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## **INFORMATION CIRCULAR**

INFORMATION PROVIDED AS AT NOVEMBER 9, 2018 FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS TO BE HELD ON DECEMBER 14, 2018.

This information circular (“Information Circular”) is furnished in connection with the solicitation of proxies by management of Empire Metals Corp. (the “Company”) for use at the annual general meeting of shareholders to be held on December 14, 2018 (the “Meeting”) and any adjournment thereof at the time and place and for the purposes set forth in the notice of annual general meeting (“Notice of Meeting”).

The cost of this solicitation will be borne by the Company. In addition to the solicitation of proxies by mail, directors, officers and some regular employees may solicit personally, but will not receive compensation for so doing.

### **APPOINTMENT AND REVOCATION OF PROXIES**

The persons named in the accompanying instrument of proxy are directors or officers of the Company. **A shareholder has the right to appoint a person to attend and act for him on his behalf at the Meeting other than the persons named in the enclosed instrument of proxy.** To exercise this right, a shareholder shall strike out the names of the persons named in the instrument of proxy and insert the name of his nominee in the blank space provided, or complete another instrument of proxy. The completed instrument of proxy should be deposited at the registered office of the Company at 702 – 889 West Pender Street, Vancouver, British Columbia, V6C 3B2 at least 48 hours before the time of the Meeting or any adjournment thereof, excluding Saturdays, Sundays and holidays.

The instrument of proxy must be dated and be signed by the shareholder or by his 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. In addition to revocation in any other manner permitted by law, a shareholder may revoke a proxy either by (a) signing a proxy bearing a later date and depositing it at the registered office of the Company at the address and within the time set out above, or (b) signing and dating a written notice of revocation (in the same manner as the instrument of proxy is required to be executed as set out in the notes to the instrument of proxy) and either depositing it at the registered office of the Company at the address and within the time set out above or with the Chairman of the Meeting on the day of the Meeting or on the day of any adjournment thereof, or (c) registering with the scrutineer at the Meeting as a shareholder present in person, whereupon such proxy shall be deemed to have been revoked.

### **NON-REGISTERED HOLDERS OF COMPANY’S SHARES**

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Shareholders who do not hold their common shares in their own name (“Beneficial Shareholders”) are advised that only proxies from shareholders of record can be recognized and voted at the Meeting. Beneficial Shareholders who complete and return an instrument of proxy must indicate thereon the person (usually a brokerage house) who holds their common shares as registered shareholder. Every intermediary (broker) has its own mailing procedure, and provides its own return instructions, which should be carefully followed.

If common shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those common shares will not be registered in such shareholder’s name on the records of the Company. Such common shares will more likely be registered under the name of the shareholder’s broker or agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration for the Canadian Depository for Securities, which company acts as nominee for many Canadian brokerage firms). Common shares held by brokers or their nominees can only be voted (for or against resolutions) upon the

instructions of the Beneficial Shareholder. Without specific instructions, brokers/nominees are prohibited from voting shares for their clients. The directors and officers of the Company do not know for whose benefit the common shares registered in the name of CDS & Co. are held.

In accordance with National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”), the Company has distributed copies of the Notice of Meeting, this Information Circular and the proxy to the clearing agencies and intermediaries for onward distribution to non-registered shareholders. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings unless the Beneficial Shareholders have waived the right to receive meeting materials. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their common shares are voted at the Meeting. Often the voting instruction form supplied to a Beneficial Shareholder by its broker is identical to the proxy provided by the Company to the registered shareholders. However, its purpose is limited to instructing the registered shareholder how to vote on behalf of the Beneficial Shareholder. Should a Beneficial Shareholder receive such a form and wish to vote at the Meeting, the Beneficial Shareholder should strike out the management proxyholder’s name in the form and insert the non-registered shareholder’s name in the blank provided. The majority of brokers now delegate the responsibility for obtaining instructions from clients to Broadridge. Broadridge typically creates its own proxy forms in a “voting instruction form” format, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to submit their voting instructions to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of common shares to be represented at the Meeting. A Beneficial Shareholder receiving a Broadridge voting instruction form cannot use that form to vote common shares directly at the Meeting – voting instructions must be provided to Broadridge well in advance of the Meeting in order to have the common shares voted. Voting instructions may be submitted to Broadridge by mail, on the internet or by telephone, as specified on the voting instruction form.

The Company is not relying on the “notice-and-access” provisions set out in NI 54-101 to distribute copies of the proxy-related materials in connection with the Meeting. The Company is not sending proxy-related materials directly to non-objecting beneficial owners (“NOBOs”).

Management of the Company does not intend to pay for intermediaries to deliver to objecting beneficial owners (“OBOs”) under NI 54-101 the Meeting Materials and Form 54-101F7 *Request for Voting Instructions Made by Intermediary*. OBOs will not receive the Meeting Materials and Form 54-101F7 unless the intermediary holding shares on behalf of the OBO assumes the cost of delivery.

All references to shareholders in this Information Circular and the accompanying proxy and Notice of Meeting are to registered shareholders unless specifically stated otherwise.

### **VOTING OF PROXIES**

The securities represented by the proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any ballot that may be called for, and if the shareholder specifies a choice with respect to any matter to be acted upon, the securities shall be voted accordingly. The form of proxy confers authority upon the named proxyholder with respect to matters identified in the accompanying Notice of Meeting.

**IF A CHOICE WITH RESPECT TO SUCH MATTERS IS NOT SPECIFIED, IT IS INTENDED THAT THE PERSON DESIGNATED BY MANAGEMENT IN THE FORM OF PROXY WILL VOTE THE SECURITIES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY AND FOR THE NOMINEES OF MANAGEMENT FOR DIRECTORS AND AUDITOR. AN ALTERNATE PROXYHOLDER HAS DISCRETION TO VOTE THE SHARES AS HE OR SHE CHOOSES.**

The proxy confers discretionary authority upon the named proxyholder with respect to amendments to or variations in matters identified in the accompanying Notice of Meeting and other matters which may properly come before the Meeting.

### **VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

The voting securities of the Company consist of common shares without par value. November 9, 2018 has been fixed in advance by the directors as the record date for the purposes of determining those shareholders entitled to receive notice of, and to vote at, the Meeting. As at the record date 59,010,829 common shares without par value were issued and outstanding, each such share carrying the right to one (1) vote at the Meeting.

To the knowledge of the directors and executive officers of the Company, the following are the only persons who beneficially own, directly or indirectly, or exercise control or direction over, voting securities carrying more than 10% of the voting rights attached to the voting securities of the Company:

<u>Name</u>	<u>No. of Voting Securities</u>	<u>Percentage</u>
Anthony J. Beruschi	9,366,667	15.87%
Blizzard Finance Corp.	6,789,167	11.50%

### ELECTION OF DIRECTORS

Previously, at an annual general meeting of shareholders, the number for which positions exist on the Company's Board had been set at six.

The persons named in the following table are management's nominees to the Board. Each director elected will hold office until the next annual general meeting unless their office is earlier vacated in accordance with the Articles of the Company and the *Business Corporations Act* or unless he or she becomes disqualified to act as a director.

<b>NAME, PROVINCE OR STATE AND COUNTRY OF ORDINARY RESIDENCE OF NOMINEE AND PRESENT POSITION WITH THE COMPANY</b>	<b>PRINCIPAL OCCUPATION</b>	<b>PERIOD SERVED AS DIRECTOR</b>	<b>APPROXIMATE NUMBER OF VOTING SECURITIES<sup>1</sup></b>
<b>Anthony J. Beruschi</b> BC, Canada  <i>President, Chief Executive Officer and a Director</i>	Lawyer; venture capitalist; administrator, corporate operations	January 20, 2017 to date	9,366,667
<b>Vincent Teo</b> BC, Canada  <i>Chief Financial Officer and a Director</i>	Accountant	August 24, 2016 to date	Nil
<b>James Boyce</b> BC, Canada  <i>Director</i>	President, Blizzard Finance Corp.; President, Goldbank Mining Corporation	July 15, 2016 to date  Previously served as director from May 31, 2009 until March 1, 2013.	1,166,723
<b>John Brydle</b> BC, Canada  <i>Director</i>	Self-employed consultant, public company executive	March 1, 2013 to date	2,247,222
<b>Ronald Hughes</b> BC, Canada  <i>Director</i>	Retired businessman	September 23, 2014 to date	Nil

<sup>1</sup> Voting securities beneficially owned, directly, or indirectly, or over which control or direction is exercised.

All of the proposed nominees are ordinarily resident in Canada.

The Board of Directors has not appointed an Executive Committee.

As the Company is a reporting company, the directors of the Company are required to elect from their number an audit committee. James Boyce, Vincent Teo and Ron Hughes are the three current directors appointed by the Board of Directors of the Company to the audit committee.

Other than as described below, no proposed director:

- (a) is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity:
- (i) was subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days other than John Brydle and James Boyce who were directors of Totally Hip Technologies Inc. when it was the subject of a cease trade order issued on February 2, 2009 by the British Columbia Securities Commission for failure to file financial statements for the financial year ended September 30, 2008 and related management’s discussion and analysis (“MD&A”), which order was rescinded on March 5, 2009 after filing of the financial statements and MD&A. Anthony Beruschi was a director of Vega Gold Ltd. when it was the subject of a cease trade order issued on January 8, 2009 by the British Columbia Securities Commission for failure to file financial statements for the financial year ended August 31, 2008 and related MD&A, which order was rescinded on February 10, 2009 after filing of the financial statements and MD&A. James Boyce was a director of Blizzard Finance Corp. when it was the subject of a cease trade order issued on August 3, 2018 by the British Columbia Securities Commission for failure to file annual audited financial statements for the year ended March 31, 2018 and related annual MD&A and certification for annual filings, which order was rescinded on September 4, 2018 following filing of the required documents; or
  - (ii) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being subject to a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
  - (iii) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or has a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

## **EXECUTIVE COMPENSATION**

For the purpose of this Information Circular:

“**CEO**” of the Company means each individual who acted as chief executive officer of the Company or acted in a similar capacity for any part of the most recently completed financial year;

“**CFO**” of the Company means each individual who acted as chief financial officer of the Company or acted in a similar capacity for any part of the most recently completed financial year; and

“**Named Executive Officer**” or “**NEO**” means:

- (a) the Company’s CEO;
- (b) the Company’s CFO;
- (c) each of the Company’s three most highly compensated executive officers of the Company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year and whose total compensation was, individually, more than \$150,000 as determined in accordance with subsection 1.3(5) of Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*, for that financial year; and
- (d) any individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity at the end of the most recently completed financial year.

## Director and Named Executive Officer Compensation, Excluding Compensation Securities

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

Table of compensation excluding compensation securities							
Name and Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
<b>Anthony J. Beruschi</b> President, CEO and director <sup>1</sup>	2017	\$145,200 <sup>2</sup>	Nil	Nil	Nil	\$540,348 <sup>2</sup>	\$685,548
	2016	N/A	N/A	N/A	N/A	N/A	N/A
<b>Vincent Teo</b> CFO and director <sup>3</sup>	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
<b>John Brydle</b> Director; former President and CEO; former CFO <sup>4</sup>	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
<b>James Boyce</b> Director <sup>5</sup>	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
<b>Ronald Hughes</b> Director	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
<b>Jason Nickel</b> Former director <sup>6</sup>	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	N/A	N/A	N/A	N/A	N/A	N/A
<b>Lisa Chapman</b> Former President, CEO and director <sup>7</sup>	2017	N/A	N/A	N/A	N/A	N/A	N/A
	2016	\$33,864	Nil	Nil	Nil	Nil	\$33,864
<b>Irvin Ridd</b> Former director <sup>8</sup>	2017	N/A	N/A	N/A	N/A	N/A	N/A
	2016	Nil	Nil	Nil	Nil	Nil	Nil

<sup>1</sup> Mr. Beruschi was appointed President, CEO and a director of the Company effective January 20, 2017.

<sup>2</sup> Paid or accrued to Mr. Beruschi and private companies of which Mr. Beruschi is the principal as follows: professional fees of \$12,000; consulting fees of \$145,200; management fees of \$30,000; corporate administration costs of \$67,083; interest expense of \$212,067; rent of \$33,600; assays of \$3,404; fieldwork of \$169,596; travel and accommodations of \$12,288; and office and miscellaneous expenses of \$310;

<sup>3</sup> Mr. Teo was appointed as a director and CFO effective August 24, 2016.

<sup>4</sup> Mr. Brydle was President and CEO of the Company from August 24, 2016 to January 20, 2017 and prior to that was CFO of the Company until August 24, 2016.

<sup>5</sup> Mr. Boyce was appointed as a director effective July 15, 2016.

<sup>6</sup> Mr. Nickel was appointed as a director effective March 7, 2017 and retired as a director effective December 15, 2017.

<sup>7</sup> Ms. Chapman was appointed President, CEO and a director of the Company effective October 31, 2015 and retired as President, CEO and a director of the Company effective August 2, 2016.

<sup>8</sup> Mr. Ridd retired as a director on April 8, 2016.

## Stock Options and Other Compensation Securities

The following table discloses all compensation securities granted or issued to directors and Named Executive Officers by the Company or one of its subsidiaries in the most recently completed financial year for services provided or to be provided, directly or indirectly, to

the Company or any of its subsidiaries.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Anthony J. Beruschi President, CEO and director <sup>1</sup>	Stock Options	500,000 (90% <sup>6</sup> )	Jan 23/17	\$0.10	\$0.115	\$0.215	Jan 20/22
	Stock Options	1,300,000 (90% <sup>6</sup> )	Jan 25/17	\$0.10	\$0.20	\$0.215	Jan 25/19
Vincent Teo CFO and director <sup>2</sup>	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
John Brydle Director; former President and CEO; former CFO <sup>3</sup>	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
James Boyce Director <sup>4</sup>	Stock Options	50,000 (2.5% <sup>6</sup> )	Jan 25/17	\$0.10	\$0.20	\$0.215	Jan 25/19
Ronald Hughes Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
Jason Nickel Former director <sup>5</sup>	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A

<sup>1</sup> Mr. Beruschi was appointed President, CEO and a director of the Company effective January 20, 2017.

<sup>2</sup> Mr. Teo was appointed as a director and CFO effective August 24, 2016.

<sup>3</sup> Mr. Brydle was President and CEO of the Company from August 24, 2016 to January 20, 2017 and prior to that was CFO of the Company until August 24, 2016.

<sup>4</sup> Mr. Boyce was appointed as a director effective July 15, 2016.

<sup>5</sup> Mr. Nickel was appointed as a director effective March 7, 2017 and retired as a director effective December 15, 2017.

<sup>6</sup> Percentage of class based on total number of stock options granted during the financial year ended December 31, 2017.

As at December 31, 2017, the following stock options were outstanding:

- (a) Anthony J. Beruschi, President, CEO and a director of the Company, owned an aggregate of 1,800,000 stock options, each exercisable into one common share at a price of \$0.10 per share on or before January 23, 2022 as to 500,000 stock options and on or before January 25, 2019 as to 1,300,000 stock options.
- (b) James Boyce, a director of the Company, owned an aggregate of 50,000 stock options, each exercisable into one common share at a price of \$0.10 per share on or before January 25, 2019.

#### Exercise of Compensation Securities by Directors and NEOs

No compensation securities were exercised by directors or Named Executive Officers during the financial year ended December 31, 2017.

#### Option Plans and Other Incentive Plans

The Company has one security based compensation arrangement which is its Stock Option Plan (the "Option Plan"). Options granted to the Company's executive officers and directors are granted pursuant to the terms of the Option Plan. Pursuant to the terms of the Option Plan, the Option Plan is to be administered by a Plan Committee, or if no such committee has been authorized or appointed, by the Board itself. As the Company has no Plan Committee, the Board administers and implements the Option Plan and recommends changes or additions to the Option Plan. The Board determines all stock options to be granted pursuant to the Option Plan, the exercise

price thereof and any special terms or vesting provisions applicable thereto. When determining whether to grant new options to executive officers, the Board takes into account previous stock option grants. For a summary of the material provisions of the Option Plan, please see below under the heading “Stock Option Plan and Incentive Stock Options”.

### **Employment, Consulting and Management Agreements**

The Company has an arrangement with a private British Columbia non-reporting company wholly-owned by the President and CEO of the Company which provides management services to the Company. The monthly remuneration payable is \$2,500.

### **Oversight and Description of Director and NEO Compensation**

The Company has no standard arrangement pursuant to which directors are compensated by the Company for their services in their capacity as directors other than the unissued treasury shares reserved for the grant of directors' stock options. There has been no other arrangement pursuant to which directors were compensated by the Company in their capacity as directors, or for services as experts or consultants, during the Company's financial year ended December 31, 2017 except as set out below under the heading “Interest of Informed Persons in Material Transactions - Other informed party transactions”. The directors may be reimbursed for actual expenses reasonably incurred in connection with the performance of their duties as directors.

The directors decide as a Board the compensation for the Company's NEOs. Compensation payable is determined by considering compensation paid for NEOs of companies of similar size and stage of development in the mining exploration industry 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 Company. In setting the compensation the performance of the NEO is reviewed in light of the Company's objectives and other factors that may have impacted the success of the Company. An interested Board member is required to abstain from voting on matters concerning his own compensation.

### **EQUITY COMPENSATION PLANS**

As at the end of the most recently completed financial year, the following compensation plans of the Company were in place under which equity securities of the Company were authorized for issuance.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	2,000,000	\$0.10	2,877,582
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	2,000,000	\$0.10	2,877,582

The stock option plan is a revolving plan, which reserves a maximum of 10% of the issued shares of the Company from time to time. For more particulars, see “Stock Option Plan and Incentive Stock Options” herein.

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

None of the directors or executive officers of the Company has been indebted to the Company or its subsidiary during the financial year ended December 31, 2017 or the current financial year.

### **MANAGEMENT CONTRACTS**

The Company is not a party to a management contract with anyone other than directors or Named Executive Officers of the Company.

## **CORPORATE GOVERNANCE DISCLOSURE**

Corporate governance relates to the activities of the Board of Directors. A summary of the responsibilities and activities and the membership of each of the Committees is set out below. National Policy 58-201 *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. National Instrument 58-101 *Disclosure of Corporate Governance Practices* mandates disclosure of corporate governance practices which disclosure is set out below. The Board is committed to sound corporate governance practices in the interest of its shareholders and contribute to effective and efficient decision making. The Company will continue to review and implement corporate governance guidelines as the business of the Company progresses.

### **Independence of Members of Board**

The Company's Board consists of five directors of whom James Boyce and Ronald Hughes are independent based upon the tests for independence set forth in National Instrument 52-110 *Audit Committees*. Anthony J. Beruschi is not independent as he is the President and CEO of the Company. Vincent Teo is not independent as he is CFO of the Company. John Brydle is not independent as he was CFO of the Company within the past three years.

### **Management Supervision by Board**

The size of the Company is such that all the Company's operations are conducted by a small management team which is also represented on the Board. Any director may submit items for inclusion in the agenda of matters to be discussed at meeting of the Board. The Board considers that management is effectively supervised by the independent directors on an informal basis as the independent directors are actively and regularly involved in reviewing the operations of the Company and have regular and full access to management. The independent directors are able to meet at any time without any members of management including the non-independent directors being present. Further supervision is performed through the audit committee which is composed of a majority of independent directors. The independent directors exercise their responsibilities for independent oversight of management through their majority control of the Board.

### **Participation of Directors in Other Reporting Issuers**

Certain of the directors are presently directors of one or more other reporting issuers as follows:

<b>Name of Director</b>	<b>Name of Other Reporting Issuer(s)</b>
Anthony J. Beruschi	1132876 B.C. Ltd., Bloctrans Technologies Inc., Brooksbab Enterprises Inc., Eagle Blockchain Enterprises Inc. and Leeta Technologies Inc.
Vincent Teo	Totally Hip Technologies Inc.
James Boyce	Blizzard Finance Corp., Goldbank Mining Corporation and Totally Hip Technologies Inc.
John Brydle	1132876 B.C. Ltd., Antares Ventures Inc., Bloctrans Technologies Inc., Brooksbab Enterprises Inc., Eagle Blockchain Enterprises Inc., Leeta Technologies Inc., Totally Hip Technologies Inc. and Whistler Gold Exploration Inc.

### **Orientation and Continuing Education**

The Board does not have a formal orientation or education program for its members. New Board members are provided with information respecting the functioning of the Board of Directors, committees and copies of the Company's corporate governance policies, access to all of the publicly filed documents of the Company and complete access to management and the Company's professional advisors. Historically board members have been nominated who are familiar with the Company and the nature of its business.

Board members are encouraged to communicate with management and auditors, to keep themselves current with industry trends and developments and changes in legislation with the Company's assistance, to attend industry seminars and to visit the Company's operations.

## **Ethical Business Conduct**

The Board believes good corporate governance is an integral component to the success of the Company and to meet responsibilities to shareholders.

At present the Board has not adopted guidelines or stipulations or a code to encourage and promote a culture of ethical business conduct due to the size of its Board and its limited activities. The Company does promote ethical business conduct through the nomination of Board members it considers ethical.

## **Nomination of Directors**

The Board has responsibility for identifying and assessing potential Board candidates. Recruitment of new directors has generally resulted from recommendations made by directors, management and shareholders. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors.

## **Compensation of Directors and the CEO**

The directors decide as a Board the compensation for the Company's directors and officers. Compensation payable is determined by considering compensation paid for directors and CEOs of companies of similar size and stage of development in the mining exploration industry 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 Company. In setting the compensation the performance of the CEO is reviewed in light of the Company's objectives and other factors that may have impacted the success of the Company.

## **Board Committees**

The Company does not have any standing committees in addition to the audit committee.

The Board is of the view that size of the Company's operations does not warrant a larger Board of directors, and has determined that additional committees are not necessary at this stage of the Company's development.

## **Assessments**

The Board does not consider that formal assessments would be useful at this stage of the Company's development. The Board conducts informal periodic assessments of the effectiveness of the Board and the individual directors.

## **AUDIT COMMITTEE**

### **Audit Committee Charter**

#### *Mandate*

The primary function of the audit committee (the "Committee") is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to (i) serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements; (ii) review and appraise the performance of the Company's external auditors; and (iii) provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

#### *Composition*

The Committee shall be comprised of three directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as

a member of the Committee.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Charter, the definition of "financially literate" is 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 presumably be expected to be raised by the Company's financial statements.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

### *Meetings*

The Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

### *Responsibilities and Duties*

To fulfil its responsibilities and duties, the Committee shall:

#### Documents/Reports Review

- (a) Review and update this Charter annually.
- (b) Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion or review rendered by the external auditors.

#### External Auditors

- (a) Review annually the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company.
- (b) Obtain annually a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
- (c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (d) Take or recommend that the full Board of Directors take appropriate action to oversee the independence of the external auditors.
- (e) Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (f) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- (g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- (h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
  - (i) the aggregate amount of all such non-audit services provided to the Company constitutes not more than 5% of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;

- (ii) such services were not recognized by the Company at the time of the engagement to be non-audit services; and
- (iii) such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

#### Financial Reporting Processes

- (a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- (b) Consider the external auditor's judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- (i) Review certification process.
- (j) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

#### Other

Review any related party transactions.

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

The following are the members of the Committee:

Vincent Teo	Not independent*	Financially literate*
James Boyce	Independent*	Financially literate*
Ronald Hughes	Independent*	Financially literate*

\* As defined by National Instrument 52-110, *Audit Committees* ("NI 52-110").

#### **Relevant Education and Experience**

The education and experience of each audit committee member that is relevant to the performance of his responsibilities as an audit committee member is set out below:

*Mr. Teo* has more than seven years of experience as an accountant for publicly traded companies. Mr. Teo is a certified professional accountant.

*Mr. Boyce* successfully operated a private computer hardware business for 26 years which he sold in 2010. Mr. Boyce has over 21 years' experience as a public company director and currently serves as President and a director of Goldbank Mining Corporation and as a director and CFO of Totally Hip Technologies Inc. Mr. Boyce has served on audit committees of several public companies throughout the years. Mr. Boyce holds a Bachelor of Business Administration degree from Simon Fraser University.

*Mr. Hughes* has more than 25 years of experience as a self-employed employed exporter of building supplies and housing packages and as a clothing manufacturer and has more than 10 years of experience as a director with publicly traded companies.

### **Audit Committee Oversight**

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

### **Reliance on Certain Exemptions**

At no time since the commencement of the Company's most recently completely financial year has the Company relied on the exemption in section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

### **Pre-approval Policies and Procedures**

The Committee has adopted specific policies and procedures for the engagement of non-audit services as described above under the heading "External Auditors".

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

The aggregate fees billed by the Company's external auditors in each of the last two fiscal years for audit fees are as follows:

Financial Year Ending	Audit Fees <sup>1</sup>	Audit Related Fees	Tax Fees	All Other Fees
2017	\$12,500	-	-	-
2016	\$16,000	-	-	-

<sup>1</sup> Year-end audit fees

### **Exemption**

NI 52-110 exempts issuers listed on the TSX Venture Exchange (the "Exchange") from the requirements of Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*) of the Instrument. As a result, the members of the Committee are not required to be either "independent" or "financially literate" within the meaning of the Instrument; however, the Company is required to provide on an annual basis, the disclosure regarding its audit committee made in this Information Circular. All of the Committee members are financially literate. See the disclosure above under the heading "Composition of the Audit Committee".

### **APPOINTMENT OF AUDITOR**

The persons named in the enclosed Instrument of Proxy intend to vote for the re-appointment of Saturna Group Chartered Professional Accountants LLP ("Saturna Group"), as the Company's auditor until the next annual general meeting of shareholders at a remuneration to be fixed by the Board of Directors. Saturna Group was first appointed auditor on June 4, 2013.

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

Since the beginning of the Company's most recently completed financial year, no director, executive officer or insider of the Company or any proposed director of the Company or any associate or affiliate of the aforementioned persons has any material interest, direct or indirect, in any transaction or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries except as set out herein and below.

### **Matters to be acted upon**

The directors and officers of the Company have an interest in the resolution concerning the approval of the stock option plan.

Otherwise, no director or executive officer of the Company or any associate of the foregoing has any substantial interest, direct or indirect, by way of beneficial ownership of shares or otherwise in the matters to be acted upon at the said Meeting, except for any interest arising from the ownership of shares of the Company where the shareholder will receive no extra or special benefit or advantage not shared on a pro rata basis by all holders of shares in the capital of the Company.

### **Material transactions since January 1, 2017**

#### **Private Placement September 2018**

Pursuant to private placement agreements dated September 7, 2018, 0780996 B.C. Ltd., a British Columbia non-reporting company wholly-owned by John Brydle, a director of the Company, purchased 375,000 units of the Company's securities at a price of \$0.08 per unit; Blizzard Finance Corp., an informed person of the Company, purchased 1,812,500 units of the Company's securities at a price of \$0.08 per unit; and Anthony J. Beruschi, President and a director of the Company, purchased 1,875,000 flow-through units of the Company's securities at a price of \$0.08 per unit. Each unit consists of one common share and one three-year transferable share purchase warrant entitling the placee to purchase one additional common share (flow-through for warrants which are part of flow-through units) of the Company for \$0.105, subject to accelerated expiry. The private placement was completed in accordance with the policies of, and was approved by, the TSX Venture Exchange. The securities issued to 0780996 B.C. Ltd., Blizzard Finance Corp. and Mr. Beruschi are restricted from trading until February 10, 2018.

#### **Other informed party transactions**

During the fiscal year ended December 31, 2017, the Company did not enter into transactions with directors or former directors of the Company, companies controlled by directors or former directors of the Company and other informed parties of the Company other than as disclosed herein.

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

#### **Stock Option Plan and Incentive Stock Options**

The Exchange policies with respect to incentive stock options (the "Policies") provide that listed companies may only issue incentive stock options pursuant to the terms of a stock option plan that has been approved by the shareholders of the Company and the Exchange. At a previous annual general Meeting, pursuant to the Policies, management proposed and the shareholders of the Company approved a rolling stock option plan which reserves a maximum of 10% of the issued shares of the Company from time to time for administration and grant of options under the stock option plan. The Policies require that such a rolling plan be re-approved each year by the shareholders and the Exchange.

Management of the Company believes that incentive stock options serve an important function in furnishing directors, officers, employees and consultants (collectively the "Eligible Parties") of the Company an opportunity to invest in the Company in a simple and effective manner and better aligning the interests of the Eligible Parties with those of the Company and its shareholders through ownership of shares in the Company. Accordingly, at the Meeting the shareholders will be asked to consider, and the directors, believing it to be in the best interests of the Company, recommend that the shareholders approve, the Company's proposed stock option plan (the "2018 Plan") and the allotment and reservation of sufficient common shares from treasury to provide the shares necessary for issuance upon the exercise from time to time of options granted pursuant to the 2018 Plan.

The 2018 Plan has been prepared by the Company in accordance with the policies of the Exchange and is in the form of a rolling stock option plan reserving for issuance upon the exercise of options granted pursuant to the 2018 Plan a maximum of 10% of the issued and outstanding shares of the Company at any time, less any shares required to be reserved with respect to options granted by the Company prior to the implementation of the 2018 Plan. The 2018 Plan will be administered by the Board of Directors of the Company, or a committee of three directors, if so appointed by the Board (the "Committee"). Subject to the provisions of the 2018 Plan, the Committee in its sole discretion will determine all options to be granted pursuant to the 2018 Plan, the exercise price therefore and any special terms or vesting provisions applicable thereto. The Committee will comply with all Exchange and other regulatory requirements in granting options and otherwise administering the 2018 Plan. A summary of some of the additional provisions of the 2018 Plan follows:

- (i) the aggregate number of options granted to insiders of the Company (as a group) within a 12-month period shall not exceed 10% of the issued and outstanding shares of the Company calculated at the date the option is granted to any Insider unless

- disinterested shareholder approval has been obtained by the Company;
- (ii) options granted to any one Person (and companies wholly-owned by that Person) as a total in any 12-month period shall not exceed 5% of the issued and outstanding shares of the Company calculated on the date an option is granted to that Person unless the requisite disinterested shareholder approval has been obtained by the Company;
  - (iii) the aggregate number of options granted to any one Consultant to the Company in a 12-month period shall not exceed 2% of the issued and outstanding shares of the Company calculated at the date an option is granted to the Consultant;
  - (iv) the aggregate number of options granted to all Persons retained to provide investor relations activities for the Company shall not exceed 2% of the issued and outstanding shares of the Company in any 12-month period, calculated at the date an option is granted to any such Person;
  - (v) all options granted shall be non-assignable and not transferable and shall not have a term in excess of ten years;
  - (vi) the exercise price of options granted shall not be less than the closing price of the Company's shares on the last trading day less any discount permitted by the Exchange, but, in any event, not less than \$0.05 per share (the "Discounted Market Price");
  - (vi) options will cease to be exercisable after a "reasonable period" after the optionee ceases to serve, for any reason other than death, in his capacity as director, officer, employee or consultant as the case may be, as determined by the Committee at the time of the grant;
  - (vii) in the event of the death of an optionee, the heirs, executors or other legal representatives of the optionee may exercise any options granted to such optionee, to the extent such option was exercisable by the optionee at the date of his death, for a period of one year following the date of death of the optionee;
  - (viii) all options granted shall be evidenced by written option agreements; and
  - (ix) any amendment to reduce the exercise price of options granted to insiders of the Company shall be subject to approval of the disinterested shareholders of the Company, the majority vote of the shareholders other than the insiders of the Company.

Pursuant to the policies of the Exchange, the shares underlying any options granted at a Discounted Market Price will be restricted from trading for a period of four months from the date of grant of the option. A copy of the 2018 Plan will be available at the Meeting for review by interested shareholders. The directors of the Company believe the 2018 Plan is in the Company's best interests and recommend that the shareholders approve the 2018 Plan.

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com).

Financial information regarding the Company and its affairs is provided in the Company's comparative financial statements and management discussion and analysis ("MD&A") for its financial year ended December 31, 2017. Shareholders may contact the Company at the address set out on the face page of this Information Circular to request copies of the Company's financial statements and MD&A.

MANAGEMENT KNOWS OF NO OTHER MATTERS TO COME BEFORE THE MEETING OF SHAREHOLDERS OTHER THAN REFERRED TO IN THE NOTICE OF MEETING. HOWEVER, IF ANY OTHER MATTERS WHICH ARE NOT KNOWN TO THE MANAGEMENT OF THE COMPANY SHALL PROPERLY COME BEFORE THE SAID MEETING, THE FORM OF PROXY GIVEN PURSUANT TO THE SOLICITATION BY MANAGEMENT OF THE COMPANY WILL BE VOTED ON SUCH MATTERS IN ACCORDANCE WITH THE BEST JUDGMENT OF THE PERSONS VOTING THE PROXY.

The contents of this Information Circular and its distribution to shareholders have been approved by the Board of Directors of the Company.

Dated at Vancouver, British Columbia, Canada, as of the 16<sup>th</sup> day of November, 2018.

**BY ORDER OF THE BOARD OF DIRECTORS**

**EMPIRE METALS CORP.**

*"Anthony J. Beruschi"*

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Anthony J. Beruschi  
Chief Executive Officer