

**USHA RESOURCES LTD.**  
1575 Kamloops Street  
Vancouver, BC V5K 3W1

**INFORMATION CIRCULAR**  
as of July 16, 2019 (unless otherwise noted)

## **MANAGEMENT SOLICITATION OF PROXIES**

This Information Circular is furnished to you in connection with the solicitation of proxies by management of Usha Resources Ltd. (“we”, “us”, the “Company” or “Usha”) for use at the Annual General Meeting (the “Meeting”) of shareholders of the Company to be held on August 20, 2019, at 10:00 a.m. at the offices of Miller Thomson LLP located at 400 – 725 Granville Street, Vancouver, B.C., V7Y 1G5, and at any adjournment of the Meeting. The Company will conduct its solicitation by mail and our officers, directors and employees may, without receiving special compensation, contact shareholders by telephone, electronic means or other personal contact. We will not specifically engage employees or soliciting agents to solicit proxies. We do not reimburse shareholders, nominees or agents (including brokers holding shares on behalf of clients) for their costs of obtaining authorization from their principals to sign forms of proxy. We will pay the expenses of this solicitation.

## **APPOINTMENT OF PROXY HOLDER**

The persons named as **proxy holders** in the enclosed form of proxy are the Company’s directors or officers. **As a shareholder, you have the right to appoint a person (who need not be a shareholder) in place of the persons named in the form of proxy to attend and act on your behalf at the Meeting. To exercise this right, you must either insert the name of your representative in the blank space provided in the form of proxy and strike out the other names or complete and deliver another appropriate form of proxy.**

A proxy will not be valid unless it is dated and signed by you or your attorney duly authorized in writing or, if you are a corporation, by an authorized director, officer, or attorney of the corporation.

## **VOTING BY PROXY**

The persons named in the accompanying form of proxy will vote or withhold from voting the shares represented by the proxy in accordance with your instructions, provided your instructions are clear. If you have specified a choice on any matter to be acted on at the Meeting, your shares will be voted or withheld from voting accordingly. If you do not specify a choice or where you specify both choices for any matter to be acted on, your shares will be voted in favour of all matters.

The enclosed form of proxy gives the persons named as proxy holders discretionary authority regarding amendments or variations to matters identified in the Notice of Meeting and any other matter that may properly come before the Meeting. As of the date of this Information Circular, our management is not aware of any such amendment, variation or other matter proposed or likely to come before the Meeting. However, if any amendment, variation or other matter properly comes before the Meeting, the persons named in the form of proxy intend to vote on such other business in accordance with their judgement.

You may indicate the manner in which the persons named in the enclosed proxy are to vote on any matter by marking an "X" in the appropriate space. If you wish to give the persons named in the proxy a discretionary authority on any matter described in the proxy, then you should leave the space blank. In that case, the proxy holders nominated by management will vote the shares represented by your proxy in accordance with their judgment.

## RETURN OF PROXY

You must deliver the completed form of proxy to the office of the Company's registrar and transfer agent, Computershare Investor Services Inc., Proxy Dept., 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1, FACSIMILE (within North America) 1-866-249-7775 (outside North America) (416) 263-9524, by fax, hand or by mail or to the Company's head office at the address listed on the cover page of this Information Circular, not less than 48 hours (excluding Saturdays, Sundays, and holidays) before the scheduled time of the Meeting or any adjournment.

## ADVICE TO NON-REGISTERED SHAREHOLDERS

Only shareholders whose names appear on our records or validly appointed proxy holders are permitted to vote at the Meeting. Most of our shareholders are "non-registered" shareholders because their shares are registered in the name of a nominee, such as a brokerage firm, bank, trust company, trustee or administrator of a self-administered RRSP, RRIF, RESP or similar plan or a clearing agency such as CDS Clearing and Depository Services Inc. (a "**Nominee**"). If you purchased your shares through a broker, you are likely a non-registered shareholder.

Non-registered holders who have not objected to their Nominee disclosing certain ownership information about themselves to us are referred to as "NOBOs". Those non-registered Holders who have objected to their Nominee disclosing ownership information about themselves to us are referred to as "OBOs".

In accordance with the securities regulatory policy, we will have distributed copies of the Meeting Materials, being the Notice of Meeting, this Information Circular, and the form of proxy directly to NOBOs and to the Nominees for onward distribution to OBOs. **The Company does not intend to pay for a Nominee to deliver to OBOs, therefore an OBO will not receive the materials unless the OBO's Nominee assumes the costs of delivery.**

Nominees are required to forward the Meeting materials to each OBO unless the OBO has waived the right to receive them. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered shareholder. Meeting Materials sent to non-registered holders who have not waived the right to receive Meeting Materials are accompanied by a request for voting instructions (a "**VIF**"). This form is instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a non-registered holder is able to instruct the registered shareholder (or Nominee) how to vote on behalf of the non-registered shareholder. VIF's, whether provided by the Company or by a Nominee, should be completed and returned in accordance with the specific instructions noted on the VIF.

In either case, the purpose of this procedure is to permit non-registered holders to direct the voting of the Shares which they beneficially own. **Should a non-registered holder who receives a VIF wish to attend the Meeting or have someone else attend on his/her behalf, the non-registered holder may request (in writing) to the Company or its Nominee, as applicable, without expense to the non-registered holder, that the non-registered holder or his/her nominee be appointed as proxyholder and have the right to attend and vote at**

**the Meeting.** Non-registered holders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.

### **REVOCAION OF PROXY**

If you are a registered shareholder who has returned a proxy, you may revoke your proxy at any time before it is exercised. In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by either:

- (a) signing a proxy bearing a later date; or
- (b) signing a written notice of revocation in the same manner as the form of proxy is required to be signed as set out in the notes to the proxy.

The later proxy or the notice of revocation must be delivered to the office of the Company's registrar and transfer agent or to the Company's head office at any time up to and including the last business day before the scheduled time of the Meeting or any adjournment, or to the Chairman of the Meeting on the day of the Meeting or any adjournment.

If you are a non-registered shareholder who wishes to revoke a VIF or to revoke a waiver of your right to receive Meeting materials and to give voting instructions, you must give written instructions to your Nominee at least seven days before the Meeting.

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

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 substantial or 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 adoption of the Company's stock option plan, approval of which will be sought at the Meeting. Directors and executive officers of the Company may participate in the Company's stock option plan, and accordingly have an interest in its approval. See "Particulars of Matters to be Acted Upon".

### **VOTING SHARES AND PRINCIPAL SHAREHOLDERS**

The Company is authorized to issue an unlimited number of common shares without par value, of which 4,200,000 common shares are issued and outstanding as of July 16, 2019. There is one class of shares only.

Persons who are registered shareholders at the close of business on July 16, 2019 will be entitled to receive notice of, attend, and vote at the Meeting. On a show of hands, every shareholder and proxy holder will have one vote and, on a poll, every shareholder present in person or represented by proxy will have one vote for each share. In order to approve a motion proposed at the Meeting, a majority of at least 50% plus one vote of the votes cast will be required to pass an ordinary resolution, and a majority of at least 2/3 of the votes cast will be required to pass a special resolution.

Principal Holders of Common Shares

To the knowledge of our directors and executive officers, no other person or company beneficially owns, directly or indirectly, or exercises control or direction over, shares carrying more than 10% of all voting rights, other than as disclosed below:

<b>Name</b>	<b>Approximate Number of Common Shares Beneficially Owned, Controlled or Directed</b>	<b>Percentage of Outstanding Common Shares</b>
Navin Varshney	950,000	22.62%
Deepak Varshney	950,000	22.62%

**ELECTION OF DIRECTORS**

Directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting or until that person sooner ceases to be a director. The shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company at four (4) for the next year, subject to any increases permitted by the Company's Articles.

Unless you provide other instructions, the enclosed proxy will be voted for the nominees listed below. Management does not expect that any of the nominees will be unable to serve as a director. If before the Meeting any vacancies occur in the slate of nominees listed below, the person named in the proxy will exercise his or her discretionary authority to vote the shares represented by the proxy for the election of any other person or persons as directors.

Management proposes to nominate the persons named in the table below for election as director. The information concerning the proposed nominees has been furnished by each of them:

<b>Name, Province or State and Country of Residence and Present Office Held</b>	<b>Periods Served as Director</b>	<b>Number of Shares Beneficially Owned, Directly or Indirectly, or over which Control or Direction is Exercised<sup>(1)</sup></b>	<b>Principal Occupation and, if Not Previously Elected, Principal Occupation during the Past Five Years</b>
<b>Navin Varshney</b> <sup>(2)</sup> CEO, CFO, Corporate Secretary and Director BC, Canada	Since February 2018	950,000 Common Shares	President of NKV Engineering & Consulting Ltd. Director and Officer of Usha Resources Ltd.
<b>Deepak Varshney</b> <sup>(2)</sup> Director BC, Canada	Since February 2018	950,000 Common Shares	Project Manager/Geologist Director of Usha Resources Ltd.
<b>David Ellett</b> <sup>(3)</sup> Director Arizona, USA	Since February 2018	200,000 Common Shares	Mortgage Loan Originator Director of Usha Resources Ltd.
<b>Leif Smither</b> Director BC, Canada	Since August 2018	100,000 Common Shares	Director of Usha Resources Ltd. Previously President and director of Jaxon Minerals Inc. Previously a director of Earny Resources Ltd. (now Orchid Ventures Inc.)

**Notes:**

- (1) As at July 16, 2019
- (2) Denotes a member of the Audit Committee.
- (3) Chair of Audit Committee

No proposed director of the Company is or has been, within the past 10 years, a director, chief executive officer or chief financial officer of any company that, while the person was acting in that capacity:

- (a) was subject to an order 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 an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

For the purposes of the above, “order” means (a) a cease trade order; (b) an order similar to a cease trade order; or (c) 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.

No proposed director of the Company has, within the past 10 years, become 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 the assets of the proposed director.

To the knowledge of the Company, no nominee for director of the Company has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

No proposed director of the Company is or has been, within the past 10 years, a director or executive officer of any company that, while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, become 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.

## **EXECUTIVE COMPENSATION**

The Company is a venture issuer and is disclosing its executive compensation in accordance with Form 51-102F6V.

The following persons are considered the “Named Executive Officers” or “NEOs” for the purposes of this disclosure:

- (a) the Company’s chief executive officer;
- (b) the Company’s chief financial officer;
- (c) each of the Company’s most highly compensated executive officers, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually more than \$150,000, as determined

in accordance with subsection 1.3(5) of Form 51-102F6V, for the March 31, 2019 year end; and

- (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact the individual was neither an executive officer, nor acting in a similar capacity at March 31, 2019.

**Director and Named Executive Officer Compensation, excluding Compensation Securities**

The following table provides a summary of compensation paid or accrued, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company or a subsidiary of the Company to each Named Executive Office and director of the Company during the Company's most recent financial year ended March 31, 2019.

Table of compensation excluding compensation securities							
Name and position	Year ended March 31	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites <sup>(1)</sup> (\$)	Value of all other compensation (\$)	Total compensation (\$)
<b>Navin Varshney</b> CEO, CFO, Corporate Secretary and Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
<b>Deepak Varshney</b> Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
<b>David Ellett</b> Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
<b>Leif Smither</b> Director	2019	Nil	Nil	Nil	Nil	Nil	Nil

(1) The value of perquisites and benefits, if any, was less than \$15,000.

**Stock Options and Other Compensation Securities**

The following table discloses all compensation securities granted or issued during the most recently completed financial year ended March 31, 2019 to each Named Executive Officer and director for services provided or to be provided, directly or indirectly, to the Company or its subsidiary.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class <sup>(1)(2)</sup>	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
<b>Navin Varshney</b> CEO, CFO, Corporate Secretary and Director	Stock Options	147,500 options	October 12, 2018	0.10	0.10	0.10	October 12, 2023
<b>Deepak Varshney</b> Director	Stock Options	147,500 options	October 12, 2018	0.10	0.10	0.10	October 12, 2023
<b>David Ellett</b> Director	Stock Options	75,000 options	October 12, 2018	0.10	0.10	0.10	October 12, 2023
<b>Leif Smither</b> Director	Stock Options	50,000 options	October 12, 2018	0.10	0.10	0.10	October 12, 2023

(1) All stock options are fully vested. One common share is issuable on the exercise of each stock option.

(2) The options reflected in the table above comprise the total options held by the Named Executive Officers and directors of the Company on the last day of the most recently completed year-end.

### Exercise of Compensation Securities by Directors and NEOs

During the financial year ending March 31, 2019, none of the Named Executive Officers or directors exercised any stock options.

For information about the material terms of the Company's stock option plan, please refer to the heading "Particulars of Matters to be Acted Upon – Shareholder Approval of Stock Option Plan".

### Employment, Consulting and Management agreements

The Company is presently a Capital Pool Company (CPC) under the policies of the TSX Venture Exchange ("**Exchange**") and is not permitted to pay salaries or consulting fees until completion of the Company's Qualifying Transaction, so accordingly the Company does not have any such agreements in place.

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

#### *Director compensation*

The Board determines director compensation from time to time. Directors are not generally compensated in their capacities as such but the Company may, from time to time, grant to its directors incentive stock options to purchase common shares in the capital of the Company pursuant to the terms of the Stock Option Plan and in accordance with the policies of the Exchange.

*Named Executive Officer Compensation*

The Board determines executive compensation from time to time. The Company, as a CPC, is limited by the policies of the Exchange and is not permitted to pay cash compensation until the Company completes its Qualifying Transaction. The Named Executive Officers were granted incentive stock options to purchase common shares in the capital of the Company pursuant to the terms of the Stock Option Plan and in accordance with the policies of the Exchange.

**SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY  
COMPENSATION PLANS**

The Company has an incentive stock option plan under which stock options are granted. Stock options have been determined by the Company’s directors and are only granted in compliance with applicable laws and regulatory policy. The policies of the Exchange limit the granting of stock options to employees, officers, directors and consultants of the Company and provide limits on the length of term, number and exercise price of such options. The Exchange also requires annual approval of stock option plans by shareholders.

The following table sets out equity compensation plan information as at the end of the financial year ended March 31, 2019.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options<sup>(1)</sup></b> <b>(a)</b>	<b>Weighted-average exercise price of outstanding options</b> <b>(b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))<sup>(2)</sup></b> <b>(c)</b>
Equity compensation plans <b>approved</b> by securityholders	Nil	Nil	Nil
Equity compensation plans <b>not approved</b> by securityholders <sup>(3)</sup>	420,000	\$0.10	420,000
<b>Total</b>	420,000	\$0.10	420,000

(1) Assuming outstanding options are fully vested.

(2) Excluding the number of shares issuable on exercise of the outstanding options shown in the second column.

(3) This is the Company's first annual general meeting since its incorporation and under Exchange policy is required to seek shareholder approval of its stock option plan at this meeting.

**INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

None of our directors or executive officers, proposed nominees for election as directors, or associates of any of them, is or has been indebted to the Company or our subsidiaries at any time since the beginning of the most recently completed financial year and no indebtedness remains outstanding as at the date of this Information Circular.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person of the Company, no proposed nominee for election as a director of the Company, and no associate or affiliate of any of these persons, has any material interest, direct or indirect, in any transaction since the commencement of our last financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or any of our subsidiaries, other than as disclosed under the heading “Particulars of Matters to be Acted On”.

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 percent of the voting rights attached to all outstanding voting securities of the Company other than voting securities held by the person or company as underwriter in the course of a distribution; and
- (d) the Company if it has purchased, redeemed or otherwise acquired any of its securities, so long as it holds any of its securities.

## AUDIT COMMITTEE

Under this heading, the Company is including the disclosure required by Form 52-110F2 of National Instrument 52-110 Audit Committees (“**NI 52-110**”).

### ***Audit Committee Charter***

The Audit Committee Charter was adopted by the Company’s Audit Committee and the Board of Directors. The full text of the Company’s Audit Committee Charter is attached as Schedule “A”.

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

As of the date of this Information Circular, the following are the members of the Audit Committee:

<b>Name of Member</b>	<b>Independent<sup>(1)</sup></b>	<b>Financially Literate<sup>(1)</sup></b>
Navin Varshney	Not Independent	Yes
Deepak Varshney	Independent	Yes
David Ellett	Independent	Yes

(1) As that term is defined in NI 52-110.

### ***Relevant Education and Experience of Audit Committee Members***

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

1. an understanding of the accounting principles used by the Company to prepare its financial statements;
2. the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
3. experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more persons engaged in such activities; and
4. an understanding of internal controls and procedures for financial reporting, are as set out in the Company's prospectus dated September 14, 2018, which set out background information for each person.

### ***Audit Committee Oversight***

Since the commencement of the Company's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

### ***Reliance on Exemptions in NI 52-110 regarding De Minimis Non-audit Services or on a Regulatory Order Generally***

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110 (which exempts all non-audit services provided by the Company's auditor from the requirement to be pre-approved by the Audit Committee if such services are less than 5% of the auditor's annual fees charged to the Company, are not recognized as non-audit services at the time of the engagement of the auditor to perform them and are subsequently approved by the Audit Committee prior to the completion of that year's audit), the exemption in subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), the exemption in subsection 6.1.1(5) (*Events Outside of Control of Member*), the exemption in subsection 6.1.1(6) (*Death, Incapacity or Resignation*) or an exemption from NI 52-110, in whole or in part, granted by a securities regulator under Part 8 (*Exemptions*) of NI 52-110.

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

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

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

The following table discloses the fees billed to the Company by its external auditor during the last two financial years:

<b>Financial Year Ending</b>	<b>Audit Fees <sup>(1)</sup></b>	<b>Audit-Related Fees <sup>(2)</sup></b>	<b>Tax Fees <sup>(3)</sup></b>	<b>All Other Fees <sup>(4)</sup></b>
Incorporation on February 26, 2018 to March 31, 2018	\$10,532.50	\$Nil	\$Nil	\$Nil
March 31, 2019	\$Nil	\$Nil	\$Nil	\$Nil

- (1) "Audit Fees" include fees necessary to perform the annual audit and if applicable, quarterly reviews of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees".
- (4) "All Other Fees" includes all other non-audit services".

**Reliance on Exemptions in NI 52-110 regarding Audit Committee Composition & Reporting Obligations**

Since the Company is a venture issuer, it relies on the exemption contained in section 6.1 of NI 52-110 from the requirements of Part 3 Composition of the Audit Committee (as described in 'Composition of the Audit Committee' above) and Part 5 Reporting Obligations of NI 52-110 (which requires certain prescribed disclosure about the Audit Committee in this Information Circular).

**CORPORATE GOVERNANCE**

National Instrument 58-101 *Disclosure of Corporate Governance Practices* of the Canadian securities administrators requires the Company to annually disclose certain information regarding its corporate governance practices. Under this heading, the Company is providing the disclosure required by Form 58-101F2.

**Board of Directors**

The Board has responsibility for the stewardship of the Company including responsibility for strategic planning, identification of the principal risks of the Company's business and implementation of appropriate systems to manage these risks, succession planning (including appointing, training and monitoring senior management), communications with investors and the financial community and the integrity of the Company's internal control and management information systems.

The Board sets long term goals and objectives for the Company and formulates the plans and strategies necessary to achieve those objectives and to supervise senior management in their implementation. The Board delegates the responsibility for managing the day-to-day affairs of the Company to senior management but retains a supervisory role in respect of, and ultimate responsibility for, all matters relating to the Company and its business. The Board is responsible for protecting shareholders' interests and ensuring that the incentives of the shareholders and of management are aligned.

As part of its ongoing review of business operations, the Board reviews, as frequently as required, the principal risks inherent in the Company's business including financial risks, through

periodic reports from management of such risks, and assesses the systems established to manage those risks. Directly and through the Audit Committee, the Board also assesses the integrity of internal control over financial reporting and management information systems.

In addition to those matters that must, by law, be approved by the Board, the Board is required to approve any material dispositions, acquisitions and investments outside the ordinary course of business, long-term strategy, and organizational development plans. Management of the Company is authorized to act without board approval, on all ordinary course matters relating to the Company's business.

The Board also monitors the Company's compliance with timely disclosure obligations and reviews material disclosure documents prior to distribution. The Board is responsible for selecting the President and appointing senior management and for monitoring their performance.

The Board considers that the following directors are "independent" in that they are independent and free from any interests and any business or other relationships which could or could reasonably be perceived to, materially interfere with the director's ability to act with the best interests of the Company, other than interests and relationships arising from shareholding: Deepak Varshney, David Ellett and Leif Smither. The Board considers that Navin Varshney, the CEO, CFO and Corporate Secretary of the Company, is not independent because he is a member of management.

### **Directorships**

None of the directors are presently a director of any other reporting issuers (or equivalent) in a Canadian or foreign jurisdiction.

### **Orientation and Continuing Education**

The Board is responsible for providing orientation for all new recruits to the Board. Each new director brings a different skill set and professional background, and with this information, the Board is able to determine what orientation to the nature and operations of Usha's business will be necessary and relevant to each new director. Usha provides continuing education for its directors as the need arises and encourages open discussion at all meetings, which format encourages learning by the directors.

### **Ethical Business Conduct**

The Board relies on the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law to ensure the Board operates independently of management and in the best interests of the Company. The Board has found that these, combined with the conflict of interest provisions of the *Business Corporations Act* (BC), as well as the relevant securities regulatory instruments, to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

### **Nomination of Directors**

The Board performs the functions of a nominating committee with respect to appointment of directors. The Board believes that this is a practical approach at this stage of the Company's development. While there are not specific criteria for board membership, the Company attempts to attract and maintain directors with business knowledge, which assists in guiding management of the Company.

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders. The Board takes into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

### **Compensation**

The Board is responsible for determining all forms of compensation, including long-term incentive in the form of stock options. As a CPC, the Company is limited by Exchange policy as it relates to compensation of its executives.

### **Other Board Committees**

The Board has no other committees other than the Audit Committee described in this Information Circular under the heading "Audit Committee".

### **Assessments**

The Board annually reviews its own performance and effectiveness as well as reviews the Audit Committee Charter and recommends revisions as necessary. Neither Usha nor the Board has adopted formal procedures to regularly assess the Board, the Audit Committee or the individual directors as to their effectiveness and contribution. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of individual directors are informally monitored by the other Board members, bearing in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

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

The Board believes its corporate governance practices are appropriate and effective for Usha, given its size and operations. Usha's corporate governance practice allows the Company to operate efficiently, with checks and balances that control and monitor management and corporate functions without excessive administrative burden.

## **APPOINTMENT OF AUDITOR**

Shareholders will be requested to appoint Davidson & Company LLP, of Vancouver, British Columbia ("**Davidson**") as auditors of the Company to hold office until the next annual meeting of shareholders and to authorize the directors of the Company to fix their remuneration.

**Unless otherwise instructed, the proxies solicited by management will be voted for the appointment of Davidson & Company LLP, as the Company's auditor.**

## MANAGEMENT CONTRACTS

The management functions of the Company are not to any substantial degree performed by any person other than the executive officers and directors of the Company.

### PARTICULARS OF MATTERS TO BE ACTED ON

#### Shareholder Approval of Stock Option Plan

The only equity compensation plan which the Company currently has in place is the 2018 stock option plan (the “**2018 Plan**”) which was approved by the directors of the Company. The 2018 Plan was established to provide incentive to employees, officers, directors and consultants who provide services to the Company. While the Company is a CPC, the 2018 Plan had a limit of 420,000 stock options. Exchange policy requires that all companies listed on the Exchange adopt a stock option plan if a company wishes to grant stock options and that all stock option plans that reserve a maximum of 10% of the issued and outstanding share capital of the Company at the time of grant (called a “rolling plan” under Exchange policies), must be approved and ratified by shareholders on an annual basis in accordance with Policy 4.4 of the Exchange (“**Policy 4.4**”).

Management seeks shareholder approval for renewal of the 2018 Plan, as the Company’s 2019 stock option plan (the “**2019 Plan**”) in accordance with and subject to the rules and policies of the Exchange. The intention of management in proposing the 2019 Plan is to increase the proprietary interest and incentive of employees, officers, directors and consultants in the Company and thereby aid the Company in attracting, retaining and encouraging the continued involvement of such persons with the Company. It is proposed that under the 2019 Plan, the total number of common shares that may be reserved for issuance will be 10% of the issued and outstanding common shares of the Company at the time of grant, less any common shares reserved for issuance pursuant to the grant of stock options under any other share compensation arrangements. The 2019 Plan complies with the current policies of the Exchange, and all capitalized terms below that are not defined in this Information Circular, have the meanings given to them in Policy 4.4. The 2019 Plan is subject to approval by the Exchange.

#### Terms of the 2019 Plan

A full copy of the 2019 Plan will be available at the Meeting for review by shareholders. Shareholders may also obtain copies of the 2019 Plan from the Company prior to the meeting on written request. The following is a summary of the material terms of 2019 Plan:

1. The options are non-assignable and non-transferable (except that the Optionee’s heirs or administrators can exercise any portion of the outstanding option, up to one year from the Optionee’s death).
2. The number of shares subject to each option is determined by the Board of Directors provided that the 2019 Plan, together with all other previously established or proposed share compensation arrangements may not, during any 12 month period, result in:
  - (a) the number of options granted to any one Person exceeding 5% of the issued shares of the Company; or
  - (b) the number of options granted to any one Consultant exceeding 2% of the issued shares of the Company; or

- (c) the number of options granted to all Persons retained to provide Investor Relations Activities of a number shares exceeding 2% of the issued shares of the Company.
- 3. The exercise price of an option may not be set at less than Discounted Market Price.
- 4. The options may be exercisable for a period of up to 5 years, (subject to extension where the expiry date falls within a “blackout period”).
- 5. Disinterested shareholder approval will be obtained for any reduction in the exercise price if the Optionee is an Insider of the Company at the time of the proposed amendment.
- 6. For stock options granted to Employees, Consultants or Management Company Employees, the Company and the Optionee are responsible for ensuring and confirming that the Optionee is a bona fide Employee, Consultant or Management Company Employee, as the case may be.
- 7. Any options granted to any Optionee who is a Director, Employee, Consultant or Management Company Employee must expire within a reasonable period following the date the Optionee ceases to be in that role (in general, the Exchange considers anything not exceeding 12 months to be a reasonable period for these purposes).

Shareholders will be asked to pass the following, ordinary resolution, approving the Company’s 2019 Plan:

**“IT IS RESOLVED, AS AN ORDINARY RESOLUTION, THAT:**

- 1. The Company adopt a 2019 Stock Option Plan (the “Plan”), including the reserving for issuance under the Plan at any time of a maximum of 10% of the issued common shares of the Company;
- 2. The Board of Directors be authorized on behalf of the Company to make any further amendments to the Plan as may be required by regulatory authorities, without further approval of the shareholders of the Company, in order to ensure adoption of the Plan;
- 3. The Company file the Plan with the TSX Venture Exchange for acceptance; and
- 4. Any one director or officer of the Company is authorized and directed to do all such acts and things and to execute and deliver all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to this resolution.”

***Recommendation of the Company’s Directors***

The directors have reviewed and considered all facts respecting the approval of the 2019 Plan. The Company’s directors unanimously recommend that the shareholders vote in favour of ratifying and approving the 2019 Plan.

An ordinary resolution requires the approval of a simple majority (50% + one vote) of the votes cast at the Meeting, in person or by proxy. **It is the intention of the persons named in the accompanying Proxy, if not expressly directed to the contrary in such Proxy, to vote such proxies FOR the ordinary resolution authorizing the approval of the 2019 Plan.**

### **ADDITIONAL INFORMATION**

Additional information about the Company is located on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is provided in the Company's comparative financial statements and Management's Discussion and Analysis for its most recently completed financial year ended March 31, 2019. Shareholders may contact the Company to request copies of the financial statements and Management's Discussion and Analysis by writing to the Chief Executive Officer, Mr. Navin Varshney at the address below or by email to [naveenv@shaw.ca](mailto:naveenv@shaw.ca).

#### **USHA RESOURCES LTD.**

1575 Kamloops Street  
Vancouver, BC V5K 3W1

### **OTHER MATERIAL FACTS**

Management knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the shares represented by the Proxy solicited hereby will be voted on such matter in accordance with the best judgment of the persons voting by proxy.

DATED at Vancouver, British Columbia, on the 16<sup>th</sup> day of July, 2019.

BY ORDER OF THE BOARD

#### **USHA RESOURCES LTD.**

(signed) "*Navin Varshney*"

Navin Varshney

Chief Executive Officer, Chief Financial Officer, Corporate Secretary and Director

## SCHEDULE A

### USHA RESOURCES LTD. AUDIT COMMITTEE CHARTER

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#### **MANDATE**

The Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of Usha Resources Ltd. (the “Company”) shall assist the Board in fulfilling its financial oversight responsibilities. The Committee’s primary duties and responsibilities under this mandate are to serve as an independent and objective party to monitor:

1. The quality and integrity of the Company’s financial statements and other financial information;
2. The compliance of such statements and information with legal and regulatory requirement;
3. The qualifications and independence of the Company’s independent external auditor (the “Auditor”); and
4. The performance of the Company’s internal accounting procedures and Auditor.

#### **I. STRUCTURE AND OPERATIONS**

##### **A. Composition**

The Committee shall be comprised of three or more members.

##### **B. Qualifications**

Each member of the Committee must be a member of the Board.

Each member of the Committee must be able to read and understand fundamental financial statements, including the Company’s balance sheet, income statement and cash flow statement.

##### **C. Appointment and Removal**

In accordance with the Articles of the Company, the members of the Committee shall be appointed by the Board and shall serve until such member’s successor is duly elected and qualified or until such member’s earlier resignation or removal. Any member of the Committee may be removed, with or without cause, by a majority vote of the Board.

##### **D. Chair**

Unless the Board shall select a Chair, the members of the Committee shall designate a Chair by the majority vote of all of the members of the Committee. The Chair shall call, set the agendas for and chair all meetings of the Committee.

**E. Meetings**

***The Committee shall meet as frequently as circumstances dictate. The Auditor shall be given reasonable notice of, and be entitled to attend and speak at, each meeting of the Committee concerning the Company's annual financial statements and, if the Committee feels it is necessary or appropriate, at every other meeting. On request by the Auditor, the Chair shall call a meeting of the Committee to consider any matter that the Auditor believes should be brought to the attention of the Committee, the Board or the shareholders of the Company.***

***At each meeting, a quorum shall consist of a majority of members that are not officers or employees of the Company or of an affiliate of the Company.***

As part of its goal to foster open communication, the Committee may periodically meet separately with each of management and the Auditor to discuss any matters that the Committee or any of these groups believes would be appropriate to discuss privately. In addition, the Committee should meet with the Auditor and management annually to review the Company's financial statements in a manner consistent with Section III of this Charter.

The Committee may invite to its meetings any director, any manager of the Company, and any other person whom it deems appropriate to consult in order to carry out its responsibilities. The Committee may also exclude from its meetings any person it deems appropriate to exclude in order to carry out its responsibilities.

**II. DUTIES**

**A. Introduction**

The following functions shall be the common recurring duties of the Committee in carrying out its purposes outlined in Section I of this Charter. These duties should serve as a guide with the understanding that the Committee may fulfill additional duties and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee outlined in Section I of this Charter.

The Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern which the Committee in its sole discretion deems appropriate for study or investigation by the Committee.

The Committee shall be given full access to the Company's internal accounting staff, managers, other staff and Auditor as necessary to carry out these duties. While acting within the scope of its stated purpose, the Committee shall have all the authority of, but shall remain subject to, the Board.

**B. Powers and Responsibilities**

The Committee will have the following responsibilities and, in order to perform and discharge these responsibilities, will be vested with the powers and authorities set forth below, namely, the Committee shall:

*Independence of Auditor*

- 1) Review and discuss with the Auditor any disclosed relationships or services that may impact the objectivity and independence of the Auditor and, if necessary, obtain a formal written statement from the Auditor setting forth all relationships between the Auditor and the Company.
- 2) Take, or recommend that the Board take, appropriate action to oversee the independence of the Auditor.
- 3) Require the Auditor to report directly to the Committee.
- 4) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the Auditor and former independent external auditor of the Company.

*Performance & Completion by Auditor of its Work*

1. Be directly responsible for the oversight of the work by the Auditor (including resolution of disagreements between management and the Auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, including resolution of disagreements between management and the Auditor regarding financial reporting.
2. Review annually the performance of the Auditor and recommend the appointment by the Board of a new, or re-election by the Company's shareholders of the existing, Auditor for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company.
3. Recommend to the Board the compensation of the Auditor.
4. Pre-approve all non-audit services, including the fees and terms thereof, to be performed for the Company by the Auditor.

*Internal Financial Controls & Operations of the Company*

1. Establish procedures for:
  - (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
  - (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

*Preparation of Financial Statements*

1. Discuss with management and the Auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.
2. Discuss with management and the Auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Company's financial statements or accounting policies.
3. Discuss with management and the Auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.
4. Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.
5. Discuss with the Auditor the matters required to be discussed relating to the conduct of any audit, in particular:
  - 1) The adoption of, or changes to, the Company's significant auditing and accounting principles and practices as suggested by the Auditor, internal auditor or management.
  - 2) The management inquiry letter provided by the Auditor and the Company's response to that letter.
  - 3) Any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

*Public Disclosure by the Company*

1. Review the Company's annual and interim financial statements, management discussion and analysis (MD&A) and earnings press releases before the Board approves and the Company publicly discloses this information.
2. Review the Company's financial reporting procedures and internal controls to be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph, and periodically assessing the adequacy of those procedures.
3. Review disclosures made to the Committee by the Company's Chief Executive Officer and Chief Financial Officer during their certification process of the Company's financial statements about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

*Manner of Carrying Out its Mandate*

1. Consult, to the extent it deems necessary or appropriate, with the Auditor, but without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
2. Request any officer or employee of the Company or the Company's outside counsel or Auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.
3. Meet, to the extent it deems necessary or appropriate, with management, any internal auditor and the Auditor in separate executive sessions.
4. Have the authority, to the extent it deems necessary or appropriate, to retain special independent legal, accounting or other consultants to advise the Committee advisors.
5. Make regular reports to the Board.
6. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
7. Annually review the Committee's own performance.
8. Provide an open avenue of communication among the Auditor, the Company's financial and senior management and the Board.
9. Not delegate these responsibilities.

**C. Limitation of Audit Committee's Role**

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the Auditor.