

**MONTAN MINING CORP.**  
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**SUPPLEMENT TO MANAGEMENT INFORMATION CIRCULAR DATED MAY 7, 2018 (THE “INFORMATION CIRCULAR”) AND FILED ON SEDAR ON MAY 14, 2018 AND AGAIN ON MAY 17, 2018, WITH RESPECT TO THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS OF MONTAN MINING CORP. (THE “COMPANY”), AT WHICH, AMONG OTHER THINGS, THE SHAREHOLDERS OF THE COMPANY WILL BE ASKED TO CONSIDER AND, IF THOUGHT FIT, TO APPROVE A PROPOSED SHARES FOR DEBT TRANSACTION BETWEEN THE COMPANY AND LIONS BAY CAPITAL INC. (“LIONS BAY”).**

**MAY 31, 2018**

**1. AMENDMENT TO INFORMATION CIRCULAR**

This Supplement to Management Information Circular amends and replaces the discussion, beginning on Page 23 of the Circular, concerning a shares for debt transaction between the Company and Lions Bay (the “Transaction”) described in an agreement (the “Transaction Agreement”) dated May 8, 2018. In addition, the Information Circular discloses that Lions Bay is a ‘related party’ within the meaning of Multilateral Instrument 61-101, *Protection of Minority Shareholders in Special Transactions* (“MI 61-101), and it discloses that the Transaction would therefore constitute a ‘related party transaction’ within the meaning of MI 61-101. This disclosure was incorrect - Lions Bay is not currently a ‘related party’ and the transaction will not constitute a ‘related party transaction’ within the meaning of MI 61-101. In addition, the Information Circular disclosed that the Agreement provided that the Transaction would be carried out in two stages; it disclosed the terms of the first stage and provided that the terms of the second stage would be determined when the Company conducted its next private placement financing. **THE COMPANY AND LIONS BAY HAVE AMENDED AND RESTATED THE AGREEMENT PURSUANT TO AN AGREEMENT DATED MAY 28, 2018 AND THE DISCUSSION OF THE AGREEMENT AND THE TRANSACTION INCLUDED IN THIS SUPPLEMENT TO MANAGEMENT INFORMATION CIRCULAR REPLACES AND RESTATES THE DISCUSSION OF THE AGREEMENT AND THE TRANSACTION THAT WAS INCLUDED IN THE ORIGINAL INFORMATION CIRCULAR.**

**2. WAIVER OF PROXY CUTOFF**

Both the Notice of Annual General and Special Meeting of Shareholders To Be Held on June 7, 2018, which was filed on SEDAR together with the Information Circular, and the Information Circular itself, disclose that the Board of Directors of the Company (the “Board”) has fixed 11:00 a.m. (Pacific Time) on Tuesday, June 5, 2018, or no later than 48 hours before the time of the shareholder meeting if the meeting is adjourned, as the time before which proxies to be used or acted upon at the shareholder meeting are to be deposited with the Company’s registrar and transfer agent, TSX Trust Company. Because of the limited amount of time between the date of this Supplement to Management Information Circular and the meeting date, the Board has decided to waive this requirement and it has directed the Company’s registrar and transfer agent, TSX Trust Company, to accept proxies submitted at any time prior to the commencement of the shareholder meeting on June 7, 2018. A shareholder that has already given a proxy may revoke it at any time before the proxy is exercised by:

(a) An instrument in writing that is

- i. signed by the shareholder, the shareholder's attorney authorized in writing or, where the shareholder is a corporation, a duly authorized officer of attorney of the corporation; and
- ii. delivered to TSX Trust Company or to the Company's registered and records office at 301 – 100 Adelaide Street West, Toronto Ontario M5H 4H1, at any time up to and including the last business day preceding the day of the shareholder meeting, or any adjournment thereof, or delivered to the Chairperson of the shareholder meeting on the day of the meeting or any adjournment of the meeting before any vote in respect of which the proxy is to be used has been taken; or

(b) in any other manner provided by law.

### 3. APPROVAL OF LIONS BAY SHARES FOR DEBT

#### Approval of Creation of Control Person

Lions Bay Capital Inc. ("**LBC**"), a British Columbia corporation listed on the TSX Venture Exchange (the "**Exchange**") that focuses on investment in growth-focused resource assets, is leading a restructuring of the Company. As part of the restructuring, LBC acquired from third parties certain debt owed by the Company in the aggregate amount of \$1.03 million (the "**Indebtedness**"). LBC entered into a written agreement with the Company dated May 28, 2018 (the "**Agreement**") pursuant to which it agreed to settle the Indebtedness in exchange for 20,649,774 common shares of the Company (the "**Shares for Debt**") at a deemed price of \$0.05 per common share, which would result in LBC becoming a Control Person (as defined below) of the Company within the meaning of the policies of the Exchange. The Agreement contemplates that the Shares for Debt transaction will be completed as soon after the Meeting as is practical. After completion of the Shares for Debt transaction (and without adjusting for the Financing which is discussed below), LBC is expected to own, control or direct, directly or indirectly, approximately 42.4% of the issued and outstanding Shares of the Company. This would constitute LBC a 'control person' of the Company. Under the Policies of the Exchange, the creation of a new control person requires the approval of the Company's shareholders.

In addition, LBC has advanced to the Company the sum of \$425,864 pursuant to a series of promissory notes, and it has accrued \$5,136 in interest (together the "**Promissory Note Debt**").

The Company proposes to raise approximately \$600,000 in a private placement offering (the "**Financing**") that the Company plans to close contemporaneously with the Shares for Debt transaction. In the Financing, the Company proposes to sell up to 12,000,000 Units at a price of \$0.05 per Unit; each Unit will be comprised of one common share in the capital of the Company (each, a "**Share**") and one transferable common share purchase warrant (each whole warrant, a "**Warrant**"). One Warrant will entitle the holder thereof to acquire one Share (each, a "**Warrant Share**") at a price of \$0.06 per Warrant Share until 5:00 p.m. (Vancouver time) on the date of expiration of the Warrant, which is one year following the Closing Date of the financing. LBI may participate in the Financing. If LBI does not participate in the Financing and if the Company raises the entire amount of \$600,000, then, after adjusting for the unit shares (on an undiluted basis), LBI would own 20,649,774 Shares out of an aggregate total of 60,755,222 Shares issued and outstanding, or approximately 34%. The Company has announced the Financing in a News Release dated May 30, 2018. The Company intends to use the proceeds from the Financing to repay the Promissory Note Debt, and for general working capital.

Under the policies of the Exchange, a “Control Person” is defined as any person that holds or is one of a combination of persons that holds a sufficient number of any of the securities of a corporation so as to affect materially the control of the corporation, or that holds more than 20% of the outstanding voting shares of a corporation except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer. Pursuant to the policies of the Exchange, if a transaction will result in the creation of a new Control Person, the Exchange will require the Company to obtain shareholder approval of the transaction on a disinterested basis excluding any shares held by the proposed new Control Person and its associates and affiliates.

It is expected that the Shares for Debt whereby LBC would become a Control Person will not constitute a “related party transaction” within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Shareholders in Special Transactions* (“MI 61-101”), as LBI does not presently own any shares in the Company.

Shareholders will be asked at the Meeting to consider and, if thought fit, to approve the following resolution (the “**Control Person Resolution**”), which must be approved by at least a simple majority of the votes cast by Shareholders represented in person or by proxy at the Meeting (with Lions Bay Capital Inc. and its associates and affiliates abstaining from voting on the Control Person Resolution):

“BE IT RESOLVED, as an ordinary resolution of the holders of common shares of Montan Mining Corp. (the “**Company**”), that:

1. the issuance of 20,649,774 common shares (“**Common Shares**”) of the Company to Lions Bay Capital Inc. (“**LBC**”), at a price of \$0.05 per Common Share, to settle \$1.03 million in outstanding debts of the Company (the “**Shares for Debt**”), on such terms as are more particularly described in the management information circular of the Company dated May 7, 2018, as amended by Supplement dated May 31, 2018 (the “**Circular**”), is hereby authorized and approved;
2. the creation of a new Control Person (as such term is defined in the policies of the TSX Venture Exchange), of the Company, being LBC, resulting from the completion of the Shares for Debt, on such terms as are more particularly described in the Circular, is hereby authorized and approved; and
3. any one director or officer of the Company, for and on behalf of the Company is hereby authorized to execute, deliver and file, or cause to be filed, all documents, instruments and certificates and take all such other actions as any such director or officer, in his or her discretion, may deem necessary, advisable or appropriate to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such documents and instruments and the taking of any such actions.”

**Management of the Company recommends that shareholders vote in favour of the Control Person Resolution at the Meeting. It is the intention of the Designated Persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the Control Person Resolution.**