

**GPM METALS INC.**  
**NOTICE OF ANNUAL AND SPECIAL MEETING**  
**AND**  
**MANAGEMENT INFORMATION CIRCULAR**  
**DATED MAY 11, 2018**  
**WITH RESPECT TO THE**  
**ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**  
**TO BE HELD ON JUNE 26, 2018**

**GPM METALS INC.**  
**141 Adelaide Street West, Suite 1101**  
**Toronto, Ontario M5H 3L5**

**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

**NOTICE IS HEREBY GIVEN** that an annual and special meeting of shareholders (the “**Meeting**”) of GPM Metals Inc. (the “**Corporation**”) will be held at 141 Adelaide Street, Suite 1101, Toronto, Ontario, M5H 3L5 on Tuesday, June 26, 2018, at 11:00 a.m. (Toronto time) for the following purposes:

1. to receive and consider the audited consolidated financial statements of the Corporation for the financial year ended December 31, 2017 together with the report of the auditors thereon;
2. to elect directors of the Corporation for the ensuing year;
3. to appoint auditors of the Corporation and to authorize the directors to fix their remuneration;
4. to consider, and, if deemed appropriate, to pass with or without variation an ordinary resolution to confirm the existing stock option plan of the Corporation, as more particularly described in the accompanying management information circular; and
5. to transact such other business as may properly come before the Meeting or any adjournment or adjournments thereof.

This notice is accompanied by a management information circular, form of proxy and a supplemental mailing list request form.

The board of directors of the Corporation has by resolution fixed the close of business on May 11, 2018 as the record date, being the date for the determination of the registered holders of common shares entitled to notice of and to vote at the Meeting and any adjournment(s) thereof. **Shareholders who are unable to attend the Meeting in person are requested to complete, date, sign and return the enclosed form of proxy so that as large a representation as possible may be had at the Meeting.** A shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must deposit his/her/its duly completed and executed form of proxy with the Corporation’s registrar and transfer agent, TSX Trust Company, 100 Adelaide Street West, Suite 301, Toronto, Ontario, M5H 4H1, not later than 48 hours (excluding Saturdays, Sundays, and holidays) before the time of the Meeting or adjournment(s) thereof at which the proxy is to be used.

DATED at Toronto, Ontario as of the 11th day of May, 2018.

**BY ORDER OF THE BOARD OF DIRECTORS**

*“Peter Mullens”*

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Peter Mullens

President and Chief Executive Officer

## GPM METALS INC.

### MANAGEMENT INFORMATION CIRCULAR

#### SOLICITATION OF PROXIES

This management information circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by the management of the GPM Metals Inc. (the “**Corporation**”) for use at the Annual and Special Meeting of Shareholders (the “**Meeting**”) of the Corporation referred to in the accompanying Notice of Annual and Special Meeting of Shareholders (the “**Notice**”) to be held on Tuesday, June 26, 2018, at the time and place and for the purposes set forth in the Notice. References in this Circular to the Meeting include any adjournment(s) thereof. It is expected that the solicitation will be primarily by mail; however, proxies may also be solicited personally or by telephone by regular employees of the Corporation at nominal cost. The cost of such solicitation will be borne by the Corporation.

The board of directors of the Corporation (the “**Board**”) has by resolution fixed the close of business on May 11, 2018 as the record date, being the date for the determination of the registered holders of common shares of the Corporation (the “**Common Shares**”) entitled to notice of and to vote at the Meeting and any adjournment(s) thereof.

Unless otherwise stated, the information contained in this Circular is given as of May 11, 2018 and, all dollar amount references are expressed in Canadian dollars. All references herein to the Corporation shall include its subsidiaries as the context may require.

#### APPOINTMENT AND REVOCATION OF PROXIES

**The persons named in the enclosed form of proxy are officers and/or directors of the Corporation. Each shareholder has the right to appoint a person or company, who need not be a shareholder of the Corporation, other than the persons named in the enclosed form of proxy, to represent such shareholder at the Meeting or any adjournment(s) thereof.** Such right may be exercised by inserting such person’s name in the blank space provided and striking out the names of management’s nominees in the enclosed form of proxy or by completing another proper form of proxy. All proxies must be executed by the shareholder or his or her attorney duly authorized in writing or, if the shareholder is a company, by an officer or attorney thereof duly authorized. The completed form of proxy must be deposited at the office of the Corporation’s transfer agent, TSX Trust Company (“**TSX Trust**”), 100 Adelaide Street West, Suite 301, Toronto, Ontario, M5H 4H1, no later than 11:00 a.m. on June 22, 2018, or 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting if it is adjourned or postponed.

A shareholder forwarding the enclosed form of proxy may indicate the manner in which the appropriate appointee is to vote with respect to any specific item by checking the appropriate space. If the shareholder giving the proxy wishes to confer a discretionary authority with respect to any item of business, then the space opposite the item is to be left blank. The shares represented by the proxy submitted by a shareholder will be voted in accordance with the directions, if any, given in the proxy.

A shareholder who has given a proxy has the power to revoke it as to any matter on which a vote has not already been cast pursuant to the authority conferred by such proxy and may do so either:

by depositing an instrument in writing revoking the proxy executed by him or her with TSX Trust at the address noted above at any time up to and including 4:00 p.m. (Toronto time) on the last business day preceding the day of the Meeting, or any adjournment thereof, or in any other manner permitted by law.

### **EXERCISE OF DISCRETION BY PROXIES**

Common Shares represented by properly executed proxies in favour of the persons named in the enclosed form of proxy will be either voted or withheld from voting, as applicable, in accordance with the instructions given by the shareholder on any ballot that may be called for and, if the shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. Where shareholders have properly executed proxies in favour of the persons named in the enclosed form of proxy and have not specified in the form of proxy the manner in which the named proxies are required to vote the Common Shares represented thereby, such shares will be voted in favour of the passing of the matters set forth in the Notice. The enclosed form of proxy confers discretionary authority with respect to amendments or variations to the matters identified in the Notice and with respect to other matters that may properly come before the Meeting. At the date hereof, management of the Corporation knows of no such amendments, variations or others matters to come before the Meeting. However, if any other matters which at present are not known to management of the Corporation should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgement of the named proxies.

### **NON-REGISTERED SHAREHOLDERS AND DELIVERY MATTERS**

Registered holders of Common Shares or the persons they validly appoint as their proxies are permitted to vote at the Meeting. However, in many cases, Common Shares beneficially owned by a person (a “**Non-Registered Holder**”) are registered either: (i) in the name of an intermediary (an “**Intermediary**”) (including banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans) that the Non-Registered Holder deals with in respect of the Common Shares, or (ii) in the name of a clearing agency (such as the CDS Clearing and Depository Services Inc. (“**CDS**”)) of which the Intermediary is a participant.

#### **Distribution to NOBOs**

In accordance with the requirements of the Canadian Securities Administrators and National Instrument 54-101, *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), the Corporation will have caused its agent to distribute copies of the Notice and this Circular (collectively, the “**meeting materials**”) as well as a proxy directly to those Non-Registered Holders who have provided instructions to an Intermediary that such Non-Registered Holder does not object to the Intermediary disclosing ownership information about the beneficial owner (“**Non-Objecting Beneficial Owner**” or “**NOBO**”).

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

By choosing to send these materials to you directly, the Corporation (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for proxy enclosed with mailings to NOBOs.

The meeting materials distributed by the Corporation's agent to NOBOs include a proxy. Please carefully review the instructions on the proxy for completion and deposit.

### **Distribution to OBOs**

In addition, the Corporation will have caused its agent to deliver copies of the meeting materials to the clearing agencies and Intermediaries for onward distribution to those Non-Registered Holders who have provided instructions to an Intermediary that the beneficial owner objects to the Intermediary disclosing ownership information about the beneficial owner (“**Objecting Beneficial Owner**” or “**OBO**”).

Intermediaries are required to forward the meeting materials to OBOs unless an OBO has waived his or her right to receive them. Intermediaries often use service companies such as Broadridge to forward the meeting materials to OBOs. Generally, those OBOs who have not waived the right to receive meeting materials will either:

1. be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile stamped signature), which is restricted as to the number of shares beneficially owned by the OBO, but which is otherwise uncompleted. This form of proxy need not be signed by the OBO. In this case, the OBO who wishes to submit a proxy should properly complete the form of proxy and deposit it with TSX Trust in the manner set out above in this Circular, with respect to the Common Shares beneficially owned by such OBO; or
2. more typically, be given a voting registration form which is not signed by the Intermediary and which, when properly completed and signed by the OBO and returned to the Intermediary or its service company, will constitute authority and instructions (often called a “**Voting Instruction Form**”) which the Intermediary must follow. Typically, the Voting Instruction Form will consist of a one-page pre-printed form. The purpose of this procedure is to permit the OBO to direct the voting of the shares he or she beneficially owns.

**Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the persons named in the form and insert the Non-Registered Holder's name in the blank space provided. In either case, Non-Registered Holders should carefully follow the instructions, including those regarding when and where the proxy or voting instruction form is to be delivered.**

### **Delivery Matters**

The Corporation is using the “notice-and-access” provisions of National Instrument 54-101 (“**NI 54-101**”) in connection with the delivery of the meeting materials in respect of the Meeting. The Corporation is not sending such meeting materials directly to “non-objecting beneficial owners” in accordance with NI 54-101, and intends to pay for intermediaries to deliver the meeting materials to “objecting beneficial owners” as defined in NI 54-101.

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

No director or executive officer of the Corporation who has held such position since January 1, 2017, or proposed nominee for election as a director of the Corporation, or any associate or affiliate of any of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter of special business to be acted upon at the Meeting, other than the confirmation of the existing stock option plan of the Corporation (the “**Option Plan**”) in connection with which the directors and executive officers of the Corporation may continue to hold stock options and/or may be entitled to receive stock option grants in the future, all in accordance with the terms thereof. See “Particulars of Matters to be Acted Upon – Confirmation of Option Plan”.

## VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

Each holder of Common Shares of record at the close of business on May 11, 2018 (the “**Record Date**”) is entitled to receive notice of and to vote at the Meeting or at any adjournment(s) thereof. In accordance with the provisions of the *Business Corporations Act* (Ontario) (the “**OBCA**”), the Corporation will prepare a list of holders of Common Shares as of such Record Date. Each holder of Common Shares named in the list will be entitled to vote the Common Shares shown opposite his or her name on the list at the Meeting, subject to compliance with the procedures specified herein. All such holders of record of Common Shares are entitled to either attend and vote thereat in person the Common Shares held by them or, provided a completed and duly executed form of proxy shall have been delivered to the Corporation’s transfer agent within the time specified in the attached Notice, to attend and vote thereat by proxy the Common Shares held by them, all in accordance with the procedures specified herein. The list of Common Shares of the Corporation created as of the Record Date is final and no new persons who become shareholders of the Corporation following such Record Date will be entitled to notice of or vote at the Meeting.

The authorized capital of the Corporation consists of an unlimited number of Common Shares and an unlimited number of preferred, non-voting redeemable shares. As of May 11, 2018, the Corporation had an aggregate of 100,233,118 Common Shares issued and outstanding. Each Common Share carries the right to one vote on all matters to be acted upon at the Meeting. The outstanding Common Shares are listed on the TSX Venture Exchange (the “**TSXV**”) under the symbol “GPM”.

To the knowledge of the directors and executive officers of the Corporation, as of May 11, 2018, no persons or companies own, or exercise control or direction over, directly or indirectly, voting securities of the Corporation carrying 10% or more of the voting rights attached to any class of voting securities of the Corporation, other than as follows:

Name and Municipality of Residence	Type of Ownership	Approximate Number of Voting Shares Owned, Controlled or Directed	Percentage of Voting Shares as of May 11, 2018
J. Patrick Sheridan <sup>(1)</sup> Surrey, United Kingdom	Direct/Beneficial	11,025,458	11.00%
Rosseau Asset Management	Direct/Beneficial	19,000,000	18.96%

Note:

<sup>(1)</sup> J. Patrick Sheridan is a current member of the Board.

## STATEMENT OF EXECUTIVE COMPENSATION

The following table provides information for the most recently completed financial years of the Corporation ended December 31, 2015, 2016 and 2017 regarding all compensation paid to or earned by the individuals who served as President and Chief Executive Officer and Vice President Finance and Chief Financial Officer of the Corporation during the fiscal year ended December 31, 2017 (collectively, the “**Named Executive Officers**”). The Corporation had no other executive officers whose total salary and bonus during the financial year ended December 31, 2017 exceeded \$150,000.

### Summary Compensation Table

Name and Principal Position	Year Ended December 31,	Salary	Share-based awards	Option-based awards <sup>(1)</sup>	Non-equity incentive plan compensation		Pension value	All other compensation	Total compensation
					Annual Incentive Plans	Long-term incentive plans			
J. Patrick Sheridan, President and Chief Executive Officer <sup>(2)</sup>	2017	\$120,000	Nil	\$93,088	Nil	Nil	Nil	Nil	\$213,088
	2016	\$120,000	Nil	\$70,358	Nil	Nil	Nil	Nil	\$190,358
	2015	\$120,000	Nil	Nil	Nil	Nil	Nil	Nil	\$120,000
Paul Murphy, Vice-President Finance and Chief Financial Officer	2017	Nil	Nil	\$55,731	Nil	Nil	Nil	Nil	\$55,731
	2016	Nil	Nil	\$92,974	Nil	Nil	Nil	Nil	\$92,974
	2015	Nil	Nil	\$52,500	Nil	Nil	Nil	Nil	\$52,500

Notes:

<sup>(1)</sup> The estimated grant date fair value of these stock options has been calculated using the Black Scholes model. The Black-Scholes model is a mathematical valuation model that ascribes a value to a stock option based on a number of factors, including the exercise price of the option, the price of the underlying security on the date the option was granted, and assumptions with respect to the volatility of the price of the underlying security, the expected life of the option, forfeitures, dividend yield and the risk-free rate of return. The assumptions used in the pricing model are highly subjective and can materially affect the estimated fair value. Calculating the value of stock options using this methodology is very different from a simple “in-the money” value calculation. In fact, stock options that are well out-of-the-money can still have a significant estimated “grant date fair value” based on a Black-Scholes valuation, especially where, as in the case of the Corporation, the price of the share underlying the option is highly volatile. Accordingly, caution must be exercised in comparing grant date fair value amounts with cash compensation or an in-the-money option value calculation.

<sup>(2)</sup> J. Patrick Sheridan resigned as President and Chief Executive Officer on February 15, 2018.

For further details concerning the Option Plan, please see “Summary of Stock Option Plan” below.

### Outstanding Share-Based Awards and Option-Based Awards

Set forth in the table below is a summary of all share-based and option-based awards held by each of the Named Executive Officers outstanding as of December 31, 2017.

Name	Option-Based Awards				Share-Based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options <sup>(1)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
J. Patrick Sheridan	300,000	\$0.50	July 26, 2019	Nil	Nil	N/A
	1,000,000	\$0.15	March 2, 2020	Nil		
Paul Murphy	500,000	\$0.115	September 7, 2020	Nil	Nil	N/A
	300,000	\$0.50	July 26, 2019	Nil		
	300,000	\$0.15	March 2, 2020	Nil		

Notes:

<sup>(1)</sup> Based upon the closing price of the Common Shares as at December 29, 2017 which was \$0.065 per Common Share.

### Incentive Plan Awards – Value Vested During the Year

Set forth below is a summary of the value vested during the financial year of the Corporation ended December 31, 2017 in respect of all option-based and share-based awards and non-equity incentive plan compensation granted to the Named Executive Officers.

Name	Option-based awards – value vested during the year (\$)	Share-based awards – value vested during the year (\$)	Non-equity incentive plan compensation – value earned during the year (\$)
J. Patrick Sheridan	\$93,088	Nil	Nil
Paul Murphy	\$55,731	Nil	Nil

For further details concerning the incentive plans of the Corporation, please see “Summary of Stock Option Plan” below.

### COMPENSATION DISCUSSION AND ANALYSIS

The Corporation’s approach to executive compensation has been to provide suitable compensation for executives that is internally equitable, externally competitive and reflects individual achievement. The Corporation attempts to maintain compensation arrangements that will attract and retain highly qualified individuals who are able and capable of carrying out the objectives of the Corporation. The Corporation has established a corporate governance, compensation and nominating committee (the “CGC&N Committee”), consisting of Messrs, Noone, Burgess and Rosenberg, all of whom are independent directors.

The Corporation’s compensation arrangements for the Named Executive Officers may, in addition to salary, include compensation in the form of bonuses and, over a longer term, benefits arising from the grant of stock options. Given the stage of development of the Corporation, compensation of the Named Executive Officers to date has emphasized meaningful stock option awards to attract and retain Named Executive Officers and to a certain extent, to conserve cash. This policy may be re-evaluated in the future to instead emphasize increased base salaries and cash bonuses with a

reduced reliance on option awards, depending upon the future development of the Corporation and other factors which may be considered relevant by the Board from time to time.

Base salaries for the named Executive Officers have remained flat in the past three years and total compensation has fluctuated which is reflective of the Corporation's stage of development in those years.

Base salary is a fixed element of compensation that is payable to each Named Executive Officer for performing his or her position's specific duties. The amount of base salary for a Named Executive Officer is determined through negotiation with each Named Executive Officer and is determined on an individual basis based upon the Corporation's need to attract and retain the relevant individual. While base salary is intended to fit into the Corporation's overall compensation objectives by serving to attract and retain talented executive officers, the size of the Corporation and the nature and stage of its business currently (as an exploration company with no ongoing revenues from operations) also impacts the level of base salary. Compensation is set with reference to the market for similar jobs in junior capital companies at a similar level of development in Canada and an appropriate portion of total compensation is variable and linked to performance of both individual and corporate pre-established goals. Bonuses are short-term performance based financial incentives that are determined through the compensation review process.

The Corporation has in place the Option Plan for the benefit of eligible directors, officers, employees and consultants of the Corporation. Option-based awards are a variable element of compensation that is used to reward each Named Executive Officer for the performance of the Corporation. Option based awards are intended to fit into the Corporation's overall compensation objectives by aligning the interests of the Named Executive Officers with those of the Corporation, and linking individual Named Executive Officer compensation to the performance of the Corporation. The CGC&N Committee and the Board are responsible for overseeing the Option Plan and determining those directors, officers, employees and consultants of the Corporation who are entitled to participate in the Option Plan, the number of options of the Corporation allocated to each participant under the Option Plan, if any, and the time or times when the ownership of options will vest for each participant.

In fiscal 2017, the process for determining executive compensation for each of the President and Chief Executive Officer and the Vice-President Finance and Chief Financial Officer of the Corporation was principally based upon recommendations of the CGC&N Committee and discussions at the Board level. In fiscal 2017, Mr. Sheridan was paid a salary of \$120,000 and received stock option grants valued at \$93,088 in consideration of his duties as President and Chief Executive Officer. In fiscal 2017, Mr. Murphy was not paid a salary and received stock option grants valued at \$55,731 in respect of his service as Vice-President Finance and Chief Financial Officer of the Corporation (see "Summary Compensation Table" above).

The Corporation's compensation program is designed to reward such matters as exploration success, market success, share performance, and the ability to implement strategic plans. The current overall objectives of the Corporation's compensation strategy is to reward management for their efforts, while seeking to conserve cash given current market conditions. With respect to any bonuses or incentive plan grants which may be awarded to executive officers in the future, the Corporation has not currently set any objective criteria and will instead rely upon any recommendations and discussion at the CGC&N Committee level with respect to these and any

other matters which the CGC&N Committee may consider relevant on a going-forward basis, including the cash position of the Corporation.

Existing options held by the Named Executive Officers at the time of subsequent option grants are taken into consideration in determining the quantum or terms of any such subsequent option grants. Options have been granted to directors, management, employees and certain service providers as long-term incentives to align the individual's interests with those of the Corporation. The size of the option awards is in proportion to the deemed ability of the individual to make an impact on the Corporation's success. Standard vesting of stock options is 25% on the date of grant and 25% on each of the 6, 12 and 18- month anniversaries following the date of grant.

### **TERMINATION OF EMPLOYMENT, CHANGE IN RESPONSIBILITIES AND EMPLOYMENT CONTRACTS**

There are currently no employment contracts between the Corporation and any Named Executive Officer, nor any compensatory plan, contract or arrangement where a Named Executive Officer is entitled to receive payments from the Corporation in the event of a resignation, retirement or any other termination of the Named Executive Officer's employment with the Corporation, a change of control of the Corporation or a change in the Named Executive Officer's responsibilities following a change of control, other than as set forth below.

The Corporation is party to a consulting services agreement with J. Patrick Sheridan dated June 24, 2011 (the "**Sheridan Agreement**") pursuant to which Mr. Sheridan provides his services as President and Chief Executive Officer of the Corporation. The Sheridan Agreement contains standard confidentiality provisions, and provides for an initial term of three years, subject to automatic renewal for successive three-year periods unless either party provides the other with notice to the contrary at least ninety days prior to the expiry of the then current term (any such notice, a "**Notice of Non-Renewal**") (subject to automatic extension in the event of a "**Change**" as defined in the Sheridan Agreement. The Sheridan Agreement provides that the annual remuneration for successive years shall be as may be agreed upon by Mr. Sheridan and the Corporation, provided that such salary shall in no circumstances be less than the salary paid in the immediately preceding year. During fiscal 2017, Mr. Sheridan was paid an annual salary of \$120,000 in accordance with these provisions. The Sheridan Agreement may be terminated as follows (collectively, the "**Termination Provisions**"): (a) by Mr. Sheridan upon provision of four months' notice; or (b) by the Corporation as follows: (i) without notice, for cause (as defined in the Sheridan Agreement); or (ii) upon six months' written notice or compensation in lieu thereof in the event of the disability or incapacity of Mr. Sheridan. In the event of termination pursuant to any of the foregoing provisions, Mr. Sheridan shall be entitled to receive any compensation to which he is entitled under such agreement up to such date of termination, including any bonuses (which shall be deemed to be equal to the most recent annual bonuses paid or payable to Mr. Sheridan calculated on a prorated basis to the date of termination).

In the event of the termination of the Sheridan Agreement effective December 31, 2017 by the Corporation pursuant to item (b)(ii) above, Mr. Sheridan would have been entitled to a payment in the amount of \$60,000.

In addition to the foregoing, in the event of a "**change of control**" with respect to the Corporation (as defined in the Sheridan Agreement, including any amalgamation, merger or change of control of the Corporation), then either Mr. Sheridan or the Corporation may terminate the Sheridan

Agreement within six months of such change of control upon the provision of two months' written notice. In the event of such termination, or in the event that the employment of Mr. Sheridan is terminated (which term includes any constructive dismissal at law) following a change of control other than pursuant to either a Notice of Non-Renewal or the Termination Provisions (or prior to a change of control where such termination is reasonably demonstrated to be in connection with such change of control), then Mr. Sheridan is entitled to receive a cash sum equal to the aggregate of:

- (a) all amounts earned or accrued to the date of termination but unpaid, including unpaid service fees, reimbursement of expenses, accrued bonuses (which is deemed to be equal to the most recent annual bonuses paid or payable to Mr. Sheridan calculated on a prorated basis) and all other benefits and entitlements which are payable in cash and to which Mr. Sheridan is entitled under the Sheridan Agreement; and
- (b) a sum that is equal to three years' annual remuneration (including annual bonus or prior year's annual bonus, whichever is greater).

In the event that a change of control occurred and Mr. Sheridan's employment was terminated in connection therewith effective December 31, 2017 in accordance with the above provisions, Mr. Sheridan would have been entitled to receive a cash payment in the aggregate amount of \$360,000.

In addition, in the event of a change of control, the then current term of the Sheridan Agreement shall be automatically extended for a further three-year period from the date of such change of control, subject to automatic renewal for successive three year periods unless either party provides the other with a Notice of Non-Renewal at least ninety days prior to the expiry of the then current term.

Finally, in the event that the employment of Mr. Sheridan is terminated (including any constructive dismissal at law) prior to a fundamental change other than in the circumstances set forth above, then Mr. Sheridan shall be entitled to receive an amount equal to the aggregate of:

- (a) all amounts earned or accrued to the date of termination but unpaid, including unpaid service, reimbursement of expenses, accrued bonuses (which are deemed to be equal to the most recent annual bonuses paid or payable to Mr. Sheridan calculated on a prorated basis) and all other benefits and entitlements which are payable in cash and to which Mr. Sheridan is entitled under the Sheridan Agreement; and
- (b) two times the aggregate of:
  - (i) the annual remuneration then being paid to Mr. Sheridan; and
  - (ii) the last annual bonus paid or payable to Mr. Sheridan.

In the event that Mr. Sheridan's employment was terminated in connection with the above-noted provisions effective December 31, 2017, Mr. Sheridan would have been entitled to receive a cash payment in the aggregate amount of \$240,000.

Mr. Sheridan resigned as President and Chief Executive Officer on February 15, 2018. The Sheridan Agreement was terminated by mutual consent of the Corporation and Mr. Sheridan on the same date without any further compensation other than amounts owed to him for annual remuneration for 2017.

The Corporation is also party to an employment agreement with Paul Murphy dated August 22, 2012 (the “**Murphy Agreement**”) pursuant to which Mr. Murphy provides his services as Vice-President Finance and Chief Financial Officer of the Corporation. The Murphy Agreement contains standard non-solicitation, non-competition and confidentiality provisions, and provides for a term of two years, subject to termination in accordance with the terms thereof. The Murphy Agreement provides for a basic annual salary of \$1.00 per year (subject to annual review), a grant of 1,000,000 stock options in accordance with the terms and conditions thereof, and eligibility for annual bonuses if applicable at the discretion of the board of directors of the Corporation.

The Murphy Agreement may be terminated as follows (collectively, the “**Termination Provisions**”):

- (a) by Mr. Murphy upon provision of four months’ notice; or (b) by the Corporation as follows:
  - (i) without notice, for cause (as defined in the Murphy Agreement); or
  - (ii) upon six months’ written notice or compensation in lieu thereof in the event of the disability or incapacity of Mr. Murphy.

In the event of termination pursuant to any of the foregoing provisions, Mr. Murphy shall be entitled to receive any compensation to which he is entitled under such agreement up to such date of termination. In the event of the termination of the Murphy Agreement effective December 31, 2017 by Mr. Murphy pursuant to item (a)(i) above, Mr. Murphy would have been entitled to a payment in the amount of \$Nil. In the event of the termination of the Murphy Agreement effective December 31, 2017 by the Corporation pursuant to item (a)(ii) above, Mr. Murphy would have been entitled to a payment in the amount of \$Nil.

In addition to the foregoing, in the event of a “change of control” with respect to the Corporation (as defined in the Murphy Agreement), then either Mr. Murphy or the Corporation may terminate the Murphy Agreement within six months of such change of control upon the provision of two month’s written notice. In the event of such termination, or in the event that the employment of Mr. Murphy is terminated (which term includes any constructive dismissal at law) following a change of control other than pursuant to the Termination Provisions, then Mr. Murphy is entitled to receive a cash sum equal to the aggregate of:

- (a) all amounts earned or accrued to the date of termination but unpaid, including accrued bonuses (which is deemed to be equal to the most recent annual bonuses paid or payable to Mr. Murphy calculated on a prorated basis); and
- (b) three times the aggregate of:

- (i) the annual remuneration then being paid to Mr. Murphy; and
- (ii) the last annual bonus or prior year's annual bonus paid to Mr. Murphy, whichever is greater.

In the event that a change of control occurred and Mr. Murphy's employment was terminated in connection therewith effective December 31, 2017 in accordance with the above provisions, Mr. Murphy would have been entitled to receive a cash payment in the aggregate amount of \$3.

Finally, in the event that the employment of Mr. Murphy is terminated (including any constructive dismissal at law) other than in the circumstances set forth above, then Mr. Murphy shall be entitled to receive an amount equal to the aggregate of:

- (a) all amounts earned or accrued to the date of termination but unpaid, including accrued bonuses (which are deemed to be equal to the most recent annual bonuses paid or payable to Mr. Murphy calculated on a prorated basis); and
- (b) the aggregate of:
  - (i) the annual remuneration then being paid to Mr. Murphy (including bonus); and
  - (ii) two months of annual remuneration for each year of employment, to a maximum of eighteen months remuneration in total.

In the event that Mr. Murphy's employment was terminated in connection with the above-noted provisions effective December 31, 2017, Mr. Murphy would have been entitled to receive a cash payment in the aggregate amount of approximately \$2.

Subsequent to December 31, 2017, the Murphy Agreement was terminated by mutual consent of the Corporation and Mr. Murphy without any further remuneration paid to him.

## **COMPENSATION OF DIRECTORS**

Each of Messrs. Ferry, Rosenberg, Lewis and Burgess were paid a fee of \$1,000 per month for their services as directors of the Corporation and are currently reimbursed for travel and other out-of-pocket expenses incurred in attending directors' and shareholders' meetings. The payment of director fees has been suspended with effect from January 1, 2018. Directors are also entitled to receive compensation to the extent that they provide additional services to the Corporation at rates that would be charged by such directors for such services to arm's length parties. No such additional services were provided to the Corporation by any director in fiscal 2017. Directors are also entitled to participate in the Option Plan.

### **Director Compensation**

The following table provides a summary of all annual and long-term compensation for services rendered in all capacities to the Corporation for the fiscal year ended December 31, 2017, in respect

of the individuals who were, during the fiscal year ended December 31, 2017, directors of the Corporation other than the Named Executive Officers.

Name	Fees Earned	Share-based awards	Option-based awards	Non-equity incentive plan compensation	Pension value	All other compensation	Total
Alan Ferry	\$12,000	Nil	\$30,535	Nil	Nil	Nil	\$42,535
Daniel Noone	Nil	Nil	\$79,119	Nil	Nil	Nil	\$79,119
Bruce Rosenberg	\$12,000	Nil	\$30,535	Nil	Nil	Nil	\$42,535
Doug Lewis	\$12,000	Nil	\$30,535	Nil	Nil	Nil	\$42,535
Harry Burgess	\$12,000	Nil	\$24,291	Nil	Nil	Nil	\$36,291

### Outstanding Share-Based Awards and Option-Based Awards

Set forth in the table below is a summary of all share-based and option-based awards held by each of the directors of the Corporation other than the Named Executive Officers as of December 31, 2017.

Name	Option-Based Awards				Share-Based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Alan Ferry	200,000	\$0.50	July 26, 2019	Nil	Nil	N/A
	100,000	\$0.15	March 2, 2020	Nil		
Daniel Noone	500,000	\$0.50	July 26, 2019	Nil	Nil	N/A
	300,000	\$0.15	March 2, 2020	Nil		
Bruce Rosenberg	200,000	\$0.50	July 26, 2019	Nil	Nil	N/A
	100,000	\$0.15	March 2, 2020	Nil		
Doug Lewis	200,000	\$0.50	July 26, 2019	Nil	Nil	N/A
	100,000	\$0.15	March 2, 2020	Nil		
Harry Burgess	150,000	\$0.50	July 26, 2019	Nil	Nil	N/A
	100,000	\$0.15	March 2, 2020	Nil		

Notes:

<sup>(1)</sup> Based upon the closing price of the Common Shares as at December 29, 2017 which was \$0.065 per share.

### Incentive Plan Awards – Value Vested During the Year

Set forth below is a summary of the value vested during the financial year of the Corporation ended December 31, 2017 in respect of all option-based and share-based awards and non-equity incentive plan compensation granted to the directors of the Corporation, other than the Named Executive Officers.

Name	Option-based awards – value vested during the year (\$)	Share-based awards – value vested during the year (\$)	Non-equity incentive plan compensation – value earned during the year (\$)
Alan Ferry	\$35,535	Nil	Nil
Daniel Noone	\$79,119	Nil	Nil
Bruce Rosenberg	\$35,535	Nil	Nil
Doug Lewis	\$35,535	Nil	Nil
Harry Burgess	\$24,291	Nil	Nil

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Set forth below is a summary of securities issued and issuable under all equity compensation plans of the Corporation as at December 31, 2017. As at December 31, 2017, the Option Plan was the only equity compensation plan of the Corporation. See also “Summary of Stock Option Plan”.

Plan Category	Number of securities to be issued upon exercise of outstanding options	Weighted-average	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the first column)
Equity compensation plans approved by security holders	7,675,000	\$0.32	1,348,312
Equity compensation plans not approved by security holders	Nil	Nil	Nil
<b>Total</b>	<b>7,675,000</b>	<b>\$0.32</b>	<b>1,348,312</b>

Notes:

<sup>(1)</sup> Calculated based upon 10% of the number of issued and outstanding Common Shares as at December 31, 2017, less the number of stock options outstanding as at such date.

### SUMMARY OF STOCK OPTION PLAN

The purpose of the Option Plan is to assist the Corporation in attracting, retaining and motivating service providers of the Corporation by providing them with the opportunity, through share options, to acquire an increased proprietary interest in the Corporation. Options granted under the Option Plan are non-assignable and may be granted for a term not exceeding five years. Notwithstanding the foregoing, in the event that the expiry of an option falls within, or within two business days of the expiry of, a trading blackout period imposed by the Corporation (the “Blackout Period”), the expiry date of such option shall be automatically extended to the 10th business day following the end of the Blackout Period. The purchase price for Common Shares under each option shall be determined by the Board or committee, as applicable, on the basis of the prior trading day closing price of the Common Shares on any stock exchange on which such shares are listed or otherwise in accordance with the terms of the Option Plan, subject to any discounts from the market price allowed by the TSXV if applicable.

Other material features of the Option Plan are as follows:

- (a) the Option Plan is administered by the Board, or if the Board so designates, a committee of the Board;
- (b) the maximum number of Common Shares in respect of which options may be outstanding under the Option Plan is equal to 10% of the issued and outstanding Common Shares from time to time;
- (c) options granted under the Option Plan shall vest at the discretion of the Board or committee, as applicable;
- (d) if any optionee shall cease to be a service provider for the Corporation, the optionee may, but only within the period of ninety days, or thirty days if the service provider

is an “investor relations employee”, next succeeding such cessation and in no event after the expiry date of the optionee's option, exercise the optionee's option;

- (e) in the event of the death of an optionee during the currency of the optionee's option, the option shall be exercisable only within the period of one year next succeeding the optionee's death and in no event after the expiry date of the option;
- (f) the Board or committee, as applicable, may extend the period of time within which an option held by a deceased optionee or a former service provider may be exercised as set forth above within the parameters of the Option Plan, but such an extension shall not be granted beyond the original expiry date of the option and any such extension is subject to applicable regulatory approval; and
- (g) the Board or committee may amend the Option Plan and/or the terms of any option granted thereunder at any time, subject to certain restrictions and the receipt of requisite regulatory approval, provided, however, that no such amendment may: (i) increase the maximum number of Common Shares that may be optioned under the Option Plan; (ii) change the manner of determining the minimum exercise price; (iii) reduce the exercise price of any existing option; (iv) extend the expiry of options beyond their original expiry date; (v) permit options to be transferable or assignable other than for normal estate settlement purposes; or (vi) modify the amendment provisions of the Option Plan so as to increase the ability of the Board or the committee to amend the Option Plan, without shareholder approval.

Options to acquire 7,675,000 Common Shares have been granted under the Option Plan that remain outstanding as of the date hereof.

At the Meeting, shareholders will be asked to consider and, if deemed fit, confirm the Option Plan. See “Particulars of Matters to be Acted Upon – Confirmation of Option Plan”.

## **STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

National Policy 58-201, *Corporate Governance Guidelines* of the Canadian Securities Administrators has set out best practice guidelines for effective corporate governance (the “**Guidelines**”). The Guidelines address matters such as the constitution and independence of corporate boards, the functions to be performed by boards and their committees and the effectiveness and education of board members. National Instrument 58-101, *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) of the Canadian Securities Administrators requires that if management solicits proxies from its securityholders for the purposes of electing directors, specified disclosure of the corporate governance practices must be included in its management information circular.

Set out below is a description of the Corporation’s corporate governance practices in accordance with NI 58-101, based on the Guidelines.

### *The Board of Directors*

For the purposes of NI 58-101, a director is considered to be independent if he or she does not have any direct or indirect material relationship with the Corporation. A material relationship is

in turn defined as a relationship which could, in the view of the Board, be reasonably expected to interfere with such member’s independent judgement. The Board is currently comprised of six members: Peter Mullens, Alan Ferry, Daniel Noone, J. Patrick Sheridan, Bruce Rosenberg and Harry Burgess. The Board has determined that a majority of the directors of the Corporation are “independent” within the meaning of NI 58-101.

Mr. Mullens is not considered to be independent as the result of his role as President and Chief Executive Officer of the Corporation. Mr. Sheridan is not considered to be independent by virtue of the fact that he was the President and Chief Executive Officer of the Corporation within the previous three years. Messrs. Ferry, Noone, Rosenberg and Burgess are each considered independent. The basis for this determination is that, since the beginning of the fiscal year ended December 31, 2017, none of the independent directors have worked for the Corporation, received remuneration from the Corporation in excess of \$75,000 or had material contracts with or material interests in the Corporation which could interfere with their ability to act with a view to the best interests of the Corporation.

### *Directorships*

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

<b>Name of Director</b>	<b>Other Reporting Issuer (or equivalent in a foreign jurisdiction)</b>
Peter Mullens	Royal Road Minerals Limited
Alan Ferry	Guyana Goldfields Inc., Avalon Advanced Materials Inc., Plateau Energy Metals Inc.
Daniel Noone	Sandy Lake Gold Inc.
Bruce Rosenberg	Sandy Lake Gold Inc.
J. Patrick Sheridan	Guyana Goldfields Inc.
Harry Burgess	ACME Resources Corp., Goldgroup Mining Inc., Cartier Iron Corporation

### *Board Meetings*

The attendance record of each director for all board and committee meetings held during the fiscal year ended December 31, 2017, while the relevant director was on the Board or committee, is as follows:

<b>Name</b>	<b>Board Meetings</b>	<b>Audit Committee Meetings</b>	<b>Compensation Committee Meetings(1)</b>	<b>Nominating Committee Meetings(1)</b>	<b>Corporate Governance Committee Meetings(1)</b>
J. Patrick Sheridan	4 of 4	N/A	N/A	N/A	N/A
Alan Ferry	4 of 4	N/A	2 of 2	Nil	1 of 1
Daniel Noone	4 of 4	4 of 5	N/A	N/A	N/A
Hon. Doug Lewis	4 of 4	5 of 5	2 of 2	N/A	1 or 1
Bruce Rosenberg	4 of 4	5 of 5	2 of 2	Nil	1 of 1
Harry Burgess	4 of 4	N/A	N/A	N/A	N/A

1 - The Corporate Governance Committee, Compensation Committee and Nominating Committee were combined as the Corporate Governance, Compensation & Nominating Committee of the Corporation on November 24, 2017.

### *Orientation and Continuing Education*

While the Corporation currently has no formal orientation and education program for new Board members, sufficient information (such as recent annual reports, prospectus, proxy solicitation materials, technical reports and various other operating, property and budget reports) is provided to any new Board member to ensure that new directors are familiarized with the Corporation's business and the procedures of the Board. In addition, new directors are encouraged to visit and meet with management on a regular basis. The Corporation also encourages continuing education of its directors and officers where appropriate in order to ensure that they have the necessary skills and knowledge to meet their respective obligations to the Corporation. Each new director is also encouraged to make a site visit to the Corporation's projects.

### *Ethical Business Conduct*

The Board monitors the ethical conduct of the Corporation and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation.

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the Board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction.

For these reasons the Board has not adopted a formal code of conduct.

### *Nomination of Directors*

The Corporation formed the CGC&N Committee consisting of Messrs. Noone, Burgess and Rosenberg who are all independent directors. The CGC&N Committee is responsible for identifying individuals qualified to become new directors and recommending to the Board new director nominees for the next annual meeting of shareholders. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Corporation, the ability to devote the time required, show support for the Corporation's mission and strategic objectives, and a willingness to serve.

### *Compensation*

The CGC&N Committee is responsible for reviewing the compensation paid for executive officers of companies of similar business, size and stage of development and determining an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Corporation. See also "Compensation Discussion and Analysis".

The CGC&N Committee also reviews the adequacy and form of compensation of the Corporation's directors, with a view to ensuring it realistically reflects the responsibilities and risks involved in being a director of the Corporation.

#### *Assessments*

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

### **AUDIT COMMITTEE**

National Instrument 52-110, Audit Committees (“**NI 52-110**”) requires that the Corporation, if management solicits proxies from the securityholders of the Corporation for the purposes of electing directors to its board of directors, to disclose in its information circular certain specified information, including the constitution of its audit committee and its relationship with its independent auditor, as set forth below.

#### **The Audit Committee's Charter**

The Corporation has adopted an Audit Committee Charter which is attached as Schedule A to this Circular.

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

A member of the Audit Committee is independent if the member has no direct or indirect material relationship with the Corporation. A material relationship means a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.

A member of the Audit Committee is considered financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation.

During the financial year ended December 31, 2017, the members of the Audit Committee were Messrs. Rosenberg, Lewis and Noone. Subsequent to December 31, 2017, Alan Ferry was appointed to the Audit Committee following the resignation of the Hon. Doug Lewis as a director of the Corporation. Each member of the Audit Committee is financially literate and independent as defined by NI 52-110.

## Relevant Education and Experience

Name	Relevant Education and Experience
Bruce Rosenberg	Mr. Rosenberg has practiced law in Ontario since 1980. Mr. Rosenberg has extensive experience as a corporate lawyer and commercial litigator. He is also a former director of Guyana Goldfields Inc.
Alan Ferry	Mr. Ferry is a self-employed businessman who had previously been engaged in the investment industry for over 28 years as a mining analyst and a mining corporate finance specialist after previously being employed as a geologist. Mr. Ferry serves on the following companies' Board of Directors: Guyana Goldfields Inc., Avalon Advanced Metals Inc. and Plateau Energy Metals Inc.
Dan Noone	Mr. Noone holds a B.Sc. (Graduate) in Geology and holds an M.B.A. from the University of Melbourne, Australia. He currently serves on the board of directors for another company.

## External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audit services provided by RSM Canada LLP (formerly Collins Barrow Toronto LLP) to the Corporation to ensure auditor independence. Fees incurred with RSM Canada LLP (Collins Barrow 2016) for audit and non-audit services in the last two fiscal years for audit fees are outlined in the following table.

Nature of Services	Fees Paid to Auditor in Year Ended December 31, 2017	Fees Paid to Auditor in Year Ended December 31, 2016
Audit Fees <sup>(1)</sup>	\$47,649	\$33,500
Audit-Related Fees <sup>(2)</sup>	Nil	Nil
Tax Fees <sup>(3)</sup>	\$2,080	\$1800
All Other Fees <sup>(4)</sup>	nil	Nil
Total	\$49,729	\$34,170

Notes:

<sup>(1)</sup> "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Corporation's 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.

<sup>(2)</sup> "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

<sup>(3)</sup> "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

<sup>(4)</sup> "All Other Fees" include all other non-audit services.

## Exemption

The Corporation is relying on the exemption provided by section 6.1 of NI 52-110 which provides that the Corporation, as a venture issuer, is not required to comply with Part 5 (Reporting Obligations) of NI 52-110.

## INDEMNIFICATION OF DIRECTORS AND OFFICERS

The by-laws of the Corporation provide that, to the maximum extent permitted by law, the Corporation shall indemnify a director or officer of the Corporation, a former director or officer of the Corporation, or another individual who acts or acted at the Corporation's request as a director or officer, or an individual acting in a similar capacity, of another entity, against all costs, charges and expenses, including any amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other

proceeding in which the individual is involved because of that association with the Corporation or other entity, where the individual (i) acted honestly and in good faith with a view to the best interests of the Corporation or other entity for which the individual acted as director or officer or in a similar capacity at the Corporation's request, as the case may be; and (ii) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, had reasonable grounds for believing that the individual's conduct was lawful. The by-laws of the Corporation further provide that the Corporation shall advance moneys to a director, officer or other individual for the costs, charges and expenses of a proceeding referred to above, provided that such individual shall repay the moneys if the individual does not fulfill the conditions set forth in items (i) and (ii) above.

The provisions for indemnification contained in the by-laws of the Corporation are not deemed exclusive of any other rights to which any person seeking indemnification may be entitled under any agreement, vote of shareholders or directors or otherwise, both as to action in the individual's official capacity and as to action in another capacity, and continue as to a person who has ceased to be a director, officer, employee or agent, and inure to the benefit of the heirs and legal representatives of such a person.

#### **DIRECTORS' AND OFFICERS' LIABILITY INSURANCE**

The Corporation maintains liability insurance for the directors and officers of the Corporation. The Corporation's policy of insurance is currently in effect until October 1, 2018. An annual premium of approximately \$11,500 has been paid by the Corporation. No portion of the premium is directly paid by any of the directors or officers of the Corporation. The aggregate insurance coverage under the policy for both directors and officers is limited to \$5,000,000 per claim and per year. No claims have been made or paid to date under such policy.

#### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

None of the Corporation's directors, executive officers, employees, former executive officers, former directors, former employees, currently or formerly proposed nominees for election as a director, nor any associate of any such individual, is at the date hereof, or has been since the commencement of the financial year of the Corporation ended December 31, 2017, indebted to the Corporation or any subsidiary of the Corporation in connection with the purchase of securities or otherwise. In addition, no indebtedness of these individuals to another entity has been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding of the Corporation or any of its subsidiaries either as at the date of this Circular or at any time since the commencement of the financial year of the Corporation ended December 31, 2017.

#### **INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

No director, executive officer, significant shareholder (or director or executive officer thereof), or proposed director of the Corporation, or any associate or affiliate thereof, has had any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries, other than as set forth below.

There are potential conflicts of interest to which certain of the directors and officers of the Corporation may be subject in connection with the operations of the Corporation and its subsidiaries. Certain of the directors and officers of the Corporation are engaged and will continue to be engaged in mineral exploration activities on behalf of other corporations, and situations may arise in which such other corporations will be in direct competition with the Corporation.

Conflicts of interest which arise, if any, will be subject to and governed by procedures prescribed by the OBCA which require a director or officer of a corporation who is party to or is a director or officer of or has a material interest in any person who is a party to a material contract or proposed material contract of the Corporation, to disclose his interest and refrain from voting on any matter in respect of such contract unless otherwise permitted by the OBCA.

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

### **Election of Directors**

The number of directors to be elected at the Meeting is five (5). **Unless authority to do so is withheld, the persons named in the accompanying proxy intend to vote IN FAVOUR OF the election of all five nominees whose names are set forth below (the “Nominees”).** Management of the Corporation does not contemplate that any of the Nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, it is intended that discretionary authority shall be exercised by the persons named in the enclosed form of proxy to vote the proxy for the election of any other person or persons in place of any Nominee(s) unable to serve. Each director elected will hold office until the close of the first annual meeting of shareholders of the Corporation following his election unless his office is earlier vacated in accordance with the by-laws of the Corporation.

Name and Municipality of Residence	Director Since	Present Occupation and Positions Held During Last Five Years	Number of Common Shares Owned, Controlled or Directed <sup>(1)</sup>
Peter Mullens Jersey, Channel Islands	February, 2018	<p>President and Chief Executive Officer of the Corporation since February 2018.</p> <p>From July 2015 until October 2017, Chief Executive Officer of Aurasian Minerals plc (“Aurasian”) listed on the AIM Board of the London Stock Exchange. Aurasian was dual listed on the Toronto Stock Exchange in September 2017 and changed its name to Tethyan Resources plc (“Tethyan”). He resigned as Chief Executive Officer of Tethyan in October 2017 but continued as a consultant to the company.</p> <p>From May 2013 to July 2015, was a geological consultant was various junior exploration companies and private equity groups.</p>	2,584,000
Daniel Noone <sup>(2)(3)</sup> Ontario, Canada	March 2008	<p>Chairman of the Corporation since May 2018.</p> <p>Vice President, Exploration, Guyana Goldfields Inc.</p> <p>Former Vice President Peru, Aquiline Resources Ltd., a mineral exploration company</p> <p>Former President and Director of Absolut Resources Corp., mineral exploration company</p>	2,442,000
Bruce Rosenberg <sup>(2)(3)</sup> Ontario, Canada	March 2009	Lawyer practicing in the Province of Ontario	572,500
Alan Ferry <sup>(2)</sup> Ontario, Canada	March 2008	<p>Independent businessman</p> <p>Lead Director of Guyana Goldfields Inc., a mineral exploration company</p> <p>Former Vice President of D &amp; D Securities Company, brokerage firm</p>	175,000

Name and Municipality of Residence	Director Since	Present Occupation and Positions Held During Last Five Years	Number of Common Shares Owned, Controlled or Directed <sup>(1)</sup>
Harry Burgess <sup>(3)</sup> Ontario, Canada	May 2012	Senior Associate Mining Engineer, Micon International Limited, mineral industry consulting firm  Former Vice President, Micon International Limited, mineral industry consulting firm	105,000

Notes:

(1) The information as to Common Shares beneficially owned or over which the Nominees exercise control or direction not being within the knowledge of the Corporation has been furnished by the respective directors individually as of May 11, 2018

(2) Member of the Audit Committee

(3) Member of the Corporate Governance, Compensation and Nominating Committee

**Peter Mullens** is the President & Chief Executive Officer and a director of the Corporation. Mr. Mullens is also currently the Chairman and a director of Royal Road Minerals Limited (TSXV:RYY). Previously, Mr Mullens was a director of Terreno Resources Corp. (TSXV:TNO) and Tethyan Resources plc (TSXV: TETH) and was a member of the audit committee of both companies. From 2003 until 2013 he was a director and VP Exploration for Laramide Resources Ltd. (TSX LAM). He received a Bachelor of Science degree in Geology from Monash University in 1984 and has been a member of the Australian Institute of Mining Metallurgy since 1989.

**Daniel Noone** is a director of the Corporation. Mr. Noone currently serves as V.P. Exploration of GGI. Mr. Noone holds a B.Sc. (Graduate) in Geology and a M.B.A. and also currently serves as a director of Sandy Lake Gold Inc. (TSX-V:SLAU).

**Bruce Rosenberg** is a director of the Corporation. Mr. Rosenberg has practiced law in Ontario since 1980. Mr. Rosenberg has extensive experience as a corporate lawyer and commercial litigator. He is also a former director of Guyana Goldfields Inc.

**Alan Ferry** is a director of the Corporation. Mr. Ferry is a self-employed businessman who had previously been engaged in the investment industry for over 28 years as a mining analyst and a mining corporate finance specialist after previously being employed as a geologist. He holds a CFA (retired) designation and a B.Sc. (Hons. Geological Sciences) from Queen's University, Kingston, Ontario. Prior to July 2007, he was employed as Vice-President, Metals & Minerals at D&D Securities Company.

**Harry Burgess** is a director of the Corporation. Mr. Burgess is a mining engineer and former Vice President and co-founder of Micon International Limited (“Micon”), mineral industry consultants. Mr. Burgess has been engaged in consulting since 1980, when he joined the staff of David. S. Robertson & Associates. Prior to that time, he gained experience in senior positions in the copper industry of Zambia and gold mining in South Africa. In Zambia, he held management positions with both technical and production responsibility. In South Africa, he was responsible for the introduction of mechanized mining systems to the gold mines of Anglo-American Corporation in the Orange Free State. Mr. Burgess was a co-founder of Micon in 1988 and now continues as a part-time employee and serves on various board of directors and technical advisory committees for public companies. Mr. Burgess holds a B.Sc. (Honours) in Mechanical Engineering from the Imperial College of Science and Technology, University of London, a B.Sc. (Honours)

in Mining Engineering from the Royal School of Mines, Imperial College of Science and Technology, University of London, and a M.Sc. (Engineering) from the University of Witwatersrand, Johannesburg.

### **Appointment of Auditors**

**Unless authority to do so is withheld, the persons named in the accompanying proxy intend to vote IN FAVOUR OF the appointment of RSM Canada LLP, Chartered Professional Accountants, of Suite 700, 11 King Street W., Toronto, Ontario, M5H 4C7, the current auditors of the Corporation, as auditors of the Corporation until the close of the next annual meeting of shareholders and to authorize the directors to fix their remuneration.** RSM formally Collins Barrow Toronto LLP were first appointed auditors of the Corporation on March 16, 2006.

### **Confirmation of Option Plan**

The shareholders of the Corporation most recently approved the Option Plan on June 29, 2017. Options may be granted in respect of authorized and unissued Common Shares, provided that the aggregate number of Common Shares reserved for issuance upon the exercise of all options granted under the Option Plan shall not exceed 10% of the total number of Common Shares issued and outstanding from time to time. Underlying Common Shares in respect of which options are not exercised because the relevant options expire or are cancelled, shall be available for issue upon the exercise of subsequent grants of options. An aggregate of 7,675,000 Common Shares (representing approximately 7.7% of the issued and outstanding Common Shares as of May 11, 2018) are currently reserved for issuance pursuant to options granted under the Option Plan and the Corporation may grant an additional 2,348,312 options under the Option Plan (representing approximately 2.3% of the issued and outstanding Common Shares as of May 11, 2018). See also “Summary of Stock Option Plan” above.

Due to the fact that the Option Plan is a “rolling” stock option plan, the regulations of the TSXV mandate that the Corporation seek shareholder confirmation of the Option Plan annually. Accordingly, at the Meeting, shareholders will be asked to consider, and if thought fit, approve the resolutions substantially in the form set forth in Schedule “B” hereto (the “**Stock Option Plan Resolutions**”) to confirm the Option Plan as the stock option plan of the Corporation.

The Stock Option Plan Resolutions will be approved upon the affirmative vote of a majority of the votes cast at the Meeting, excluding votes attaching to Common Shares held by any insiders of the Corporation entitled to receive a benefit under the Option Plan. As of May 11, 2018, to the knowledge of the Corporation, such insiders hold an aggregate of approximately 17,611,208 Common Shares.

If the Stock Option Plan Resolutions are approved, (i) the 7,675,00 options currently outstanding under the Option Plan will remain outstanding, without amendment to their terms; and (ii) the Corporation will be able to issue up to an additional 2,348,312 options (representing approximately 2.3% of the issued and outstanding Common Shares as of the date hereof) under the Option Plan (as calculated based upon 10% of the 100,233,118 Common Shares issued and outstanding as of the date hereof, less the number of options previously granted which are to remain outstanding under the Option Plan). If the Stock Option Plan Resolutions are not approved, (i) the 7,675,000 options currently outstanding under the Option Plan will remain outstanding under the Option

Plan, without amendment to their terms; and (ii) the Option Plan will convert to a fixed stock option plan providing for the issuance of up to 10% of the number of Common Shares outstanding as of the date of the Meeting.

The Board has concluded that the Option Plan is in the best interest of the Corporation and its shareholders. Accordingly, the Board recommends that shareholders vote in favour of the Stock Option Plan Resolutions. **Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote IN FAVOUR OF the approval of the Stock Option Plan Resolutions.**

### **ADDITIONAL INFORMATION**

Additional information concerning the Corporation is available on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information concerning the Corporation is provided in the Corporation's comparative financial statements and management's discussion and analysis for the financial year ended December 31, 2017.

Shareholders wishing to obtain a copy of the Corporation's consolidated financial statements and management's discussion and analysis may contact the Corporation as follows:

GPM METALS INC., 141 Adelaide Street West, Suite 1101, Toronto, Ontario M5H 3L5  
(416) 628-5904

### **DIRECTORS' APPROVAL OF CIRCULAR**

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

**DATED** at Toronto, Ontario this 11th day of May, 2018.

BY ORDER OF THE BOARD OF DIRECTORS

"Peter Mullens"

Peter Mullens

President and Chief Executive Officer

## **SCHEDULE A**

### **GPM METALS INC. AUDIT COMMITTEE CHARTER**

#### **PURPOSE**

1. The Audit Committee (“Committee”) is a committee of the board of directors (the “Board”) of GPM Metals Inc. (the “Corporation”). Its primary function shall be to assist the Board in fulfilling its oversight responsibilities with respect to:
  - (a) the financial reporting process and the quality, transparency and integrity of the Corporation’s financial statements and other related public disclosures;
  - (b) the Corporation’s internal controls over financial reporting;
  - (c) the Corporation’s compliance with legal and regulatory requirements relevant to the financial statements and financial reporting;
  - (d) ensuring that there is an appropriate standard of corporate conduct for senior financial personnel and employees including, if necessary, adopting a corporate code of ethics;
  - (e) the external auditors’ qualifications and independence; and
  - (f) the performance of the internal audit function and the external auditors.
2. The function of the Committee is oversight. The members of the Committee are not full-time employees of the Corporation. The Corporation’s management is responsible for the preparation of the Corporation’s financial statements in accordance with applicable accounting standards and applicable laws and regulations. The Corporation’s external auditors are responsible for the audit or review, as applicable, of the Corporation’s financial statements in accordance with applicable auditing standards and laws and regulations.

#### **COMPOSITION**

3. The Committee shall be appointed by the Board annually on the recommendation of the Corporate Governance Committee and shall be comprised of a minimum of three directors. If an appointment of members of the Committee is not made as prescribed, the members shall continue as such until their successors are appointed. The Board may remove a member of the Committee at any time in its sole discretion by resolution of the Board.
4. The majority of the members of the Committee shall be directors whom the Board has determined are independent and “financially literate”, taking into account the applicable rules and regulations of securities regulatory authorities and/or stock exchanges.

5. The Chair of the Committee will be designated by the Board from among the members of the Board. Such Chair shall serve as a liaison between members and senior management. If for any reason a Chair of the Committee is not appointed by the full Board, members of the Committee may designate a Chair of the Committee by majority vote of the full membership of the Committee.

## **MEETINGS**

6. The Committee shall have a minimum of four meetings per year, to coincide with the Corporation's financial reporting cycle. Additional meetings will be scheduled as considered necessary or appropriate, including considering specific matters at the request of the external auditors or the head of internal audit.
7. The time and place of the meetings of the Committee, the calling of meetings and the procedure in all things at such meetings shall be determined by the Chair of the Committee. A meeting of the Committee may be called by notice, which may be given by written notice, telephone, facsimile, email or other communication equipment, given at least 48 hours prior to the time of the meeting provided that no notice of a meeting will be necessary if all of the members are present either in person or by means of conference telephone or if those absent waive notice or otherwise signify their consent to the holding of such meeting.
8. At least two members of the Committee will constitute a quorum at each meeting.
9. The Committee will hold an in camera session without any senior officers present at each meeting.
10. The Committee will keep minutes of its meetings, which shall be available for review by the Board.
11. The Committee may appoint any individual, who need not be a member, to act as the secretary at any meeting.
12. The Committee may invite such directors, senior officers and other employees of the Corporation and such other advisors and persons as is considered appropriate to attend any meeting of the Committee.
13. Any matter to be determined by the Committee will be decided by a majority of the votes cast at a meeting of the Committee called for such purpose. Each Member will have one vote and decisions of the Committee will be made by an affirmative vote of the majority. The Chair will not have a deciding or casting vote in the case of an equality of votes. Any action of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee (including in counterpart) and any such action will be as effective as if it had been decided by a majority of the votes cast at a meeting of the Committee called for such purpose.
14. The Committee will report its determinations and recommendations to the Board.

## **RESOURCES AND AUTHORITY**

15. The Committee has the authority to:
- (a) engage, at the expense of the Corporation, independent counsel, accounting and other experts or advisors as considered advisable in its sole discretion, at the expense of the Corporation, which shall provide adequate funding for such purposes;
  - (b) determine and pay the compensation for any independent counsel, accounting and other experts or advisors retained by the Committee;
  - (c) conduct any investigation in the Corporation's business or affairs that it considers appropriate; and
  - (d) request unrestricted access to the books and records of the Corporation, management, the external auditors and the head of internal audit, including private meetings, as it considers necessary or appropriate to discharge its duties and responsibilities.

## **DUTIES AND RESPONSIBILITIES**

16. The responsibilities of a member of the Committee shall be in addition to such Member's duties as a member of the Board. The duties and responsibilities of the Committee shall be as follows:

### **Financial Reporting and Disclosure**

- (a) The Committee has the duty to determine whether the Corporation's financial disclosures are complete, accurate, are in accordance with international financial reporting standards and fairly present the financial position and risks of the organization. The Committee should, where it deems appropriate, resolve disagreements, if any, between management and the external auditor, and review compliance with laws and regulations and the Corporation's own policies.
- (b) Review and discuss with management and the external auditor at the completion of the annual examination:
  - (i) the Corporation's audited financial statements and related notes;
  - (ii) the external auditor's audit of the annual financial statements and their report thereon;
  - (iii) any significant changes required in the external auditor's audit plan;
  - (iv) any serious difficulties or disputes with management encountered during the course of the audit; and
  - (v) other matters related to the conduct of the audit, which are to be communicated to the Committee under generally accepted auditing standards.

- (c) Review and discuss with management and, where authorized by the Board, the external auditor at the completion of any review engagement or other examination of the Corporation's quarterly unaudited financial statements:
  - (i) the Corporation's unaudited financial statements and related notes;
  - (ii) any significant changes required in the external auditor's audit plan resulting from the preparation of the unaudited financial statements;
  - (iii) any serious difficulties or disputes with management encountered during the course of the preparation of the unaudited financial statements; and
  - (iv) other matters related to the preparation of the unaudited financial statements, which are to be communicated to the Committee.
- (d) Approve unaudited financial statements and the notes thereto and the Corporation's management discussion and analysis with respect to such financial statements.
- (e) Review, discuss with management the annual reports, the quarterly reports, the related Management Discussion and Analysis, the annual information form, any prospectus and other disclosures and, if thought advisable, recommend the acceptance of such documents to the Board for approval.
- (f) Review disclosure respecting the activities of the Committee included in the Corporation's annual filings.
- (g) Review and discuss with management any guidance being provided to shareholders on the expected future results and financial performance of the Corporation and provide their recommendations on such documents to the Board.
- (h) Inquire of the auditors the quality and acceptability of the Corporation's accounting principles, including the clarity of financial disclosure and the degree of conservatism or aggressiveness of the accounting policies and estimates.
- (i) Meet independently with the external auditor and management in separate executive sessions, as necessary or appropriate.
- (j) Ensure that management has the proper systems in place so that the Corporation's financial statements, financial reports and other financial information satisfy legal and regulatory requirements. Based upon discussions with the external auditor and the financial statement review, if it deems appropriate, provide the Board with such recommendations and reports with respect to the financial disclosures of the Corporation.
- (k) Review and approve any significant amendments to the Corporation's Disclosure Policy.
- (l) Review and if appropriate, ratify the mandate of the Disclosure Committee.

## **External Auditor**

- (m) Retaining and terminating, and/or making recommendations to the Board and the shareholders with respect to the retention or termination of, an external auditing firm to conduct review engagements on a quarterly basis and an annual audit of the Corporation's financial statements.
- (n) Communicating to the external auditors that they are ultimately accountable to the Board and the Committee as representatives of the shareholders.
- (o) Obtaining and reviewing an annual report prepared by the external auditors describing: the firm's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues.
- (p) Evaluating the independence of the external auditor and any potential conflicts of interest and (to assess the auditors' independence) all relationships between the external auditors and the Corporation, including obtaining and reviewing an annual report prepared by the external auditors describing all relationships between the external auditors and the Corporation.
- (q) Approving, or recommending to the Board for approval, all audit engagement fees and terms, as well as all non-audit engagements of the external auditors prior to the commencement of the engagement.
- (r) Reviewing with the external auditors the plan and scope of the quarterly review and annual audit engagements.
- (s) Setting hiring policies with respect to the employment of current or former employees of the external auditors.

## **Internal Controls and Audit**

- (t) Reviewing and discussing with management, the external auditors and the head of internal audit the effectiveness of the Corporation's internal controls over financial reporting, including reviewing and discussing any significant deficiencies in the design or operation of internal controls, and any fraud, whether or not material, that involves management or other employees who have a significant role in the Corporation's internal controls over financial reporting.
- (u) Discussing the Corporation's process with respect to risk assessment (including fraud risk), risk management and the Corporation's major financial risks and financial reporting exposures, all as they relate to internal controls over financial reporting, and the steps management has taken to monitor and control such risks.

- (v) Reviewing and discussing with management the Corporation's Code of Business Conduct and Ethics and anti-fraud program and the actions taken to monitor and enforce compliance.
- (w) Establishing procedures for:
  - (i) the receipt, retention and treatment of complaints regarding accounting, internal controls or auditing matters, including reviewing and discussing Whistleblower Policy with management; and
  - (ii) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting, internal controls or auditing matters.
- (x) Reviewing and discussing with management, the external auditors and the head of internal audit the responsibilities and effectiveness of the Corporation's internal audit function, including reviewing the internal audit mandate, independence, organizational structure, internal audit plans and adequacy of resources, receiving periodic internal audit reports and meeting privately with the head of internal audit on a periodic basis.
- (y) Approving in advance the retention and dismissal of the head of internal audit.

#### **Other**

- (z) Reporting regularly to the Board.
- (aa) Reviewing and assessing its mandate and recommending any proposed changes to the Corporate Governance Committee of the Board on an annual basis.
- (bb) Evaluating the functioning of the Committee on an annual basis, including with reference to the discharge of its mandate, with the results to be reported to the Corporate Governance Committee, which shall report to the Board.
- (cc) Review periodically, together with the Corporate Governance Committee, the directors' and officers' liability insurance and indemnities of the Corporation and consider the adequacy of such coverage.

#### **ADOPTION**

This Charter was adopted by the Board on May 9, 2016.

## **SCHEDULE B**

### **STOCK OPTION PLAN RESOLUTIONS**

#### **BE IT RESOLVED THAT:**

1. the stock option plan of the Corporation (the “**Option Plan**”) most recently approved by the shareholders of the Corporation on June 29, 2017, and the reservation for issuance thereunder of up to 10% of the aggregate number of common shares of the Corporation as are issued and outstanding from time to time, is hereby approved, ratified and confirmed;
2. the Option Plan be authorized and approved as the stock option plan of the Corporation, subject to any limitations imposed by applicable regulations, laws, rules and policies; and
3. any officer or director of the Corporation is authorized and directed to execute and deliver, under corporate seal or otherwise, all such documents and instruments and to do all such acts as in the opinion of such officer or director may be necessary or desirable to give effect to this resolution.