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**MANAGEMENT INFORMATION CIRCULAR  
FOR THE SPECIAL MEETING OF SHAREHOLDERS**

(Containing Information as at November 2, 2020, unless otherwise stated)

**SOLICITATION OF PROXIES**

This management information circular (the "Circular") is furnished in connection with the solicitation of proxies by the management of Euro Manganese Inc. (the "Corporation") for use at the special meeting (the "Meeting") of holders (the "Shareholders") of common shares in the capital of the Corporation (the "Shares") (including holders of common shares who hold their shares through CHES Depository Interests ("CDIs")), to be held on Thursday, December 10, 2020, at the time and place and for the purposes set forth in the accompanying notice of meeting (the "Notice") or at any adjournment or postponement thereof. It is expected that the solicitation of proxies on behalf of management will be primarily by mail; however, proxies may be solicited personally or by telephone by the regular officers, employees or agents of the Corporation. The cost of soliciting proxies on behalf of management will be borne by the Corporation. The Corporation may also reimburse brokers and other persons holding Shares in their names or in the name of nominees, for their costs incurred in sending proxy materials to beneficial owners and obtaining their proxies or voting instructions.

CHES Depository Nominees Pty Ltd. ("CDN") is the Shareholder of record for all Shares beneficially owned by holders of CDIs. Holders of CDIs are entitled to receive notice of the Meeting and attend the Meeting and may direct CDN to vote at the Meeting by using the method described in the special voting instructions for CDI holders below. Holders of CDIs are not directly registered Shareholders and must vote through CDN as described below under the heading "*Special Voting Instructions for CDI Holders*".

**APPOINTMENT OF PROXIES**

The persons named in the accompanying form of proxy (the "Proxy") are representatives of management of the Corporation and are directors and/or officers of the Corporation. **A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR HIM/HER ON HIS/HER BEHALF AT THE MEETING OTHER THAN THE PERSONS NAMED IN THE ENCLOSED PROXY. TO EXERCISE THIS RIGHT, A SHAREHOLDER MAY STRIKE OUT THE NAMES OF THE PERSONS NAMED IN THE PROXY AND INSERT THE NAME OF HIS/HER NOMINEE IN THE BLANK SPACE PROVIDED OR COMPLETE ANOTHER PROXY. A PROXY WILL NOT BE VALID UNLESS IT IS DEPOSITED WITH COMPUTERSHARE, AT ATTENTION: PROXY DEPARTMENT,**

AT 100 UNIVERSITY AVENUE, 8TH FLOOR, TORONTO, ONTARIO, M5J 2Y1, NO LATER THAN 10:00 A.M. (VANCOUVER TIME) ON TUESDAY, DECEMBER 8, 2020, WHICH IS NOT LESS THAN 48 HOURS (EXCLUDING SATURDAYS, SUNDAYS AND HOLIDAYS) BEFORE THE TIME OF THE MEETING (OR ANY ADJOURNMENT OR POSTPONEMENT THEREOF, AS APPLICABLE) (THE "PROXY DEADLINE"). ALTERNATIVELY, A SHAREHOLDER MAY SUBMIT THEIR PROXY PRIOR TO THE PROXY DEADLINE ONLINE AT [WWW.INVESTORVOTE.COM](http://WWW.INVESTORVOTE.COM) BY REGISTERING WITH THE CONTROL NUMBER PROVIDED ON THEIR FORM OF PROXY OR PROXIES OR MAY BE FAXED TO COMPUTERSHARE AT 1-866-249-7775 (WITHIN NORTH AMERICA) OR 1-416-263-9524 (INTERNATIONAL).

The Proxy must be signed by the Shareholder or by his/her attorney in writing, or, if the Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer. Only Registered Shareholders (as defined below) are entitled to sign and deposit a Proxy.

### **NON-REGISTERED HOLDERS**

Only those Shareholders whose names appear on the central security register of the Corporation (the "**Registered Shareholders**"), or the persons they appoint as their proxies, are permitted to attend and vote at the Meeting. However, in many cases, Shares beneficially owned by a holder (a "**Non-Registered Holder**") are registered either:

- (a) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Holder deals with in respect of the Shares, such as, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of 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.) of which the Intermediary is a participant.

All holders of CDIs are Non-Registered Holders. See "*Special Voting Instructions for CDI Holders*".

In accordance with the requirements of NI 54-101, the Corporation has distributed copies of this Circular and the Notice (together, the "**Meeting Materials**") to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Intermediaries will often 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 voting instruction form which must be completed and signed by the Non-Registered Holder in accordance with the directions on the voting instruction form (which may in some cases permit the completion of the voting instruction form by telephone); or
- (b) be given a Proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Shares beneficially owned by the Non-Registered Holder, but which is otherwise uncompleted. This Proxy need not be signed by the Non-Registered Holder. 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 Computershare, as described above.

The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Shares they beneficially own. Should a Non-Registered Holder who receives either a Proxy or a voting instruction form wish to attend and vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons named in the Proxy and insert the Non-Registered Holder's (or such other person's) name in the blank space provided or, in the case of a voting instruction form, follow the corresponding instructions on the form. ***In either case, Non-Registered Holders should carefully follow the instructions of their Intermediaries and their service companies.***

#### **REVOCAATION**

A Registered Shareholder who has given a Proxy may revoke the Proxy by:

- (a) completing and signing a Proxy bearing a later date and depositing it with Computershare as described above;
- (b) depositing an instrument in writing executed by the Shareholder or by the Shareholder's attorney authorized in writing: (i) at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournment or postponement of the Meeting, at which the Proxy is to be used, or (ii) with the chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment or postponement of the Meeting; or
- (c) in any other manner permitted by law.

A Non-Registered Shareholder may revoke a voting instruction form or a waiver of the right to receive meeting materials and to vote given to an Intermediary at any time by written notice to the Intermediary, except that an Intermediary may not be required to act on a revocation of a voting instruction form or of a waiver of the right to receive meeting materials and to vote that is not received by the Intermediary in accordance with the internal procedures of such Intermediary.

#### **VOTING OF PROXIES**

The management representatives designated in the enclosed Proxy will vote or withhold from voting the Shares in respect of which they are appointed by Proxy on any ballot that may be called for in accordance with the instructions of the Shareholder as indicated on the Proxy and, if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly. **In the absence of such instructions, such Shares will be voted by the management representatives FOR the issuance of Shares to each of the Related Parties (as defined below) listed below in this Circular.**

The enclosed Proxy confers discretionary authority upon the management representatives designated in the Proxy with respect to amendments to or variations of matters identified in the notice of Meeting and with respect to other matters which may properly come before the Meeting. At the date of this Circular, management of the Corporation know of no such amendments, variations or other matters.

Voting by proxy may also occur over the Internet. The enclosed Proxy or voting instruction form you may receive from your broker or other Intermediary contains details on how to vote over the Internet.

## **SPECIAL VOTING INSTRUCTIONS FOR CDI HOLDERS**

CDI holders may attend the Meeting; however, they are unable to vote in person at the Meeting. Each CDI represents one Share. Therefore, each CDI holder will be entitled to one vote for every CDI that they hold. In order to have votes cast at the Meeting on their behalf, CDI holders must complete, sign and return the enclosed CDI voting instruction form (the "**CDI Voting Instruction Form**") in accordance with the instructions below.

CDI Voting Instruction Forms may be lodged in one of the following ways:

### **Mail**

Complete, sign and date the CDI Voting Instruction Form and send it to:

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001

### **Fax**

Complete, sign and date the CDI Voting Instruction Form and fax it to: 1800 783 447 within Australia or +61 3 9473 2555 outside Australia

### **Internet**

Lodge online at [www.investorvote.com.au](http://www.investorvote.com.au)

Completed CDI Voting Instruction Forms must be provided to Computershare Investor Services Pty Limited no later than 10:00 a.m. on December 7, 2020 (Vancouver time) / 3:00 a.m. on December 8, 2020 (Melbourne time) or four full business days before any adjourned or postponed Meeting, in accordance with the instructions on that form. The CDI voting deadline is two business days prior to the date that Proxies are due so that CDN may vote the Shares underlying the applicable CDIs.

A CDI holder may revoke a CDI Voting Instruction Form by giving written notice to CDN, or by submitting a new CDI Voting Instruction Form bearing a later date, well in advance of the Meeting.

## **FORWARD-LOOKING STATEMENTS**

Certain statements in this Circular that are not statements of historical fact, including statements relating to each as more particularly described herein, may constitute "forward-looking statements". Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Corporation's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this Circular, such statements use such words as "may", "will", "expect", "believe", "plan", "intend", "should", "anticipate" and other similar terminology. These statements reflect current assumptions and expectations regarding future events and operating performance as of the date of this Circular. Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to vary significantly from the results discussed in the forward-looking statements. Although the forward-looking statements contained in this Circular are based upon what

management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with such forward-looking statements. All forward-looking statements are made as of the date of this Circular, and the Corporation assumes no obligation to update or revise them to reflect new events or circumstances, unless required by law. Accordingly, readers should not place undue reliance on forward-looking statements.

### **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The authorized share capital of the Corporation consists of an unlimited number of Shares. The record date for the determination of Shareholders entitled to receive notice of the Meeting has been fixed at November 2, 2020 (the "**Record Date**"). As at the Record Date, the Corporation had 290,062,887 Shares issued and outstanding, each Share carrying the right to one vote.

Each Share entitles the holder thereof to one vote on all matters to be acted upon at the Meeting. All such holders of record of Shares on the Record Date are entitled either to attend and vote in person the Shares held by them or, provided a completed and executed proxy shall have been delivered to the Corporation's transfer agent, Computershare Investor Services Inc., within the time specified in the Notice of Meeting, to attend and to vote by proxy the Shares held by them.

To the knowledge of the directors and executive officers of the Corporation, as of the date hereof, no person or Corporation beneficially owns, controls or directs, directly or indirectly, voting securities of the Corporation carrying 10% or more of the voting rights attached to all outstanding Shares.

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

Except as otherwise disclosed herein, none of:

- (a) the directors or senior officers of the Corporation at any time since the beginning of the last financial year of the Corporation; or
- (b) 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 matters to be acted upon at the Meeting other than the issuance of Shares to Related Parties.

### **PARTICULARS OF MATTERS TO BE ACTED UPON**

#### **Issuance of Shares, CDIs and Broker Warrants in Connection with Offering**

On October 21, 2020, the Corporation announced a private placement consisting of 1,933,246 Shares and 58,066,754 CDIs to be issued to sophisticated and professional investors to raise gross proceeds of approximately C\$11.4 million (A\$12.0 million) (the "**Offering**"). The issue price under the Offering is C\$0.19 per Share and A\$0.20 per CDI. The Offering is being conducted in two tranches:

- a first placement comprised of an issuance of 716,384 Shares and 31,183,616 CDIs to non-related parties within the Corporation's placement capacity under Australian Securities Exchange ("**ASX**") Listing Rule 7.1 for aggregate gross proceeds of C\$6.06 million (A\$6.38 million) and was completed on October 28, 2020 (the "**Tranche 1 Placement**"); and

- a subsequent placement of an additional 1,216,862 Shares and 26,883,138 CDIs for aggregate gross proceeds of C\$5.34 million (A\$5.62 million) which, subject to approval of the Shareholders under ASX Listing Rules 10.11.1, 10.11.4 and 7.1 (the "**Shareholder Approval**"), is anticipated to complete on or about December 15, 2020 ("**Tranche 2 Placement**"). In the Tranche 2 Placement, it is proposed that: (a) 1,022,230 Shares and 26,883,183 CDIs will be issued to sophisticated and professional investors that are not related parties of the Corporation (as that term is defined in the ASX Listing Rules) ("**Non-Related Party Investors**") and (b) 194,632 Shares will be issued to related parties of the Corporation (being certain directors or their nominees) ("**Related Parties**").

Immediately prior to the closing of the Tranche 1 Placement, the Corporation had 258,162,887 Shares issued and outstanding. The Shares and CDIs issued under the Tranche 1 Placement represent approximately 12.4% of the Corporation's issued and outstanding Shares and the Tranche 2 Placement represents approximately 10.9% of the Corporation's issued and outstanding Shares, each as of the closing date of the Tranche 1 Placement. The following table sets out the details of the Offering:

Details of the Offering	Tranche 1 Placement	Tranche 2 Placement
Number of securities issued / to be issued	31,900,000	28,100,000
Issue price of securities	C\$0.19 per Share and A\$0.20 per CDI	
Subscribers of the securities / Proposed subscribers of the securities	The Shares and CDIs were issued to certain new and existing sophisticated and professional investors who subscribed under the Tranche 1 Placement following a process conducted by Canaccord Genuity (Australia) Limited (the " <b>Lead Manager</b> " or " <b>Canaccord Genuity</b> "), the Lead Manager, with Bacchus Capital Advisers Limited acting as financial advisors to the Corporation (the " <b>Financial Adviser</b> ").	The Shares and CDIs are to be issued to certain new and existing sophisticated and professional investors who are proposing to subscribe under the Tranche 2 Placement following a process conducted by the Lead Manager and Financial Adviser.  Two of the Corporation's directors have also agreed to participate in the Tranche 2 Placement, subject to Shareholder Approval being obtained pursuant to ASX Listing Rules 10.11.1 and 10.11.4. Shareholder Approval is being sought separately in relation to the proposed issue of Shares in the Tranche 2 Placement to Related Parties under Resolutions 3(a) and 3(b).
Date by which the securities are to be issued	N/A	Subject to receipt of Shareholder Approval, the Shares and CDIs are expected to be issued on or about December 15, 2020, and in any case, no later than 1 month after the date of the Meeting with respect to the issuances approved under ASX Listing Rule 10.11, and no later than 3 months after the date of the Meeting with respect to the issuances approved under ASX Listing Rule 7.1.
Terms of the securities issued / to be issued	The Shares and CDIs issued rank equally with the Corporation's existing Shares and CDIs on issue. The Corporation has applied to the ASX for official quotation of the CDIs.	The Shares and CDIs to be issued will rank equally with the Corporation's existing Shares and CDIs on issue. The Corporation will apply to the ASX for official quotation of the CDIs.
Intended use of the funds raised	Funds from the Offering will be used by the Corporation to further progress its Chvaltice Manganese Project in the Czech Republic (the " <b>Project</b> "), including the purchase, installation and operation of the Demonstration Plant, advancement of the Project's permitting and feasibility study, and for other general corporate purposes.	

In connection with the Offering, compensation to Canaccord Genuity, who is acting as lead manager of the Offering, will include the issue of 6,000,000 broker warrants to purchase Common Shares, or CDIs, ("**Broker Warrants**") exercisable any time prior to the date that is 36 months from the closing of the Tranche 2 Placement, with one-half of such Broker Warrants having an exercise price of C\$0.30 per share and one-half of such Broker Warrants having an exercise price of C\$0.35 per share. As the Broker Warrants will be issued in excess of the maximum number of securities that can be issued by the Corporation under ASX Listing Rule 7.1, this issuance, along with the Tranche 2 Placement, is subject to receipt of Shareholder Approval. Resolution 4 below seeks, Shareholder Approval for the issue of the Broker Warrants to Canaccord Genuity pursuant to ASX Listing Rule 7.1.

The Corporation has received conditional approval of the TSX Venture Exchange ("**TSXV**") to list the Shares issuable under the Offering (including Shares underlying CDIs) and to issue the Broker Warrants.

#### Purpose of Approval of Resolution 1

ASX Listing Rule 7.1 provides that a listed company must not issue or agree to issue equity securities that total more than 15% of its fully paid outstanding shares in a 12 month period without the approval of its shareholders (the "**15% Capacity**"), subject to certain exceptions.

The Tranche 1 Placement does not fit within any of the exceptions under ASX Listing Rule 7.2, and as it has not been approved by EMN's shareholders, Tranche 1 Placement effectively uses up part of the 15% Capacity under ASX Listing Rule 7.1, reducing EMN's capacity to issue further equity securities without Shareholder Approval under ASX Listing Rule 7.1 for the 12 month period following the closing of the Tranche 1 Placement.

ASX Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. Upon such approval, the issuance is taken to have been approved under Listing Rule 7.1 and does not reduce the company's capacity to issue further equity securities without Shareholder Approval under that rule. .

The Corporation wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder Approval for such issues under ASX Listing Rule 7.1. Accordingly, the board of directors of the Corporation (the "**Board**") considers it to be in the best interests of the Corporation to maintain this flexibility, and on this basis, the Corporation is seeking Shareholder ratification for the issue of the Tranche 1 Placement pursuant to ASX Listing Rule 7.4.

The Board unanimously recommends that Shareholders vote in favour of Resolution 1.

#### Purpose of Approval of Resolution 2

Under ASX Listing Rule 7.1, the Corporation must not issue or agree to issue equity securities in excess of its 15% Capacity within a 12 month period without Shareholder Approval, subject to certain exceptions. Issues of equity securities made with prior Shareholder Approval are not included in the Corporation's 15% Capacity.

The issuance of Shares and CDIs to Non-Related Party Investors under the Tranche 2 Placement does not fall within any of the exceptions under ASX Listing Rule 7.2, and exceeds the 15% Capacity in ASX Listing Rule 7.1. As a result, the Tranche 2 Placement requires Shareholder Approval under ASX Listing Rule 7.1.

The Corporation is seeking Shareholder Approval to issue the Shares and CDIs in the Tranche 2 Placement to Non-Related Party Investors for the purposes of ASX Listing Rule 7.1. Commitments from subscribers have been received for the Tranche 2 Placement, subject to Shareholder Approval being obtained.

If Resolution 2 is not passed by the Shareholders, the Corporation will not be able to proceed with the issue of Shares and CDIs to the Non-Related Party Investors under the Tranche 2 Placement and will not be able to raise the proposed funds under the Tranche 2 Placement in accordance with the indicative timetable.

If Resolution 2 is passed by Shareholders but Resolution 1 is not passed, then the Corporation will still be able to proceed with the issue of Shares and CDIs to the Non-Related Party Investors under the Tranche 2 Placement, but the Shares and CDIs issued under the Tranche 1 Placement would count toward the Corporation's 15% Capacity, which, prior to the issuance of Shares and CDIs under the Tranche 1 Placement was approximately 31,934,000 Shares (or CDIs).

If both Resolutions 1 and 2 are passed, then none of the Shares and CDIs in the Tranche 1 Placement or Tranche 2 Placement will count toward the Corporation's 15% Capacity, and the Corporation will preserve the flexibility of being able to issue further equity securities over the next 12 months (within the 15% Capacity), without the delays involved with seeking prior Shareholder Approval for any such further issuance. The Board will only undertake further issues of equity securities if the Board considers it is in the best interests of the Corporation to do so.

The Board unanimously recommends that Shareholders vote **in favour** of Resolution 2.

*Purpose of Approval of Resolutions 3(a) and 3(b)*

Two of the Corporation's directors have agreed to support the Offering by participating in the Tranche 2 Placement, subject to Shareholder Approval being obtained pursuant to ASX Listing Rules 10.11.1 and 10.11.4. Shareholder Approval is being sought separately for the proposed issue of Shares to the Related Parties under the Tranche 2 Placement, pursuant to Resolutions 3(a) and 3(b).

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a Related Party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains Shareholder Approval. The issue of Shares to Related Parties in the Tranche 2 Placement falls within the application of Listing Rules 10.11.1 and 10.11.4 and does not fall within any of the exceptions in Listing Rule 10.12. The Tranche 2 Placement therefore requires Shareholder Approval under Listing Rule 10.11.

If either (or both) of Resolutions 3(a) and 3(b) are passed by Shareholders, the Corporation will be able to proceed with the issue of Shares to the relevant Related Parties under the Tranche 2 Placement and will receive the consideration from such Related Party/Parties as set out in Table 1 below. There are no CDIs to be

issued to any of the Related Parties, and the securities issued to relevant Related Parties are not intended to be immediately quoted on ASX. To the extent that any such Shares are to be converted to CDIs and intended quoted on ASX in the future, the Corporation will apply to the ASX for such such quotation, and will be subject to the Corporation fulfilling listing and quotation requirements of the ASX. All subscription proceeds from the Related Parties will be applied to the same use of proceeds as the balance of the proceeds from the Offering and will be used to advance the objectives of the Corporation.

If either (or both) of Resolutions 3(a) and 3(b) do not receive Shareholder approval, the Corporation will not be able to proceed with the issue of Shares to the relevant Related Party/Parties under the Tranche 2 Placement and will not receive the consideration set out in Table 1 below.

*Information Concerning Proposed Issuance of Shares to Related Parties*

Table 1 sets out the names of the directors and companies controlled by directors (all of whom are considered Related Parties), the ASX Listing Rule that applies to each Related Party, the number and class of securities to be issued to each Related Party, the price per Share and the aggregate gross proceeds to be received by the Corporation for such subscriptions. The terms of the subscriptions to Related Parties are identical to those of all other subscribers under the Offering. The Shares to be issued to the Related Parties will rank equally with the Corporation's currently issued Shares. Subject to receipt of Shareholder approval, the Company expects to close the Tranche 2 Placement on or about December 15, 2020, and in any case, no later than 1 month after the date of the Meeting.

*Table 1: Information on Proposed Issuance of Shares*

Resolution number	Name of Related Party	Category under which Each Related Party Falls	Number and Class of Securities to be Issued	Price Per Security to be Received by the Corporation	Aggregate Price to be Received by the Corporation
3(a)	Marco Antonio Romero, Director, Chief Executive Officer and President	ASX LR 10.11.1	142,000 Shares	C\$0.19 per Share	C\$26,980.00
3(b)	JJW Investments Ltd. <sup>(1)</sup>	ASX LR 10.11.4	52,632 Shares	C\$0.19 per Share	C\$10,000.08

Notes:

<sup>(1)</sup> A company controlled by John Webster, Chairman of the Corporation, and is an "associate" of a related party as defined by Chapter 19 of the Listing Rules.

The disinterested members of the Board recommend that Shareholders vote **in favour** of Resolutions 3(a) and 3(b).

Purpose of Approval of Resolution 4

Under ASX Listing Rule 7.1, the Corporation must not issue or agree to issue equity securities in excess of its 15% Capacity within a 12 month period without Shareholder Approval, subject to certain exceptions. Issues of equity securities made with prior Shareholder Approval are not included in the Corporation's 15% Capacity. Equity securities, as defined by Chapter 19 of the Listing Rules, includes convertible securities that are convertible by the holder into equity securities.

The issuance of Broker Warrants to Canaccord Genuity in connection with its remuneration as lead manager for the Offering, is considered an issuance of equity securities and does not fall within any of the exceptions under ASX Listing Rule 7.2, and exceeds the 15% Capacity in ASX Listing Rule 7.1. It therefore requires Shareholder Approval under ASX Listing Rule 7.1.

The Corporation is seeking Shareholder Approval to issue the Broker Warrants to the Lead Manager for the purposes of ASX Listing Rule 7.1.

If Resolution 4 is not passed by the Shareholders, then the Corporation will not be able to proceed with the issue of the Broker Warrants to Canaccord Genuity, unless Resolutions 1 and/or 2 are passed, in which case, the Corporation will be able to issue such number of Broker Warrants that fall within the 15% Capacity (after ratification of Tranche 1 Placement under Resolution 1 and settlement of the relevant issuances under Resolutions 2). In this regard, such number of the Broker Warrants would count toward the Corporation's 15% Capacity, which would affect the Corporation's flexibility of being able to issue further equity securities over the next 12 months (within the 15% Capacity), without the delays involved with seeking prior Shareholder Approval.

If Resolutions 4 is passed, then the Broker Warrants will be able to be issued and not count towards the Corporation's 15% Capacity. The Corporation will also preserve the flexibility of being able to issue further equity securities over the next 12 months (within the 15% Capacity), without the delays involved with seeking prior Shareholder Approval. The Board will only undertake further issues of equity securities if the Board considers it is in the best interests of the Corporation to do so.

The Board unanimously recommends that Shareholders vote **in favour** of Resolution 4.

#### ***Summary of Board Recommendations***

The Board recommends that Shareholders vote in favour of each of the following resolutions:

- i. Resolution 1 - the ratification and approval of Shares and CDIs issued under the Tranche 1 Placement;
- ii. Resolution 2 - the issuance of Shares and CDIs under the Tranche 2 Placement;
- iii. Resolution 3 - the issuance of Shares to the Related Parties whose names are set forth in Table 1 above under the Tranche 2 Placement; and
- iv. Resolution 4 - the issuance of the Broker Warrants to Canaccord Genuity.

Shareholders have the option to:

- (i) vote for Resolutions 1 through 4;
- (ii) vote for certain of Resolutions 1 through 4 and against others; or
- (iii) vote against Resolutions 1 through 4.

**Unless a Shareholder has specifically instructed in the enclosed form of proxy that the Shares represented by such Proxy are to be voted otherwise, the persons named in the accompanying Proxy will vote FOR Resolution 1 through 4, each as described above under *Particulars of Matters to be Acted Upon*.**

#### ***Voting Exclusion Statement***

**In respect of Resolution 1** – As required by ASX Listing Rule 14.11, the Corporation will disregard any votes cast in favour of Resolution 1 by or on behalf of:

- a) any person who participated in the Tranche 1 Placement; or

- b) any associates of any such person.

The Corporation need not disregard a vote cast in favour of a resolution by:

- a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**In respect of Resolution 2** – As required by ASX Listing Rule 14.11, the Corporation will disregard any votes cast in favour of Resolution 2 by or on behalf of:

- a) any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed share issue under the Tranche 2 Placement (except a benefit solely by reason of being a holder of ordinary shares in the Corporation); or
- b) any associates of any such person.

The Corporation need not disregard a vote cast in favour of a resolution by:

- a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**In respect of Resolutions 3(a) and 3(b)** - Pursuant to ASX Listing Rule 10.13, the Corporation will disregard any votes cast in favour of Resolutions 3(a) and 3(b) by or on behalf of:

- a) a director of the Corporation excluded from voting; or
- b) any entities controlled by a director of the Corporation excluded from voting (unless the entity is also controlled by the Corporation); or
- c) an associate of a director referred to in (a); or
- d) an associate of an entity referred to in (b).

The Corporation need not disregard a vote cast in favour of a resolution by:

- a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- c) a holder acting in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides a written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**In respect of Resolution 4** - As required by ASX Listing Rule 14.11, the Corporation will disregard any votes cast in favour of Resolution 4 by or on behalf of:

- c) Canaccord Genuity; or
- d) any associates of any such person.

The Corporation need not disregard a vote cast in favour of a resolution by:

- d) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- e) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- f) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the **resolution**; and

- the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### **Resolutions to be Voted on at the Meeting**

At the Meeting, Shareholders will be asked to vote on the following ordinary resolutions:

#### *Resolution 1*

**"BE IT RESOLVED**, as an ordinary resolution, the issue of 716,384 Shares and 31,183,616 CDIs at subscriptions prices of C\$0.19 per Share and A\$0.20 per CDI, respectively, to sophisticated and professional investors under the Tranche 1 Placement be ratified and approved under ASX Listing Rule 7.4, subject to regulatory approval, as more particularly described in the Corporation's management information circular."

#### *Resolution 2*

**"BE IT RESOLVED**, as an ordinary resolution, that approval under ASX Listing Rule 7.1 is given for the issue of up to 1,022,230 Shares and 26,883,138 CDIs at subscription prices of C\$0.19 per Share and A\$0.20 per CDI, respectively, to sophisticated and professional investors under the Tranche 2 Placement, subject to regulatory approval, as more particularly described in the Corporation's management information circular."

#### *Resolution 3(a)*

**"BE IT RESOLVED**, as an ordinary resolution, that the subscription of 142,000 Shares by Marco Antonio Romero, a director of the Corporation, for subscription proceeds of C\$26,980.00 to the Corporation is confirmed and approved under ASX Listing Rule 10.11.1, subject to regulatory approval, as more particularly described in the Corporation's management information circular."

#### *Resolution 3(b)*

**"BE IT RESOLVED**, as an ordinary resolution, that the subscription of 52,632 Shares by JJW Investments Ltd., a company controlled by John Webster, Chairman of the Corporation, for subscription proceeds of C\$10,000.08 to the Corporation is confirmed and approved under ASX Listing Rule 10.11.1, subject to regulatory approval, as more particularly described in the Corporation's management information circular."

#### *Resolution 4*

**"BE IT RESOLVED**, as an ordinary resolution, that approval under ASX Listing Rule 7.1 is given for the issue of 6,000,000 Broker Warrants to Canaccord Genuity (Australia) Limited, exercisable any time prior to the date that is 36 months from the closing of the Tranche 2 Placement, with one-half of such Broker Warrants having an exercise price of C\$0.30 per Share and one-half of such Broker Warrants having an exercise price of C\$0.35 per Share, subject to regulatory approval, as more particularly described in the Corporation's management information circular."

**The Board recommends that Shareholders vote in favor of each of Resolutions 1 to 4 inclusive.**

### **OTHER MATTERS**

Management of the Corporation knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in this Circular. However, if any other matter properly comes before

the Meeting, the form of proxy furnished by the Corporation will be voted on such matters in accordance with the best judgment of the persons voting the proxy and the authority delegated to such proxy holder.

**INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

For purposes of the following discussion, "Informed Person" means (a) a Director or Executive Officer of the Corporation; (b) a Director or Executive Officer of a person or company that is itself an Informed Person or a subsidiary of the Corporation; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Corporation or who exercises control or direction over voting securities of the Corporation or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the Corporation, other than the voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Corporation itself if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

Except as disclosed in this Circular or otherwise in the notes to the Corporation's financial statements for the financial year ended September 30, 2019, none of:

- (a) the Informed Persons of the Corporation; or
- (b) any associate or affiliate of the foregoing persons,

has any material interest, direct or indirect, in any transaction since the commencement of the last financial year of the Corporation or in a proposed transaction which has materially affected or would materially affect the Corporation or any subsidiary of the Corporation.

**ADDITIONAL INFORMATION**

Copies of this Circular may be obtained on the System for Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com) or free of charge from the Corporation upon request, at 1500 - 1040 West Georgia Street, Vancouver, British Columbia V6E 4H8, by telephone at 604-681-1010, or by email at [info@mn25.ca](mailto:info@mn25.ca); and such copies of this Circular will be sent by mail or electronically by email as may be specified at the time of the request.

**BOARD APPROVAL**

The contents of this Circular and the sending thereof to the Shareholders of the Corporation have been approved by the Board.

Dated at Vancouver, British Columbia this 2<sup>nd</sup> day of November, 2020.

**BY ORDER OF THE BOARD OF DIRECTORS**

Signed "*John Webster*"  
Chairman

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