

**XANDER RESOURCES INC.**  
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Vancouver, BC V6C 1L2  
Telephone: 604 683-0343

**INFORMATION CIRCULAR**  
**September 25, 2017**

**INTRODUCTION**

This information circular ("**Information Circular**") accompanies the notice of annual general and special meeting (the "**Notice**") and is furnished to shareholders (the "**Shareholders**" and each a "**Shareholder**") holding common shares (the "**Shares**" and each a "**Share**") in the capital of Xander Resources Inc. (the "**Company**") in connection with the solicitation by the management of the Company of proxies to be voted at the annual general and special meeting (the "**Meeting**") of the Shareholders to be held at 10:00 AM (Vancouver time) on Wednesday, October 25, 2017 at Suite 900, 885 West Georgia Street, Vancouver, British Columbia, or at any adjournment or postponement thereof.

**Date and Currency**

The date of this Information Circular is September 25, 2017. Unless otherwise stated, all amounts herein are in Canadian dollars.

**PROXIES AND VOTING RIGHTS**

**Management Solicitation**

The solicitation of proxies by management of the Company will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation by the directors, officers and employees of the Company. The Company does not reimburse Shareholders, nominees or agents for costs incurred in obtaining from their principals authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold stock in their respective names to furnish this proxy material to their customers, and the Company will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

No person has been authorized to give any information or to make any representation other than as contained in this Information Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Information Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Information Circular. This Information Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

### **Appointment of Proxy**

Registered Shareholders are entitled to vote at the Meeting. A Shareholder is entitled to one vote for each Share that such Shareholder holds on the record date of September 15, 2017 (the “**Record Date**”) on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

The persons named as proxyholders (the “**Designated Persons**”) in the enclosed form of proxy are directors and/or officers of the Company.

**A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING, OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY.**

**TO EXERCISE THE RIGHT, THE SHAREHOLDER MAY DO SO BY INSERTING THE NAME OF SUCH OTHER PERSON IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE’S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER’S SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.**

The Shareholder may vote by mail, by telephone or via the Internet by following instructions provided in the form of proxy at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) prior to the scheduled time of the Meeting, or any adjournment or postponement thereof.

A proxy may not be valid unless it is dated and signed by the Shareholder who is giving it or by that Shareholder’s attorney-in-fact duly authorized by that Shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual Shareholder or joint Shareholders, or by an officer or attorney-in-fact for a corporate Shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarially certified copy thereof, must accompany the form of proxy.

### **Revocation of Proxies**

A Shareholder who has given a proxy may revoke it at any time before it is exercised by an instrument in writing: (a) executed by that Shareholder or by that Shareholder’s attorney-in-fact authorized in writing or, where the shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Company at the address set forth above, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (i) attendance at the Meeting and participation in a poll (ballot) by a Shareholder, or (ii) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

### **Voting of Shares and Proxies and Exercise of Discretion by Designated Persons**

A Shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space on the proxy. **The Shares represented by a 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 Shares will be voted accordingly.**

**IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY.**

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice, and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company is not aware of any such amendments, variations, or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the Shares on any matter, the Shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

### **ADVICE TO BENEFICIAL SHAREHOLDERS**

Only registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most Shareholders are “non-registered” Shareholders because the Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Shares. More particularly, a person is not a registered Shareholder in respect of Shares which are held on behalf of that person (the “**Non-Registered Holder**”) but which are registered either: (a) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Holder deals with in respect of the Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFFs, RESPs and similar plans); or (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.) of which the Intermediary is a participant.

Non-Registered Holders who object to Intermediaries disclosing information about their identity and ownership in the Company are referred to as “objecting beneficial owners” or “**OBOs**”, and Non-Registered Holders who do not object to such disclosure are referred to as “non-objecting beneficial owners” or “**NOBOs**”. In accordance with the requirements set out in 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, this Information Circular and the form of proxy (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for onward distribution to OBOs. In accordance with the requirements of NI 54-101, the Company has elected to send copies of the Meeting Materials directly to NOBOs.

The Meeting Materials are being sent to both registered Shareholders and Non-Registered Holders. If you are a NOBO, and the Company 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 Company (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instruction. Please return your voting instructions as specified in the request for voting instructions.

Intermediaries are required to forward the Meeting Materials to OBOs unless an OBO has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to OBOs. The management of the Company does not intend to pay for Intermediaries to forward the Meeting Materials to OBOs. OBOs will not receive the Meeting Materials unless their Intermediaries assume the cost of delivery. Generally, OBOs who have not waived the right to receive Meeting Materials will either:

- (a) 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 not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the OBO when submitting the proxy. In this case, the OBO who wishes to submit a proxy should follow the instructions provided in the form of proxy; or
- (b) more typically, be given a voting instruction 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 voting instructions (often called a “**proxy authorization form**”) which the Intermediary must follow. Typically, the proxy authorization form will consist of a one page pre-printed form. Sometimes, instead of a one page pre-printed form, the proxy authorization form will consist of a regular printed proxy form accompanied by a page of instructions, which contains a removable label containing a bar-code and other information. In order for the form of proxy to validly constitute a proxy authorization form, the OBO must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In either case, the purpose of this procedure is to permit an OBO to direct the voting of the Shares which they beneficially own. Should an OBO who receives one of the above forms wish to vote at the Meeting in person, the OBO should insert the OBO’s name in the blank space provided. In either case, OBOs should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or proxy authorization form is to be delivered.

All references to Shareholders in this Information Circular are to registered Shareholders, unless specifically stated otherwise.

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

The Company is authorized to issue an unlimited number of Shares without par value. As of the Record Date, a total of 9,759,936 Shares were issued and outstanding. Each Share carries the right to one vote at the Meeting. Only registered Shareholders as of the Record Date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

To the knowledge of the directors and senior officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Shares carrying more than 10% of the voting rights attached to the outstanding Shares of the Company, other than as set forth below:

<b>Name of Shareholder</b>	<b>No. of Shares Held</b>	<b>Percentage of Shareholdings<sup>(1)</sup></b>
Bryce Clark	1,498,424 <sup>(2)</sup>	15.4%

<sup>(1)</sup> Based on 9,759,936 Shares issued and outstanding as of the Record Date.

<sup>(2)</sup> Mr. Clark holds 1,158,424 Shares directly; 300,000 Shares are owned by La Marca Management Inc., a private company owned by Mr. Clark; and 40,000 Shares are owned by Bryce A. Clark & Associates Ltd., a company controlled by Mr. Clark. The total does not include 400,000 stock options convertible into Shares held by Mr. Clark.

### **ELECTION OF DIRECTORS**

At present, the directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting, or until their successors are duly elected or appointed in accordance with the Company's Articles or until such director's earlier death, resignation or removal. In the absence of instructions to the contrary, the enclosed form of proxy will be voted for the nominees listed in the form of proxy, all of whom are presently members of the board of directors (the "Board"). The number of directors of the Company is currently set at five.

Management of the Company proposes to nominate the persons named in the table below for election by the Shareholders as directors of the Company. Information concerning such persons, as furnished by the individual nominees, is as follows:

<b>Name, Province, Country of Residence and Position(s) with the Company</b>	<b>Principal Occupation, Business or Employment for Last Five Years</b>	<b>Periods during which Nominee has Served as a Director</b>	<b>Number of Shares Owned<sup>(1)</sup></b>
Bryce Clark <sup>(2)</sup> BC, Canada CEO and Director	Chief Executive Officer of the Company (2010 to present); managing partner of Bryce A. Clark & Associates Ltd., Chartered Professional Accountants, a privately held accounting firm; CFO and/or CEO of TSX Venture Exchange listed resource companies. Received CGA designation from the University of British Columbia in 2004; and member of the Chartered Professional Accountants Association of BC.	December 9, 2010	1,498,424 <sup>(3)</sup>

Name, Province, Country of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years	Periods during which Nominee has Served as a Director	Number of Shares Owned <sup>(1)</sup>
Zahara Kanji-Aquino BC, Canada CFO, Secretary and Director	Chief Financial Officer of the Company (2010 to present); self-employed certified general accountant; founder of Zara Kanji & Associates, CGA (2004 to present). Received a Bachelor of Technology in Accounting from the British Columbia Institute of Technology in 2000 and became a member of the Certified General Accountants Association of British Columbia in 2002.	February 11, 2011	40,000 <sup>(5)</sup>
John Ostler <sup>(3)</sup> BC, Canada Director	Self-employed geologist; owner/operator of Cassiar East Yukon Expediting Ltd., a geologic service company (1978 – present). Received a Bachelor of Arts, Geography and Geology from the University of Guelph in 1973 and a Master of Science – Geology from Carleton University in 1977.	May 1, 2012	58,000 <sup>(6)</sup>
Marsha Panar <sup>(2)</sup> BC, Canada Director	Retired businessperson; District Supervisor, Income Assistance Department, Government of British Columbia (1993 to 2007); director of various TSX Venture Exchange companies.	October 22, 2013	172,833 <sup>(7)</sup>

<sup>(1)</sup> Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at September 15, 2017, based upon information furnished to the Company by the individual directors.

<sup>(2)</sup> Member of the Audit Committee;

<sup>(3)</sup> Mr. Clark holds 1,158,424 Shares directly; 300,000 Shares are owned by La Marca Management Inc., a private company owned by Mr. Clark; and 40,000 Shares are owned by Bryce A. Clark & Associates Ltd., a company controlled by Mr. Clark. The total does not include 400,000 stock options exercisable into Shares held by Mr. Clark.

<sup>(4)</sup> Total Shareholdings do not include 200,000 stock options exercisable into Shares held by Ms. Kanji-Aquino.

<sup>(5)</sup> Total Shareholdings do not include 100,000 stock options exercisable into Shares held by Mr. Ostler.

<sup>(6)</sup> Total Shareholdings do not include 100,000 stock options exercisable into Shares held by Ms. Panar.

At the Meeting, Shareholders will be asked to pass an ordinary resolution to elect the nominees listed above as directors of the Company. An ordinary resolution needs to be passed by a simple majority of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting.

**Management recommends the approval of each of the nominees listed above for election as directors of the Company for the ensuing year.**

### *Cease Trade Orders*

To the best of management's knowledge, no proposed director of the Company is, or within the 10 years before the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

### *Bankruptcies*

To the best of management's knowledge, no proposed director of the Company (i) is, or within 10 years before the date of this Information Circular, has been a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the 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 (ii) has, within 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 had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

### *Penalties and Sanctions*

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

## **STATEMENT OF EXECUTIVE COMPENSATION**

### **General**

For the purpose of this Statement of Executive Compensation:

**"compensation securities"** includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and

restricted stock units granted or issued by the Company or one of its subsidiaries (if any) for services provided or to be provided, directly or indirectly to the Company or any of its subsidiaries (if any);

**“external management company”** includes a subsidiary, affiliate or associate of the external management company;

**“named executive officer”** or **“NEO”** means each of the following individuals:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;
- (c) in respect of the Company and its subsidiaries (if any), the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*; and
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year;

**“plan”** includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, securities, similar instruments or any other property may be received, whether for one or more persons; and

**“underlying securities”** means any securities issuable on conversion, exchange or exercise of compensation securities.

### **Director and NEO Compensation**

The executive compensation is comprised of two elements: base fee or salary, and long-term incentive compensation (stock options). The Board reviews the two components in assessing the compensation of individual NEOs and of the Company as a whole.

Base fees or salaries are intended to provide current compensation for NEOs to meet the Company's goals, as well as to remain competitive with the industry. Base fees or salaries are compensation for job responsibilities and reflect the level of skills, expertise and capabilities demonstrated by the NEOs.

Stock options are an important part of the Company's long-term incentive strategy for its NEOs, permitting them to participate in any appreciation of the market value of the Company's Shares over a stated period of time, and are intended to reinforce commitment to long-term growth and shareholder value. Stock options reward overall corporate performance as measured through the price of the

Company's Shares and enables executives to acquire and maintain a significant ownership position in the Company. See "Stock Option Plans and Other Incentive Plans" below.

The following table sets forth all compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company to each NEO and director in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic 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 for services to be provided, directly or indirectly, to the Company. As the Company became a reporting issuer during its most recently completed financial year, the Company is providing compensation figures exclusively for the financial year in which the Company became a reporting issuer.

*Table of compensation excluding compensation securities*

<b>Name and position</b>	<b>Year</b>	<b>Salary, consulting fee, retainer or commission (\$)</b>	<b>Bonus (\$)</b>	<b>Committee or meeting fees (\$)</b>	<b>Value of perquisites (\$)</b>	<b>Value of all other compensation (\$)</b>	<b>Total compensation (\$)</b>
Bryce Clark CEO and Director	2017	24,000 <sup>(1)</sup>	Nil	Nil	Nil	Nil <sup>(2)</sup>	24,000
	2016	24,000 <sup>(1)</sup>	Nil	Nil	Nil	800 <sup>(2)</sup>	24,800
Zahara Kanji- Aquino CFO, Secretary and Director	2017	18,000 <sup>(3)</sup>	Nil	Nil	Nil	10,298 <sup>(4)</sup>	28,298
	2016	18,000 <sup>(3)</sup>	Nil	Nil	Nil	11,192 <sup>(4)</sup>	29,192
Carlo Nigro Former Director	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
John Ostler Director	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Marsha Panar Director	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil

(1) Management fees paid and accrued to a company controlled by Bryce Clark as compensation for Mr. Clark's role as CEO.

(2) Accounting fees paid and accrued to a company controlled by Bryce Clark as compensation for Mr. Clark's role as CEO.

(3) Management fees paid and accrued to a company controlled by Zahara Kanji-Aquino as compensation for Ms. Kanji-Aquino's role as CFO and Secretary.

(4) Accounting fees paid and accrued to a company controlled by Zahara Kanji-Aquino as compensation for Ms. Kanji-Aquino's role as CFO and Secretary.

*Stock Options and Other Compensation Securities*

The Company did not grant or issue any compensation securities to an NEO or director of the Company in the year ended March 31, 2017 for services provided, or to be provided, directly or indirectly, to the Company.

As of March 31, 2017,

- (1) Bryce Clark, CEO and a director of the Company, held options to purchase 400,000 Shares at a price of \$0.15 per share until September 25, 2019;
- (2) Zahara Kanji-Aquino, CFO, Secretary and a director of the Company, held options to purchase 200,000 Shares at a price of \$0.15 per share until September 25, 2019;
- (3) John Ostler, a director of the Company, held options to purchase 100,000 Shares at a price of \$0.15 per share until September 25, 2019;
- (4) Carlo Nigro, a former director of the Company, held options to purchase 100,000 Shares at a price of \$0.15 per share. The 100,000 stock options held by Mr. Nigro will expire unexercised within 12 months from November 29, 2016; and
- (5) Marsha Panar, a director of the Company, held options to purchase 100,000 Shares at a price of \$0.15 per share until September 25, 2019.

*Exercise of Compensation Securities by Directors and NEOs*

No director or NEO exercised any compensation securities, being solely comprised of stock options, during the year ended March 31, 2017.

**Stock Option Plans and Other Incentive Plans**

The Company's stock option plan (the "Plan") was adopted by the Board on October 15, 2013. The purpose of the Plan is to advance the interests of the Company and its Shareholders by attracting, retaining and motivating the performance of selected directors, officers, employees or consultants of the Company and to encourage and enable such persons to acquire and retain a proprietary interest in the Company by ownership of its stock. The Plan is a "rolling stock option plan" which provides that, subject to the requirements of the TSX Venture Exchange (the "TSXV"), the aggregate number of Shares that may be issued pursuant to options granted under the Plan and existing options may not exceed 10% of the number of issued Shares of the Company at the time of the granting of options under the Plan. As at the date hereof, there are 900,000 options outstanding under the Plan.

A copy of the Plan is attached to this Information Schedule as Schedule C. The Plan is subject to yearly approval by the Shareholders and the TSXV. See "Particulars of Matters To Be Acted Upon – *Approval of Stock Option Plan*" beginning on page 16.

**Employment, Consulting and Management Agreements**

The Company does not have any employment, consulting or management agreements or arrangements with any of the current NEOs or directors. The Company pays a company controlled by Bryce Clark a monthly fee of \$2,000 plus tax until July 2017 and \$3,000 plus tax as of August 2017 as compensation for Mr. Clark's role as CEO. The Company also pays a company controlled by Zahara Kanji-Aquino a monthly fee of \$1,500 plus tax as compensation for Ms. Kanji-Aquino's role as CFO and Secretary.

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

The Board has not created or appointed a compensation committee given the Company's current size and stage of development. All tasks related to developing and monitoring the Company's approach to the compensation of its NEOs and directors are performed by the members of the Board. The compensation of the NEOs, directors and the Company's employees or consultants is reviewed, recommended and approved by the Board without reference to any specific formula or criteria.

The Company's compensation program is intended to attract, motivate, reward and retain the management talent needed to achieve the Company's business objectives of improving overall corporate performance and creating long-term value for the Shareholders. The compensation program is intended to reward executive officers on the basis of individual performance and achievement of corporate objectives, including the advancement of the exploration and development goals of the Company.

The Company's current compensation program is comprised of two major components: base salary or fees, and long term incentives such as stock options.

In making compensation decisions, the Board strives to find a balance between short-term and long-term compensation and cash versus equity incentive compensation. Base salaries or fees primarily reward recent performance and incentive stock options encourage NEOs and directors to continue to deliver results over a longer period of time and serve as a retention tool. The annual salary or fee for each NEO, as applicable, is determined by the Board based on the level of responsibility and experience of the individual, the relative importance of the position to the Company, the professional qualifications of the individual and the performance of the individual over time. The NEOs' performances and salaries or fees are to be reviewed periodically. Increases in salary or fees are to be evaluated on an individual basis and are performance and market-based. Compensation is not tied to performance criteria or goals such as milestones, agreements or transactions, and the Company does not use a "peer group" to determine compensation.

### **Pension Disclosure**

The Company does not have any pension arrangements in place for the directors or NEOs.

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

The following table sets forth details of all the Company's equity compensation plans as of March 31, 2017. The Company's equity compensation plan consists of the Plan.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights<sup>(1)</sup></b> <b>(a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b> <b>(b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b> <b>(c)</b>
Equity compensation plans approved by security holders	900,000	\$0.15	75,993
Equity compensation plans not approved by security holders	Nil	N/A	Nil
<b>Total</b>	<b>900,000</b>	<b>\$0.15</b>	<b>75,993</b>

<sup>(1)</sup> The Company does not have any warrants or rights outstanding under any equity compensation plans.

A copy of the Plan is attached to this Information Circular as Schedule C and is available at the office of the Company at Suite 200, 905 W. Pender Street, Vancouver, BC V6C 1L2 during regular business hours up to and including the date of the Meeting. See “Particulars of Matters to Be Acted Upon – Approval of Stock Option Plan” for material terms of the Plan.

#### **APPOINTMENT OF AUDITOR**

At the Meeting, Shareholders will be asked to pass an ordinary resolution to appoint Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, as auditors of the Company for the fiscal year ending March 31, 2018 and to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending March 31, 2018. An ordinary resolution needs to be passed by a simple majority of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting.

Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, were first appointed as auditors of the Company on May 2, 2012.

**Management recommends Shareholders vote for the appointment of Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, as the Company’s auditors for the Company’s fiscal year ending March 31, 2018 and the authorization of the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending March 31, 2018.**

#### **AUDIT COMMITTEE DISCLOSURE**

National Instrument 52-110 *Audit Committees* (“**NI 52-110**”) requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor.

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

The text of the Audit Committee Charter is attached to this Information Circular as Schedule A.

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

The Company's audit committee (the "**Audit Committee**") is currently comprised of three directors consisting of Bryce Clark, Marsha Panar and John Ostler. As defined in NI 52-110, Mr. Bryce, the Company's Chief Executive Officer, is not "independent" as he is an executive officer of the Company. Mr. Ostler and Ms. Panar are independent. The Company is exempt from the Audit Committee composition requirements in NI 52-110 which require all Audit Committee members to be independent. All of the Audit Committee members are "financially literate", as defined in NI 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as the understanding of internal controls and procedures necessary for financial reporting.

The Audit Committee is responsible for review of both interim and annual financial statements for the Company. For the purposes of performing their duties, the members of the Audit Committee have the right, at all times, to inspect all the books and financial records of the Company and any subsidiaries and to discuss with management and the external auditors of the Company any accounts, records and matters relating to the financial statements of the Company. The Audit Committee members meet periodically with management and annually with the external auditors.

### **Relevant Education and Experience**

Each member of the Company's present Audit Committee has adequate education and experience that is relevant to his or her performance as an Audit Committee member and, in particular the requisite education and experience that have provided the member with:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements or experience actively supervising individuals engaged in such activities; and
- (c) an understanding of internal controls and procedures for financial reporting.

#### **Bryce Clark, Director and Chief Executive Officer**

Mr. Clark received a Certified General Accountant designation from the University of British Columbia in August 2004 and became a member of the Certified General Accountants Association of British Columbia in August 2004.

Mr. Clark is a Chartered Professional Accountant (CPA, CGA). Mr. Clark is the managing partner of Bryce A. Clark & Associates Ltd., Chartered Professional Accountants, a privately held accounting firm. Mr. Clark is currently the CFO and/or director of several TSXV listed resources companies and has previously held comparable positions in other TSXV listed companies.

### Marsha Panar, Director

Ms. Panar was formerly a District Supervisor, Income Assistance Department with the Government of British Columbia and has been a director of various TSXV companies. Ms. Panar is currently retired.

### John Ostler, Director

Mr. Ostler is a Geological consultant for junior resource companies, individuals, and syndicates. Mr. Ostler received Master's Degree in Geology from the Carleton University in 1977 and is a member of the Canadian Institute of Mining since 1981.

Since 1980, Mr. Ostler has held directorships in several public companies and from 1981 until 1989 founded and operated four public resource companies.

### **Audit Committee Oversight**

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

### **Reliance on Certain Exemptions**

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions in Sections 2.4, 6.1.1(4), 6.1.1(5), or 6.1.1(6) or Part 8 of NI 52-110. Section 2.4 (*De Minimis Non-audit Services*) provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Sections 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), 6.1.1(5) (*Events Outside Control of Member*) and 6.1.1(6) (*Death, Incapacity or Resignation*) provide exemptions from the requirement that a majority of the members of the Company's Audit Committee must not be executive officers, employees or control persons of the Company or of an affiliate of the Company. Part 8 (*Exemptions*) permits a company to apply to a securities regulatory authority or regulator for an exemption from the requirements of National Instrument 52-110 in whole or in part.

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

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as set out in the Audit Committee Charter of the Company. The text of the Audit Committee Charter is attached to this Information Circular as Schedule A.

### **External Auditor Service Fees**

In the following table, "audit fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit review of the Company's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax

compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The aggregate fees billed by the Company's external auditor in the financial years ended March 31, 2017 and 2016 with respect to the Company, by category, are as follows:

<b>Financial Year Ended March 31</b>	<b>Audit Fees</b>	<b>Audit Related Fees</b>	<b>Tax Fees</b>	<b>All Other Fees</b>
2017	\$7,000	Nil	Nil	\$7,000
2016	\$7,140	Nil	Nil	\$7,140

### **Exemption**

The Company is relying on the exemption provided by section 6.1 of NI 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

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

No current or former director, executive officer, employee, or proposed nominee for election as a director, or associate of such person is, or at any time during the most recently completed financial year has been, indebted to the Company.

No indebtedness of a current or former director, executive officer, employee, or proposed nominee for election as a director, or associate of such person to another entity is, or at any time during the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

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

Except as otherwise disclosed herein, no (a) director, proposed director or executive officer of the Company; (b) person or company who beneficially owns, directly or indirectly, Shares or who exercises control or direction of Shares, or a combination of both carrying more than ten percent of the voting rights attached to the Shares outstanding (an "Insider"); (c) director or executive officer of an Insider; or (d) associate or affiliate of any of the directors, executive officers or Insiders, has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company, except with an interest arising from the ownership of Shares where such person will receive no extra or special benefit or advantage not shared on a pro rata basis by all holders of the same class of Shares.

Pursuant to an agreement dated February 14, 2011 as amended on June 3, 2011, January 15, 2013 and January 13, 2014 (the "**Hot Agreement**") between the Company and Joseph Texas Lawrence, John David Ostler and Bruce Mack Squinas (collectively, the "**Optionor**"), the Company was granted an option (the "**Option**") by the Optionor to acquire a 100% interest in ten mineral claims called the "**Hot Property**". One of the persons making up the Optionor is John Ostler, a director of the Company. Pursuant to the Hot Agreement, the Company was required to pay \$15,000 and issue 450,000 Shares as follows:

<b>Date</b>	<b>Cash</b>	<b>Shares</b>
February 14, 2011	\$15,000	
Listing Date on the TSXV		150,000
First anniversary of the Listing Date on the TSXV		150,000
Second Anniversary of the Listing Date on the TSXV		150,000

The Hot Agreement is an option only and may be terminated at any time by the Company. The Hot Agreement may also be terminated by the Optionor if the Company is in default of its obligations and fails to cure the default after 30 days' notice of default. The Company is required to maintain the claims in good standing and keep them free of liens and charges. The Company is also to record all exploration work as assessment work, give access to the Hot Property to the Optionor, do all work on the Hot Property in a good and workmanlike fashion in accordance with applicable laws, indemnify the Optionor in respect of costs arising out of the Company's activities on the Hot Property and deliver to the Optionor copies of all reports, maps, assay results and other technical data with respect to the Hot Property.

If the Option is terminated before the expiration of the option period, the Company must leave the Hot Property in good standing for a period of 12 months after termination of the Option and deliver its exploration records to the Optionor. The Company can assign its interest in the Hot Agreement with the consent of the Optionor.

#### **MANAGEMENT CONTRACTS**

There were no management functions of the Company which were, to any substantial degree, performed by a person other than the directors or executive officers of the Company.

#### **CORPORATE GOVERNANCE**

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101"), the Company is required to disclose its corporate governance practices. The Company's corporate governance practices are attached as Schedule B to this Information Circular.

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

Except as disclosed elsewhere in this Information Circular, no director or executive officer of the Company who was a director or executive officer since the beginning of the Company's last financial year, each proposed nominee for election as a director of the Company, or any associate or affiliates of any such directors, officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of Shares or other securities in the Company or otherwise, in any matter to be acted upon at the Meeting other than the election of directors and the grant of options which may be granted to such persons upon the approval of the Plan as discussed below.

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

##### **Approval of Stock Option Plan**

The Plan was adopted by the Board on October 15, 2013. The purpose of the Plan is to advance the interests of the Company and its Shareholders by attracting, retaining and motivating the performance

of selected directors, officers, employees or consultants of the Company and to encourage and enable such persons to acquire and retain a proprietary interest in the Company by ownership of its stock. The Plan is a “rolling stock option plan” which provides that, subject to the requirements of the TSXV, the aggregate number of Shares that may be issued pursuant to options granted under the Plan and existing options may not exceed 10% of the number of issued Shares of the Company at the time of the granting of options under the Plan. As at the date hereof, there are 900,000 options outstanding under the Plan.

The Plan is subject to the annual approval of the Company’s Shareholders and the TSXV, and the rules of the TSXV. At the Meeting, Shareholders will be asked to ratify, confirm and approve the Plan. The following information is intended as a brief description of the Plan and is qualified in its entirety by the full text of the Plan, a copy of which is attached as Schedule C to this Information Circular. Capitalized terms not previously defined have the meanings in the Plan.

1. The Plan will be administered by the Board who will have the full authority and sole discretion to grant Options under the Plan to any Eligible Optionees.
2. Options granted to any one individual in any 12-month period cannot exceed more than 5% of the issued Shares, unless the Company has obtained disinterested shareholder approval.
3. Options granted to any one consultant in any 12-month period cannot exceed more than 2% of the issued Shares.
4. Options granted to all persons, in aggregate, conducting investor relations activities in any 12-month period cannot exceed more than 2% of the issued Shares.
5. Options granted to Insiders in any 12-month period cannot exceed 10% of the issued Shares unless the Company has obtained disinterested shareholder approval.
6. The Board shall establish the exercise price at the time each Option is granted, which will not be less than the minimum prevailing price permitted by TSXV policies.
7. The Company will obtain disinterested shareholder approval for any reduction in the exercise price of any Option granted to an Insider.
8. Options granted under the Plan will be exercisable for a maximum of 10 years from the date of grant.
9. The expiry date of each Option will be automatically extended if the expiry date falls within a period during which the Company prohibits Optionees from exercising their Options, provided that:
  - (a) the blackout period has been formally imposed by the Company pursuant to its internal trading policies as a result of the bona fide existence of undisclosed Material Information (as defined in the policies of the TSXV). For greater certainty, in the absence of the Company formally imposing a blackout period, the expiry date of any options will not be automatically extended in any circumstances;

- (b) the blackout period expires upon the general disclosure of the undisclosed Material Information and the expiry date of the affected options is extended to no later than 10 business days after the expiry of the blackout period; and
  - (c) the automatic extension will not be permitted where the Optionee or the Company is subject to a cease trade order (or similar order under applicable securities laws) in respect of the Company's securities.
10. The Company may withhold or request the applicable tax remittance from an Optionee when they exercise their Option.
  11. Options granted to directors, employees or consultants will vest when granted unless determined by the Board on a case by case basis, other than Options granted to consultants performing investor relations activities, which will vest in stages over 12 months with no more than one quarter of the Options vesting in any three month period.
  12. If an Optionee ceases to be a director, employee or consultant of the Company (other than by reason of death or termination of services for cause), or if an Optionee resigns, as the case may be, then any vested Options will expire within a reasonable time but will not exceed 12 months from the Cessation Date.
  13. If a director, employee or consultant of the Company is terminated for cause, then any Option granted to the option holder will terminate immediately on the Cessation Date.
  14. If an Optionee dies, the holder's lawful personal representatives, heirs or executors may exercise any Option granted to the holder that had vested and was exercisable on the date of death until the earlier of the expiry date and one year after the date of death of the holder.
  15. If an Optionee conducting investor relations activities as a consultant ceases to be an Eligible Optionee, any options granted to such holder that were exercisable and had vested on the date of termination will be exercisable until the earlier of the expiry date and the date that is 30 days after the Cessation Date.
  16. Options granted under the Plan shall not be assignable or transferable by an option holder.

The Plan provides that other terms and conditions may be attached to a particular option at the discretion of the Board.

At the Meeting, Shareholders will be asked to approve the following ordinary resolution (the "**Plan Resolution**"), which must be approved by at least a majority of the votes cast by Shareholders represented in person or by proxy at the Meeting who vote in respect of the Plan Resolution:

"RESOLVED, AS AN ORDINARY RESOLUTION THAT:

1. The Company's stock option plan (the "**Plan**"), as set forth in the Company's Information Circular dated September 25, 2017, including the reservation for issuance under the Plan at any time of a maximum of 10% of the issued common shares of the Company, be and is hereby ratified, confirmed and approved,

subject to the acceptance of the Plan by the TSX Venture Exchange (the “TSXV”);

2. The Company’s board of directors be authorized in its absolute discretion to administer the Plan and amend or modify the Plan in accordance with its terms and conditions and with the policies of the TSXV; and
3. Any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver, under the corporate seal of the Company or otherwise, all such deeds, documents, instruments and assurances as in his or her opinion may be necessary or desirable to give effect to the foregoing resolutions, including, without limitation, making any changes to the Plan required by the TSXV or applicable securities regulatory authorities and to complete all transactions in connection with the administration of the Plan.”

The form of the Plan Resolution set forth above is subject to such amendments as management may propose at the Meeting, but which do not materially affect the substance of the Plan Resolution.

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

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Company at its office by mail at #200 – 905 W. Pender Street, Vancouver, BC V6C 1L2, to request copies of the Company’s financial statements and related Management’s Discussion and Analysis (the “MD&A”). Financial information is provided in the Company’s comparative annual financial statements and MD&A for its most recently completed financial year ended March 31, 2017.

#### **OTHER MATTERS**

Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. However, if any other matters that are not known to management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgment.

**APPROVAL OF THE BOARD OF DIRECTORS**

The contents of this Information Circular have been approved and the delivery of it to each Shareholder of the Company entitled thereto and to the appropriate regulatory agencies has been authorized by the Board.

DATED at Vancouver, British Columbia, this 25th day of September, 2017.

By Order of the Board of Directors of

**XANDER RESOURCES INC.**

*"Bryce Clark"*

\_\_\_\_\_  
Bryce Clark  
Chief Executive Officer and Director

**SCHEDULE A**  
**AUDIT COMMITTEE CHARTER**

**I. Mandate and Purpose of the Committee**

The Audit Committee (the “**Committee**”) of the board of directors (the “**Board**”) of Xander Resources Inc. (the “**Company**”) is a standing committee of the Board whose primary function is to assist the Board in fulfilling its oversight responsibilities relating to:

- (a) the integrity of the Company’s financial statements;
- (b) the Company’s compliance with legal and regulatory requirements, as they relate to the Company’s financial statements;
- (c) the qualifications, independence and performance of the Company’s auditor;
- (d) internal controls and disclosure controls;
- (e) the performance of the Company’s internal audit function; and
- (f) performing the additional duties set out in this Charter or otherwise delegated to the Committee by the Board.

**II. Authority**

The Committee has the authority to:

- (a) engage and compensate independent counsel and other advisors as it determines necessary or advisable to carry out its duties; and
- (b) communicate directly with the Company’s auditor.

The Committee has the authority to delegate to individual members or subcommittees of the Committee.

**III. Composition and Expertise**

The Committee shall be composed of a minimum of three members, each whom is a director of the Company. The Committee shall be comprised of members, a majority of whom are not officers, employees or Control Persons (as such term is defined in the policies of the TSX Venture Exchange) of the Company. Committee members shall be appointed annually by the Board at the first meeting of the Board following each annual meeting of shareholders. Committee members hold office until the next annual meeting of shareholders or until they are removed by the Board or cease to be directors of the Company.

The Board shall appoint one member of the Committee to act as Chair of the Committee. If the Chair of the Committee is absent from any meeting, the Committee shall select one of the other members of the Committee to preside at that meeting.

#### **IV. Meetings**

Any member of the Committee or the auditor may call a meeting of the Committee. The Committee shall meet at least four times per year and as many additional times as the Committee deems necessary to carry out its duties. The Chair shall develop and set the Committee's agenda, in consultation with other members of the Committee, the Board and senior management.

Notice of the time and place of every meeting shall be given in writing to each member of the Committee, at least 72 hours (excluding holidays) prior to the time fixed for such meeting. The Company's auditor shall be given notice of every meeting of the Committee and, at the expense of the Company, shall be entitled to attend and be heard thereat. If requested by a member of the Committee, the Company's auditor shall attend every meeting of the Committee held during the term of office of the Company's auditor.

A majority of the Committee shall constitute a quorum. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present in person or by means of such telephonic, electronic or other communications facility that permits all persons participating in the meeting to communicate adequately with each other during the meeting.

The Committee may invite such directors, officers and employees of the Company and advisors as it sees fit from time to time to attend meetings of the Committee.

The Committee shall meet without management present whenever the Committee deems it appropriate.

The Committee shall appoint a Secretary who need not be a director or officer of the Company. Minutes of the meetings of the Committee shall be recorded and maintained by the Secretary and shall be subsequently presented to the Committee for review and approval.

#### **V. Committee and Charter Review**

The Committee shall conduct an annual review and assessment of its performance, effectiveness and contribution, including a review of its compliance with this Charter. The Committee shall conduct such review and assessment in such manner as it deems appropriate and report the results thereof to the Board.

The Committee shall also review and assess the adequacy of this Charter on an annual basis, taking into account all legislative and regulatory requirements applicable to the Committee, as well as any guidelines recommended by regulators or the TSX Venture Exchange and shall recommend changes to the Board thereon.

#### **VI. Reporting to the Board**

The Committee shall report to the Board in a timely manner with respect to each of its meetings held. This report may take the form of circulating copies of the minutes of each meeting held.

## **VII. Duties and Responsibilities**

### **(a) Financial Reporting**

The Committee is responsible for reviewing and recommending approval to the Board of the Company's annual and interim financial statements, MD&A and related news releases, before they are released.

The Committee is also responsible for:

- (i) being satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure referred to in the preceding paragraph, and for periodically assessing the adequacy of those procedures;
- (ii) if deemed appropriate by the Committee, engaging the Company's auditor to perform a review of the interim financial statements and receiving from the Company's auditor a formal report on the auditor's review of such interim financial statements;
- (iii) discussing with management and the Company's auditor the quality of applicable accounting principles and financial reporting standards, not just the acceptability thereof;
- (iv) discussing with management any significant variances between comparative reporting periods; and
- (v) in the course of discussion with management and the Company's auditor, identifying problems or areas of concern and ensuring such matters are satisfactorily resolved.

### **(b) Auditor**

The Committee is responsible for recommending to the Board:

- (i) the auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company; and
- (ii) the compensation of the Company's auditor.

The Company's auditor reports directly to the Committee. The Committee is directly responsible for overseeing the work of the Company's auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the Company's auditor regarding financial reporting.

(c) **Relationship with the Auditor**

The Committee is responsible for reviewing the proposed audit plan and proposed audit fees. The Committee is also responsible for:

- (i) establishing effective communication processes with management and the Company's auditor so that it can objectively monitor the quality and effectiveness of the auditor's relationship with management and the Committee;
- (ii) receiving and reviewing regular feedback from the auditor on the progress against the approved audit plan, important findings, recommendations for improvements and the auditor's final report;
- (iii) reviewing, at least annually, a report from the auditor on all relationships and engagements for non-audit services that may be reasonably thought to bear on the independence of the auditor; and
- (iv) meeting in camera with the auditor whenever the Committee deems it appropriate.

(d) **Accounting Policies**

The Committee is responsible for:

- (i) reviewing the Company's accounting policy note to ensure completeness and acceptability with applicable accounting principles and financial reporting standards as part of the approval of the financial statements;
- (ii) discussing and reviewing the impact of proposed changes in accounting standards or securities policies or regulations;
- (iii) reviewing with management and the auditor any proposed changes in major accounting policies and key estimates and judgments that may be material to financial reporting;
- (iv) discussing with management and the auditor the acceptability, degree of aggressiveness/conservatism and quality of underlying accounting policies and key estimates and judgments; and
- (v) discussing with management and the auditor the clarity and completeness of the Company's financial disclosures.

(e) **Risk and Uncertainty**

The Committee is responsible for reviewing, as part of its approval of the financial statements:

- (i) uncertainty notes and disclosures; and
- (ii) MD&A disclosures.

The Committee, in consultation with management, will identify the principal business risks and decide on the Company's "appetite" for risk. The Committee is responsible for reviewing related risk management policies and recommending such policies for approval by the Board and, once approved by the Board, overseeing the implementation and ongoing monitoring of such policies.

The Committee is responsible for requesting the auditor's opinion of management's assessment of significant risks facing the Company and how effectively they are managed or controlled.

**(f) Controls and Control Deviations**

The Committee is responsible for reviewing:

- (i) the plan and scope of the annual audit with respect to planned reliance and testing of controls; and
- (ii) major points contained in the auditor's management letter resulting from control evaluation and testing.

The Committee is also responsible for receiving reports from management when significant control deviations occur.

**(g) Compliance with Laws and Regulations**

The Committee is responsible for reviewing regular reports from management and others (e.g. auditors) concerning the Company's compliance with financial related laws and regulations, such as:

- (i) tax and financial reporting laws and regulations;
- (ii) legal withholdings requirements;
- (iii) environmental protection laws; and
- (iv) other matters for which directors face liability exposure.

**VIII. Non-Audit Services**

All non-audit services to be provided to the Company or its subsidiary entities by the Company's auditor must be pre-approved by the Committee.

**IX. Submission Systems and Treatment of Complaints**

The Committee is responsible for establishing procedures for:

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

The Company has adopted a Code of Business Conduct and Ethics (the “Code”) and a Whistle Blower Policy (the “Policy”) (a copy of the Policy is attached as Appendix A to this Charter), which provides for the reporting and treatment of complaints and concerns. The Committee is responsible for reviewing complaints and concerns that are brought to the attention of the Chair of the Audit Committee in accordance with the provisions of the Code and the Policy and for ensuring that any such complaints and concerns are appropriately addressed. The Committee shall report quarterly to the Board on the status of any complaints or concerns received by the Committee.

## **X. Hiring Policies**

The Committee is responsible for reviewing and approving the Company’s hiring policies regarding partners, employees and former partners and employees of the present and former auditor of the Company.

## Code Of Business Conduct And Ethics

### XI. Purpose and Application

The board of directors (the “**Board**”) of Xander Resources Inc. (the “**Company**”) has adopted this Code of Business Conduct and Ethics (the “**Code**”), which is designed to provide guidance on the conduct of the Company’s business in accordance with high ethical standards. As a public company, the Company must not only conduct, but must also be seen to conduct, its business in accordance with such high ethical standards.

The Code constitutes written standards that are reasonably designed to promote integrity and to deter wrongdoing. The provisions of this Code are mandatory.

The Code applies to every director, officer and employee of the Company and its direct or indirect subsidiaries (collectively “**Company Personnel**”). For the purposes of this Code, the term “**employee**” includes contractors and consultants who provide services to the Company or who act as the Company’s representative in dealings with third parties.

Company Personnel are expected to:

- ▶ Understand the requirements of his or her position, including Company expectations and applicable governmental rules and regulations.
- ▶ Comply with this Code and all applicable laws, rules and regulations.
- ▶ Report any violation of this Code of which he or she becomes aware.
- ▶ Be accountable for complying with this Code.

### XII. Compliance

The Company expects all Company Personnel to adhere to high standards of personal and professional integrity and to avoid any conduct that might reflect unfavourably upon himself or herself, other Company Personnel or upon the Company. The Company’s business goals are important and demanding, but these goals must be achieved honestly and ethically. Action or failure of action in contravention of the Code may be considered as unauthorized and outside the course of employment, and the Company may not indemnify Company Personnel for their costs that arise out of such conduct.

Company Personnel who have executive or managerial responsibilities are expected to ensure that the provisions of this Code are communicated to Company Personnel reporting to him or her.

Company Personnel are expected to comply with all aspects of this Code and to support others in doing so. In the event that Company Personnel violate this Code, other policies and procedures or any of the laws and regulations that govern the Company’s business, the Company will take immediate and appropriate action up to and including termination of employment or contract, claims for reimbursement of losses or damages, and reference to authorities.

The Board is responsible for monitoring compliance with the Code. A waiver of this Code will be granted only in exceptional circumstances and will be granted by the Board only.

### **XIII. Compliance with Laws**

The Company and Company Personnel are expected to comply with all legal requirements applicable to the Company's business. Ignorance of the law is not a defense. Moreover, agreements or arrangements need not necessarily be in writing for contravention to be inferred from the conduct of the parties. If this Code does not cover a particular situation or if the application or interpretation of a local law is uncertain, or in circumstances where the proper course of ethical conduct is unclear, Company Personnel should seek the assistance of their supervisor who, if necessary, should seek competent local legal advice or, if necessary, the advice of the Company's counsel. If there is insufficient time to obtain such advice, Company Personnel should conduct themselves in a manner they would not hesitate to have fully publicly disclosed. Supervisors, on learning of any contravention of this Code, shall take appropriate corrective action.

### **XIV. Conflicts of Interest**

A "conflict of interest" exists whenever an individual's private interests interfere or conflict in any way (or even appear to interfere or conflict) with the interests of the Company. Company Personnel must act honestly and in good faith, with a view to the best interests of the Company. Company Personnel must avoid all situations in which their personal interests conflict with or might appear to conflict with their duties to the Company.

The Company's basic policy is that, though Company Personnel are entitled to privacy in their personal affairs, Company Personnel have a duty to be free of those outside interests, activities and influences which might impair the exercise of their independent judgment, fiduciary responsibility, initiative or efficiency in acting for the Company, or expose Company Personnel to legal liability or public criticism.

If a director or officer of the Company has a material interest, either directly or indirectly, in any transaction or agreement that the Company proposes to enter into, such director or officer shall comply with the applicable laws, rules and policies which govern "conflicts of interest" in connection with such transaction or agreement. In addition, such director or officer shall disclose in writing the nature and extent of such interest in advance of any related Board or committee meeting and shall recuse himself or herself from any meeting at which the matter is discussed.

A director or officer will be deemed to have a material interest in any transaction or agreement which the Company proposes to enter into if such transaction or agreement is with an entity in which the director or officer has a material financial interest (as defined below) or with which the director or officer has a "material relationship". A material relationship is a relationship which could be reasonably expected to interfere with the exercise of an individual's independent judgement and will be presumed to exist in the situations described in Section 1.4 of NI 52-110 – *Audit Committees* as they relate to the other entity, including where the individual is an employee or executive officer of the other entity with which the Company proposes to transact.

Other potential conflicts of interest are so varied that it is impracticable to establish universal criteria in this Code as to what constitutes a prohibited conflict of interest. Set forth below are examples of the types of situations which could indicate a conflict of interest:

- ▶ **Financial Interest:** Company Personnel and their families (including spouse, children or spouse equivalent residing together) shall not own, control or hold a material financial interest in any business entity that does or seeks to do business with, or is in competition with the Company, unless prior written approval has been obtained from the Board of Directors in the case of directors or officers of the Company, or from the President and CEO in the case of all other Company Personnel, which approval shall only be given if it will not result in a detriment to the Company. A material financial interest will be presumed where ownership is in excess of 5% of the entity.
- ▶ **Outside Activities:** Company Personnel must ensure that any outside business or activity does not present a real or perceived conflict with the interests of the Company.
- ▶ **Outside Directorships:** Outside directorships are permitted with the approval of the Board in the case of officers, and with the approval of the President and CEO in the case of other employees. Any officer or employee accepting an approved outside directorship must ensure that such activity does not deprive the Company of the time and attention required of such officer or employee to perform his or her duties properly, and must be aware of any potential for conflicts with the interests of the Company.

## **XV. Fair Dealing**

All customers, suppliers and independent contractors purchasing or furnishing goods and services must be dealt with fairly. Decisions to hire a subcontractor or source materials from a particular vendor must be made on the basis of objective criteria such as quality, reliability, technical experience, price, delivery, service and maintenance of adequate sources of supply.

Company Personnel shall not take unfair advantage of anyone, including the Company's security holders, customers, suppliers, competitors and employees, through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice.

## **XVI. Gifts and Entertainment**

Company Personnel must be prudent in offering or accepting gifts (including tickets to sporting, recreational or other events) to or from a person or entity with which the Company does or seeks to do business.

Modest gifts, reasonable entertainment and other courtesies may be extended by appropriate Company Personnel to persons or entities doing business or otherwise having dealings with the Company if such activity can be justified to further the Company's best interests. No gift or entertainment should be of such value as to constitute a real personal enrichment of the recipient. Public scrutiny of the gift, entertainment or courtesy should not be embarrassing to or reflect unfavourably upon the Company or the recipient.

Company Personnel are prohibited from soliciting or receiving any gift, loan, reward or benefit from a supplier or other individual or entity that does or seeks to do business with, or is a competitor of, the Company. This prohibition does not extend to accepting modest gifts, favours or entertainment provided that no such gift, favour or entertainment is of such nature as might affect, or reasonably be thought by others to affect, the person's judgment or conduct in matters involving the Company.

## **XVII. Dealings with Officials**

All dealings between Company Personnel and public or private officials must be conducted in a manner that will not compromise the integrity, or place in question, the reputation of the Company or such officials. No unlawful or otherwise improper payment or gift is to be made or offered with a view to assisting the Company in obtaining or retaining business, affecting the enactment or enforcement of any laws, or otherwise to obtain favours.

No employee or officer may offer improper payments when acting on behalf of the Company. Company funds must not be used to make payment or provide anything of value, directly or indirectly (through agents or otherwise), in money, property, services or any other form to a government official, political party or candidate for political office in consideration for the recipient agreeing to:

- ▶ exert influence to assist the Company in obtaining or retaining business or securing any advantage; or
- ▶ commit any act in violation of a lawful duty or otherwise influence an official act.

If Company Personnel are in doubt about the legitimacy of a payment, such situations should be immediately referred to the Chair of the Audit Committee.

## **XVIII. Community and Local Public Relations**

Community and local public relations shall always be conducted with integrity and sensitivity to others with the intent to build an image that will facilitate the Company's ability to achieve its goals while providing cooperation and support to its neighbours and host governments, as appropriate. Where appropriate, the Company may provide physical and/or financial assistance, on a local basis, to develop a cooperative relationship with its neighbours by active involvement in public works, education, medical and health services and other non-political matters where the Company's resources can compliment local operations and activities.

## **XIX. Confidential Information**

Confidential information is information that is not known to the general public and includes technical, commercial and financial information and all intellectual property of the Company.

Company Personnel must protect the confidentiality of information concerning the Company and its business activities, as well as that of companies having business dealings with the Company. Confidential information may not be given or released without proper authority and appropriate protection to anyone not employed by the Company or to Company Personnel who have no need for such information.

Company Personnel are prohibited from trading or encouraging others to trade in the securities of the Company where the person trading is in possession of material non-public information.

## **XX. Use of Corporate Assets and Opportunities**

All Company Personnel are responsible for protecting the Company's assets against loss from unauthorized or improper use or disposition:

- ▶ **Use of Resources:** Resources, including Company time, materials, supplies, equipment, information, electronic mail and computer systems, are generally only to be used for Company purposes.
- ▶ **Use of Internet and Email:** Company computer resources and networks are provided for Company-related business purposes. Excessive personal use is inappropriate. Use of Company computer resources to view, retrieve or send sexually-related or pornographic messages or material, violent or hate-related messages or material, bigoted, racist or other offensive messages or other messages or material related to illegal activities is strictly prohibited.
- ▶ **Use of Company Name:** Company Personnel must not use their employment status to obtain personal gain from those doing or seeking to do business with the Company. Company Personnel may not use the Company's name or purchasing power to obtain personal discounts or rebates unless the discounts are made available to all Company Personnel.
- ▶ **Patents and Inventions:** Inventions, discoveries and patented or copyright material, made or developed by Company Personnel in the course of, and relating to, their employment with the Company are the property of the Company unless a written release is obtained or covered by contract.
- ▶ **Corporate Opportunities:** Company Personnel may not appropriate for themselves Company property or a business opportunity that has arisen through the use of Company property, information or by virtue of their position with the Company.

## **XXI. Health, Safety and Environment**

The Company is committed to providing a safe and healthy working environment and protecting the public interest with standards and programs that meet or exceed industry standards and applicable government codes, standards and regulations in all jurisdictions in which it does business. All Company operations are to be conducted in a manner that protects the health and safety of Company Personnel and people in the communities where the Company operates. Employees must be aware of the safety issues and policies that affect their job, other employees and the community in general. Managers, upon learning of any circumstance affecting the health and safety of the workplace or the community, must act immediately to address the situation. Employees must immediately advise their managers of any workplace injury or any circumstance presenting a dangerous situation to them, other co-workers or the community in general, so that timely corrective action can be taken.

The Company is committed to sound environmental management. It is the intent of the Company to conduct itself in partnership with the environment and community at large as a responsible and caring corporate citizen. The Company is committed to managing all phases of its business in a manner that minimizes any adverse effects of its operations on the environment.

## **XXII. Employment Practices**

The Company is committed to a workplace environment where Company Personnel are treated with dignity, fairness and respect. All Company Personnel have the right to work in an atmosphere that provides equal employment opportunities and is free of discriminatory practices and illegal harassment. The Company is committed to actions and policies to assure fair employment, including equal treatment in hiring, promotion, training, compensation, termination and corrective action and will not tolerate discrimination by its employees and agents.

The Company will not tolerate harassment of its employees, customers or suppliers in any form.

## **XXIII. Books and Records**

The Company's books, records and accounts are to reflect accurately, fairly and in reasonable detail, all transactions in accordance with the highest standards of integrity and applicable accounting standards.

Appropriate records must be kept of all transactions and there are to be no cash funds, bank accounts, investments or other assets, which are either not recorded or inadequately recorded on the books. No payment is to be approved without adequate supporting documentation.

Business documents and records (voice, paper and electronic) are to be retained in accordance with applicable law and the Company's record retention practices.

Individuals and entities with whom the Company deals may request that commissions, service fees and other amounts be remitted to third persons or bank accounts in third countries. Such payments may only be made if: (i) the amount payable does not arise from artificial additions to normal pricing; (ii) payment is authorized in writing by the individual or entity earning the commission, fee or other amounts; (iii) payment is made to the same individual or entity to which it is owed or to an affiliate under common ownership, and (iv) payment will not violate applicable law.

Frank disclosure is to be made to all reasonable enquiries of the Company's auditors and legal advisors.

## **XXIV. Reporting Contraventions of the Code**

Company Personnel are responsible for being aware of, understanding and complying with this Code. Company Personnel must promptly report any problems or concerns and any actual or potential violation of this Code. To do otherwise, will be viewed as condoning a violation of this Code.

There shall be no reprisal or other action taken against any Company Personnel who, in good faith, bring forward concerns about actual or potential violations of laws or the Code. Anyone engaging in any form of retaliatory conduct will be subject to disciplinary action, which may include termination.

Problems and concerns, including any actual or potential violation of this Code, should be reported immediately in accordance with the Company's Whistleblower Policy. Reports may be made anonymously.

## **XXV. Consequences of Violating this Code**

Failure to comply with this Code will be considered by this Company to be a very serious matter. Depending on the nature and severity of the violation, disciplinary action may be taken by the Company, up to and including termination. In addition, the Company may make claims for reimbursement of losses or damages and may refer this matter to the authorities. Anyone who fails to report a violation upon discovery or otherwise condones the violation of this Code may also be subject to disciplinary action.

## **SCHEDULE B**

### **CORPORATE GOVERNANCE POLICIES**

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the Shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company.

National Policy 58-201 *Corporate Governance Guidelines* (“**NP 58-201**”) establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices. The Board is committed to sound corporate governance practices and feels that the Company’s corporate governance practices are appropriate and effective for the Company given its current size.

Pursuant to NI 58-101 the Company is required to disclose its corporate governance practices, which are summarized below.

#### **Composition of the Board**

The Board is currently composed of Zahara Kanji-Aquino, Bryce Clark, John Ostler and Marsha Panar. NP 58-201 suggests that the board of directors of a public company should be constituted of a majority of individuals who qualify as “independent” directors. An “independent” director is a director who is independent of management and is free from any interest and any business or other relationship which could, or could reasonably be perceived to materially interfere with the director’s ability to act with a view to the best interests of the company, other than interests and relationships arising from shareholding.

Marsha Panar is considered by the Board to be “independent” within the meaning of NI 58-101. Bryce Clark and Zahara Kanji-Aquino are executive officers of the Company and John Ostler has an interest in the Hot Agreement and accordingly are considered to be “non-independent”.

#### **Board Mandate**

The Board plans to meet for formal board meetings on an as needed basis to review and discuss the Company’s business activities and to consider and if thought fit, to approve matters presented to the Board for approval, and to provide guidance to management. In addition, management will informally provide updates to the Board at least once per quarter between formal meetings. In general, management consults with the Board when deemed appropriate to keep it informed regarding the Company’s affairs.

The Board will facilitate the exercise of independent supervision over management through these various meetings. At present, the Board does not have any formal committees other than its Audit Committee.

When necessary, the Board will strike a special committee of independent directors to deal with matters requiring independence. The composition of the Board is such that the independent directors have experience in business affairs and, as a result, these directors are able to provide independent supervision over management.

In the event of a conflict of interest at a meeting of the Board, the conflicted director will in accordance with corporate law and in accordance with his/her fiduciary obligations as a director of the Company, disclose the nature and extent of the interest to the other directors and abstain from voting on any matter in which the conflicted director has declared an interest.

### **Directorships**

The following table lists the directorships of other reporting issuers that are held by the directors as at the date of this Information Circular:

<b>Director Name</b>	<b>Name of Reporting Issuer</b>	<b>Market</b>	<b>Positions Held with Issuer</b>
Bryce Clark	AsiaBaseMetals Inc.	TSXV	Director
Zahara Kanji-Aquino	Megastar Development Corp Universal Ventures Inc.	TSXV TSXV	CFO Director
John Ostler	None		
Marsha Panar	None		

### **Orientation and Continuing Education**

The Company has not yet developed an official orientation or training program for new directors. As required, new directors will have the opportunity to become familiar with the Company by meeting with the other directors and with officers and employees. Orientation activities will be tailored to the particular needs and experience of each director and the overall needs of the Board.

### **Ethical Business Conduct**

The Board has adopted a Code of Business Conduct and Ethics on October 15, 2013 (the “**Code**”) to monitor the ethical conduct of the Company and ensure that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Code governs the fiduciary duties placed on individual directors as well as the restrictions on the individual director's participation in decisions of the Board in which the director has an interest, in compliance with the Company's governing corporate legislation and the common law to ensure that the Board operates independently of management and in the best interests of the Company. A copy of the Code is included with the Audit Committee Charter which is attached to this Information Circular as Schedule A.

### **Nomination of Directors**

The Board does not have a nominating committee. The full Board will be involved in nomination of new candidates for Board positions. Board members will be asked for recommendations of people that they know of or have heard of that would contribute to the success of the Company if added to the Board.

### **Compensation**

The Company does not have a compensation committee as the Board is responsible for determining all forms of compensation, including long-term incentive in the form of stock options, to be granted to the senior officers and directors of the Company. The independent Board members review the compensation of the senior officers to ensure that it is competitive and to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation

of its senior officers, the Board considers: (i) recruiting and retaining executives critical to the success of the Company and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and the Company's shareholders; and (iv) rewarding performance, both on an individual basis and with respect to operations in general.

### **Board Committees**

The Board has no committees other than the Audit Committee. See "Audit Committee Disclosure."

### **Assessments**

Any committee of the Board and individual directors will be assessed on an ongoing basis by the Board. The Board has not, as yet, adopted formal procedures for assessing the effectiveness of the Board, its committees or individual directors.

**SCHEDULE C  
STOCK OPTION PLAN**

**ARTICLE 1  
PURPOSE**

- 1.1 The purpose of this stock option plan (the "Stock Option Plan") is to authorize the grant to directors, officers, employees and other service providers of Xander Resources Inc. ("Xander" or the "Company") incentive stock options to purchase common shares in the capital of Xander and thus benefit Xander. This will allow Xander to attract, retain and motivate service providers by providing them with the opportunity, through share purchase options, to acquire an increased proprietary interest in Xander.

**ARTICLE 2  
INTERPRETATION**

- 2.1 In this Stock Option Plan, in addition to terms which are parenthetically defined, the following terms shall have the following meanings respectively:

- (a) "Associate" has the meaning ascribed thereto in the *Securities Act* (British Columbia);
- (b) "Board" means the board of directors of Xander;
- (c) "Cessation Date" means the date an Optionee ceases to be an Eligible Optionee;
- (d) "Change of Control" includes situations where after giving effect to the contemplated transaction and as a result of such transaction:
  - (i) any one Person holds a sufficient number of voting shares of Xander or resulting company to affect materially the control of Xander or resulting company, or,
  - (ii) any combination of Persons, acting in concert by virtue of an agreement, arrangement, commitment or understanding, hold in total a sufficient number of voting shares of Xander or its successor to affect materially the control of Xander or its successor,

where such Person or combination of Persons did not previously hold a sufficient number of voting shares to affect materially control of Xander or its successor. In the absence of evidence to the contrary, any Person or combination of Persons acting in concert by virtue of an agreement, arrangement, commitment or understanding, holding more than 20% of the voting shares of Xander or its successor is deemed to materially affect the control of Xander or its successor;

- (e) "Change of Management" means:
  - (i) a reconstitution of the board of directors of Xander so that the majority of the board of directors is comprised of Persons who were not members of the board of directors before the reconstitution; or,

- (ii) a reconstitution in both the senior management and the board of directors of Xander so that the control and direction over Xander's business and affairs is predominantly in the hands of Persons who, before the reconstitution, were not senior officers or directors of Xander;
- (f) "Common Shares" means common shares in the capital of Xander;
- (g) "Consultant" means, in relation to Xander or its Subsidiaries, an individual or Consultant Company, other than an Employee or a Director of Xander, that:
  - (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to Xander or a Subsidiary of Xander, other than services provided in relation to a distribution;
  - (ii) provides the services under a written contract between Xander or a Subsidiary of Xander and the individual or the Consultant Company;
  - (iii) in the reasonable opinion of Xander, spends or will spend a significant amount of time and attention on the affairs and business of Xander or a Subsidiary of Xander; and
  - (iv) has a relationship with Xander or a Subsidiary of Xander that enables the individual to be knowledgeable about the business and affairs of Xander;
- (h) "Consultant Company" means for an individual consultant, a company or partnership of which the individual is an employee, shareholder or partner;
- (i) "Director" means a director or senior officer of Xander or its Subsidiaries;
- (j) "Eligible Optionee" means:
  - (i) a Director or Employee of Xander or its Subsidiaries;
  - (ii) a Consultant; or
  - (iii) a Management Company Employee;provided that an exemption from the registration and prospectus requirements under the applicable securities legislation is available to Xander;
- (k) "Employee" means:
  - (i) an individual who is considered an employee of Xander or its Subsidiaries under the *Income Tax Act* (Canada) (i.e. for whom income tax, employment insurance and CPP deductions must be made at source);
  - (ii) an individual who works full-time for Xander or its Subsidiaries providing services normally provided by an employee and who is subject to the same control and direction by Xander over the details and methods of work as an

employee of Xander, but for whom income tax deductions are not made at source; or

- (iii) an individual who works for Xander or its Subsidiaries on a continuing and regular basis for a minimum amount of time per week providing services normally provide by an employee and who is subject to the same control and direction by Xander over the details and methods of work as an employee of Xander, but for whom income tax deductions are not made at source;
- (l) “Exchange” means the TSX Venture Exchange, provided that if the Common Shares are not at the relevant time listed and posted for trading on the TSX Venture Exchange, “Exchange” shall mean such stock exchange or quotation system on which the Common Shares are then listed or quoted as may be selected by the Board;
- (m) “Exchange Policies” means the policies of the Exchange;
- (n) “Existing Options” means stock options granted prior to the Shareholder Approval Date which have not been exercised or cancelled;
- (o) “Expiry Date” of an Option means the day on which an Option lapses;
- (p) “Insider” has the meaning ascribed thereto in the Exchange Policies;
- (q) “Investor Relations Activities” has the meaning ascribed thereto in the Exchange Policies;
- (r) “Management Company Employee” means an individual employed by a Person providing management services to Xander or its Subsidiaries, which are required for the ongoing successful operation of the business enterprise of Xander, but excluding a Person engaged in Investor Relations Activities;
- (s) “Option” means a stock option granted pursuant to the Stock Option Plan;
- (t) “Optionee” means an individual to whom an Option is granted by Xander under this Stock Option Plan;
- (u) “Outstanding Issue” means the number of Common Shares which are issued and outstanding as of a particular time, on a non-diluted basis;
- (v) “Person” means a company or an individual;
- (w) “Post Cessation Date Exercise Period” means the period after the Cessation Date during which an Optionee may continue to exercise its options;
- (x) “Reserved for Issuance” at any particular time refers to Common Shares which may be issued in the future upon the exercise of Options and Existing Options which are outstanding at that time;

- (y) "Shareholder Approval Date" means the date shareholders approve this Stock Option Plan; and
- (z) "Subsidiary" has the meaning ascribed thereto in the *Business Corporations Act* (British Columbia).

**ARTICLE 3  
ADMINISTRATION OF THE PLAN**

- 3.1 The Stock Option Plan shall be administered by the Board. Options to purchase unissued Common Shares may be granted from time to time under this Stock Option Plan by the Board only to Eligible Optionees.
- 3.2 Subject to the provisions hereof, the Board shall have full and final authority to determine whether and when Options are to be granted, to determine which Eligible Optionees are to be granted Options under the Stock Option Plan, the number of shares subject to each Option, and all other terms and conditions applicable to each Option.
- 3.3 For every grant of stock options to Employees, Consultants or Management Company Employees, Xander shall represent that the Optionee is a bona fide Employee, Consultant or Management Company Employee of Xander or its Subsidiaries, as the case may be.

**ARTICLE 4  
SHARES SUBJECT TO PLAN**

- 4.1 Subject to the requirements of the Exchange, the aggregate number of Common Shares that may be issuable pursuant to Options granted under the Stock Option Plan and Existing Options will not exceed 10% of the number of issued Common Shares of the Company at the time of the granting of Options under the Stock Option Plan.
- 4.2 If any Common Shares cannot be issued to any Optionee for whatever reason, the obligation of Xander to issue such Common Shares shall terminate and any option exercise price paid to Xander shall be returned to the Optionee. Common Shares in respect of which Options or Existing Options have expired unexercised shall be available for subsequent Options granted under the Stock Option Plan.
- 4.3 No fractional shares may be issued or purchased under the Stock Option Plan. If Options are surrendered, terminated or expire in accordance with the terms of the Stock Option Plan without being exercised, new Options may be granted covering Common Shares not purchased under such lapsed Options.
- 4.4 All Existing Options which are outstanding as of the date the Stock Option Plan becomes effective shall thereafter be governed by the Stock Option Plan.

**ARTICLE 5  
GRANT LIMITATIONS**

- 5.1 Options granted under the Stock Option Plan will be subject to the following limitations:

- (a) the number of Options granted to any one Optionee within any 12 month period may not exceed, without disinterested shareholder approval, 5% of the Outstanding Issue at the time of such grant;
- (b) the number of Options granted to any one Consultant in any 12 month period may not exceed 2% of the Outstanding Issue;
- (c) the aggregate number of Options granted to persons employed to provide Investor Relations Activities in any 12 month period may not exceed 2% of the Outstanding Issue; and
- (d) the aggregate number of Options granted to Insiders in any 12 month period cannot exceed 10% of the Outstanding Issue of Xander at the date of the Option, unless Xander has obtained disinterested shareholder approval to exceed such limit.

## **ARTICLE 6**

### **PRICE**

- 6.1 The option price of any Common Share in respect of which an Option may be granted under the Stock Option Plan shall be fixed by the Board but shall be not less than the minimum price permitted by the Exchange. The Board may determine that the option price per Common Share may escalate at a specified rate dependent upon the year in which any Option to purchase Common Shares may be exercised by the Optionee.
- 6.2 Disinterested Shareholder approval will be obtained for any reduction in the exercise price if the Optionee is an Insider of Xander at the time of the proposed amendment.

## **ARTICLE 7**

### **PERIOD OF OPTION, RIGHTS TO EXERCISE AND WITHHOLDING TAXES**

- 7.1 Subject to the provisions of this Article 7 and Articles 8, 9 and 10 below, Options will be exercisable in whole or in part, and from time to time, during the currency thereof. Options can be exercisable for a maximum of ten years from the date of grant. The Common Shares to be purchased upon the exercise of any Option ("Option Shares") shall be paid for in full at the time of such exercise. Except as provided in Articles 9 and 10 below, no Option may be exercised unless the Optionee is at the time of exercise an Eligible Optionee.
- 7.2 Should the expiry date of an Option fall within a Black Out Period or within nine business days following the expiration of a Black Out Period, such expiry date of the Option shall be automatically extended without any further act or formality to that date which is the tenth business day after the end of the Black Out Period, such tenth business day to be considered the expiry date for such Option for all purposes under the Plan. The ten business day period referred to in this paragraph may not be extended by the Board. "Black Out Period" means the period during which the relevant Optionee is prohibited from exercising an Option due to trading restrictions imposed by Xander pursuant to any policy of Xander respecting restrictions on trading that is in effect at that time.
- 7.3 The exercise of an Option will be subject to the policies, procedures and conditions adopted by the Board from time to time to comply with Xander's obligations imposed under any law or

regulation of any governmental authority whatsoever, including, without limitation, Xander's withholding, remittance and other funding liabilities under applicable tax law.

- 7.4 Xander shall have the authority to deduct and withhold, or require the Optionee to remit to Xander, the amount of any taxes or other required source deductions which Xander is required by law or regulation of any governmental authority whatsoever to remit in connection with any issuance of shares upon the exercise of options (the "Tax Obligation"), which amount will be determined by Xander in its sole discretion. Without limiting the generality of the foregoing, and unless otherwise prohibited by the Board or by applicable law, Xander may fund the Tax Obligation by any of the following methods or by a combination of such methods as determined by Xander in its sole discretion:
- (a) require, as a condition of the issuance of Option Shares to an Optionee, that the Optionee make, in addition to the exercise price for the Options, a cash payment to Xander equal to the Tax Obligation and Xander, in its sole discretion, may withhold the issuance or delivery of Option Shares until the Optionee makes such payment;
  - (b) elect, in its sole discretion, to withhold from the Option Shares being issued upon exercise of the Options such number of Option Shares as Xander determines are required to be sold by Xander, as trustee, to satisfy the Tax Obligation (net of selling costs). The Optionee consents to such sale and grants to Xander an irrevocable power of attorney to effect the sale of such Option Shares and acknowledges and agrees that Xander does not accept responsibility for the price obtained on the sale of such Option Shares;
  - (c) withhold from any cash payment otherwise due by Xander to the Optionee, including salaries, directors fees, consulting fees and any other forms of remuneration, such amount of cash as is required to pay and satisfy the Tax Obligation; or
  - (d) make such other arrangements satisfactory to the Optionee and Xander.
- 7.5 The Optionee (or their beneficiaries) shall be responsible for any taxes or other required source deductions which Xander is required by law or regulation of any governmental authority whatsoever with respect to any Options granted or exercised under the Plan.
- 7.6 Neither the Board nor Xander makes any representations or warranties of any nature or kind whatsoever to any person regarding the tax treatment of Options or payments on account of the Tax Obligation made under the Plan and none of the Board, Xander, nor any of its employees or representatives shall have any liability to an Optionee (or its beneficiaries) with respect thereto.

## **ARTICLE 8 VESTING RESTRICTIONS**

- 8.1 Except as otherwise provided for in this section, vesting restrictions, if any, for all Options granted pursuant to this Stock Option Plan will be determined at the discretion of the Board at the time of the grant in accordance with the policies of the Exchange. Vesting restrictions shall be required in the case of options issued to Consultants performing Investor Relations Activities;

the vesting period must be at least 12 months with no more than 1/4 of the options vesting in any three month period.

8.2 If the Board wishes to alter the vesting periods of any particular Option granted to an Optionee, it may fix the vesting of that Option before or after its grant in such manner as it determines in its sole discretion, provided such alterations are in compliance with Exchange Policies.

8.3 If a bonafide offer (an "Offer"):

- (a) is made to all shareholders of Xander for Common Shares, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of Xander, within the meaning of subsection 1(1) of the **Securities Act** (British Columbia);
- (b) is made for all or substantially all of the assets of Xander (as such concept is interpreted under the *Business Corporations Act* (British Columbia)); or
- (c) is made for a proposed transaction which a majority of the Board determines is reasonably likely to have a similar effect as either of the transactions referred to in subparagraph (a) or (b) above;

then Xander shall, immediately upon receipt of notice of the Offer, notify each Optionee of full particulars of the Offer. Subject to Exchange approval, any Options that may not be fully vested shall become vested on the date of Exchange approval. Such Options may be exercised in whole or in part by the Optionee so as to permit the Optionee to tender or to vote, as applicable, the Option Shares received upon such exercise, pursuant to the Offer. If:

- (d) the Offer is not completed within the time specified therein;
- (e) the Optionee does not tender the Option Shares pursuant to the Offer, if applicable;
- (f) all of the Option Shares tendered by the Optionee pursuant to the Offer are not taken up or paid for by the offeror in respect thereof; or
- (g) the sale or reorganization does not close in accordance with its terms,

then the Option Shares received upon such exercise, or in the case of clause (f) above, the Option Shares that are not taken up and paid for, shall be returned by the Optionee to Xander and reinstated as authorized but unissued Common Shares and with respect to such returned Option Shares, the Option shall be reinstated as if it had not been exercised and the terms upon which such Option Shares were to become vested pursuant to paragraph 8.1 shall be reinstated. If any Option Shares are returned to Xander under this paragraph 8.3, Xander shall immediately refund the exercise price to the Optionee for such Option Shares. In no event shall the Optionee be entitled to sell the Option Shares otherwise than pursuant to the Offer (in the case of an Offer pursuant to paragraph 8.3(a) hereof) or to sell the Option Shares prior to the closing of any transaction (in the case of an Offer pursuant to paragraph 8.3(b) or (c) hereof).

**ARTICLE 9**  
**CESSATION OF SERVICES**

- 9.1 If an Optionee ceases to be an Eligible Optionee for any reason (except as provided in sections 9.2, 9.4, 9.5 or 9.6 of this Article or in Article 10), the Options held by the Optionee will expire within a reasonable period following the Cessation Date (the “Post Cessation Date Exercise Period”), which period shall be determined by the Board but, in any event, shall not exceed twelve (12) months following the Cessation Date. The Optionee shall only be entitled to exercise Options which have vested at the Cessation Date. If a Post Cessation Date Exercise Period is not set out in an option agreement, the Board shall determine the Post Cessation Date Exercise Period and Xander shall provide notice to the Optionee of the Post Cessation Date Exercise Period within five (5) business days of the Cessation Date. Notwithstanding the foregoing, in no event shall an Optionee be entitled to exercise any Options beyond the Expiry Date of the Optionee’s Option.
- 9.2 If an Optionee ceases to be an Eligible Optionee for cause, no Option held by such Optionee may be exercised following the Cessation Date.
- 9.3 An Optionee ceases to be an Eligible Optionee if the Optionee’s employment has been terminated by Xander or a Subsidiary of Xander:
- (a) other than for cause, either:
    - (i) on the day specified by Xander or such Subsidiary in writing to the Eligible Optionee as being the last day on which the Eligible Optionee is to report for work for Xander or a Subsidiary of Xander; or
    - (ii) if such Eligible Optionee is given pay in lieu of advance notice of a pending effective date of termination, on the day on which such notice of termination is given in writing by Xander or such Subsidiary to the Eligible Optionee and
  - (b) for cause, on the day on which the notice of termination was given.
- 9.4 If an Optionee ceases to be an Eligible Optionee by reason of death of the Optionee during the currency of the Optionee’s Option, the Optionee’s legal personal representative may, within the period of one year after the Cessation Date and in no event after the expiry date of the Option, exercise any Options vested at the Cessation Date. Before expiry of an Option under this paragraph 9.4, Xander shall notify the Optionee’s legal personal representative in writing of such expiry.
- 9.5 If an Optionee conducting Investor Relations Activities ceases to be an Eligible Optionee, Option held by such Optionee that were vested at the Cessation Date may be exercised for a period of 30 days following the Cessation Date.
- 9.6 Notwithstanding the provisions set out in paragraph 9.1, if a Change of Control or Change of Management occurs and if an Optionee ceases to be an Eligible Optionee as a result of the Change of Control or Change of Management, the Optionee may, within the period of ninety days after the Cessation Date and in no event after the Expiry Date of the Optionee’s Option, exercise any Options which were vested at the Cessation Date. Notwithstanding Article 8 and

any vesting provisions set out in any agreement relating to the Option, subject to regulatory approval, all Options held by the Optionee shall immediately become vested on the Cessation Date and shall become fully exercisable.

**ARTICLE 10  
EXTENSION OF OPTION**

- 10.1 Notwithstanding the provisions of Article 9, the Board may extend the period of time within which an Option held by an Optionee who has ceased to be an Eligible Optionee may be exercised but, in any event, such an extension shall not be granted beyond the earlier of the original Expiry Date of the Option or twelve (12) months following the date that the Optionee ceases to be an Eligible Optionee. Any extensions of Options granted under this Stock Option Plan are subject to applicable regulatory approval.

**ARTICLE 11  
GRANT OF MULTIPLE OPTIONS**

- 11.1 The grant of an Option to any Eligible Optionee shall not prevent the Board from granting further Options to the same Eligible Optionee and any such further grant of an Option shall, for the purposes of Article 3, be treated as a separate Option.

**ARTICLE 12  
NON-TRANSFERABILITY OF OPTIONS**

- 12.1 No Option granted under the Stock Option Plan shall be transferable or assignable by an Optionee, or subject to any other alienation, sale, pledge or encumbrance, otherwise than by will or by the laws of descent and distribution, and, therefore, such Option shall be exercisable, during an Optionee's lifetime, only by the Optionee.

**ARTICLE 13  
ADJUSTMENTS IN SHARES SUBJECT TO PLAN**

- 13.1 Following the date an Option is granted, the exercise price for and the number of Option Shares which are subject to an Option will be adjusted, with respect to the then unexercised portion thereof, in the events and in accordance with the provisions and rules set out in this Article 13, with the intent that the rights of Optionees under their Options are, to the extent possible, preserved notwithstanding the occurrence of such events. Any dispute that arises at any time with respect to any adjustment pursuant to such provisions and rules will be conclusively determined by the Board, and any such determination will be binding on Xander, the Optionee and all other affected parties.
- 13.2 If the outstanding Common Shares are changed into or exchanged for a different number of shares or into or for other securities of Xander or securities of another company or entity, whether through an arrangement, amalgamation or other similar procedure or otherwise, or a share recapitalization, subdivision or consolidation, then on each exercise of the Option which occurs following such events, for each Option Share for which the Option is exercised, the Optionee shall instead receive the number and kind of shares or other securities of Xander or other company into which such Option Share would have been changed or for which such Option Share would have been exchanged if it had been outstanding on the date of such event

and the exercise price will be similarly adjusted so that the aggregate price to exercise the Option is preserved.

- 13.3 If the outstanding Common Shares are changed into or exchanged for a different number of shares or into or for other securities of Xander or securities of another company or entity, in a manner other than as specified in paragraph 13.2, then the Board, in its sole discretion, may make such adjustment to the securities to be issued pursuant to any exercise of the Option and the exercise price to be paid for each such security following such event as the Board in its sole and absolute discretion determines to be equitable to give effect to the principle described in paragraph 13.1, and such adjustments shall be effective and binding upon Xander and the Optionee for all purposes.

#### **ARTICLE 14 AMENDMENT OF THE PLAN**

- 14.1 The Board of Directors may amend or terminate this Stock Option Plan or any outstanding Option granted hereunder at any time without the approval of the shareholders of Xander or any Optionee whose Option is amended or terminated, in order to conform this Stock Option Plan or such Option, as the case may be, to applicable law or regulation or the requirements of the Exchange or any relevant regulatory authority, whether or not such amendment or termination would affect any accrued rights, subject to the approval of the Exchange or such regulatory authority.
- 14.2 The Board of Directors may amend or terminate this Stock Option Plan or any outstanding Option granted hereunder for any reason other than the reasons set forth in paragraph 14.1 hereof, subject to the approval of the Exchange or any relevant regulatory authority and the approval of the shareholders of Xander if required by the Exchange or such regulatory authority. No such amendment or termination will, without the consent of an Optionee, alter or impair any rights which have accrued to him prior to the effective date thereof.
- 14.3 The Stock Option Plan, and any amendments thereto, shall be subject to acceptance and approval by the Exchange. Any Options granted prior to such approval and acceptance shall be conditional upon such approval and acceptance being given and no such Options may be exercised unless and until such approval and acceptance are given.
- 14.4 Subject to the prior approval of the Exchange and/or any other applicable regulatory authority, the Board may at any time supersede and replace the Stock Option Plan with a new stock option plan (a "New Plan"). If a New Plan is adopted in place of the Stock Option Plan, such New Plan may provide that all Options granted under the Stock Option Plan which are outstanding as of the date of adoption of the New Plan shall thereafter be governed by the New Plan; provided, however, that no amendment of the Stock Option Plan, or termination of the Stock Option Plan and adoption of a New Plan, may adversely affect the rights under any Option granted prior to such action without the consent of the Optionee.

#### **ARTICLE 15 EVIDENCE OF OPTIONS**

- 15.1 A written agreement will be entered into between Xander and each Optionee to whom an Option is granted hereunder, which agreement will set out the number of Common Shares

subject to Option, the exercise price, provisions as to vesting (if any) and the expiry date, and any other terms approved by the Board, all in accordance with the provisions of this Stock Option Plan. The agreement will be in such form as the Board may from time to time approve, or authorize the officers of Xander to enter into, and may contain such terms as may be considered necessary in order that the Option will comply with this Stock Option Plan and any regulatory body having jurisdiction over Xander.

**ARTICLE 16  
EXERCISE OF OPTION**

- 16.1 Subject to the provisions of the Stock Option Plan and the particular Option, an Option may be exercised from time to time by delivering to Xander at its registered office a written notice of exercise specifying the number of Common Shares with respect to which the Option is being exercised and accompanied by payment for the full amount of the purchase price of the Common Shares then being purchased.
- 16.2 The full purchase price of Common Shares purchased under the Option must be paid in lawful money of Canada or by certified cheque made payable to Xander.
- 16.3 Subject to the provisions of the Stock Option Plan and the particular Option, upon receipt of a treasury order of an authorized officer directing the issue of Common Shares purchased under the Stock Option Plan, the transfer agent is authorized and directed to issue and countersign share certificates for the Option Shares in the name of such Optionee or the Optionee's legal personal representative or as may be directed in writing by the Optionee's legal personal representative.

**ARTICLE 17  
RIGHTS PRIOR TO EXERCISE**

- 17.1 An Optionee shall have no rights whatsoever as a shareholder in respect of any of the Option Shares (including any right to receive dividends or other distributions therefrom or thereon) other than in respect of Option Shares in respect of which the Optionee shall have exercised the Option to purchase hereunder and which the Optionee shall have actually taken up and paid for.

**ARTICLE 18  
GOVERNING LAW**

- 18.1 This Stock Option Plan shall be construed in accordance with and be governed by the laws of the Province of British Columbia and shall be deemed to have been made in said Province, and shall be in accordance with all applicable securities laws.

**ARTICLE 19  
EXPIRY OF OPTION**

- 19.1 On the expiry date of any Option granted under the Stock Option Plan, and subject to any extension of such expiry date permitted in accordance with the Stock Option Plan, such Option shall forthwith expire and terminate and be of no further force or effect whatsoever as to such of the Option Shares in respect of which the Option has not been exercised.

**ARTICLE 20**  
**EFFECTIVE DATE OF THE PLAN**

- 20.1 This Stock Option Plan shall become effective as of and from, and the effective date of the Plan shall be May 31, 2012, upon receipt of all necessary shareholder and regulatory approvals.