



NOTICE OF ANNUAL AND SPECIAL MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

OF

VICTORY METALS INC.

TO BE HELD ON

OCTOBER 10, 2019

DATED: AUGUST 22, 2019

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD **OCTOBER 10, 2019**

NOTICE IS HEREBY GIVEN that the **Annual and Special Meeting** (the “**Meeting**”) of Victory Metals Inc. (the “**Company**”) will be held at **Suite 1700, 666 Burrard Street, Vancouver, British Columbia, on Thursday, October 10, 2019, at 10:30 a.m., Pacific Time**, for the following purposes:

1. To receive and consider the audited financial statements of the Company for the financial year ended March 31, 2019, together with the auditor’s report thereon;
2. To fix the number of directors for the ensuing year at four (4) members;
3. To elect directors of the Company to hold office for the ensuing year;
4. To appoint Davidson & Company LLP, Chartered Professional Accountants, as auditor of the Company for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditor;
5. To consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution approving the adoption of a new 10% rolling stock option plan of the Company, as more particularly described in, and attached as Appendix “B” to, the accompanying management information circular (the “**New Stock Option Plan**”);
6. To consider and, if deemed appropriate, to pass an ordinary resolution to approve the existing stock option plan of the Company, as more particularly described in the accompanying management information circular, in the event the New Stock Option Plan does not receive the required approval of the shareholders of the Company at the Meeting and, subsequently the TSX Venture Exchange; and
7. To transact such other business as may properly be transacted at the Meeting or at any adjournment thereof.

The accompanying management information circular (the “**Information Circular**”) provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this Notice. Also accompanying this Notice is a (i) form of proxy or voting instruction form, and (ii) financial statements request form.

Registered shareholders unable to attend the Meeting are requested to date, sign and return their form of proxy in the enclosed envelope or to vote by email or facsimile transmission or by using the internet in accordance with the instructions on the form of proxy. The enclosed form of proxy is solicited by management of the Company but you may amend it, if you so desire, by striking out the names listed therein and inserting in the space provided, the name of the person you wish to represent you at the Meeting. If you are a non-registered shareholder and receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or by the other intermediary. Failure to do so may result in your shares not being voted by proxy at the Meeting.

DATED at Vancouver, British Columbia, this **22nd** day of **August, 2019**.

BY ORDER OF THE BOARD OF DIRECTORS

“Collin Kettell”

Collin Kettell
Chief Executive Officer



MANAGEMENT INFORMATION CIRCULAR

August 22, 2019

SECTION 1 - INTRODUCTION

This management information circular (the “**Information Circular**”) accompanies the notice of annual and special meeting (the “**Notice**”) and is furnished to shareholders (the “**Shareholders**” and each a “**Shareholder**”) holding common shares (the “**Shares**” and each a “**Share**”) in the capital of Victory Metals Inc. (the “**Company**”) in connection with the solicitation by the management of the Company of proxies to be voted at the annual and special meeting (the “**Meeting**”) of the Shareholders to be held at 10:30 a.m. (Pacific Time) on Thursday, October 10, 2019, at Suite 1700, 666 Burrard Street, Vancouver, British Columbia, or at any adjournment thereof.

DATE AND CURRENCY

The date of this Information Circular is August 22, 2019. Unless otherwise stated, all amounts herein are in Canadian dollars.

SECTION 2 - PROXIES AND VOTING RIGHTS

MANAGEMENT SOLICITATION

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

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

APPOINTMENT OF PROXY

Registered Shareholders are entitled to vote at the Meeting. A Shareholder is entitled to one vote for each Share that such Shareholder holds on the record date of August 22, 2019 (the “**Record Date**”) on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

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

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

TO EXERCISE THE RIGHT, THE SHAREHOLDER MAY DO SO BY STRIKING OUT THE PRINTED NAMES AND INSERTING THE NAME OF SUCH OTHER PERSON AND, IF DESIRED, AN ALTERNATE TO SUCH PERSON, IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE’S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER’S SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.

In order to be voted, the completed form of proxy must be received by the Company’s registrar and transfer agent, Alliance Trust Company (the “**Transfer Agent**”), at their offices located at Suite 1010, 407 – 2nd Street S.W., Calgary, Alberta, T2P 2Y3, by mail, fax or email, at least two business days (excluding Saturdays, Sundays and holidays) prior to the scheduled time of the Meeting, or any adjournment(s) thereof.

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

REVOCAION OF PROXIES

A Shareholder who has given a proxy may revoke it at any time before it is exercised by an instrument in writing: (a) executed by that Shareholder or by that Shareholder’s attorney-in-fact authorized in writing or, where the Shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Transfer Agent at their offices located Suite 1010, 407 – 2nd Street S.W., Calgary, Alberta, T2P 2Y3, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned, any reconvening thereof, or (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (a) attendance at the Meeting and participation in a poll (ballot) by a Shareholder, or (b) submission of a subsequent proxy in accordance with the

foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

VOTING OF SHARES AND PROXIES AND EXERCISE OF DISCRETION BY DESIGNATED PERSONS

A Shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space. If the instructions as to voting indicated in the proxy are certain, the Shares represented by the proxy will be voted or withheld from voting in accordance with the instructions given in the proxy. If the Shareholder specifies a choice in the proxy with respect to a matter to be acted upon, then the Shares represented will be voted or withheld from the vote on that matter accordingly. **The Shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.**

IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY.

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

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

ADVICE TO BENEFICIAL SHAREHOLDERS

Only registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most Shareholders are “non-registered” Shareholders because the shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the shares. More particularly, a person is not a registered shareholder in respect of shares which are held on behalf of that person (the “**Non-Registered Holder**”) but which are registered either: (a) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Holder deals with in respect of the shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators or self-administered RRSPs, RRIFs, RESPs and similar plans); or (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc. or CDS & Co.) of which the Intermediary is a participant. In accordance with the requirements set out in National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), the Company has distributed copies of the Notice, this Information Circular and the form of proxy (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

- (a) 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 common shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Holder when submitting the proxy. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and deposit it with the Transfer Agent as provided above; or
- (b) more typically, be given a voting instruction form which is not signed by the Intermediary, and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions (often called a “**proxy authorization form**”) which the Intermediary must follow. Typically, the proxy authorization form will consist of a one-page pre-printed form. Sometimes, instead of a one-page pre-printed form, the proxy authorization will consist of a regular printed proxy form accompanied by a page of instructions, which contains a removable label containing a bar-code and other information. In order for the form of proxy to validly constitute a proxy authorization form, the Non-Registered Holder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In either case, the purpose of this procedure is to permit a Non-Registered Holder to direct the voting of the Shares which they beneficially own. Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the Designated Persons named in the form and insert the Non-Registered Holder’s name in the blank space provided. In either case, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or proxy authorization form is to be delivered.

There are two kinds of beneficial owners – those who object to their name being made known to the issuers of securities which they own (called OBOs for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called NOBOs for Non-Objecting Beneficial Owners). Pursuant to NI 54-101, issuers can obtain a list of their NOBOs from Intermediaries for distribution of proxy-related materials directly to NOBOs.

These Meeting Materials are being sent to both registered Shareholders and Non-Registered Holders. If you are a Non-Registered Holder, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding Shares on your behalf.

SECTION 3 - VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of Common shares without par value and an unlimited number of Preferred shares without par value. As of the Record Date, determined by the board of directors of the Company (the “**Board**”) to be the close of business on August 22, 2019, a total of 90,387,800 Common shares were issued and outstanding and no Preferred shares were issued and outstanding. Each Common share carries the right to one vote at the Meeting.

Only registered Shareholders as of the Record Date (August 22, 2019) are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment thereof.

To the knowledge of the Company’s directors and executive officers, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Common shares carrying more than 10% of the voting rights attached to the outstanding Common Shares of the Company, other than as set forth below:

| Name of Shareholder | Number of Common Shares Owned | Percentage of Outstanding Common Shares ⁽¹⁾ |
|----------------------------------|-------------------------------|--|
| Casino Gold Corp. ⁽²⁾ | 41,837,681 | 46.29% |

⁽¹⁾ Based on 90,387,800 Common shares issued and outstanding as of August 22, 2019.

⁽²⁾ Casino Gold Corp. is a widely held private company. Palisade Global Investments Ltd. holds approximately 30% of the issued and outstanding common shares of Casino Gold Corp., and Mr. Collin Kettell, the Company’s Chief Executive Officer and a director, holds 39%, and is the principal controlling shareholder, of Palisade Global Investments Ltd.

SECTION 4 – PARTICULARS OF MATTERS TO BE ACTED UPON

MANAGEMENT OF THE COMPANY KNOWS OF NO OTHER MATTERS TO COME BEFORE THE MEETING OTHER THAN THOSE REFERRED TO IN THE NOTICE OF MEETING. HOWEVER, IF ANY OTHER MATTERS THAT ARE NOT KNOWN TO MANAGEMENT SHOULD PROPERLY COME BEFORE THE MEETING, THE ACCOMPANYING FORM OF PROXY CONFERS DISCRETIONARY AUTHORITY UPON THE PERSONS NAMED THEREIN TO VOTE ON SUCH MATTERS IN ACCORDANCE WITH THEIR BEST JUDGMENT.

Additional details regarding each of the matters to be acted upon at the Meeting are set forth below.

FINANCIAL STATEMENTS

The audited financial statements of the Company for the financial year ended March 31, 2019, together with the auditor’s report thereon (the “**Financial Statements**”), will be presented to Shareholders at the Meeting.

Copies of these documents will be available at the Meeting and may also be obtained by a shareholder upon request without charge from the Company, PO Box 48264, Bentall Centre, Vancouver, British Columbia, V7X 1A1. These documents are also available online under the Company’s profile at www.sedar.com (SEDAR – System for Electronic Document Analysis and Retrieval).

Management will review the Company's financial results at the Meeting and Shareholders and proxyholders will be given an opportunity to discuss these results with management. **No approval or other action needs to be taken at the Meeting in respect of these documents.**

ELECTION OF DIRECTORS

Number of Directors

At present, the directors of the Company are elected at each annual meeting and hold office until the next annual meeting, or until their successors are duly elected or appointed in accordance with the Company's Articles or until such director's earlier death, resignation or removal.

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company for the ensuing year at four (4). The number of directors will be approved if the affirmative vote of the majority of Shares present or represented by proxy at the Meeting and entitled to vote are voted in favour of setting the number of directors at four (4).

Management recommends Shareholders vote in favour of the resolution setting the number of directors at four (4). Unless you provide instructions otherwise, the Designated Persons intend to vote FOR the resolution setting the number of directors at four (4).

Advance Notice Provisions

In 2013 the Company amended its Articles to incorporate advance notice provisions as approved by Shareholders at the annual and special meeting held December 11, 2013 (the "**Advance Notice Provisions**"). The Advance Notice Provisions require advance notice to the Company in circumstances where nominations of persons for election to the Board are made by Shareholders other than pursuant to (i) a requisition of a meeting made pursuant to the provisions of the *Business Corporations Act* (British Columbia) or (ii) a shareholder proposal made pursuant to the provisions of the *Business Corporations Act* (British Columbia).

The purpose of the Advance Notice Provisions is to foster a variety of interests of Shareholders and the Company by ensuring all Shareholders - including those participating in a meeting by proxy rather than in person - receive adequate notice of the nominations to be considered at a meeting and can, thereby, exercise their voting rights in an informed manner. Among other things, the Advance Notice Provisions fixes a deadline by which Shareholders 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 Advance Notice Provisions are available for viewing in the Articles of the Company posted under the Company's profile at www.sedar.com.

As of the date of this Information Circular, the Company has not received notice of a nomination in compliance with the Advance Notice Provisions and, as such, management's nominees for election as directors set forth below shall be the only nominees eligible to stand for election at the Meeting.

Nominees for Election

Management of the Company proposes to nominate the persons named in the table below for election by the Shareholders as directors of the Company. Each of the nominees, all of whom are presently members of the Board, has agreed to stand for election and management of the Company does not contemplate that any of the nominees will be unable to serve as a director.

Information concerning such persons, as furnished by the individual nominees, is as follows:

| Name and Province/ Country of Residence and Present Office Held | Principal Occupation, Business or Employment for Last Five Years | Periods During Which Nominee Has Served as a Director | Number of Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly ⁽¹⁾ |
|---|---|---|--|
| Paul Matysek⁽²⁾ British Columbia, Canada <i>Executive Chairman and Director</i> | Director, Forsys Metals Corp., 2007 – present; Chairman and Director, Nano One Materials Corp., 2012 – present; Chairman and Director, First Cobalt Corp., 2017 – present; Director; Executive Chairman, Lithium X Energy Corp., 2015 – 2018; Director, Arena Minerals Inc., 2013 – 2017; Director, Nevada Copper Corp., 2008 – 2017; President, CEO, and Director, Goldrock Mines Corp., 2012 – 2016 | January 31, 2019 - present | 2,045,473 ⁽³⁾ |
| Collin Kettell Puerto Rico, USA <i>Chief Executive Officer and Director</i> | CEO, Palisade Global Investments Ltd., 2013 – present | January 31, 2019 – present | ~6,370,314 ⁽⁴⁾ |
| Craig Roberts⁽²⁾ British Columbia, Canada <i>Director</i> | Managing Director, Axemen Resource Capital Ltd., 2009 – present; Director, K2 Gold Corporation, 2016 – present; Interim President and CEO, Director, Global Battery Metals Ltd., 2016 – present; Interim President and CEO, Director, Ethos Gold Corp. 2018 – present; Vice-President of Corporate Development, Ethos Gold Corp., 2016 – 2018 | January 31, 2019 – present | 1,775,000 ⁽⁵⁾ |
| Douglas Forster⁽²⁾ British Columbia, Canada <i>Director</i> | President and CEO, Quarry Capital Corp., 1994 – present; Chairman, Calibre Mining Corp., 2003 – present; President and CEO, Featherstone Capital Inc., 2005 – present; Director, Pinecrest Resources Ltd., 2010 – present; Director, Edgewater Exploration Ltd., 2011 – present; President and CEO, Newmarket Gold Inc., 2013 – 2016 | February 12, 2019 – present | 1,850,000 ⁽⁶⁾ |

(1) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at August 22, 2019, based upon information furnished to the Company by the individual directors.

(2) Member of the Audit Committee of the Company

- (3) Paul Matysek indirectly holds 2,045,473 common shares of the Company through Bedrock Capital Corporation, a private company controlled by Paul Matysek.
- (4) Collin Kettell indirectly holds approximately 6,370,314 common shares of the Company through his ownership in Casino Gold Corp. and Palisade Global Investments Ltd.
- (5) Craig Roberts directly holds 1,775,000 common shares of the Company.
- (6) Douglas Forster directly holds 1,150,000 common shares and a further 700,000 common shares of the Company indirectly through Quarry Capital Corp., a private company controlled by Mr. Forster.

Management recommends Shareholders vote in favour of the election of each of the nominees listed above for election as directors of the Company for the ensuing year. Unless you provide instructions otherwise, the Designated Persons intend to vote FOR the nominees.

Cease Trade Orders

No proposed director of the Company is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:

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

All such representations are made upon the reliance of information provided by such individuals and the Company has not conducted any independent searches to verify such information.

Bankruptcies

No proposed director of the Company is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

No proposed director of the Company has, within 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

All such representations are made upon the reliance of information provided by such individuals and the Company has not conducted any independent searches to verify such information.

Penalties and Sanctions

No proposed director of the Company has been subject to:

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

All such representations are made upon the reliance of information provided by such individuals and the Company has not conducted any independent searches to verify such information.

APPOINTMENT OF AUDITOR

At the Meeting, Shareholders will be asked to vote for the appointment of Davidson & Company LLP, Chartered Professional Accountants, as auditor of the Company to hold office until the next annual meeting of Shareholders, or until a successor is appointed, and to authorize the directors of the Company to fix the auditor's remuneration.

Management recommends Shareholders vote in favour of the appointment of Davidson & Company LLP, Chartered Professional Accountants, as auditor of the Company for the ensuing year and authorize the Board to fix the auditor's remuneration.

Unless you provide instructions otherwise, the Designated Persons intend to vote FOR the appointment of Davidson & Company LLP, Chartered Professional Accountants, as the Company's auditor until the close of its next annual meeting and to authorize the Board to fix the remuneration to be paid to the auditor.

ADOPTION AND APPROVAL OF NEW STOCK OPTION PLAN

The Board proposes the implementation, subject to Shareholder and regulatory approval, of a new 10% rolling stock option plan (the "**New Stock Option Plan**"), which was approved on July 29, 2019, by the Board for presentation to Shareholders to replace the Company's existing Stock Option Plan.

The Company's existing Stock Option Plan dated for reference November 12, 2012, as amended December 18, 2014 (the "**Existing Stock Option Plan**"), was last ratified by Shareholders on September 14, 2018. On February 8, 2019, the Company graduated from the NEX Board ("**NEX**") of the TSX Venture Exchange (the "**Exchange**") to the Exchange and is no longer considered a NEX company. Concurrently, all NEX references contained in the Existing Stock Option Plan became outdated and certain other components of the Existing Stock Option Plan also required modification in order to satisfy current policies of the Exchange. The proposed New Stock Option Plan includes Exchange Hold Period text, applicable to all stock options granted to insiders of the Company and for stock options granted at any

discount to the market price of Shares in accordance with Policy 4.4, Incentive Stock Options, of the Exchange to ensure stock options are correctly legended with the Exchange Hold Period, as necessary. The New Stock Option Plan also includes provisions with respect to (i) the automatic extension to the expiry date of a stock option governed by the New Stock Option Plan if such expiry date falls within a period during which an Issuer prohibits option holders from exercising their stock options (a “**Blackout Period**”); (ii) withholding tax to meet tax treatment requirements of employee stock options; and (iii) accelerated vesting events.

As with the Existing Stock Option Plan, the New Stock Option Plan is a rolling stock option plan, whereby the aggregate number of Shares reserved for issuance, together with any other Shares reserved for issuance under any other plan or agreement of the Company, shall not exceed ten (10%) percent of the total number of issued Shares (calculated on a non-diluted basis) at the time an option is granted. Its purpose is to provide the Company with a share-related mechanism to attract, retain and motivate qualified directors, officers, employees and consultants, to reward such persons as may be awarded stock options under the plan by the Board from time to time for their contributions toward the long-term goals of the Company, and to enable and encourage such persons to acquire Shares as long-term investments. Stock options form the only equity compensation plan the Company has in place.

The New Stock Option Plan is consistent with the requirements of the Exchange and provides as follows:

- the New Stock Option Plan reserves, for issuance pursuant to the exercise of stock options, a maximum number of Shares equal to 10% of the issued Shares at the time of any stock option grant;
- if a stock option expires or otherwise terminates for any reason without having been exercised in full, the number of Shares in respect of which the stock option expired or terminated shall again be available for the purposes of the New Stock Option Plan;
- persons eligible to be granted stock options under the New Stock Option Plan are directors, officers, and bona fide employees and consultants of the Issuer;
- the aggregate number of stock options granted to any one person (and companies wholly owned by that person) in any 12-month period must not exceed 5% of the issued Shares at the time of the grant, unless the Company has obtained the requisite disinterested Shareholder approval;
- the aggregate number of stock options granted to any one consultant in any 12-month period must not exceed 2% of the issued Shares at the time of the grant;
- the aggregate number of stock options granted to all persons conducting investor relations activities in any 12-month period must not exceed 2% of the issued Shares at the time of the grant;
- options fully vest on date of grant or as determined by the Board except for stock options issued to persons conducting investor relations activities which must vest in stages over a minimum period of 12 months with no more than $\frac{1}{4}$ of the stock options vesting in any three-month period;

- the exercise price per Share for a stock option may not be less than the Discounted Market Price (as such term is defined in the policies of the Exchange), subject to a minimum exercise price of \$0.05;
- stock options shall have a term not exceeding 10 years from the date of grant, subject to a provision allowing for the automatic extension to the expiry date of a stock option if such expiry date falls within a Blackout Period during which the Company prohibits option holders from exercising stock options, provided that the (i) Blackout Period must be formally imposed by the Company pursuant to its internal trading policies as a result of the bona fide existence of undisclosed material information, (ii) Blackout Period must expire upon the general disclosure of the undisclosed material information, (iii) expiry date of the affected stock options can be extended to no later than ten (10) business days after the expiry of the Blackout Period, and (iv) automatic extension of an option holder's stock options will not be permitted where the option holder or the Company is subject to a cease trade order (or similar order under applicable securities laws) in respect of the Company's securities;
- if an option holder is terminated for cause, each stock option held by such person shall terminate upon such termination for cause;
- if an option holder dies while holding stock options, each stock option held by such person shall terminate no later than the earlier of the expiry date of the stock options and the date which is six months after the date of death, provided that the Board may extend the date of such termination to a date not exceeding the expiry date and the date which is 12 months after the date of death;
- if an option holder ceases to be an eligible person, other than by termination for cause or death, each stock option held by such person shall terminate no later than the earlier of the expiry date and the date which is 30 days after such event, provide that the Board may extend the date of such termination to a date not exceeding the earlier of the expiry date and the date which is 12 months after such event;
- upon the occurrence of an Accelerated Vesting Event (as defined in the New Stock Option Plan), the Board will have the power, except pertaining to stock options granted to persons conducting Investor Relations activities which will be subject to prior written TSXV approval, to make such changes to the terms of stock options, including but not limited to (i) accelerating the vesting of stock options, conditionally or unconditionally, (ii) terminating every stock option if under the transaction giving rise to the Accelerated Vesting Event, stock options in replacement of the stock options are proposed to be granted to or exchanged with the option holders, (iii) otherwise modifying the terms of any stock option to assist the option holders to tender into any take-over bid or other transaction constituting an Accelerated Vesting Event, or (iv) following the successful completion of such Accelerated Vesting Event, terminating any stock option to the extent it has not been exercised prior to successful completion of the Accelerated Vesting Event;
- in connection with the exercise of a stock option, as a condition to such exercise the Company shall require the optionee to pay, as applicable, to the Company an amount as necessary so as to ensure that the Company is in compliance with the applicable provisions of any federal,

provincial or local laws relating to the withholding of tax or other required deductions relating to the exercise of such stock option;

- disinterested shareholder approval is required for any reduction in the exercise price of a stock option if the option holder is an insider of the Company at the time of the proposed amendment;
- stock options are non-assignable and non-transferable; and
- the New Stock Option Plan contains provisions for adjustment in the number of Shares issuable on exercise of stock options in the event of a Share consolidation, subdivision, conversion, exchange, reclassification or any substitution.

The above summary is subject to the full text of the New Stock Option Plan, which will be available at the Meeting for review by Shareholders and is also attached hereto as Appendix “B”.

The New Stock Option Plan, and any material amendments thereto, must be approved by a majority of the votes cast by Shareholders at the Meeting and, subsequently, by the Exchange. If the New Stock Option Plan is approved, a total of 10% (9,038,780 as of the date of this Information Circular) of the issued and outstanding Shares will be reserved for issuance pursuant to the exercise of stock options. All stock options to acquire Shares previously issued by the Company to directors, officers, employees and consultants of the Company and currently outstanding shall be deemed to have been granted and issued under the New Stock Option Plan and otherwise be governed by the terms and conditions of the New Stock Option Plan.

At the Meeting, Shareholders will be asked to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution approving the adoption of the New Stock Option Plan. The text of the resolution is as follows:

"BE IT RESOLVED, as an ordinary resolution, that the New Stock Option Plan in the form attached as Appendix “B” to the Management Information Circular of the Company dated August 22, 2019, be and is hereby adopted, authorized and approved, and that any director or officer of the Company be and is hereby authorized and directed to perform such acts and deeds and things, including amending the New Stock Option Plan should such amendments be required by applicable regulatory authorities, including but not limited to the TSX Venture Exchange, and execute all such documents, agreements and other writings as may be required to give effect to this resolution.”

Management of the Company has reviewed the proposed resolution, concluded that it is fair and reasonable to the Shareholders and in the best interests of the Company, and recommends Shareholders vote in favour of the adoption of the New Stock Option Plan.

Unless you provide instructions otherwise, the Designated Persons intend to vote FOR the adoption of the New Stock Option Plan.

RATIFICATION OF EXISTING STOCK OPTION PLAN

Should the New Stock Option Plan as described above under the heading “*Section 4 - Particulars of Matters to be Acted Upon – Adoption and Approval of New Stock Option*” not receive the required Shareholder approval at the Meeting, and subsequent Exchange approval, the New Stock Option Plan will not be implemented and the existing stock option plan of the Company (the “**Existing Stock Option Plan**”) will remain in place. In the event this occurs, Shareholders will be asked at the Meeting to consider and, if deemed appropriate, to pass an ordinary resolution ratifying, confirming and approving the Existing Stock Option Plan as is required by the policies of the Exchange, so that the Company can continue to avail itself of this important compensation mechanism.

The Shareholders most recently ratified, confirmed and approved the Existing Stock Option Plan at the last annual meeting of Shareholders held September 14, 2018. The Existing Stock Option Plan is a rolling stock option plan, whereby the aggregate number of Shares reserved for issuance, together with any other Shares reserved for issuance under any other plan or agreement of the Company, shall not exceed ten (10%) percent of the total number of issued Shares (calculated on a non-diluted basis) at the time an option is granted. Under the policies of the Exchange, a rolling stock option plan must be re-approved on a yearly basis by Shareholders.

The significant terms of the Existing Stock Option Plan are described under the heading “*Section 3 – Statement of Executive Compensation – Stock Option Plans and Other Incentive Plans*”.

The Existing Stock Option Plan must be approved by a majority of the votes cast by Shareholders and, subsequently, by the Exchange. As such, at the Meeting, Shareholders will be asked to consider and, if deemed appropriate, to pass the following resolution:

“**WHEREAS** the policies of the TSX Venture Exchange require annual shareholder approval of rolling stock option plans, **BE IT RESOLVED**, as an ordinary resolution, that the Existing Stock Option Plan described in the Management Information Circular of the Company dated August 22, 2019, be and is hereby ratified, confirmed, and approved, and that any director or officer of the Company be and is hereby authorized and directed to perform such acts and deeds and things, including amending the Existing Stock Option Plan should such amendments be required by applicable regulatory authorities, including but not limited to the TSX Venture Exchange, and execute all such documents, agreements and other writings as may be required to give effect to this resolution.”

Management of the Company recommends Shareholders vote in favour of the approval of the Existing Stock Option Plan, in the event the New Stock Option Plan does not receive the required Shareholder and Exchange approval.

Unless you provide instructions otherwise, the Designated Persons intend to vote FOR the ratification, confirmation, and approval of the Existing Stock Option Plan.

SECTION 5 – STATEMENT OF EXECUTIVE COMPENSATION

GENERAL

For the purpose of this Statement of Executive Compensation:

“**company**” includes other types of business organizations such as partnerships, trusts and other unincorporated business entities;

“**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries;

“**external management company**” includes a subsidiary, affiliate or associate of the external management company;

“**named executive officer**” or “**NEO**” means each of the following individuals:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer (“**CEO**”), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer (“**CFO**”), including an individual performing functions similar to a CFO;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*; and
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year;

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

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

DIRECTOR AND NEO COMPENSATION

DIRECTOR AND NEO COMPENSATION, EXCLUDING OPTIONS AND COMPENSATION SECURITIES

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

| Table of Compensation Excluding Compensation Securities | | | | | | | |
|---|-------------------------------|---|------------|--------------------------------|---------------------------|--------------------------------------|-------------------------|
| Name and Position | Financial Year Ended March 31 | Salary, Consulting Fee, Retainer or Commission (\$) | Bonus (\$) | Committee or Meeting Fees (\$) | Value of Perquisites (\$) | Value of All Other Compensation (\$) | Total Compensation (\$) |
| Collin Kettell ⁽¹⁾ <i>CEO and Director</i> | 2019 | 47,439 | 65,475 | Nil | Nil | Nil | 112,914 |
| | 2018 | N/A | N/A | N/A | N/A | N/A | N/A |
| Bassam Moubarak ⁽²⁾ <i>CFO and Corporate Secretary</i> | 2019 | 39,626 | 26,495 | Nil | Nil | Nil | 66,122 |
| | 2018 | N/A | N/A | N/A | N/A | N/A | N/A |
| Paul Matysek ⁽³⁾ <i>Executive Chairman and Director</i> | 2019 | 118,459 | 66,240 | Nil | Nil | Nil | 184,699 |
| | 2018 | N/A | N/A | N/A | N/A | N/A | N/A |
| Craig Roberts ⁽⁴⁾ <i>Director</i> | 2019 | 10,000 | Nil | Nil | Nil | Nil | 10,000 |
| | 2018 | N/A | N/A | N/A | N/A | N/A | N/A |
| Douglas Forster ⁽⁵⁾ <i>Director</i> | 2019 | 10,000 | Nil | Nil | Nil | Nil | 10,000 |
| | 2018 | N/A | N/A | N/A | N/A | N/A | N/A |
| Scott Ackerman ⁽⁶⁾ <i>Former CEO/CFO/President/Secretary and Former Director</i> | 2019 | 130,576 ⁽⁷⁾ | Nil | Nil | Nil | Nil | 130,576 ⁽⁷⁾ |
| | 2018 | Nil | Nil | Nil | Nil | Nil | Nil |
| Doug McFaul ⁽⁸⁾ <i>Former Director</i> | 2019 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2018 | Nil | Nil | Nil | Nil | Nil | Nil |
| Brent Ackerman ⁽⁹⁾ <i>Former Director</i> | 2019 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2018 | Nil | Nil | Nil | Nil | Nil | Nil |

(1) Collin Kettell has served as CEO and a director of the Company since January 31, 2019.

(2) Bassam Moubarak has served as CFO of the Company since January 31, 2019.

(3) Paul Matysek has served as Executive Chairman and a director of the Company since January 31, 2019.

(4) Craig Roberts has served as a director of the Company since January 31, 2019.

(5) Douglas Forster has served as a director of the Company since February 12, 2019.

(6) Scott Ackerman served as a director of the Company from April 3, 2012, to January 31, 2019. He served as CEO, President, and Corporate Secretary of the Company from April 4, 2012, to January 31, 2019, and CFO of the Company from June 26, 2015, to January 31, 2019.

(7) Includes \$10,500 paid to a corporation controlled by Scott Ackerman for the rental of office space for the Company

(8) Doug McFaul served as a director of the Company from June 15, 2015, to January 31, 2019.

(9) Brent Ackerman served as a director of the Company from June 26, 2015, to January 31, 2019.

STOCK OPTIONS AND OTHER COMPENSATION SECURITIES

The following table sets out all compensation securities granted or issued to each NEO and director by the Company or one of its subsidiaries during the financial year ended March 31, 2019, for services provided or to be provided, directly or indirectly, to the Company or any subsidiary thereof:

| Compensation Securities | | | | | | | |
|--|--|--|------------------------|---|---|---|------------------|
| Name and Position ⁽¹⁾ | Type of Compensation Security ⁽²⁾ | Number of Compensation Securities, Number of Underlying Securities, and Percentage of Class ⁽³⁾ | Date of Issue or Grant | Issue, Conversion or Exercise Price ⁽⁴⁾ (\$) | Closing Price of Security or Underlying Security on Date of Grant ⁽⁴⁾ (\$) | Closing Price of Security or Underlying Security at Year End (\$) | Expiry Date |
| Collin Kettell <i>CEO and Director</i> | Stock Options | 1,300,000 stock options (1,300,000 underlying Shares: 1.53%) | January 31, 2019 | 0.35 | 0.35 | 0.70 | January 31, 2024 |
| Bassam Moubarak <i>CFO and Corporate Secretary</i> | Stock Options | 750,000 stock options (750,000 underlying Shares: 0.89%) | January 31, 2019 | 0.35 | 0.35 | 0.70 | January 31, 2024 |
| Paul Matysek <i>Executive Chairman and Director</i> | Stock Options | 535,000 stock options ⁽⁵⁾ (535,000 underlying Shares: 0.63%) | July 23, 2018 | 0.375 | 0.35 | 0.70 | July 23, 2023 |
| | Stock Options | 2,600,000 stock options (2,600,000 underlying Shares: 3.07%) | January 31, 2019 | 0.35 | 0.35 | 0.70 | January 31, 2024 |
| Craig Roberts <i>Director</i> | Stock Options | 500,000 stock options (500,000 underlying Shares: 0.59%) | January 31, 2019 | 0.35 | 0.35 | 0.70 | January 31, 2024 |
| Douglas Forster <i>Director</i> | Stock Options | 750,000 stock options (750,000 underlying Shares: 0.89%) | January 31, 2019 | 0.35 | 0.35 | 0.70 | January 31, 2024 |
| Scott Ackerman <i>Former CEO/CFO/ President/Secretary and Former Director</i> | Stock Options | 535,000 stock options ⁽⁶⁾ (350,000 underlying Shares: 0.63%) | July 23, 2018 | 0.375 | 0.35 | 0.70 | July 23, 2023 |
| | Stock Options | 350,000 stock options ⁽⁶⁾ (350,000 underlying Shares: 0.41%) | January 31, 2019 | 0.35 | 0.35 | 0.70 | January 31, 2024 |

(1) Except as herein disclosed, as at March 31, 2019, being the last day of the Company's most recently completed year, NEOs and directors of the Company held no other compensation securities issued by the Company.

(2) Stock options fully vested as at date of grant.

(3) Based on 84,717,800 Shares issued and outstanding as at March 31, 2019

(4) Adjusted on a post-consolidated basis

(5) Granted to a corporation controlled by Paul Matysek

(6) Granted to a corporation controlled by Scott Ackerman

EXERCISE OF COMPENSATION SECURITIES BY DIRECTORS AND NEOs

There were no compensation securities exercised by a director or NEO during the financial year ended March 31, 2019.

Stock Option Plans and Other Incentive Plans

The Company's existing Stock Option Plan dated for reference November 12, 2012, as amended December 18, 2014 (the "**Existing Stock Option Plan**"), was last ratified by Shareholders on September 14, 2018. The Existing Stock Option Plan is a rolling stock option plan, whereby the aggregate number of Shares reserved for issuance, together with any other Shares reserved for issuance under any other plan or agreement of the Company, shall not exceed ten (10%) percent of the total number of issued Shares (calculated on a non-diluted basis) at the time an option is granted. Under the policies of the Exchange, a rolling stock option plan must be re-approved on a yearly basis by Shareholders.

The Existing Stock Option Plan is administered by the Board and provides that the Board may, from time to time, in its discretion, grant to directors, officers, employees, and consultants of the Company and its subsidiaries or affiliates, options to purchase Shares. It was established to advance the interests of the Company, through the grant of stock options by (a) providing an incentive mechanism to foster the interest of eligible persons in the success of the Company and its affiliates; (b) encourage eligible persons to remain with the Company and its affiliates; and (c) attract new directors, officers, employees, and consultants.

The significant terms of the Existing Stock Option Plan are set out below:

- the Existing Stock Option Plan reserves, for issuance pursuant to the exercise of stock options, a maximum number of Shares equal to 10% of the issued Shares at the time of any stock option grant, with no mandatory vesting provisions;
- the number of stock options granted to any one person in any 12-month period must not exceed 5% of the issued Shares at the time of the grant, unless the Company has obtained the requisite disinterested Shareholder approval;
- the number of stock options granted to any one consultant in any 12-month period must not exceed 2% of the issued Shares at the time of the grant;
- the aggregate number of stock options granted to all persons conducting investor relations activities in any 12-month period must not exceed 2% of the issued Shares at the time of the grant;
- during such time the Company is listed on the NEX Board of the Exchange, no stock options are permitted to be granted to persons who conduct investor relations activities;
- the number of Shares issued to any person within a 12-month period on the exercise of stock options may not exceed 5% of the outstanding Shares at the time of exercise without disinterested Shareholder approval;

- the exercise price per Share for a stock option may not be less than the Discounted Market Price (as such term is defined in the policies of the Exchange), subject to a minimum exercise price of \$0.05;
- stock options shall have a term not exceeding 10 years from the date of grant;
- if an option holder is terminated for cause, each stock option held by such person shall terminate upon such termination for cause;
- if an option holder dies while holding stock options, each stock option held by such person shall terminate no later than the expiry date of the stock options and the date which is six months after the date of death, provided that the Board may extend the date of such termination to a date not exceeding the expiry date and the date which is 12 months after the date of death;
- if an option holder ceases to be an eligible person, other than by termination for cause or death, each stock option held by such person shall terminate no later than the earlier of the expiry date and the date which is 30 days after such event, provide that the Board may extend the date of such termination to a date not exceeding the earlier of the expiry date and the date which is twelve months after such event;
- disinterested shareholder approval is required for any reduction in the exercise price of a stock option if the option holder is an insider of the Company at the time of the proposed amendment;
- stock options are non-assignable and non-transferable; and
- the Existing Stock Option Plan contains provisions for adjustment in the number of Shares or other property issuable on exercise of stock options in the event of a share consolidation, split, reclassification or other capital reorganization, or a stock dividend, arrangement, amalgamation, merger, combination or other relevant corporate transaction, or any other relevant change in or event affecting the Shares.

The Company has no equity compensation plans other than the Existing Stock Option Plan, a full copy of which is available from the Company prior to the Meeting on written request and will also be available at the Meeting.

The Company proposes to implement a new stock option plan (the “**New Stock Option Plan**”) as described under the heading “*Section 4 - Particulars of Matters to be Acted Upon – Adoption and Approval of New Stock Option Plan*”, and the full text of which is attached hereto as Appendix “B”. It is the intent of the Company to terminate the Existing Stock Option Plan upon approval of the New Stock Option Plan by Shareholders and the Exchange.

Employment, Consulting and Management Agreements

The Board recognizes the value of the named executive officers of the Company and the importance of their consistent focus in the event of a possible change of control. It was determined by the Board that it is in the best interests of the Company to ensure that the consistency and stability of the named executive officers is maintained during any change of control. According, each named executive officer

has an employment agreement or consulting agreement with the Company that provides for payments to the named executive officer in connection with termination or a change of control of the Company, as further described below.

Pursuant to a management services agreement dated January 31, 2019, between the Company and Argentum Capital Corp. (the “**Argentum Agreement**”), a private company controlled by Mr. Collin Kettell, a director and Chief Executive Officer of the Company, the Company has agreed to pay to Argentum Capital Corp. (“**Argentum**”) a base fee of US\$18,000 (the “**Argentum Base Fee**”) per month for management services, a signing bonus of US\$50,000, and an incentive fee for an amount to be determined in the sole discretion of the Board, and grant 1,300,000 incentive stock options. In the event the Argentum Agreement is terminated without cause, the Company must pay Argentum a termination fee equal to 18 months of the Argentum Base Fee, plus any reimbursable expenses. In the event the Argentum Agreement is terminated by Argentum within 60 days following a change of control (as defined in the Argentum Agreement) or by the Company within 60 days following a change of control, the Company must pay Argentum a termination fee equal to 24 months of the Argentum Base Fee plus an amount that is equivalent to all earned bonuses in the 24 months prior to such termination.

Pursuant to a management services agreement dated January 31, 2019, between the Company and Bedrock Capital Corporation (the “**Bedrock Agreement**”), a private company controlled by Mr. Paul Matysek, a director and the Executive Chairman of the Company, the Company has agreed to pay to Bedrock Capital Corporation (“**Bedrock**”) a base fee of US\$20,000 (the “**Bedrock Base Fee**”) per month for management services, a signing bonus of US\$50,000, and an incentive fee for an amount to be determined in the sole discretion of the Board, and grant 2,600,000 incentive stock options. In the event the Bedrock Agreement is terminated without cause, the Company must pay Bedrock a termination fee equal to 18 months of the Bedrock Base Fee, plus any reimbursable expenses. In the event the Bedrock Agreement is terminated by Bedrock within 60 days following a change of control (as defined in the Bedrock Agreement) or by the Company within 60 days following a change of control, the Company must pay Bedrock a termination fee equal to 24 months of the Bedrock Base Fee plus an amount that is equivalent to all earned bonuses in the 24 months prior to such termination.

Pursuant to a management services agreement dated January 31, 2019, between the Company and Bassam Moubarak (the “**Moubarak Agreement**”), Chief Financial Officer of the Company, the Company has agreed to pay to Mr. Moubarak a base fee of US\$15,000 (the “**Moubarak Base Fee**”) per month for management services, a signing bonus of US\$20,000, and an incentive fee for an amount to be determined in the sole discretion of the Board, and grant 750,000 incentive stock options. In the event the Moubarak Agreement is terminated without cause, the Company must pay Mr. Moubarak a termination fee equal to 18 months of the Moubarak Base Fee, plus any reimbursable expenses. In the event the Moubarak Agreement is terminated by Mr. Moubarak within 60 days following a change of control (as defined in the Moubarak Agreement) or by the Company within 60 days following a change of control, the Company must pay Mr. Moubarak a termination fee equal to 24 months of the Moubarak Base Fee plus an amount that is equivalent to all earned bonuses in the 24 months prior to such termination.

Oversight and Description of Director and Named Executive Officer Compensation

The Board determines named executive officer compensation at the time of the engagement of a named executive officer, and subsequently reviews compensation payable to a named executive officer at the discretion of the Board from time to time. The objectives of the Company's executive compensation policy are to attract and retain individuals of high caliber to serve as officers of the Company, to motivate their performance in order to achieve the Company's strategic objectives and to align the interests of executive officers with the long-term interests of Shareholders. The Company's primary compensation policy is to pay for performance and, accordingly, the performance of the Company and its named executive officers are both examined by the Board.

The Company pays base compensation in the form of management fees or salaries to its named executive officers that is competitive with that of comparable companies in the mineral exploration industry. The base compensation payable to the named executive officers was determined at the time each entered into their respective management services or employment agreement with the Company. See "*Statement of Executive Compensation – Employment, Consulting and Management Agreements*".

Their respective base compensation was objectively determined by the Board comparing the base compensation of each respective named executive officer with that of executive officers of comparable companies in the mineral exploration industry.

Director Compensation

The Board as a whole determines director compensation from time to time. Directors are entitled to be reimbursed for reasonable expenditures incurred in performing their duties as directors, and the Company may, from time to time, grant to its directors incentive stock options to purchase Common Shares. The Company currently relies solely on discussion without any formal objectives, criteria and analysis to determine the number of incentive stock options, and the terms and conditions of such stock options, to be granted to the directors and officers of the Company in accordance with the policies of the TSX Venture Exchange and the Company's stock option plan. The Board also takes into consideration the number and value of outstanding stock options already held by each option holder when determining stock option grants. See "*Section 5 - Statement of Executive Compensation – Table of Stock Options and other Compensation Securities*".

Pension Disclosure

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

SECTION 6 – 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.

AUDIT COMMITTEE CHARTER

The text of the Audit Committee Charter of the Company is attached as Appendix “A” to this Information Circular.

COMPOSITION OF AUDIT COMMITTEE

The Company’s Audit Committee is currently comprised of three directors, namely Paul Matysek, Craig Roberts, and Douglas Forster. NI 52-110 provides that a member of an audit committee is “independent” if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board, reasonably interfere with the exercise of the member’s independent judgment. Paul Matysek, who also serves as Executive Chairman of the Company is not considered to be independent, as defined in NI 52-110, as he is an executive officer of the Company. Craig Roberts and Douglas Forster are independent. As the Company is a venture issuer, the Company is exempt from the Audit Committee composition requirements in NI 52-110 which require all Audit Committee members to be independent. Further, in compliance with NI 52-110, a majority of the members of the Audit Committee of the Company are not executive officers, employees or control persons of the Company or of an affiliate of the Company.

All of the Audit Committee members are financially literate, as defined in NI 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as an understanding of internal controls and procedures necessary for financial reporting. NI 52-110 provides that an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

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

RELEVANT EDUCATION AND EXPERIENCE

Each member of the Company’s present Audit Committee has adequate education and experience that is relevant to his or her performance as an Audit Committee member and, in particular the requisite education and experience that have provided the member with:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by

the Company's financial statements or experience actively supervising individuals engaged in such activities; and

- (c) an understanding of internal controls and procedures for financial reporting.

Paul Matysek

Mr. Matysek, a serial corporate entrepreneur and proven company builder, is a professional geochemist and geologist with over 30 years of experience in the mining industry. Mr. Matysek has held numerous senior executive and director positions and currently holds such positions with several natural resource exploration and development companies. Previously he was Executive Chairman of Lithium X Energy Corp. acquired by NextView New Energy Lion Hong Kong Limited for \$265 million in 2018, and President and CEO of Goldrock Mines Corp. acquired by Fortuna Silver Mines Inc. for \$178 million in July 2016. In the lithium sector, Mr. Matysek was previously President and CEO of Lithium One Inc., which merged with Galaxy Resources of Australia via a \$112 million plan of arrangement in 2012. Prior to Lithium One, Mr. Matysek was the President and CEO of Potash One Inc. where he was the architect of the \$434 million friendly takeover of Potash One by K+S Canada Holdings Inc. in 2011.

Craig Roberts

Mr. Roberts is a mining engineer with over 30 years of operations, consulting, and investment banking experience. This includes work on feasibility studies for numerous mining projects worldwide, investment banking/due diligence roles in over 200 institutional mining equity financings, and significant experience advising management and boards on both friendly and hostile transactions. Mr. Roberts has a degree in Mining Engineering from the University of British Columbia and an M.Phil. in Management Studies from Oxford University.

Douglas Forster

Mr. Forster has been associated with the mining industry for over 35 years as a geologist, senior executive, director and company founder. He holds a B.Sc. (1981) and M.Sc. (1984) in Economic Geology from the University of British Columbia, Canada. Mr. Forster has been a founder, director or senior executive with numerous public companies, including Terrane Metals Corp. acquired by Thompson Creek Metals Company Inc. in 2010 for \$750 million, Potash One Inc. acquired by K+S Canada Holdings Inc. in 2011 for \$434 million, and Newmarket Gold Inc. acquired by Kirkland Lake Gold Ltd. in 2016 for \$1 billion. Over the past 30 years, Mr. Forster has been involved with several large-scale mine development projects and operating mines including the Mt. Milligan gold-copper mine, the Kemess South gold-copper mine, the Golden Bear gold mine, the Legacy potash project, the Fosterville gold mine, the Cosmo gold mine and the Stawell gold mine. Mr. Forster has a proven track record in resource project development, mergers and acquisition, mine operations, equity and debt financing and public company management. He is a registered member of the Association of Professional Engineers and Geoscientists of British Columbia.

AUDIT COMMITTEE OVERSIGHT

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

RELIANCE ON CERTAIN EXEMPTIONS

At no time since the commencement of the Company's most recently completed financial year ended March 31, 2019, has the Company relied on the exemption in section 2.4 of National Instrument 52-110 - *Audit Committees (De Minimis Non-audit Services)*, the exemption in section 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), the exemption in subsection 6.1.1(5) (*Events Outside Control of Member*), the exemption in subsection 6.1.1(6) (*Death, Incapacity or Resignation*), or an exemption, in whole or in part, granted under Part 8 of National Instrument 52-110.

PRE-APPROVAL POLICIES AND PROCEDURES

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. The Audit Committee will review the engagement of non-audit services as required.

EXTERNAL AUDITOR SERVICE FEES (BY CATEGORY)

The aggregate fees billed by the Company's external auditor in each of the last two financial years with respect to the Company, by category, are as follows:

| Financial Year Ended March 31 | Audit Fees ⁽¹⁾ (\$) | Audit-Related Fees ⁽²⁾ (\$) | Tax Fees ⁽³⁾ (\$) | All Other Fees ⁽⁴⁾ (\$) |
|-------------------------------|-----------------------------------|---|---------------------------------|---------------------------------------|
| 2019 | 40,000 (estimated) | 1,530 (estimated) | 8,000 (estimated) | Nil |
| 2018 | 9,100 | 1,530 | 5,323 | Nil |

⁽¹⁾ The aggregate audit fees billed.

⁽²⁾ The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements that are not included under the heading "Audit Fees".

⁽³⁾ The aggregate fees billed for professional services rendered for tax compliance, tax advice and tax planning.

⁽⁴⁾ The aggregate fees billed for products and services other than as set out under the headings "Audit Fees", "Audit Related Fees" and "Tax Fees".

Davidson & Company LLP, Chartered Professional Accountants, has served as the Company's external auditor since July 9, 2013.

EXEMPTION

As the Company is a "Venture 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 requirement of Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*) of National Instrument 52-110.

SECTION 7 - CORPORATE GOVERNANCE

GENERAL

Pursuant to National Instrument 58-101 - *Disclosure of Corporate Governance Practices ("NI 58-101")*, the Company is required to disclose its corporate governance practices. Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the

Shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company.

National Policy 58-201 - *Corporate Governance Guidelines* (“NP 58-201”) establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices. The Board is committed to sound corporate governance practices and feels that the Company’s corporate governance practices are appropriate and effective for the Company given its current size.

BOARD OF DIRECTORS

The mandate of the board of directors of the Company, as prescribed by the *Business Corporations Act* (British Columbia), is to manage or supervise the management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company’s affairs directly and through its committee(s). The Board facilitates its exercise of independent supervision over management through frequent meetings of the Board. The Board is currently composed of four directors, two of whom are not executive officers of the Company and considered to be independent, as that term is defined in applicable securities legislation. Craig Roberts and Douglas Forster are considered to be independent. Collin Kettell is not considered independent by reason of his office as Chief Executive Officer of the Company. Paul Matysek is not considered independent by reason of his office as Executive Chairman of the Company. In determining whether a director is independent, the Board chiefly considers whether the director has a relationship which could or could be perceived to interfere with the director’s ability to objectively assess the performance of management.

The Board is responsible for approving long-term strategic plans and annual operating plans and budgets recommended by management. Board consideration and approval is also required for material contracts and business transactions, and all debt and equity financing transactions.

The Board delegates to management responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Company’s business in the ordinary course, managing the Company’s cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements. The Board also looks to management to furnish recommendations respecting corporate objectives, long-term strategic plans and annual operating plans.

DIRECTORSHIPS

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

| Name of Director | Other Reporting Issuer (or the equivalent) |
|------------------|---|
| Paul Matysek | First Cobalt Corp. Forsys Metals Corp. Nano One Materials Corp. |
| Craig Roberts | Ethos Gold Corp. Global Battery Metals Ltd. K2 Gold Corporation |

| Name of Director | Other Reporting Issuer (or the equivalent) |
|------------------|--|
| Douglas Forster | Calibre Mining Corp. Edgewater Exploration Ltd. Pinecrest Resources Ltd. |

ORIENTATION AND CONTINUING EDUCATION

The Company has not developed an official orientation or training program for new directors. As required, new directors will have the opportunity to become familiar with the Company by meeting with the other directors and with officers and employees. 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 has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Under the corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction. The director must then abstain from voting on the contract or transaction unless the contract or transaction (i) relates primarily to their remuneration as a director, officer, employee or agent of the Company or an affiliate of the Company, (ii) is for indemnity or insurance for the benefit of the director in connection with the Company, or (iii) is with an affiliate of the Company. If the director abstains from voting after disclosure of their interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the Company at the time it was entered into, the contract or transaction is not invalid and the director is not accountable to the Company for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have been reasonable and fair to the Company and the contract or transaction be approved by the Shareholders by a special resolution after receiving full disclosure of its terms in order for the director to avoid such liability or the contract or transaction being invalid.

NOMINATION OF DIRECTORS

The Board is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of Shareholders.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required, shown support for the Company's mission and strategic objectives, and a willingness to serve.

COMPENSATION OF DIRECTORS AND CHIEF EXECUTIVE OFFICER

The Board is responsible for determining all forms of compensation to be granted to the CEO and the directors of the Company, and for reviewing the CEO's recommendations respecting compensation of the other senior executives of the Company, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of its executive officers, the Board considers the following issues: 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 Shareholders; and iv) rewarding performance, both on an individual basis and with respect to operations in general. In order to achieve these objectives, the key elements of the executive compensation program are: (i) base salary or fee; (ii) potential annual incentive award; and (iii) long-term incentive in the form of stock options. The directors are of the view that all elements of the total program should be considered, rather than any single element.

BOARD COMMITTEES

The Board has no committees other than the Audit Committee. See "Section 6 - Audit Committee".

ASSESSMENTS

The Board, as a whole, assesses its performance, the performance of its committee(s) and the contribution of individual directors on an ongoing basis. It also monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committee(s).

SECTION 8 - OTHER INFORMATION

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth information with respect to all compensation plans under which equity securities are authorized for issuance as at March 31, 2019.

| Plan Category | Number of securities to be issued upon exercise of outstanding options, warrants and rights (a) | Weighted-average exercise price of outstanding options, warrants and rights (b) | Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c) |
|--|--|--|--|
| Equity compensation plans approved by securityholders ⁽¹⁾ | 8,470,000 | \$0.35 | 1,780 |
| Equity compensation plans not approved by securityholders | N/A | N/A | N/A |
| Total: | 8,470,000 | \$0.35 | 1,780 |

(1) Represents the Existing Stock Option Plan of the Company. As at March 31, 2019, the Existing Stock Option Plan reserved shares equal to a maximum of 10% of the issued and outstanding Shares. As at March 31, 2019, the Company had 84,717,800 Shares issued and outstanding.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Other than "routine indebtedness" as defined in applicable securities legislation, since the beginning of the financial year ended March 31, 2019, none of:

- (a) the executive officers, directors, employees and former executive officers, directors and employees of the Company or any of its subsidiaries;
- (b) the proposed nominees for election as a director of the Company; or
- (c) any associates of the foregoing persons;

is or has been indebted to the Company or any of its subsidiaries or has been indebted to any other entity where that indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries, and which was not entirely repaid on or before the date of this Information Circular.

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

Except as disclosed herein, none of the directors or executive officers of the Company, nor any person who has held such a position since the beginning of the last completed financial year of the Company, nor any proposed nominee 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 of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors and the appointment of auditor, or approval of the stock option plan of the Company.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed herein, no informed person of the Company, or proposed director of the Company, or any associate or affiliate of any informed person or proposed director, 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.

An "informed person" means: (a) a director or executive officer of the Company; (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10% of the voting rights other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company itself, if and for so long as it has purchased, redeemed or otherwise acquired any of its shares.

Due to Casino Gold Corp.

During the most recently completed financial year, the Company received advances of \$357,291 (US\$269,674) from Casino Gold Corp. ("**Casino Gold**"), a significant shareholder of the Company (*see "Section 3 – Voting Securities and Principal Holders of Voting Securities"*) to fund exploration activities. The amount due was non-interest bearing, had no terms of repayment and was due on notice from

Casino Gold. Subsequent to the completion of the acquisition of all of the issued and outstanding securities of Brownstone Ventures (US) Inc. (“**Brownstone**”), now a wholly-owned subsidiary of the Company, which constituted a reverse takeover transaction as completed January 31, 2019 (the “**Transaction**”), the Company reimbursed Casino Gold \$728,538 (US\$553,222) for mutually agreed upon exploration work on the Company’s Iron Point Vanadium Project prior to closing of the Transaction and disposed of its non-vanadium properties to a subsidiary of Casino Gold in consideration for extinguishing \$660,937 (US\$508,707) in amounts owed to Casino Gold. As at March 31, 2019, the amount due to Casino Gold was \$Nil.

Pursuant to the Transaction, Casino Gold received an aggregate of 41,837,681 post-consolidation common shares of the Company as consideration for the sale of Brownstone.

Convertible Loan

During the most recently completed financial year, as part of a larger convertible loan transaction, the Company entered into convertible loan agreements with two informed persons, namely Craig Roberts and Quarry Capital Corp., a corporation held by Douglas Forster (each a “**Lender**”). Messrs. Roberts and Forster are both current and proposed directors of the Company. Each Lender loaned \$100,000 to the Company and, upon closing of the Transaction, the Company issued 500,000 post-consolidation common shares in its capital to each Lender in settlement of the funds previously advanced to the Company.

Private Placement Financings

During the most recently completed financial year, the Company completed a non-brokered private placement financing of subscription receipts at \$0.35 per subscription receipt to raise gross proceeds to fund the Company’s proposed exploration program and for general working capital purposes. Each subscription receipt automatically converted into one post-consolidation common share of the Company upon completion of the Transaction. Certain informed persons, namely Bassam Moubarak (CFO), Craig Roberts (current and proposed director), Douglas Forster (current and proposed director), Quarry Capital Corp., a corporation held by Mr. Forster, and Bedrock Capital Corp., a corporation held by Paul Matysek (Executive Chairman, and current and proposed director) participated in the financing by purchasing 530,000, 1,200,000, 1,000,000, 200,000, and 762,140 subscription receipts, respectively.

Subsequent to the most recently completed financial year, the Company completed a non-brokered private placement financing of common shares at \$0.67 per common share. Certain informed persons, namely Palisade Global Investments Ltd., of which Collin Kettell (CEO, and current and proposed director) is the principal controlling shareholder, Bassam Moubarak, Craig Roberts, Douglas Forster, and Bedrock Capital Corp. (Paul Matysek) participated in the financing by purchasing 150,000, 75,000, 75,000, 150,000, and 150,000 common shares, respectively.

MANAGEMENT CONTRACTS

Since the beginning of the Company’s most recently completed financial year ended March 31, 2019, management functions of the Company are not, and have not been, to any substantial degree performed by any person other than the executive officers and directors of the Company.

OTHER MATTERS

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

ADDITIONAL INFORMATION

Financial information about the Company is included in the Company's comparative annual financial statements and Management's Discussion and Analysis for the financial year ended March 31, 2019, which have been electronically filed with regulators and are available online under the Company's profile at www.sedar.com (SEDAR - System for Electronic Document Analysis and Retrieval). Copies may be obtained without charge upon request to the Company at PO Box 48264, Bentall Centre, Vancouver, British Columbia, V7X 1A1 - telephone 604-618-4919. You may also access the Company's other public disclosure documents online under the Company's profile at www.sedar.com.

REQUEST FOR FINANCIAL STATEMENTS

National Instrument 51-102 – *Continuous Disclosure Obligations* sets out the procedures for a shareholder to receive financial statements. If you wish to receive financial statements, you may use the enclosed form or provide instructions in any other written format. Registered Shareholders must also provide written instructions in order to receive financial statements.

APPROVAL OF THE BOARD OF DIRECTORS

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

DATED at Vancouver, British Columbia, this 22nd day of August, 2019.

BY ORDER OF THE BOARD

VICTORY METALS INC.

"Collin Kettell"

Collin Kettell
Chief Executive Officer

APPENDIX "A"

Charter of the Audit Committee of the Board of Directors of Victory Metals Inc.

(the "Company")

Purpose

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

Composition, Procedures and Organization

1. The Committee shall consist of at least three members of the Board of Directors (the "Board").
2. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
3. Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair and a secretary from among their number.
4. The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.
5. The Committee shall have access to such officers and employees of the Company and to the Company's external auditors, and to such information respecting the Company, as it considers to be necessary or advisable in order to perform its duties and responsibilities.
6. Meetings of the Committee shall be conducted as follows:
 - (a) The Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Committee (attended in person or by phone). The external auditors or any member of the Committee may request a meeting of the Committee.
 - (b) The external auditors shall receive notice of and have the right to attend all meetings of the Committee.
 - (c) Management representatives may be invited to attend all meetings except private sessions with the external auditors.

7. The internal auditors and the external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Company as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

Roles and Responsibilities

1. The overall duties and responsibilities of the Committee shall be as follows:
 - (a) to assist the Board in the discharge of its responsibilities relating to the Company's accounting principles, reporting practices and internal controls and its approval of the Company's annual and quarterly consolidated financial statements and related financial disclosure;
 - (b) to establish and maintain a direct line of communication with the Company's internal and external auditors and assess their performance;
 - (c) to ensure that the management of the Company has designed, implemented and is maintaining an effective system of internal financial controls; and
 - (d) to report regularly to the Board on the fulfilment of its duties and responsibilities.
2. The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:
 - (a) to recommend to the Board a firm of external auditors to be engaged by the Company, and to verify the independence of such external auditors;
 - (b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;
 - (c) review the audit plan of the external auditors prior to the commencement of the audit;
 - (d) to review with the external auditors, upon completion of their audit:
 - i. contents of their report;
 - ii. scope and quality of the audit work performed;
 - iii. adequacy of the Company's financial and auditing personnel;
 - iv. co-operation received from the Company's personnel during the audit;
 - v. internal resources used;
 - vi. significant transactions outside of the normal business of the Company;

- vii. significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
 - viii. the non-audit services provided by the external auditors.
 - (e) to discuss with the external auditors the quality and not just the acceptability of the Company's accounting principles; and
 - (f) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management.
- 3. The duties and responsibilities of the Committee as they relate to the internal auditors, if any, are to:
 - (a) periodically review the internal audit function with respect to the organization, staffing and effectiveness of the
 - (b) internal audit department;
 - (c) review and approve the internal audit plan; and
 - (d) review significant internal audit findings and recommendations, and management's response thereto.
- 4. The duties and responsibilities of the Committee as they relate to the internal control procedures of the Company are to:
 - (a) review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;
 - (b) review compliance under the Company's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Committee may deem appropriate;
 - (c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and
 - (d) periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.

5. The Committee is also charged with the responsibility to:
- (a) review the Company's quarterly statements of earnings, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto;
 - (b) review and approve the financial sections of:
 - i. the annual report to shareholders;
 - ii. the annual information form, if required;
 - iii. annual and interim MD&A;
 - iv. prospectuses;
 - v. news releases discussing financial results of the Company; and
 - vi. other public reports of a financial nature requiring approval by the Board,and report to the Board with respect thereto;
 - (c) review regulatory filings and decisions as they relate to the Company's consolidated financial statements;
 - (d) review the appropriateness of the policies and procedures used in the preparation of the Company's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;
 - (e) review and report on the integrity of the Company's consolidated financial statements;
 - (f) review the minutes of any Committee meeting of subsidiary companies;
 - (g) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Company and the manner in which such matters have been disclosed in the consolidated financial statements;
 - (h) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and
 - (i) develop a calendar of activities to be undertaken by the Committee for each ensuing year and to submit the calendar in the appropriate format to the Board of Directors following each annual general meeting of shareholders.

6. The Committee shall have the authority:
- (a) to engage independent counsel and other advisors as it determines necessary to carry out its duties;
 - (b) to set and pay the compensation for any advisors employed by the Committee; and
 - (c) to communicate directly with the internal and external auditors.

APPENDIX "B"

Proposed New Stock Option Plan

VICTORY METALS INC.

STOCK OPTION PLAN

STOCK OPTION PLAN

ARTICLE 1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

As used herein, unless there is something in the subject matter or context inconsistent therewith, the following terms shall have the meanings set forth below:

- (a) **"Accelerated Vesting Event"** means the occurrence of any one of the following events:
- (i) a take-over bid (as defined under Securities Laws) is made for Shares or Convertible Securities which, if successful would result (assuming the conversion, exchange or exercise of the Convertible Securities, if any, that are the subject of the take-over bid) in any Person or Persons acting jointly or in concert (as determined under Securities Laws) or Persons associated or affiliated with such Person or Persons (as determined under Securities Laws) beneficially, directly or indirectly, owning shares that would, notwithstanding any agreement to the contrary, entitle the holders thereof for the first time to cast at least 50% of the votes attaching to all Shares that may be cast to elect Directors;
 - (ii) the acquisition or continuing ownership by any Person or Persons acting jointly or in concert (as determined under Securities Laws), directly or indirectly, of Shares or of Convertible Securities, which, when added to all other securities of the Issuer at the time held by such Person or Persons, Persons associated with such person or persons, or persons affiliated with such Person or Persons (as determined under Securities Laws) (collectively, the "**Acquirors**"), and assuming the conversion, exchange or exercise of Convertible Securities beneficially owned by the Acquirors, results in the Acquirors beneficially owning shares that would, notwithstanding any agreement to the contrary, entitle the holders thereof for the first time to cast at least 50% of the votes attaching to all Shares that may be cast to elect Directors;
 - (iii) an amalgamation, merger, arrangement or other business combination (a "**Business Combination**") involving the Issuer receives the approval of, or is accepted by, the securityholders of the Issuer (or all classes of securityholders whose approval or acceptance is required) or, if their approval or acceptance is not required in the circumstances, is approved or accepted by the Issuer and as a result of that Business Combination, parties to the Business Combination or securityholders of the parties to the Business Combination, other than the securityholders of the Issuer, own, directly or indirectly, shares of the continuing entity that entitle the holders thereof to cast at least 50% of the votes attaching to all shares in the capital of the continuing entity that may be cast to elect Directors;

- (iv) a Change of Control (as herein defined);
- (b) “**Administrator**” means, initially, the President of the Issuer and, thereafter, shall mean such director or other senior officer or employee of the Issuer as may be designated as Administrator by the Board from time to time;
- (c) “**Affiliate**” has the meaning ascribed thereto in Policy 1.1 of the TSXV Exchange Corporate Finance Manual;
- (d) “**Associate**” has the ascribed thereto in Policy 1.1 of the TSXV Exchange Corporate Finance Manual;
- (e) “**Award Date**” means the date on which the Board awards a particular Option;
- (f) “**Board**” means the board of directors of the Issuer, or any committee thereof which the board of directors of the Issuer has delegated the power to administer and grant Options under this Plan;
- (g) “**Cause**” means:
 - (i) in the case of an Employee: (1) cause as such term is defined in the written employment agreement with the Employee or if there is no written employment agreement or cause is not defined there, the usual meaning of just cause under the common law or the laws of the jurisdiction in which the Employee is employed; or (2) the termination of employment as a result of an order made by any Regulatory Authority having jurisdiction to so order;
 - (ii) in the case of a Consultant: (1) the occurrence of any event which, under the written consulting contract with the Consultant or the common law or the laws of the jurisdiction in which the Consultant provides services, gives the Issuer or any of its Affiliates the right to immediately terminate the consulting contract; or (2) the termination of the consulting contract as a result of an order made by any Regulatory Authority having jurisdiction to so order;
 - (iii) in the case of a Director, ceasing to be a Director as a result of: (1) ceasing to be qualified pursuant to section 124 of the *Business Corporation Act* (British Columbia); (2) a resolution having been passed under section 128(3)(a) of the *Business Corporations Act* (British Columbia) or by the resolution or method specified in the Issuer’s Articles; or (3) an order made by any Regulatory Authority having jurisdiction to so order;
- (h) “**Change of Control**” means and shall be deemed to have occurred if one of the following events takes place:
 - (i) the Issuer sells, leases or otherwise disposes of all or substantially all of its assets and undertaking to a Person or a combination of Persons at arm’s length to the Issuer and its Affiliates, whether pursuant to one or more transactions;

- (ii) the Issuer amalgamates or enters into a plan of arrangement with another Company at arm's length to the Issuer and its Affiliates, other than an amalgamation or plan of arrangement that would result in the voting securities of the Issuer outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving or resulting entity) more than 50% of the combined voting power of the surviving or resulting entity outstanding immediately after such amalgamation or plan of arrangement;
 - (iii) any Person or combination of Persons at arm's length to the Issuer and its Affiliates acquires or becomes the beneficial owner of, directly or indirectly, more than 50% of the voting securities of the Issuer, whether through the acquisition of previously issued and outstanding voting securities, or of voting securities that have not been previously issued, or any combination thereof, or any other transaction having a similar effect; or
 - (iv) any resolution is passed or any action or proceeding is taken with respect to the liquidation, dissolution or winding-up of the Issuer;
- (i) "**Common Shares**" means the common shares in the capital of the Issuer;
- (j) "**Company**" means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual;
- (k) "**Consultant**" means an individual, other than an Employee or Director of the Issuer, or Company that:
- (i) is engaged to provide on a *bona fide* basis consulting, technical, management or other services to the Issuer or to an Affiliate of the Issuer, other than services provided in relation to a distribution;
 - (ii) provides the services under a written contract between the Issuer or the Affiliate and the individual or the Company, as the case may be;
 - (iii) in the reasonable opinion of the Issuer, spends or will spend a significant amount of time and attention on the affairs and business of the Issuer or an Affiliate of the Issuer; and
 - (iv) has a relationship with the Issuer or an Affiliate of the Issuer that enables the individual to be knowledgeable about the business and affairs of the Issuer.
- (l) "**Consultant Company**" means a Consultant that is a Company;
- (m) "**Convertible Securities**" means any security of the Issuer which is convertible into Common Shares;

- (n) **“Director”** means any individual holding the office of director or senior officer of the Issuer or a subsidiary of the Issuer;
- (o) **“Discounted Market Price”** has the meaning ascribed thereto in Policy 1.1 of the TSXV Exchange Corporate Finance Manual;
- (p) **“Disinterested Shareholder Approval”** has the meaning ascribed thereto in Policy 4.4 of the TSXV Exchange Corporate Finance Manual;
- (q) **“Employee”** means an individual who:
 - (i) is considered an employee under the *Income Tax Act* (Canada) (i.e. for whom income tax, employment insurance and CPP deductions must be made at source);
 - (ii) works full-time for the Issuer or a subsidiary of the Issuer providing services normally provided by an employee and who is subject to the same control and direction by the Issuer over the details and methods of work as an employee of the Issuer, but for whom income tax deductions are not made at source; or
 - (iii) works for the Issuer or a subsidiary of the Issuer on a continuing and regular basis, providing services normally provided by an employee and who is subject to the same control and direction by the Issuer over the details and methods of work as an employee of the Issuer, but for whom income tax deductions are not made at source;
- (r) **“Exercise Notice”** means the notice respecting the exercise of an Option, in the form set out as Schedule “B” hereto, duly executed by the Option Holder;
- (s) **“Exercise Period”** means the period during which a particular Option may be exercised and is the period from and including the Award Date through to and including the Expiry Date;
- (t) **“Exercise Price”** means the price at which an Option may be exercised as determined in accordance with paragraph 3.5;
- (u) **“Expiry Date”** means the date determined in accordance with paragraph 3.3 and after which a particular Option cannot be exercised;
- (v) **“Insider”** has the meaning given to it in the *Securities Act* (British Columbia);
- (w) **“Investor Relations Activities”** has the meaning ascribed thereto in Policy 1.1 of the TSXV Exchange Corporate Finance Manual;
- (x) **“Issuer”** means Victory Metals Inc. and its successor entities;

- (y) **“Market Price”** means the last closing price of the Issuer’s Shares on the TSXV before the issuance of the required news release disclosing the grant of an Option, subject to the exceptions provided for in Policy 1.1 of the TSXV Exchange Corporate Finance Manual;
- (z) **“Material Information”** has the meaning ascribed thereto by applicable securities Laws and TSXV policy;
- (aa) **“Option”** means a non-transferable and non-assignable option to acquire Shares, awarded to a Director, Employee or Consultant pursuant to the Plan;
- (bb) **“Option Certificate”** means the certificate, in the form set out as Schedule “A” hereto, evidencing an Option;
- (cc) **“Option Holder”** means a Director, Employee or Consultant or former Director, Employee or Consultant, who holds an unexercised and unexpired Option or, where applicable, the Personal Representative of such person;
- (dd) **“Person”** means any individual, sole proprietorship, partnership, firm, entity, joint venture, syndicate, Company or corporation with or without share capital, unincorporated association or organization, trust, trustee, executor, administrator or other legal personal representative, regulatory body or agency, government or governmental agency or entity however designated or constituted;
- (ee) **“Plan”** means this stock option plan;
- (ff) **“Personal Representative”** means:
 - (i) in the case of a deceased Option Holder, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and
 - (ii) in the case of an Option Holder who for any reason is unable to manage his or her affairs, the person entitled by law to act on behalf of such Option Holder;
- (gg) **“Regulatory Authorities”** means all stock exchanges and other organized trading facilities on which the Issuer’s Shares are listed and all securities commissions or similar securities regulatory bodies having jurisdiction over the Issuer;
- (hh) **“Securities Laws”** means securities legislation, securities regulations and securities rules, as amended, and the policies, notices, instruments and orders in force from time to time that are applicable to the Issuer;
- (ii) **“Share”** or **“Shares”** means, as the case may be, one or more common shares without par value in the capital stock of the Issuer;
- (jj) **“Termination Date”** means:

- (i) in the case of the Option Holder's resignation from employment or the termination of the Option Holder's consulting contract by the Option Holder, the date that the Option Holder provides notice of such resignation or termination to the Issuer or any of its Affiliates; or
- (ii) in the case of the termination of the Option Holder's employment or consulting contract by the Issuer or any of its Affiliates for any reason (whether such termination is lawful or unlawful) other than death, the date that the Issuer or any of its Affiliates delivers written notice of such lawful or unlawful termination of the Option Holder's employment or consulting contract to the Option Holder; or
- (iii) in the case of the expiry of a fixed-term employment agreement or consulting contract that is not renewed or extended, the last day of the term; and

(kk) "TSXV" means the TSX Venture Exchange.

1.2 Choice of Law

The Plan is established under, and the provisions of the Plan shall be subject to and interpreted and construed in accordance with, the laws of the Province of British Columbia.

1.3 Headings

The headings used herein are for convenience only and are not to affect the interpretation of the Plan.

ARTICLE 2 PURPOSE AND PARTICIPATION

2.1 Purpose

The purpose of the Plan is to provide the Issuer with a share-related mechanism to attract, retain and motivate qualified Directors, Employees and Consultants, to reward such of those Directors, Employees and Consultants as may be awarded Options under the Plan by the Board from time to time for their contributions toward the long-term goals of the Issuer and to enable and encourage such Directors, Employees and Consultants to acquire Shares as long-term investments.

2.2 Participation

- (a) The Board shall, from time to time and in its sole discretion, determine those Directors, Employees and Consultants, if any, to whom Options are to be awarded.
- (b) The Board may only grant options to an Employee or Consultant if such Employee or Consultant is a bona fide Employee or Consultant of the Issuer or a subsidiary of the Issuer. The Issuer and the Optionee are responsible for ensuring and confirming that such Employee or Consultant is a bona fide Employee or Consultant of the Issuer or a subsidiary of the Issuer.

- (c) The Board may, in its sole discretion, grant the majority of the Options to Insiders of the Issuer.
- (d) At no time will Options be issued under the Plan, together with all of the Issuer's previously established and outstanding stock option plans or grants which could permit at any time:
 - (i) the aggregate number of Shares reserved for issuance under stock options granted to Insiders (as a group), at any point in time exceeding 10% of the issued Shares;
 - (ii) the grant to Insiders (as a group), within a 12-month period, of an aggregate number of Options exceeding 10% of the issued Shares calculated at the date an Option is granted to any Insider; or
 - (iii) the aggregate number of Options granted to any one Option Holder (including companies wholly owned by such Option Holder) within a 12-month period exceeding 5% of the issued Shares, calculated on the date an Option is granted to the Option Holder.
- (e) In no case will a Consultant be granted an Option where the number of Shares that may be purchased pursuant to that Option exceed 2% of the Issuer's issued and outstanding share capital in any 12-month period.
- (f) In no case will the aggregate number of Shares that may be purchased pursuant to Options together with any Other Share Compensation Arrangement granted to persons conducting Investor Relations Activities exceed 2% of the Issuer's issued and outstanding share capital in any 12-month period.

2.3 Notification of Award

Following the approval by the Board of the awarding of an Option, the Administrator shall notify the Option Holder in writing of the award and shall enclose with such notice the Option Certificate representing the Option so awarded.

2.4 Copy of Plan

Each Option Holder, concurrently with the notice of the award of the Option, shall be provided with a copy of the Plan. A copy of any amendment to the Plan shall be promptly provided by the Administrator to each Option Holder.

2.5 Limitation

The Plan does not give any Option Holder that is a Director the right to serve or continue to serve as a Director of the Issuer, does not give any Option Holder that is an Employee the right to be or to continue to be employed by the Issuer and does not give any Option Holder that is a Consultant the right to be or to continue to be retained as a Consultant by the Issuer.

2.6 Disinterested Shareholder Approval

- (a) The Issuer must obtain Disinterested Shareholder Approval of any amendment to stock options held by Insiders that would have the effect of decreasing the exercise price of the stock options.
- (b) If (a) applies, the proposed amendment must be approved by a majority of the votes cast by all shareholders at the shareholders' meeting excluding votes attaching to Shares beneficially owned by:
 - (i) the person that holds or will hold the options in question; and
 - (ii) Associates of persons referred to in (b)(i).
- (c) In circumstances where Options are exercisable into a class of non-voting and subordinate voting shares, the holders of that class of non-voting or subordinate voting shares must be given full voting rights on a resolution that requires Disinterested Shareholder Approval pursuant to (a) above.

ARTICLE 3 TERMS AND CONDITIONS OF OPTIONS

3.1 Board to Issue Shares

The Shares to be issued to Option Holders upon the exercise of Options shall be authorized and unissued Shares the issuance of which shall have been authorized by the Board.

3.2 Number of Shares

Subject to adjustment as provided for in paragraph 3.8 of this Plan, the number of Shares which will be available for purchase pursuant to Options granted under this Plan together with any Other Share Compensation Arrangement will not exceed 10% of the issued and outstanding Shares of the Issuer at the Award Date. If any Option expires or otherwise terminates for any reason without having been exercised in full, the number of Shares in respect of which the Option expired or terminated shall again be available for the purposes of the Plan.

3.3 Term of Option

Subject to paragraph 3.4, the Expiry Date of an Option shall be the date so fixed by the Board at the time the particular Option is awarded, provided that such date shall be no later than the tenth anniversary of the Award Date of such Option or such later date as allowed by the policies of the TSXV.

However, if the Expiry Date falls within a blackout period during which the Issuer prohibits Option Holders from exercising their Options, the Expiry Date will be automatically extended to a maximum of 10 business days after the expiry of the blackout period. The blackout period must be formally imposed by the Issuer pursuant to its internal trading policies as a result of the bona fide existence of undisclosed Material Information and expire upon the general disclosure of the undisclosed Material Information.

Automatic extension of an Option Holder's Options will not be permitted where the Option holder or the Issuer is subject to a cease trade order (or similar order under Securities Laws) in respect of the Issuer's securities. For greater certainty, in the absence of the Issuer formally imposing a blackout period, the Expiry Date of any Option will not be automatically extended in any circumstances.

3.4 Termination of Option

Subject to such other terms or conditions that may be attached to Options granted hereunder, an Option Holder may exercise an Option in whole or in part at any time or from time to time during the Exercise Period. Any Option or part thereof not exercised within the Exercise Period shall terminate and become null, void and of no effect as of 4:30 p.m. local time in Vancouver, British Columbia, on the Expiry Date. The Expiry Date of an Option shall be the earlier of the date so fixed by the Board at the time the Option is awarded and the date established, if applicable, in subparagraphs (a) to (c) below:

(a) Death of Option Holder

In the event that the Option Holder should die while he or she is still a Director (if he or she holds his or her Option as Director), an Employee (if he or she holds his or her Option as an Employee), or a Consultant (if he or she holds his or her Option as a Consultant), each Option held by such Option Holder shall expire no later than the earlier of the Expiry Date of the Option and the date which is six months after the date of the Option Holder's death, always provided that the Board may, in its discretion, extend the date of such expiration to a date not exceeding the earlier of the Expiry Date of the Option and the first anniversary of the Option Holder's date of death.

(b) Ceasing to Hold Office

In the event that the Option Holder holds his or her Option as a Director of the Issuer and such Option Holder ceases to be a Director of the Issuer other than by reason of death, each Option held by such Option Holder shall expire no later than the earlier of the Expiry Date of the Option and 30 days from the date the Option Holder ceases to be a Director of the Issuer, always provided that the Board may, in its discretion, extend the date of such expiration to a date not exceeding the earlier of the Expiry Date of the Option and the date which is twelve months after such Option Holder ceases to be a Director of the Issuer, unless the Option Holder ceases to be a Director of the Issuer for Cause, in which case the Expiry Date shall be the date the Option Holder ceases to be a Director of the Issuer.

(c) Ceasing to be an Employee or Consultant

In the event that the Option Holder holds his or her Option as an Employee or Consultant of the Issuer and such Option Holder ceases to be an Employee or Consultant of the Issuer other than by reason of death, each Option held by such Option Holder shall expire no later than the earlier of the Expiry Date of the Option and 30 days from the date the Option Holder ceases to be an Employee or Consultant of the Issuer, always provided that the Board may, in its discretion, extend the date of such expiration to a date not exceeding the earlier of the Expiry Date of the Option and the date which is

twelve months after such Option Holder ceases to be an Employee or Consultant of the Issuer, unless the Option Holder ceases to be an Employee or Consultant of the Issuer for Cause, in which case the Expiry Date shall be the date the Option Holder ceases to be an Employee or Consultant of the Issuer.

Notwithstanding anything contained herein, except in the case of a blackout period extension, will an Option be exercisable later than the Expiry Date of such Option fixed by the Board at the time the Option is awarded to the Option Holder.

If any portion of an Option is not vested at the time an Option Holder ceases, for any reason whatsoever, to be a Director, Employee, or Consultant of the Issuer, such unvested portion of the Option may not be thereafter exercised by the Option Holder or its legal representative, as the case may be, always provided that the Board may in its discretion further and subject to the approval of the TSXV where the vesting of the said Option Holder's options was a requirement of the TSXV's policies, thereafter permit the Option Holder or its legal representative, as the case may be, to exercise all or any part of such unvested portion of the Option that would have vested prior to the time such Option otherwise expires and, therefore, ceases to be exercisable pursuant to the terms of this section. For greater certainty, and without limitation, this provision will apply regardless of whether the Option Holder ceased to be an Option Holder voluntarily or involuntarily, was dismissed with or without Cause, and regardless of whether the Option Holder received compensation in respect of dismissal or was entitled to a notice of termination for a period which would otherwise have permitted a greater portion of an Option to vest.

3.5 Exercise Price

The price at which an Option Holder may purchase a Share upon the exercise of an Option shall be as set forth in the Option Certificate issued in respect of such Option and in any event shall not be less than the Discounted Market Price of the Issuer's Shares as of the Award Date. Disinterested Shareholder approval will be obtained for any reduction in the exercise price if the Option Holder is an Insider of the Issuer at the time of the proposed amendment.

Notwithstanding anything else contained herein, in no case will the Discounted Market Price be less than the minimum prescribed by each of the organized trading facilities as would apply to the Award Date in question.

3.6 Additional Terms

Subject to all applicable Securities Laws of all applicable Regulatory Authorities, the Board may attach other terms and conditions to the grant of a particular Option, such terms and conditions to be referred to in a schedule attached to the Option Certificate. These terms and conditions may include, but are not necessarily limited to, the following:

- (a) providing that an Option expires on a date other than as provided for herein;
- (b) providing that a portion or portions of an Option vest after certain periods of time or upon the occurrence of certain events, or expire after certain periods of time or upon the occurrence of certain events;

- (c) providing that an Option be exercisable immediately, in full, notwithstanding that it has vesting provisions, upon the occurrence of certain events, such as a friendly or hostile takeover bid for the Issuer; and
- (d) providing that an Option issued to, held by or exercised by an Option Holder who is a citizen or resident of the United States of America, and otherwise meets the statutory requirements, be treated as an “Incentive Stock Option” as that term is defined for purposes of the United States of America Internal Revenue Code of 1986, as amended.

3.7 Assignment of Options

Options may not be assigned or transferred, provided however that the Personal Representative of an Option Holder may, to the extent permitted by paragraph 4.1, exercise the Option within the Exercise Period.

3.8 Adjustments

If prior to the complete exercise of an Option the Shares are consolidated, subdivided, converted, exchanged or reclassified or in any way substituted for (collectively the “Event”), an Option, to the extent that it has not been exercised, shall be adjusted by the Board in accordance with such Event in the manner the Board deems appropriate. No fractional shares shall be issued upon the exercise of the Options and accordingly, if as a result of the Event, an Option Holder would become entitled to a fractional share, such Option Holder shall have the right to purchase only the next lowest whole number of Shares and no payment or other adjustment will be made with respect to the fractional interest so disregarded.

3.9 Vesting

Options granted to Directors, Employees and Consultants, other than Consultants engaged in Investor Relations Activities, will, subject to the terms and conditions of the Option Certificate, vest fully upon the Award Date, unless vesting is otherwise determined by the Board or required by the relevant Regulatory Authorities.

Options granted to Employees or Consultants engaged in Investor Relations Activities will vest in stages over a minimum period of 12 months with no more than one-quarter of the Options vesting in any three-month period.

3.10 Accelerated Vesting Event

Subject to section 3.9 and in compliance with the policies of the TSXV, upon the occurrence of an Accelerated Vesting Event, the Board will have the power, at its sole discretion and without being required to obtain the approval of shareholders or the Option Holders, except pertaining to Options granted to Employees or Consultants performing Investor Relations activities which will be subject to prior written TSXV approval, to make such changes to the terms of Options as it considers fair and appropriate in the circumstances, including but not limited to: (a) accelerating the vesting of Options, conditionally or unconditionally; (b) terminating every Option if under the transaction giving rise to the Accelerated Vesting Event, options in replacement of the Options are proposed to be granted to or

exchanged with the Option Holders, which replacement options treat the Option Holders in a manner which the Board considers fair and appropriate in the circumstances having regard to the treatment of holders of Shares under such transaction; (c) otherwise modifying the terms of any Option to assist the Option Holders to tender into any take-over bid or other transaction constituting an Accelerated Vesting Event; or (d) following the successful completion of such Accelerated Vesting Event, terminating any Option to the extent it has not been exercised prior to successful completion of the Accelerated Vesting Event. The determination of the Board in respect of any such Accelerated Vesting Event shall for the purposes of this Plan be final, conclusive and binding.

3.11 Resale Restrictions

In addition to any resale restrictions under Securities laws, if the Exercise Price of the Option is at a discount to the Market Price or if the Option is granted to an Insider, the Option and any Shares issued upon exercise of the Option will be subject to a hold period of four months and one day from the Award Date of the Option in accordance with the requirements of the TSXV Corporate Finance Manual. The Option, and the Shares, if applicable, will bear the following legend:

*Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until **[four months and one day from the date of grant]**.*

ARTICLE 4 EXERCISE OF OPTION

4.1 Exercise of Option

An Option may be exercised only by the Option Holder or the Personal Representative of the Option Holder. An Option Holder or the Personal Representative of an Option Holder may exercise an Option in whole or in part at any time or from time to time during the Exercise Period up to 4:30 p.m. local time in Vancouver, British Columbia, on the Expiry Date by delivering to the Administrator an Exercise Notice, the applicable Option Certificate and a certified cheque or bank draft payable to the Issuer in an amount equal to the aggregate Exercise Price of the Shares to be purchased pursuant to the exercise of the Option.

4.2 Withholding Tax

Upon exercise of an Option, the Option Holder will, upon notification of the amount due and prior to or concurrently with the delivery of the certificates representing the Shares, pay to the Issuer amounts necessary to satisfy applicable withholding tax requirements or will otherwise make arrangements satisfactory to the Issuer for such requirements. In order to implement this provision, the Issuer or any related corporation will have the right to retain and withhold from any payment of cash or Shares under this Plan the amount of taxes required to be withheld or otherwise deducted and paid in respect of such payment. At its discretion, the Issuer may require an Option Holder receiving Shares to reimburse the Issuer for any such taxes required to be withheld by the Issuer and withhold any distribution to the Option Holder in whole or in part until the Issuer is so reimbursed. In lieu thereof, the Issuer will have

the right to withhold from any cash amount due or to become due from the Issuer to the Option Holder an amount equal to such taxes. The Issuer may also retain and withhold or the Option Holder may elect, subject to approval by the Issuer at its sole discretion, to have the Issuer retain and withhold a number of Shares having a market value not less than the amount of such taxes required to be withheld by the Issuer to reimburse the Issuer for any such taxes and cancel (in whole or in part) any such Shares so withheld.

4.3 Issue of Share Certificates

As soon as practicable following the receipt of the Exercise Notice, the Administrator shall cause to be delivered to the Option Holder a certificate for the Shares so purchased. If the number of Shares so purchased is less than the number of Shares subject to the Option Certificate surrendered, the Administrator shall forward a new Option Certificate to the Option Holder concurrently with delivery of the Share Certificate for the balance of Shares available under the Option.

4.4 Condition of Issue

The Options and the issue of Shares by the Issuer pursuant to the exercise of Options are subject to the terms and conditions of this Plan and compliance with the rules and policies of all applicable Regulatory Authorities to the granting of such Options and to the issuance and distribution of such Shares, and to all applicable Securities Laws. The Option Holder agrees to comply with all Securities Laws and agrees to furnish to the Issuer any information, reports or undertakings required to comply with, and to fully cooperate with, the Issuer in complying with such Securities Laws.

ARTICLE 5 ADMINISTRATION

5.1 Administration

The Plan shall be administered by the Administrator on the instructions of the Board. The Board may make, amend and repeal at any time and from time to time such regulations not inconsistent with the Plan as it may deem necessary or advisable for the proper administration and operation of the Plan and such regulations shall form part of the Plan. The Board may delegate to the Administrator or any Director, senior officer or employee of the Issuer such administrative duties and powers as it may see fit.

5.2 Interpretation

The interpretation by the Board of any of the provisions of the Plan and any determination by it pursuant thereto shall be final and conclusive and shall not be subject to any dispute by any Option Holder. No member of the Board or any person acting pursuant to authority delegated by it hereunder shall be liable for any action or determination in connection with the Plan made or taken in good faith and each member of the Board and each such person shall be entitled to indemnification with respect to any such action or determination in the manner provided for by the Issuer.

ARTICLE 6 AMENDMENT AND TERMINATION

6.1 Prospective Amendment

The Board may from time to time amend the Plan and the terms and conditions of any Option thereafter to be granted and, without limiting the generality of the foregoing, may make such amendment for the purpose of meeting any changes in any relevant law, rule or regulation applicable to the Plan, any Option or the Shares, or for any other purpose which may be permitted by all relevant laws, regulations, rules and policies provided always that any such amendment shall not alter the terms or conditions of any Option or impair any right of any Option Holder pursuant to any Option awarded prior to such amendment.

6.2 Retrospective Amendment

The Board may from time to time retrospectively amend the Plan and, with the consent of the affected Option Holders, retrospectively amend the terms and conditions of any Options that have been previously granted.

6.3 Approvals

This Plan and any amendments hereto are subject to all necessary approvals of the applicable Regulatory Authorities.

6.4 Termination

The Board may terminate the Plan at any time provided that such termination shall not alter the terms or conditions of any Option or impair any right of any Option Holder pursuant to any Option awarded prior to the date of such termination which shall continue to be governed by the provisions of the Plan.

6.5 Agreement

The Issuer and every Option awarded hereunder shall be bound by and subject to the terms and conditions of this Plan. By accepting an Option granted hereunder, the Option Holder has expressly agreed with the Issuer to be bound by the terms and conditions of this Plan.

SCHEDULE "A"

Legend to be included if exercise price is below Market Price or the Option Holder is an Insider:

[WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL _____.]

VICTORY METALS INC.

Stock Option Plan

Option Certificate

This Certificate is issued pursuant to the provisions of the **Victory Metals Inc.** (the "Issuer") Stock Option Plan (the "Plan") and evidences that _____ is the holder (the "Option Holder") of an option (the "Option") to purchase up to _____ common shares (the "Shares") in the capital stock of the Issuer at a purchase price of CDN\$_____ per Share. Subject to the provisions of the Plan:

- (a) the Award Date of this Option is _____;
- (b) the Expiry Date of this Option is _____;
- (c) this Option vests as follows: [include vesting terms]: and
- (d) this Option terminates _____ days after the Option Holder ceases to be an eligible person to receive Options under the Plan.

This Option may be exercised at any time and from time to time from and including the Award Date through to and including up to 4:30 local time in Vancouver, British Columbia, on the Expiry Date by delivery to the Administrator of the Plan an Exercise Notice, in the form provided in the Plan, together with this Certificate and a certified cheque or bank draft payable to "**Victory Metals Inc.**" in an amount equal to the aggregate of the Exercise Price of the Shares in respect of which this Option is being exercised.

This Certificate and the Option evidenced hereby is not assignable, transferable or negotiable and is subject to the detailed terms and conditions contained in the Plan, the terms and conditions of which the Option Holder hereby expressly agrees with the Issuer to be bound by. This Certificate is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the Plan and the records of the Issuer shall prevail.

The foregoing Option has been awarded this ____ day of _____, _____.

VICTORY METALS INC.

Per: _____
Administrator, Stock Option Plan
Victory Metals Inc.

SCHEDULE "B"

VICTORY METALS INC.

STOCK OPTION PLAN

NOTICE OF EXERCISE OF OPTION

TO: The Administrator, Stock Option Plan
VICTORY METALS INC.

The undersigned hereby irrevocably gives notice, pursuant to the **VICTORY METALS INC.** (the "Issuer") Stock Option Plan (the "Plan"), of the exercise of the Option to acquire and hereby subscribes for **(cross out inapplicable item)**:

- (a) all of the Shares; or
- (b) _____ of the Shares;

which are the subject of the Option Certificate attached hereto.

The undersigned tenders herewith a certified cheque or bank draft **(circle one)** payable to "**VICTORY METALS INC.** in an amount equal to the aggregate Exercise Price of the aforesaid shares and directs the Issuer to issue the certificate evidencing said shares in the name of the undersigned to be mailed to the undersigned at the following address:

DATED the _____ day of _____, _____.

Signature of Option Holder