

**INDIGO EXPLORATION INC.**

Suite 880 – 580 Hornby Street  
Vancouver, BC V6C 3B6

**INFORMATION CIRCULAR**

INFORMATION PROVIDED AS AT AUGUST 19, 2019 FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS TO BE HELD ON SEPTEMBER 26, 2019 (THE “MEETING”).

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**This Information Circular is furnished in connection with the solicitation of proxies by management of Indigo Exploration Inc. (“Indigo”) for use at the Meeting (or any adjournment thereof), at the time and place and for the purposes set forth in the Notice of Meeting. It is expected that the solicitation will be primarily by mail. Proxies may also be solicited personally or by telephone by directors, officers or arms-length third parties appointed by Indigo. Management is unable at this time to accurately estimate what the cost of such solicitation may be.**

In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”), arrangements have been made to forward solicitation materials to the beneficial owners of the common shares of Indigo. All costs of solicitation will be borne by Indigo.

All dollar amounts in this Information Circular are in Canadian currency unless otherwise specified.

**This document is available on SEDAR at [www.sedar.com](http://www.sedar.com) and, upon request, a copy of this document will be provided free of charge to any security holder of Indigo.**

**RECORD DATE**

Indigo directors have set August 19, 2019 as the record date for determining which shareholders shall be entitled to receive notice of the Meeting. Only shareholders of record at the close of business on August 19, 2019 who either attend the Meeting personally or complete and deliver the form of proxy in the manner and subject to the provisions discussed below, will be entitled to vote or to have their shares voted at the Meeting.

**APPOINTMENT OF PROXYHOLDERS AND REVOCATION OF PROXIES**

The persons named in the Form of Proxy as proxy holders are directors or officers of Indigo (the “Management Designees”). **A shareholder has the right to appoint some other person (who need not be a shareholder) to represent him or her at the Meeting and may do so, either by striking out the printed names and inserting the desired person’s name in the blank space provided in the Form of Proxy or by completing another proper form of proxy and delivering it to Computershare Investor Services Inc. (“Computershare”) at the address set out in “Voting of Proxies”. If you appoint a proxyholder, other than the Management Designees, that proxyholder must attend and vote at the Meeting for your vote to be counted.**

A shareholder who has given a proxy may revoke it by an instrument in writing, duly executed by the shareholder or where the shareholder is a corporation, by a duly authorized officer or attorney of the corporation and delivered to Indigo's registered office, Suite 1780 – 400 Burrard Street, Vancouver, BC V6C 3A6 at any time up to and including the last business day that precedes the day of the Meeting or, if adjourned, the day that precedes any reconvening thereof, or to the Chairman of the Meeting, on the day of the Meeting or, if adjourned, any reconvening thereof, or in any manner provided by law. A revocation of a proxy does not affect any matter on which a vote has been taken before the revocation.

### VOTING OF PROXIES

Shareholders may choose one of the following options to submit their proxy:

- (a) completing, dating and signing the Form of Proxy and returning it to Computershare, by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail to the 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1;
- (b) using a touch-tone phone to transmit voting choices to Computershare's toll-free number. Shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll-free number, the holder's account number and the control number; or
- (c) using the internet through Computershare's website at [www.investorvote.com](http://www.investorvote.com). Shareholders must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder's account number and the control number.

In all cases, shareholders must ensure the proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting, or the adjournment thereof, at which the proxy is to be used.

If the Form of Proxy is completed, signed and delivered as prescribed above, the persons named as proxy holders in the proxy will vote or withhold from voting the shares in respect of which they are appointed in accordance with the instructions of the shareholder appointing them on any ballot that may be called for. **The Form of Proxy confers discretionary authority upon the proxy holders with respect to all other matters or variations to matters which may properly come before the Meeting or an adjournment thereof.** As of the date of this Information Circular, management of Indigo (the "Management") knows of no such amendments, variations or other matters to come before the Meeting, other than matters referred to in the Notice of Meeting. If other matters should properly come before the Meeting, however, the proxy will be voted on such matters as the proxyholder sees fit.

**If no choice is specified by a shareholder in the proxy with respect to a matter identified in the Form of Proxy, it is intended that the person designated by the Management in the Form of Proxy will vote the shares therein represented in favour of each matter identified on the Form of Proxy.**

## BENEFICIAL HOLDERS OF COMMON SHARES

**The information set forth in this section is of significant importance to many shareholders as a substantial number of shareholders do not hold common shares in their own name.**

Shareholders who do not hold their shares in their own name (“Beneficial Shareholders”) should note that only proxies deposited by shareholders whose names appear on the records of Indigo as the registered holders of common shares can be recognized and acted upon at the Meeting. If common shares are listed in an account statement provided to a Beneficial Shareholder by a broker, then in almost all cases those common shares will not be registered in the Beneficial Shareholder’s name on the records of Indigo. Such common shares will more likely be registered under the name of the Beneficial Shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). Common shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholders. **Beneficial Shareholders should ensure that instructions respecting the voting of their common shares are communicated to the appropriate person.**

Applicable regulatory policies require intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their common shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the form of proxy provided to registered shareholders by Indigo; however, its purpose is limited to instructing the registered shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“Broadridge”). Broadridge typically prepares a machine-readable voting instruction form, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of common shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote common shares directly at the Meeting. The voting instruction form must be returned to Broadridge (or instructions respecting the voting of common shares must be communicated to Broadridge) well in advance of the Meeting in order to have the common shares voted.**

Indigo is not using the “notice-and-access” provisions of National Instrument 54-101 – Communication with Beneficial Owners of Securities of Reporting Issuers (“NI54-101”) in connection with the delivery of the meeting materials in respect of the Meeting.

This Information Circular and accompanying materials are being sent to both registered shareholders and Beneficial Shareholders. Indigo does not intend to pay for intermediaries such as stockbrokers, securities dealers, banks, trust companies, trustees and their agents and nominees (“Intermediaries”) to forward the proxy related materials to Beneficial Shareholders who object to

their identity being known to the issuers of securities which they own (“Objecting Beneficial Owners”, or “OBO’s”). Accordingly, OBO’s will not receive such documents unless their respective Intermediaries assume the cost of forwarding such documents to them.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered shareholder and vote the common shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their common shares as proxyholder for the registered shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.**

### **VOTING SHARES AND PRINCIPAL HOLDERS THEREOF**

As at August 19, 2019, the record date, there were a total of 92,019,316 common shares outstanding. Each common share entitles the holder thereof to one vote.

To the knowledge of the directors and executive officers of Indigo, and based on Indigo’s review of the records maintained by Computershare Investor Services Inc., electronic filings with the System for Electronic Document Analysis and Retrieval (SEDAR) and insider reports filed with System for Electronic Disclosure by Insiders (SEDI), no shareholder beneficially owns, directly or indirectly, or exercises control or direction over more than 10% of the voting rights attached to all outstanding shares of Indigo as at the Record Date.

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

Except as otherwise disclosed in this Information Circular, no director, executive officer, proposed management nominee, or any associate or affiliate thereof has any material interest, direct or indirect, by way of beneficial ownership of shares of Indigo or otherwise in the matters to be acted upon at the Meeting, other than the election of directors or the appointment of auditors.

### **FIXING THE SIZE OF THE BOARD OF DIRECTORS**

It is intended that the number of directors to be elected by the shareholders be established at four (4). This requires the approval of the shareholders of Indigo by an ordinary resolution which approval will be sought at the Meeting.

### **ELECTION OF DIRECTORS**

At the Meeting, shareholders will be called upon to elect four (4) directors for the ensuing year or until their successors are duly elected or appointed, unless the director’s office is earlier vacated in accordance with the Articles of Indigo, or unless that person becomes disqualified to act as a director. While management does not contemplate that any of its nominees will be unable to serve as a director, if any management nominee should become unavailable, the form of proxy will be voted for substitute nominees as may be nominated by management. Set forth below is information regarding each management nominee for election at the Meeting as a director of Indigo:

Name, place of residence	Principal occupation	Date of appointment as director	No. of Shares Beneficially Owned Directly or Indirectly as of the Date Hereof
Paul Cowley <sup>(1)(2)</sup> West Vancouver, BC	President of Buena Tierra Developments Ltd, a wholly owned private company, providing geological consulting services; Chief Executive Officer of Indigo (2011 to Present); President of Indigo (2013 to Present); President and Chief Executive Officer of First Vanadium Corp. (formerly Cornerstone Metals Inc.) (2013 to Present)	July 2, 2009	1,610,522 <sup>(3)</sup>
Thomas Henriksen West Vancouver, BC	President of Plan B Minerals Corp., a private mining corporation (2012 to Present)	February 14, 2013	800,000
Marino Sveinson <sup>(1)</sup> Vancouver, BC	Partner at Pulver Crawford Munroe LLP, Labour and Employment Lawyers (July 2019 to Present); Partner at Norton Rose Fulbright Canada LLP (formerly Bull Housser & Tupper LLP) in the Employment and Labour Group, Vancouver, BC (May 2013 to June 2019)	April 17, 2008	441,166 <sup>(4)</sup>
Lorne Warner <sup>(1)</sup> Kamloops, BC	President of Geocon Enterprises Inc. providing geological consulting services (2002 to Present)	May 5, 2016	140,000 <sup>(5)</sup>

(1) Member of the audit committee.

(2) Chairman of the audit committee.

(3) Mr. Cowley holds 310,000 of these shares directly. Buena Tierra Developments Ltd., a company wholly owned by Mr. Cowley owns 1,300,522 shares.

(4) Mr. Sveinson holds 226,666 shares directly. Breinar Management Services Ltd., a private company of which Mr. Sveinson owns 25% of the issued shares, holds 858,000 shares of Indigo. Mr. Sveinson's proportionate share of this company's shareholdings in Indigo has been included as indirect holdings.

(5) Mr. Warner holds 140,000 shares directly.

The information with respect to the shareholdings of the directors has been furnished by the respective directors. Indigo does not currently have an executive committee of the Board of Directors.

Paul Cowley was Vice President of Exploration until May 2014 of Huakan International Mining Inc. ("Huakan") (formerly Merit Mining Corp. ("Merit")) at the time, or within one year of the time, that Merit filed a Notice of Intention to Make a Proposal (the "Proposal") under the *Bankruptcy and Insolvency Act* (Canada). On March 23, 2009, Merit filed its Proposal to its unsecured creditors with the Office of the Superintendent of Bankruptcy. The unsecured creditors' meeting to vote on the Proposal was held on April 14, 2009, at which time the unsecured creditors voted to approve Merit's Proposal. On May 6, 2009, Merit received an order approving its Proposal from the British Columbia Supreme Court. On June 11, 2010, Merit received the Certificate of Full Performance of the Proposal.

Otherwise, and to the knowledge of Indigo, no director is, at the date of this Information Circular, or has been within 10 years before the date of the Information Circular, a director or executive officer of any company (including Indigo) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

## **STATEMENT OF CORPORATE GOVERNANCE**

National Instrument 58-101, *Disclosure of Corporate Governance Practices*, requires all companies to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines (the “Guidelines”) adopted in National Policy 58-201. These Guidelines are not prescriptive, but have been used by Indigo in adopting its corporate governance practices. Indigo’s approach to corporate governance is set out below.

### **Board of Directors**

The Board currently consists of four (4) directors: Paul Cowley, Thomas Henriksen, Lorne Warner, and Marino Sveinson.

Section 1.4 of National Instrument 52-110 – *Audit Committees* (“NI 52-110”) sets out the standard for director independence. Under NI 52-110, a director is independent if he has no direct or indirect material relationship with Indigo. A “material relationship” is a relationship which could, in the view of Indigo’s board of directors, be reasonably expected to interfere with the exercise of a director’s independent judgment. NI 52-110 also sets out certain situations where a director will automatically be considered to have a material relationship to Indigo, which includes, but is not limited to an individual also being an employee or executive officer of Indigo or an individual who accepts any consulting advisory or other compensatory fee from Indigo for services provided other than in his role as a director.

Applying the definition set out in section 1.4 of NI 52-110, Messrs. Sveinson, and Warner are independent directors. Mr. Cowley is not independent because from time to time he provides geological consulting services to Indigo and, effective December 13, 2011, he was appointed interim Chief Executive Officer and subsequently, effective September 27, 2013, he was appointed Chief Executive Officer of Indigo. Mr. Henriksen is not independent because he was appointed Vice President Exploration of Indigo effective February 14, 2013.

In order to facilitate its exercise of independent judgement in carrying out the responsibilities of the Board, the Board ensures that its independent directors are in attendance at Board meetings.

## Other Directorships

The following table lists the directorships of other reporting issuers that are held by the directors of Indigo:

Director	Name of Reporting Issuer	Market	Position	From	To
Paul Cowley	First Vanadium Corp. (formerly Cornerstone Metals Inc.)	TSX-V	Director	2007	Present

## Orientation and Continuing Education

Indigo has not developed an official orientation or training program for new directors. If and when new directors are added, however, they have the opportunity to become familiar with Indigo by meeting with other directors and with officers and employees of Indigo. As each director has a different skill set and professional background, orientation and training activities are and will continue to be tailored to the particular needs and experience of each director. Directors are encouraged to avail themselves of continuing education opportunities. All of the current directors are all professionals and/or have prior public company experience.

## Ethical Business Conduct

The board of directors conducts itself with high business and moral standards and follows all applicable legal and financial requirements. The board of directors has not adopted a written code of ethics for its directors, officers, employees and consultants.

The board has concluded that the fiduciary duties placed on individual directors by Indigo's governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate legislation on the individual director's participation in decisions of the board in which the director has an interest, are sufficient to ensure that the board operates independently of management and in the best interests of Indigo and its shareholders.

## Nomination of Directors

The full board of directors is involved in the nomination of new candidates for board positions. Current Board members are asked for recommendations of people that they know of or have heard of that would contribute to the success of Indigo if added to the board of directors. The Board members and Chief Executive Officer hold formal and informal discussions of any prospective nominees. The Board monitors, but does not formally assess the performance of individual Board members or committee members.

## Compensation

Indigo does not have a compensation committee. The board of directors is responsible for determining all forms of compensation, including long-term incentives in the form of stock options

to be granted to directors, officers and consultants of Indigo. The board of directors is also responsible for reviewing recommendations for compensation of the Chief Executive Officer and other officers of Indigo, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of its officers, the board of directors will consider: (i) recruiting and retaining officers critical to the success of Indigo and the enhancement of shareholder value; (ii) providing fair and competitive compensation (iii) balancing the interests of management and Indigo's shareholders; and (iv) rewarding performance, both on an individual basis and with respect to operations in general.

### **Other Board Committees**

Indigo has no other standing committees other than the Audit Committee.

### **Assessments**

Any committee of the directors and individual directors are assessed on an ongoing basis by the board of directors. The board of directors has not adopted formal procedures for assessing the effectiveness of the board, the audit committee or individual directors.

## **AUDIT COMMITTEE**

As at the date of this information circular, the members of the audit committee of Indigo are Paul Cowley, Marino Sveinson, and Lorne Warner. Messrs. Sveinson and Warner are "independent" as that term is defined in NI 52-110. Mr. Cowley is not independent as he is the Chief Executive Officer of Indigo and provides geological consulting services to Indigo. All members of the audit committee are "financially literate" as that term is defined in NI 52-110.

### **Audit Committee Charter**

Pursuant to NI 52-110, Indigo's audit committee is required to have a charter. A copy of Indigo's Audit Committee Charter is attached as Schedule "B" to this Information Circular.

### **Relevant Education and Experience**

All of the members of Indigo's audit committee have gained their education and experience by participating in the management of private and publicly traded companies and all members are "financially literate", meaning that they have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can be reasonably expected to be raised by Indigo's financial statements.

Paul Cowley is a Professional Geologist. He has over 39 years of experience as an exploration, project and consulting geologist, including 18 years with BHP in Canada, Chile and Bolivia. Mr. Cowley received his B.Sc. degree from the University of British Columbia in 1979. He was a key member of the Gold City management team that acquired the Bissett assets and carried out the San Gold merger. Mr. Cowley has served as a director and officer of several publicly traded companies for over 20 years and is currently the President, Chief Executive Officer and director of First Vanadium Corp.

Marino Sveinson is a partner at Pulver Crawford Munroe LLP, Labour and Employment Lawyers. He has practiced exclusively in the area of workplace law throughout his career.

Lorne Warner is a Professional Geologist. He has extensive management experience in exploration and open pit and underground mining operations worldwide. He has served as a director and geological consultant for a number of publicly traded and private companies. Mr. Warner currently serves as the P.Geo for Gen III Oil Corporation (previously PNG Gold Corporation). He has served on audit committees of other reporting issuers.

### **Audit Committee Oversight**

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

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

The audit committee is authorized by the board of directors to review the performance of Indigo's external auditors and approve in advance, provision of services other than auditing and to consider the independence of the external auditors.

### **External Auditor Service Fees**

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

<b>Financial Year Ending</b>	<b>Audit Fees <sup>(1)</sup></b>	<b>Audit Related Fees</b>	<b>Tax Fees <sup>(2)</sup></b>	<b>All Other Fees</b>
2018	14,280	Nil	1,000	Nil
2017	15,000	Nil	Nil	Nil

(1) "Audit Fees" include fees necessary to perform the annual audit of Indigo's consolidated financial statements and fees, for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit fees also include audit or other attest services required by legislation or regulation.

(2) "Tax Fees" are related to the preparation of Indigo's corporate income tax returns.

## Exemption

Indigo is relying on the exemption provided under Section 6.1 of NI 52-110 for venture issuers which exempts venture issuers from the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

## STATEMENT OF EXECUTIVE COMPENSATION

### Director and Executive Compensation

The Company is a “*venture issuer*” as defined under National Instrument 51-102 – *Continuous Disclosure Obligations* and is disclosing its director and executive compensation in accordance with Form 51-102F6V – *Statement of Executive Compensation-Venture Issuers* (“**Form 51-102F6V**”).

### Definitions

- “**Board**” means the board of directors of the Company.
- “**Chief Executive Officer**” or “**CEO**” means an individual who served as chief executive officer of the Company, or performed functions similar to a chief executive officer, for any part of the most recently completed financial year.
- “**Chief Financial Officer**” or “**CFO**” means an individual who served as chief financial officer of the Company, or performed functions similar to a chief financial officer, for any part of the most recently completed financial year.
- “**Exchange**” means the TSX Venture Exchange.
- “**Named Executive Officer**” or “**NEO**” means each of the following individuals:
  - (i) a CEO;
  - (ii) a CFO;
  - (iii) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the CEO and CFO 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 for that financial year; and
  - (iv) each individual who would be an NEO under paragraph (iii) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that

## Named Executive Officers

During the fiscal year ended September 30, 2018, the following individuals were Named Executive Officers of Indigo:

- Paul Cowley, Chief Executive Officer
- Rebecca Moriarty, Chief Financial Officer

## Director and Named Executive Officer Compensation, excluding compensation securities

The following table sets forth all compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by Indigo or its subsidiaries, to each NEO and director of Indigo, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct or indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or a director of Indigo for services provided and for services to be provided, directly or indirectly, to Indigo or its subsidiaries in the two most recently completed financial years ended September 30, 2018 and September 30, 2017.

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
<b>Paul Cowley</b> President, CEO and Director	2018	27,300 <sup>(1)</sup>	Nil	Nil	Nil	Nil	27,300
	2017	24,050 <sup>(1)</sup>	Nil	Nil	Nil	Nil	24,050
<b>Rebecca Moriarty</b> CFO and Corporate Secretary	2018	7,590 <sup>(2)</sup>	Nil	Nil	Nil	Nil	7,590
	2017	8,360 <sup>(2)</sup>	Nil	Nil	Nil	Nil	8,360
<b>Thomas Henricksen</b> VP Exploration and Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil

<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>
<b>Marino Sveinson Director</b>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
<b>Lorne Warner Director</b>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil

- (1) During the financial years ended September 30, 2018 and 2017, Buena Tierra Development Ltd. (“Buena Tierra”), a company owned by Paul Cowley, was paid or accrued consulting fees of \$27,300 (2017 - \$24,050) for providing geological and management consulting services to Indigo.
- (2) Rebecca Moriarty is an employee of Malaspina Consultants Inc. and is not paid directly by Indigo. The amount of Malaspina Consultants Inc. invoices relating directly to Ms. Moriarty was \$7,590 (2017 - \$8,360).

### **External Management Companies**

Except as disclosed under “Employment, Consulting and Management Agreements”, Indigo does not presently have any arrangements with any external management company to provide executive management services to Indigo. Management functions of Indigo are substantially performed by directors or executive officers of Indigo.

### **Stock Options and Other Compensation Securities**

No stock options were granted or issued to NEOs or non-NEO directors during the financial year ended September 30, 2018, for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

No stock options were exercised by any NEO or non-NEO directors during the financial year ended September 30, 2018.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
<b>Paul Cowley</b> <sup>(1)</sup> President, CEO and Director	Stock Options	Nil	N/A	Nil	Nil	Nil	N/A
<b>Rebecca Moriarty</b> <sup>(2)</sup> Chief Financial Officer	Stock Options	Nil	N/A	Nil	Nil	Nil	N/A
<b>Thomas Henricksen</b> <sup>(3)</sup> Director	Stock Options	Nil	N/A	Nil	Nil	Nil	N/A
<b>Marino Sveinson</b> <sup>(4)</sup> Director	Stock Options	Nil	N/A	Nil	Nil	Nil	N/A
<b>Lorne Warner</b> <sup>(5)</sup> Director	Stock Options	Nil	N/A	Nil	Nil	Nil	N/A

- (1) As at September 30, 2018, Mr. Cowley held 700,000 stock options exercisable at \$0.05 per share expiring on October 28, 2021.
- (2) As at September 30, 2018, Ms. Moriarty held 175,000 stock options exercisable at \$0.05 per share expiring on October 28, 2021.
- (3) As at September 30, 2018, Mr. Henricksen held 350,000 stock options exercisable at \$0.05 per share expiring on October 28, 2021.
- (4) As at September 30, 2018, Mr. Sveinson held 250,000 stock options exercisable at \$0.05 per share expiring on October 28, 2021.
- (5) As at September 30, 2018, Mr. Warner held 250,000 stock options exercisable at \$0.05 per share expiring on October 28, 2021.

## **Stock Option Plan and Other Incentive Plans**

Indigo has no incentive plans other than the Stock Option Plan. There were no awards outstanding to the NEOs at the year ending September 30, 2018.

Indigo's current Stock Option Plan is the stock option plan dated for reference June 20, 2012 and most recently approved by Shareholders on September 28, 2018. Pursuant to Policy 4.4 of the TSX Venture Exchange, corporations that have a rolling stock option plan reserving a maximum of 10% of the issued and outstanding shares of the corporation must receive yearly shareholder approval of the stock option plan. Accordingly, at the Meeting, Shareholders will be asked to consider, and if thought appropriate, to approve, with or without amendment, the Stock Option Plan Resolution set out in Schedule "A" to this Information Circular.

The purpose of the Stock Option Plan is to encourage ownership of the common shares of Indigo by persons ("Eligible Persons") who are directors, senior officers and key employees of, as well as consultants and employees of management companies providing services to Indigo. Given the competitive environment in which Indigo operates its business, the Share Option Plan will assist Indigo to attract and retain valued directors, senior officers, employees, consultants and management company employees.

The aggregate number of Indigo's common shares reserved for issuance under the Stock Option Plan will be a maximum of 10% of the issued and outstanding share capital at the date of grant. If any stock options granted under the Stock Option Plan expire or terminate for any reason without having been exercised in full, the unpurchased shares will again be available under the Stock Option Plan. As the Stock Option Plan is a "rolling plan", the policies of the Exchange provide that Indigo must seek shareholder approval of the Stock Option Plan annually. The Stock Option Plan is subject to annual Exchange approval.

### ***Terms of the Stock Option Plan***

The following is a summary of the salient features of the Stock Option Plan:

1. The maximum number of shares that may be issued upon the exercise of stock options previously granted and those granted under the Stock Option Plan will be a maximum of 10% of the issued and outstanding common shares at the time of the grant.
2. Stock options can be issued to persons who are directors, senior officers, employees, advisory board members and consultants of, or employees of management companies providing services to, Indigo or its subsidiaries, if any.
3. 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 of directors but shall be not less than the minimum price permitted by the Exchange.
4. The number of options granted to any one individual may not exceed 5% of the outstanding listed shares in any 12-month period unless Indigo has obtained disinterested shareholder approval to exceed such limit.

5. The number of options granted to any one consultant may not exceed 2% of Indigo's outstanding listed shares in any 12-month period.
6. All options granted under the Stock Option Plan may be exercisable for a maximum of ten years from the date they are granted.
7. If the optionee ceases to be (other than by reason of death) an eligible recipient of options, then the option granted shall expire within a reasonable period of time, as determined by the board of directors, following the date that the option holder ceases to be eligible, subject to the terms and conditions set out in the Stock Option Plan.
8. If an optionee ceases to be an eligible recipient of options by reason of death, an optionee's heirs or administrators shall have until the earlier of:
  - (a) one year from the death of the option holder; and
  - (b) the expiry date of the optionsin which to exercise any portion of options outstanding at the time of death of the optionee.
9. The Stock Option Plan will be administered by Indigo's board of directors who will have the full authority and sole discretion to grant options under the Stock Option Plan to any eligible recipient, including themselves.
10. The options are not assignable or transferable by an optionee.
11. Indigo shall have the authority to deduct and withhold, or require the Optionee to remit to Indigo, the amount of any taxes or other required source deductions which Indigo 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.
12. The board of directors may from time to time, subject to regulatory approval, amend or revise the terms of the Stock Option Plan.

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

Indigo has entered into the following agreements or arrangements under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to Indigo or any of its subsidiaries that were performed by a director or named executive officer:

Pursuant to a nonwritten arrangement between Indigo and Buena Tierra Development Ltd., a company owned by Paul Cowley, President, CEO, and Director of Indigo, Mr. Cowley provides management and geological consulting services to the Company, at a daily fee of \$650, with a three day minimum per month.

Ms. Moriarty, CFO and Corporate Secretary for Indigo, is paid for her CFO-related services to the Company under an annual engagement agreement with Malaspina Consultants Inc. (“Malaspina”). Pursuant to this agreement, the Company pays Malaspina \$170/hour for Ms. Moriarty’s services. The Company also pays Malaspina for providing accounting and financial statement preparation services and SEDAR-filing related services at rates varying between \$62/hour and \$170/hour, depending on the individual providing the services and the type of services being provided. Fees are due and payable upon rendering of invoices by Malaspina. The term of the agreement is for 12 months, expiring on December 31<sup>st</sup> of each year, with a new agreement being executed by the Company and Malaspina on January 1<sup>st</sup> of each year.

### **Oversight and Description of Director and Named Executive Officer Compensation**

Indigo does not have a compensation committee. The Board of Directors is responsible for determining all forms of compensation, including long-term incentives in the form of stock options to be granted to directors, officers and consultants of Indigo. The board of directors is also responsible for reviewing recommendations for compensation of the CEO and other officers of Indigo, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of its officers, the board of directors will consider: (i) recruiting and retaining officers critical to the success of Indigo and the enhancement of shareholder value; (ii) providing fair and competitive compensation (iii) balancing the interests of management and Indigo’s shareholders; and (iv) rewarding performance, both on an individual basis and with respect to operations in general.

Indigo relies solely on Board discussion to determine compensation paid to executives and directors, without any formal objectives, criteria or analysis. Indigo has, to date, no revenues from operations and often operates with limited financial resources. Consequently, the directors of Indigo have to consider not only the financial situation of Indigo at the time of determination of any executive or director compensation, but also the estimated financial situation of Indigo in the midterm and long term.

Currently, Indigo’s compensation program consists primarily of stock options. Grants of stock options are intended to align the interests of the Named Executive Officers and directors with those of Indigo’s shareholders over the longer term and to provide a retention incentive for such persons. Numerous factors are taken into consideration by the Board of Directors in determining grants of options, including: a review of the previous grants (including value both at the current share prices and potential future prices), the remaining time to expiry, overall corporate performance, share price performance, the business environment and the role and performance of the individual in question. All grants of stock options are subject to the terms and conditions of Indigo’s Stock Option Plan.

### **Pension Disclosure**

Indigo does not have any person, defined benefit, defined contribution or deferred compensation plan in place.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out, as of the end of the Indigo’s financial year ended September 30, 2018, all information required with respect to compensation plans under which equity securities of Indigo are authorized for issuance:

	<b>Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights</b>	<b>Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights</b>	<b>Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a))</b>
<b>Plan Category</b>	<b>(a)</b>	<b>(b)</b>	<b>(c)</b>
Equity compensation plans approved by security holders	2,350,000 <sup>(1)</sup>	0.05	6,851,932 <sup>(2)</sup>
Equity compensation plans not approved by security holders	N/A	N/A	N/A
<b>Total</b>	<b>2,350,000</b>	<b>0.05</b>	<b>6,851,932</b>

- (1) Options outstanding which have been granted pursuant to Indigo’s Stock Option Plan. As at August 19, 2019, 2,350,000 options are outstanding.
- (2) Indigo currently has a rolling stock option plan. The aggregate number of common shares reserved for issuance is a maximum of 10% of the issued and outstanding share capital of Indigo at the date of grant. As at September 30, 2018, a total of 6,851,932 options remained available for issuance.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No person who is, or at any time during the most recently completed financial year was, a director or executive officer of Indigo, a proposed nominee for election as a director of Indigo, or an associate of any of the foregoing individuals, has been indebted to Indigo at any time since the commencement of Indigo’s last completed financial year.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed herein or in the Financial Statements, no informed person of Indigo, any proposed director of Indigo, or any associate or affiliate of any informed person or proposed director has any material interest, direct or indirect, in any transaction since the commencement of its most recently completed financial year or in any proposed transaction which has materially affected or would materially affect Indigo or any of its subsidiaries. An “informed person” means a director or executive officer of a reporting issuer; a director or executive officer of a person or company that is itself an informed person or subsidiary of a reporting issuer; any person or company who beneficially owns, directly or indirectly, voting shares of a reporting issuer or who exercises control or direction over shares of a reporting issuer, or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of a reporting issuer and could include a reporting issuer if the reporting issuer has purchased, redeemed or otherwise acquired any of its own securities, for so long as it hold any of its securities.

## **MANAGEMENT CONTRACTS**

Management functions of Indigo are substantially performed by directors or senior officers (or private companies controlled by them, either directly or indirectly) of Indigo and not, to any substantial degree, by any other person with whom Indigo has contracted.

## **APPOINTMENT OF AUDITOR**

The persons named as proxyholders in the form of proxy intend to vote for the continued appointment of Charlton & Company, Chartered Professional Accountants, as Indigo's auditor until the next annual general meeting at a remuneration to be fixed by the Board.

## **ADDITIONAL INFORMATION**

Additional information concerning Indigo is available on SEDAR at [www.sedar.com](http://www.sedar.com). Indigo will provide a copy of its financial statements and MD&A free of charge to any security holder of Indigo upon written request. Financial information concerning Indigo is provided in Indigo's comparative financial statements and Management's Discussion and Analysis for the financial year ended September 30, 2018, which are also available on SEDAR.

MANAGEMENT KNOWS OF NO OTHER MATTERS TO COME BEFORE THE MEETING OF SHAREHOLDERS OTHER THAN THOSE REFERRED TO IN THE NOTICE OF MEETING; HOWEVER, SHOULD ANY OTHER MATTERS WHICH ARE NOT KNOWN TO MANAGEMENT PROPERLY COME BEFORE THE MEETING, THE SHARES REPRESENTED BY THE FORM OF PROXY SOLICITED HEREBY WILL BE VOTED ON SUCH MATTERS IN ACCORDANCE WITH THE BEST JUDGEMENT OF THE PERSONS VOTING THE SHARES REPRESENTED BY THE PROXY.

**THIS INFORMATION CIRCULAR HAS BEEN APPROVED BY THE BOARD.**

**BY ORDER OF THE BOARD**

*"Paul Cowley"*

Paul Cowley  
President, CEO and Director

SCHEDULE "A"

**SHAREHOLDERS' RESOLUTIONS**

**STOCK OPTION PLAN RESOLUTION**

"BE IT RESOLVED that:

1. The Share Option Plan as set forth in the Information Circular dated August 19, 2019 be approved and that the Board of Directors of Indigo be authorized in their absolute discretion to establish and administer the Share Option Plan in accordance with its terms and conditions;
2. The Board of Directors be authorized on behalf of Indigo to make any amendments to the Share Option Plan as may be required by regulatory authorities, without further approval of Indigo's Shareholders, in order to ensure regulatory approval and adoption of the Share Option Plan; and
3. Any one director of Indigo be and he is hereby authorized and directed to do all such acts and things and to execute and deliver under the corporate seal or otherwise all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to this resolution."

## SCHEDULE "B"

### INDIGO EXPLORATION INC.

(the "Company")

### AUDIT COMMITTEE CHARTER

(Dated for Reference September 10, 2009)

#### MANDATE

The audit committee (the "Committee") will assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reporting process, the system of internal control and the audit process.

#### COMPOSITION

The Committee shall be comprised of at least three members. Each member must be a director of the Company. A majority of the members of the Committee shall not be officers or employees of the company or of an affiliate of the Company. At least one member of the Committee shall be financially literate. All members of the Committee who are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of this Audit Committee Charter, the term "financially literate" means the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

The members of the Committee shall be appointed by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership. The Chair shall be financially literate and an independent director as defined in Section 1.4 of National Instrument 52-110 *Audit Committees*.

#### MEETINGS

Meetings of the Committee shall be scheduled to take place at regular intervals and, in any event, not less frequently than quarterly. Unless all members are present and waive notice, or those absent waive notice before or after a meeting, the Chairman will give Committee members 24 hours' advance notice of each meeting and the matters to be discussed at it. Notice may be given personally, by telephone, facsimile or e-mail.

The external auditor shall be given reasonable notice of, and be entitled to attend and speak at, each meeting of the Committee concerning the Company's annual financial statements and, if the Committee feels it is necessary or appropriate, at any other meeting. On request by the external auditor, the Chair shall call a meeting of the Committee to consider any matter that the external auditor believes should be brought to the attention of the Committee, the Board of Directors or the shareholders of the Company.

At each meeting of the Committee, a quorum shall consist of a majority of members that are not officers or employees of the Company or of an affiliate of the Company. A member may participate in a meeting of the Committee in person or by telephone if all members participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other. A member may

participate in a meeting of the Committee by a communications medium other than telephone if all members participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other and if all members who wish to participate in the meeting agree to such participation.

As part of its goal to foster open communication, the Committee may periodically meet separately with each of management and the external auditor to discuss any matters that the Committee or any of these groups believes would be appropriate to discuss privately. In addition, the Committee should meet with the external auditor and management annually to review the Company's financial statements.

The Committee may invite to its meetings any director, any manager of the Company, and any other person whom it deems appropriate to consult in order to carry out its responsibilities. The Committee may also exclude from its meetings any person it deems appropriate to exclude in order to carry out its responsibilities.

## **RESPONSIBILITIES AND DUTIES**

### ***Financial Accounting and Reporting Process and Internal Controls***

The Committee is responsible for reviewing the Company's financial accounting and reporting process and system of internal control. The Committee shall:

- (a) Review the annual audited financial statements to satisfy itself that they are presented in accordance with applicable generally accepted accounting principles ("GAAP") and report thereon to the Board and recommend to the Board whether or not same should be approved prior to their being filed with the appropriate regulatory authorities. The Committee shall also review the interim financial statements.
- (b) With respect to the annual audited financial statements, the Committee shall discuss significant issues regarding accounting principles, practices, and judgments of management with management and the external auditors and have meetings with the Company's auditors without management present, as and when the Committee deems it appropriate to do so. The Committee shall satisfy itself that the information contained in the annual audited financial statements is not significantly erroneous, misleading or incomplete and that the audit function has been effectively carried out.
- (c) Review any internal control reports prepared by management and the evaluation of such report by the external auditors, together with management's response.
- (d) Review and satisfy itself 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, management's discussion and analysis and interim earnings press releases, and periodically assess the adequacy of these procedures.
- (e) Review management's discussion and analysis relating to annual and interim financial statements and any other public disclosure documents, including interim earnings press releases, that are required to be reviewed by the Committee under any applicable laws, before the Company publicly discloses this information.
- (f) Meet no less frequently than annually with the external auditors and the Chief Financial Officer to review accounting practices, internal controls and such other matters as the Committee or Chief Financial Officer deem appropriate.

- (g) Inquire of management and the external auditors about significant financial risks or exposures, both internal and external, to which the Company may be subject, and assess the steps management has taken to minimize such risks.
- (h) Review the post-audit or management letter containing the recommendations of the external auditors and management's response and subsequent follow-up to any identified weaknesses.
- (i) Establish procedures for:
  - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
  - (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

### ***Audit***

#### External Auditor

The Committee has primary responsibility for the selection, appointment, dismissal and compensation and oversight of the external auditors, subject to the overall approval of the Board of Directors. In carrying out this duty, the Committee shall:

- (a) Require the external auditor to report directly to the Committee.
- (b) Recommend to the Board of Directors the external auditor to be nominated at the annual general meeting for appointment as the external auditor for the ensuing year and the compensation for the external auditors, or, if applicable, the replacement of the external auditor.
- (c) Review, annually, the performance of the external auditor.
- (d) Review and confirm the independence of the external auditor.
- (e) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the external auditor and former independent external auditor of the Company.
- (f) Pre-approve all non-audit services to be provided to the Company or its subsidiaries by the Company's external auditor.

#### Audit and Review Process and Results

The Committee is directly responsible for overseeing the work by the external auditor (including resolution of disagreements between management and the external auditor regarding financial reporting) engaged for the purpose of preparing or issuing an audit report or performing other audit or review services for the Company. The Committee shall:

- (a) Review the external auditors' audit plan, including the scope, procedures and timing of the audit.
- (b) Review the results of the annual audit with the external auditors, including matters related to the conduct of the audit.

- (c) Obtain timely reports from the external auditors describing critical accounting policies and practices, alternative treatments of information with GAAP that were discussed with management, their ramifications, and the external auditors' preferred treatment.
- (d) Ensure that all material written communications between the Company and the external auditors are sent to the Committee.
- (e) Review fees paid by the Company to the external auditors and other professionals in respect of audit and non-audit services on an annual basis.
- (f) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former auditors of the Company.

***Other***

- (a) Perform such other duties as may be assigned to it by the Board of Directors from time to time or as may be required by applicable regulatory authorities or legislation.
- (b) Report regularly and on a timely basis to the Board of Directors on matters coming before the Committee.
- (c) Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board of Directors for approval.

**AUTHORITY**

The Committee is authorized to:

- (a) to seek any information it requires from any employee of the Company in order to perform its duties;
- (b) to engage, at the Company's expense, independent legal counsel or other professional advisors on any matter within the scope of the role and duties of the Committee under this Charter;
- (c) to set and pay the compensation for any advisors engaged by the Committee; and
- (d) to communicate directly with the internal and external auditors of the Company.

This Charter supersedes and replaces all prior charters and other terms of reference pertaining to the Committee.