
  2. The selection, application and effects of the Company's critical accounting policies, practices and the reasonableness of significant judgments and estimates made by management.
  3. Alternative and preferred treatment of financial information under generally accepted accounting principles.
  4. All material arrangements, off-balance sheet transactions and relationship with any unconsolidated entities or any other persons which may have a material, current or future, effect on the financial condition of the Company.
  5. Any material written communications between the independent auditor and management.
  6. The independent auditor's audit of the financial statements and its report thereon.
  7. Any significant finding and recommendations of the independent auditor and management's responses thereto.
  8. Any significant changes in the independent auditor's audit plan.
  9. Any serious difficulties or disputes with management encountered during the course of the audit.
  10. Any related significant findings and recommendations of the independent auditor together with management's responses thereto.
  11. Other matters related to the conduct of the audit, which are to be communicated to the Committee under generally accepted auditing standards.
- Preparing a report to be included in the Company's Information Circular that states the Committee has:
  - 1. Analyzed and discussed the audited financial statements with management;
    2. Discussed with the independent auditor the auditor's independence;
    3. Considered the audit and non-audit services provided by the independent auditor, and the fees paid for such services; and

- The Committee shall review in advance all announcements of interim and annual financial results, as well as any periodic guidance to be publicly released by the Company and discuss such announcements with management and the independent auditors.
- Reviewing and discussing with management and the independent auditor prior to the filing of the Company's Quarterly Report:
  - 1. the Company's interim financial statements and related footnotes and other financial information, including the information in the "Management's Discussion and Analysis".
    2. The selection, application and effects of the Company's critical accounting policies, practices and the reasonableness of significant judgments and estimates made by management.
    3. Alternative and preferred treatment of financial information under generally accepted accounting principles.
    4. All material arrangements, off-balance sheet transactions and relationship with any unconsolidated entities or any other persons which may have a material current or future effect on the financial condition of the Company.
- Reviewing and either approving or disapproving all related party transactions.
- Submitting the minutes of all meetings of the Committee to, or discussing the matters discussed at each committee meeting with, the Board.
- Reviewing and assessing the adequacy of this charter annually and recommend any proposed changes to the Board for its approval.

The Chairman of the Committee, or another Committee member designated by the Chairman, is authorized to act on behalf of the Committee with respect to required Committee responsibilities which arise between regularly scheduled Committee meetings, with the independent auditors and management, as well as the pre-approval of non-audit services provided by the independent auditors, as necessary, as contemplated by the Committee's policies. Any such pre-filing discussions and preapprovals shall be reported to the Committee at a subsequent meeting.