

GAINEY CAPITAL CORP.
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INFORMATION CIRCULAR
(As at October 19, 2017, except as indicated)

This Information Circular is furnished in connection with the solicitation of proxies by the management of Gainey Capital Corp. (the "Company") for use at the annual general meeting (the "Meeting") of its shareholders to be held on November 23, 2017 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.

In this Information Circular, references to "the Company", "we" and "our" refer to **Gainey Capital Corp.** "Common Shares" means common shares without par value in the capital of the Company. "Beneficial Shareholders" means shareholders who do not hold Common Shares in their own name and "intermediaries" refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the "**Proxy**") are officers and/or directors of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than the persons designated in the Proxy, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

Voting by Proxy

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors,
- (b) any amendment to or variation of any matter identified therein, and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the Proxy, the management appointee acting as a proxyholder will vote in favour of each matter identified on the Proxy and, if applicable, for the nominees of management for directors and auditors as identified in the Proxy.

Registered Shareholders

Registered shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares) may wish to vote by proxy whether or not they are able to attend the Meeting in person.

Registered shareholders electing to submit a proxy may do so by:

- (a) completing, dating and signing the enclosed form of proxy and returning it to the Company's transfer agent, Computershare Investor Services Inc., 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 or by hand delivery at 2nd Floor, 510 Burrard Street, Vancouver, British Columbia, Canada V6C 3B9;
- (b) using a touch-tone phone to transmit voting choices to a toll-free number. Registered 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 proxy access number; or
- (c) using the Internet through the website of the Company's transfer agent at www.investorvote.com. Registered 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 proxy access number;

in all cases ensuring that the proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the proxy is to be used. Late proxies may be accepted or rejected by the Chairman of the Meeting in the Chairman's discretion and the Chairman is under no obligation to accept or reject any particular late proxy.

Beneficial Shareholders

The following information is of significant importance to shareholders who do not hold Common Shares in their own name. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders or as set out in the following disclosure.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of intermediaries. In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, 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).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of meetings of shareholders. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

There are two kinds of Beneficial Shareholders - those who object to their name being made known to the issuers of securities which they own (called "**OBOs**" for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called "**NOBOs**" for Non-Objecting Beneficial Owners).

The Company is not forwarding meeting materials directly to NOBOs. The Company is not using the "notice-and-access" delivery procedures recently established under Canadian securities legislation. The Company does intend to pay for an intermediary to deliver to OBOs the proxy-related materials and Form 54-101F7 *Request for Voting Instructions Made by Intermediary*.

Beneficial Shareholders who are OBOs should follow the instructions of their intermediary carefully to ensure that their Common Shares are voted at the Meeting.

The form of proxy supplied to you by your broker will be similar to the proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge mails a Voting Instruction Form ("**VIF**") in lieu of a proxy provided by the Company. The VIF will name the same persons as the Company's Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than any of the persons designated in the VIF, to represent your Common Shares at the Meeting and that person may be you. To exercise this right, insert the name of the desired representative (which may be you) in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the Internet, in accordance with Broadridge's instructions. 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 and the appointment of any shareholder's representative. **If you receive a VIF from Broadridge, the VIF must be completed and returned**

to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Common Shares voted or to have an alternate representative duly appointed to attend the Meeting and vote your Common Shares at the Meeting.

Notice to Shareholders in the United States

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States Securities Exchange Act of 1934, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia), as amended, certain of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a shareholder who has given a proxy may revoke it by:

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the shareholder or the shareholder's authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare Investor Services Inc. or at the address of the registered office of the Company at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or
- (b) personally attending the Meeting and voting the shareholder's Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

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

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year end of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than as may be set out herein.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors (the "**Board**") of the Company has fixed October 19, 2017 as the record date (the "**Record Date**") for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Common Shares of the Company are listed for trading on the TSX Venture Exchange (the "**TSXV**"). As of October 19, 2017, there were 54,486,624 Common Shares issued and outstanding, each carrying the right to one vote. 6,673,698 of these Common Shares are held in escrow.

To the knowledge of the directors and executive officers of the Company, no person or corporation beneficially owned, or controlled or directed, directly or indirectly, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company as at October 19, 2017, except the following:

Name	No. of Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly	Percentage of Outstanding Shares
Ernesto Echavarria	6,250,000	14.27%

VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein. If there are more nominees for election as directors or appointment of the Company's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed by acclamation.

ELECTION OF DIRECTORS

The term of office of each of the current directors of the Company will end at the conclusion of the Meeting. Unless the director's office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (British Columbia) ("**BCA**"), each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

Shareholders will be asked to approve an ordinary resolution that the number of directors elected be fixed at three (3).

The following disclosure sets out the names of management's nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment for the five preceding years, the period of time during which each has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at October 19, 2017.

Name, Jurisdiction of Residence and Position	Principal Occupation or Employment ⁽³⁾	Previous Service as a Director	Common Shares Beneficially Owned or Controlled ⁽¹⁾
David Coburn ⁽²⁾ President, Chief Executive Officer, Director Penticton, BC, CANADA	Vancouver based businessman	Since February 11, 2011	4,164,000
D. Barry Lee ⁽²⁾ Vancouver, BC, CANADA	Director and/or Senior officer of several public companies. CFO of First Merit Group Inc. / CEO of Equity One Capital Corp., both private financial advisory firms	Since August 26, 2016	Nil
Brent Omland ⁽²⁾ Director Ridgefield, Connecticut, USA	CFO of Americas of Ocean Partners USA, Inc.	Since March 28, 2014	100,000

Notes:

- (1) The number of Common Shares beneficially owned by the above nominees for directors, directly or indirectly, is based upon insider reports available at www.sedi.ca and by the nominees themselves.
- (2) Member of the Audit Committee.
- (3) The information as to principal occupation, business or employment is not within the knowledge of the management of the Company and has been furnished by the respective nominees.

The following information relates to the principal occupation, business or employment of each director or proposed director.

David Coburn, President, Chief Executive Officer and Director

Mr. Coburn is a Vancouver-based businessman. He has invested in private and public corporations in several different industries focusing on renewable energy/high tech/contract manufacturing industries primarily in Asia. He obtained his Bachelor of Science in Business Administration from Northern Arizona University in May 1985.

Brent Omland, Director

Mr. Omland is currently the CFO and on the Board of Directors of Americas of Ocean Partners USA, Inc., a global base metal and precious metals concentrate trader with a strong presence in Mexico, and which works with miners to deliver successful trading services, including financial solutions, for their concentrates and by-products. Mr. Omland is an experienced senior finance professional in the mining, metals and physical trading fields having worked previously for Teck Resources Limited and more recently as the VP Finance and CFO of Ivernia Inc. and Enirgi Metal Group Pty Ltd, which are companies focused on lead mining and smelting in Australia. Mr. Omland has been a qualified Canadian Chartered Accountant since 2005.

D. Barry Lee, Director

Mr. Lee is a co-founder of Gainey and was an original member of the company's board until 2014. He has extensive board, senior management and audit committee experience and has provided strategic planning, corporate governance, and merger and acquisition expertise for both public and private companies within various sectors over the past 22 years. He is currently a director and/or senior officer and/or an audit committee member of several public companies listed in both Canada and the United States.

To the knowledge of the Company, except as disclosed below, no proposed Director:

- (a) is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer ("CEO") or chief financial officer ("CFO") of any company (including the Company) that:
 - (i) was the subject, while the proposed Director was acting in the capacity as director, CEO or CFO of such company, of a cease trade or similar 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; or
 - (ii) was subject to a cease trade or similar 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, CEO or CFO but which resulted from an event that occurred while the proposed Director was acting in the capacity as director, CEO or CFO of such company; or
- (b) is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, 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; or
- (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed Director; or
- (d) has been subject to 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 a securities regulatory authority; or

- (e) has been subject to any 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.

APPOINTMENT OF AUDITOR

Davidson & Company LLP, Chartered Accountants, #1200 – 609 Granville Street, P.O. Box 10372, Pacific Centre, Vancouver, British Columbia, will be nominated at the Meeting for appointment as auditor of the Company at remuneration to be fixed by the directors. Davidson & Company LLP was first appointed auditor of the Company on February 11, 2011.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

National Instrument 52-110 of the Canadian Securities Administrators ("**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, as set forth in the following:

The Audit Committee's Charter

The audit committee has a charter. A copy of the audit committee charter is attached as Schedule "A" to this Information Circular.

Composition of the Audit Committee

The current members of the audit committee are David Coburn, Brent Omland, and D. Barry Lee. Brent Omland is the chair of the audit committee. Mr. Omland and Mr. Lee are considered to be independent and financially literate as per the meanings ascribed to such terms in NI 52-110. Mr. Coburn is not independent as he is the President and CEO of the Company. Mr. Coburn is financially literate.

Relevant Education and Experience

See heading "Election of Directors" concerning disclosure on relevant education and experience of the current and proposed audit committee members.

Each member of the audit committee has:

- 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;
- 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
- an understanding of internal controls and procedures for financial reporting.

Audit Committee Oversight

At no time since the commencement 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 Board.

Reliance on Certain Exemptions

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

Pre-Approval Policies and Procedures

Refer to audit committee charter concerning policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

The audit committee has reviewed the nature and amount of the non-audited services provided by Davidson & Company LLP to the Company to ensure auditor independence. Fees incurred with Davidson & Company LLP for audit and non-audit services in the last fiscal year are outlined in the following table.

Nature of Services	Fees Paid to Auditor in Year Ended March 31, 2017	Fees Paid to Auditor in Year Ended March 31, 2016
Audit Fees ⁽¹⁾	\$24,950	\$29,485
Audit-Related Fees ⁽²⁾	\$499	\$590
Tax Fees	\$2,500 ⁽³⁾ (Est)	\$2,500 ⁽³⁾
All Other Fees ⁽⁴⁾	Nil	Nil
Total	\$27,949	\$32,575

Notes:

- (1) Audit Fees include fees necessary to perform the annual audit and quarterly reviews of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) Audit-Related Fees include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) For filing the company's annual tax return.
- (4) All Other Fees include all other non-audit services.

Exemption

The Company is relying upon the exemption in section 6.1 of NI 52-110 in respect of the composition of its audit committee and in respect of its reporting obligations under NI 52-110 for the year ended March 31, 2017. This exemption exempts a "venture issuer" from the requirement to have 100% of the members of its audit committee independent, as would otherwise be required by NI 52-110.

CORPORATE GOVERNANCE

General

Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The Board is committed to sound corporate governance practices, as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company, based on the tests for independence set forth in NI 52-110. A "material relationship" is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgment.

The Board facilitates its exercise of independent judgement in carrying out its responsibilities by carefully examining issues and consulting with outside counsel and other advisors in appropriate circumstances. The Board requires management to provide complete and accurate information with respect to the Company's activities and to provide relevant information concerning the industry in which the Company operates in order to identify and manage risks. The Board is responsible for monitoring the Company's officers who, in turn, are responsible for the maintenance of internal controls and management information systems.

Two members of the proposed Board are independent directors, namely Brent Omland and D. Barry Lee. David Coburn is not independent as he is the President and CEO of the Company.

Directorships

The following table sets out the directors and nominees for director of the Company that are currently directors of other reporting companies:

Name	Name of Reporting Issuer	Name of Exchange or Market	Since
D. Barry Lee	Buccaneer Gold Corp Arco Resources Corp. Velocity Minerals Ltd. Atom Energy Inc. Worldwide Resources corp.	TSXV TSXV TSXV TSXV TSXV	May 2016 March 2016 September 2007 May 2007 January 2005

Orientation and Continuing Education

When new directors are appointed, they receive an orientation, commensurate with their previous experience, on the Company's business, technology and industry and on the responsibilities of directors.

Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual directors' participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

Compensation

The Board, as a whole, determines compensation for the directors and Chief Executive Officer. Further information regarding the Company's process for determining compensation appears below under "Statement of Executive Compensation - Compensation Discussion and Analysis".

Other Board Committees

The Company has no committees other than the audit committee.

Assessments

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committees to satisfy itself that the Board, its committees and its Directors are performing effectively.

STATEMENT OF EXECUTIVE COMPENSATION

In this section "Named Executive Officer" means (a) the Chief Executive Officer (or an individual who acted in a similar capacity) (the "CEO"), (b) the Chief Financial Officer (or an individual who acted in a similar capacity) (the "CFO"), (c) each of the Company's three other most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity (except those whose total salary and bonus does not exceed \$150,000), and (d) each individual who would be an Named Executive Officer under paragraph (c) 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 financial year.

The Named Executive Officers for the year ended March 31, 2017 are David Coburn (President and CEO), and Michele Pillon (current CFO) (the "NEOs").

All dollar amounts referenced herein are Canadian Dollars unless otherwise specified.

Compensation Discussion and Analysis

The Board has not appointed a compensation committee and the responsibilities relating to executive and director compensation, including reviewing and recommending director compensation, overseeing the Company's base compensation structure and equity-based compensation program, recommending compensation of the Company's officers and employees, and evaluating the performance of officers generally and in light of annual goals and objectives, is performed by the Board as a whole.

The Board also assumes responsibility for reviewing and monitoring the long-range compensation strategy for the Company's senior management. The Board reviews the compensation of senior management on a semi-annual basis taking into account compensation paid by other issuers of similar size and activity.

Philosophy and Objectives

The Company is a small company with limited financial resources. The compensation program for the senior management of the Company is designed within this context with a view that the level and form of compensation achieves certain objectives, including:

- (a) attracting and retaining qualified executives;
- (b) motivating the short and long-term performance of these executives; and
- (c) better aligning their interests with those of the Company's shareholders.

In compensating its senior management, the Company employs a combination of base salary and equity participation through the granting of stock options. Recommendations for senior management compensation are presented to the Board for review.

Base Salary

In the Board's view, paying base salaries which are reasonable in relation to the level of service expected while remaining competitive in the markets in which the Company operates is a first step to attracting and retaining qualified and effective executives.

Bonus Incentive Compensation

The Board will consider executive bonus compensation dependent upon the Company meeting its strategic objectives and sufficient cash resources being available for the granting of bonuses. The Board approves executive bonus compensation dependent upon compensation levels based on recommendations of the CEO. Such recommendations are generally based on information provided by issuers that are similar in size and scope to the Company's operations.

Equity Participation – Option-based Awards

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Stock options are granted pursuant to the Company's Stock Option Plan. Options are granted to executives and employees at the discretion of the Board taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive factors. The amounts and terms of options granted are determined by the Board based on recommendations put forward by the CEO. Due to the Company's limited financial resources, the Company utilizes option grants to maintain executive motivation. See "Particulars of Other Matters to Be Acted Upon – Approval of Stock Option Plan" for further details concerning the Stock Option Plan.

Actions, Decisions or Policy Changes

The Company has not established a compensation committee and did not retain professional executive compensation consultants in the most recently completed financial year. Given the evolving nature of the Company's business, the Board continues to review the overall compensation plan for senior management so as to continue to address the objectives identified above.

Compensation Risk Oversight and Assessment

The Board has not proceeded to a formal evaluation of the implications of the risks associated with the Company's compensation policies and practices.

As discussed above, the Company employs a compensation model, which ensures that an adequate portion of overall compensation for the NEOs is "at risk" and only realized through the performance of the Company over both the short-term and longer-term. Further, all elements of executive compensation are discretionary. As a result, it is less likely that an executive officer would take inappropriate or excessive risks at the expense of the Company or the shareholders that would be beneficial to their short-term compensation when their long-term compensation might be put at risk from their actions. Due to the organizational structure of the Company, the Board is able closely monitor executive performance such that any risks associated with the Company's compensation policies and practices may be promptly identified and mitigated.

The Company has not adopted a formal policy forbidding directors or officers from purchasing financial instruments that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by directors or officers. The Company is not, however, aware of any directors or officers having entered into this type of transaction.

Summary Compensation Table

The compensation paid to the NEOs during the Company's three most recently completed financial years is as set out below and expressed in Canadian dollars unless otherwise noted:

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
David Coburn President and CEO	2017	157,897	Nil	Nil	Nil	Nil	Nil	Nil	157,897
	2016	158,060	Nil	Nil	Nil	Nil	Nil	Nil	158,060
	2015	125,797	Nil	Nil	Nil	Nil	Nil	Nil	125,797
Michele Pillon CFO ⁽²⁾	2017	30,000	Nil	Nil	Nil	Nil	Nil	Nil	30,000
	2016	30,000	Nil	Nil	Nil	Nil	Nil	Nil	30,000
	2015	30,000	Nil	Nil	Nil	Nil	Nil	Nil	30,000

Notes:

- (1) For compensation purposes, the Black-Scholes option valuation model has been used to determine the fair value on the date of grant, which for these awards granted was \$0.20 per option. The following weighted average assumptions were used for the valuation of options granted during the year: Risk-free interest rate - 0.73%; Expected life of options - 5 years; and annualized volatility - 105%.
- (2) Ms. Pillon was appointed as CFO of the Company on March 28, 2014.

Outstanding Option-based Awards

The following table sets out all option-based awards outstanding as at March 31, 2017 for each NEO. The Company has not awarded any share based-awards.

Name	Option-Based Awards				Share-based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (s)
David Coburn	400,000	0.20	Sept. 8, 2021	Nil	Nil	Nil	Nil
Michele Pillon	100,000	0.25	June 1, 2020	Nil	Nil	Nil	Nil
	90,000	0.20	Sept. 8, 2021	Nil	Nil	Nil	Nil

Note:

- (1) Value of unexercised "In-the-Money Options" is based on a share price of \$0.16 on March 31, 2017.

Incentive Plan Awards – Value Vested or Earned During the Year

No options vested or were earned during the most recently completed financial year in relation to incentive plan awards granted to Named Executive Officers.

Termination and Change of Control Benefits

The Company has no contract, agreement, plan or arrangement that provides for payments to an NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement or a change of control of the Company or a change in an NEO's responsibilities.

Director Compensation

The Company has no arrangements, standard or otherwise, pursuant to which directors are compensated by the Company for their services in their capacity as directors, or for committee participation, except for the granting from time to time of incentive stock options in accordance with the policies of the TSXV. The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the directors of the Company and to closely align the personal interests of such persons to that of the shareholders.

Outstanding Option-based Awards

The following table sets out all option-based awards outstanding as at March 31, 2017 for directors who was not an NEO for the Company's most recently completed financial year of March 31, 2017. The Company has not awarded any share based-awards:

Name	Option-Based Awards				Share-based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (s)
Brent Omland	120,000	0.25	June 1, 2020	Nil	Nil	Nil	Nil
	90,000	0.20	Sept. 8, 2021				
D. Barry Lee	90,000	0.20	Sept. 8, 2021	Nil Nil	Nil Nil	Nil Nil	Nil Nil

Note:

(1) Value of unexercised "In-the-Money Options" is based on a share price of \$0.16 on March 31, 2017.

Incentive Plan Awards – Value Vested or Earned During the Year

No options vested or were earned during the most recently completed financial year in relation to incentive plan awards granted to Directors.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out equity compensation plan information as at the end of the financial year ended March 31, 2017.

Equity Compensation Plan Information

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) ⁽¹⁾
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders (" Stock Option Plan ")	890,000	\$0.22	220,595 ⁽²⁾
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	890,000	\$0.22	220,595

Notes:

⁽¹⁾ The aggregate number of shares issuable upon exercise of all options granted under the Stock Option Plan, which shall not exceed 10% of the Company's issued and outstanding shares from time to time.

⁽²⁾ Based on the number of common shares of the Company issued and outstanding on March 31, 2017.

See "Particulars of Other Matters to Be Acted Upon – Approval of Stock Option Plan" for further details regarding the Company's Stock Option Plan.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Information Circular, there was no indebtedness outstanding of any current or former director, executive officer or employee of the Company or its subsidiaries which is owing to the Company or its subsidiaries, or, which is owing to another entity which indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries, entered into in connection with a purchase of securities or otherwise.

No individual who is, or at any time during the most recently completed financial year was, a director or executive officer of the Company, no proposed nominee for election as a director of the Company and no associate of such persons:

- (i) is or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or its subsidiaries; or
- (ii) is indebted to another entity, which indebtedness is, or at any time since the beginning of 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 or its subsidiaries, in relation to a securities purchase program or other program.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Management is not aware of any material interest, direct or indirect, of any informed person of the Company, any proposed director of the Company, or any associate or affiliate of any informed person or proposed director, 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 or any of its subsidiaries other than as disclosed herein or in a document disclosed to the public and available for review of www.sedar.com.

MANAGEMENT CONTRACTS

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

PARTICULARS OF MATTERS TO BE ACTED UPON

Approval of Stock Option Plan

The Company has a 10% rolling stock option plan (the "**Plan**") which provides for the grant of options to directors, officers, employees and consultants of the Company.

Under the terms of the Plan, the Board may from time to time grant options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares, exercisable for a period of up to ten years from the date of grant. As of the date of this Information Circular, 4,225,000 options are granted and outstanding.

The purpose of the Plan is to allow the Company to grant options to directors, senior officers, employees and consultants, as additional compensation, and as an opportunity to participate in the success of the Company. The granting of such options is intended to align the interests of such persons with that of the shareholders. Options will be exercisable over periods of up to ten years as determined by the Board of Directors of the Company and are required to have an exercise price no less than the closing market price of the Company's shares prevailing on the day that the option is granted (or, if the grant is not announced, the closing market price prevailing on the day that the option is granted) less a discount of up to 25%, the amount of the discount varying with market price in accordance with the policies of the Exchange. Pursuant to the Option Plan, the Board of Directors may from time to time authorize the issue of options to directors, officers, employees and consultants of the Company and its subsidiaries or employees of companies providing management or consulting services to the Company or its subsidiaries. The Option Plan contains no vesting requirements (other than for Optionees engaged in investor relations activities, in which case options vest in stages over a period of 12 months), but permits the Board of Directors to specify a vesting schedule in its discretion. The Option Plan provides that if a change of control, as defined therein, occurs, all shares subject to option shall immediately become vested and may thereupon be exercised in whole or in part by the option holder.

The maximum number of shares which may be issued pursuant to options previously granted and those granted under the Option Plan will be 10% of the issued and outstanding shares at the time of the grant. In addition, the number of shares which may be reserved for issuance to any one individual may not exceed (without disinterested shareholder approval) 5% of the issued shares on a yearly basis or 2% if the optionee is a consultant. The number of shares which may be reserved for issuance to all persons engaged in investor relations activities may not exceed 2% of the issued shares on a yearly basis. The number of shares which may be reserved for issuance to insiders of the Company as a group may not exceed (without disinterested shareholder approval) 10% of the issued shares on a yearly basis.

In accordance with good corporate governance practices and as recommended by National Policy 51-201 Disclosure Standards, the Company imposes black-out periods restricting the trading of its securities by directors, officers, employees and consultants during periods surrounding the release of annual and interim financial statements and at other times when deemed necessary by management and the Board. In order to ensure that optionees are not prejudiced by the imposition of such black-out periods, the Plan includes a provision (the "**Black-Out Provision**") to the effect that any outstanding stock options with an expiry date that falls during a management imposed black-out period or within five trading days thereafter will be automatically extended to a date that is ten trading days following the end of the black-out period.

The Plan contains adjustment provisions with respect to outstanding options in cases of share reorganizations, special distributions and other corporation reorganizations including an arrangement or other transaction under which the business or assets of the Company become, collectively, the business and assets of two or more companies with the same shareholder group upon the distribution to the Company's shareholders, or the exchange with the Company's shareholders, of securities of the Company or securities of another company.

The Option Plan provides that on the death or disability of an option holder, all vested options will expire at the earlier of 365 days after the date of death or disability and the expiry date of such options. Where an optionee is terminated for cause, any outstanding options (whether vested or unvested) are cancelled as of the date of termination. If an optionee retires or voluntarily resigns or is otherwise terminated by the Company other than for cause, then all vested options held by such optionee will expire at the earlier of (i) the expiry date of such options and (ii) the date which is 90 days (30 days if the optionee was engaged in investor relations activities) after the optionee ceases its office, employment or engagement with the Company, provided that the board of directors may extend this 90-day termination date to a later date within a reasonable period in accordance with applicable policies of the Exchange.

The full text of the New Plan is available for viewing up to the date of the Meeting at the Company's offices at 501-595 Howe Street, Vancouver, British Columbia, V6C 2T5 and will also be available for review at the Meeting.

At the Meeting, shareholders will be asked to vote on the following ordinary resolution, with or without variation:

"IT IS RESOLVED, as an ordinary resolution that:

1. subject to regulatory approval, the Plan (as defined and described in the Company's Information Circular dated October 19, 2017) pursuant to which the Board may, from time to time, authorize the issuance of options to directors, officers, employees and consultants of the Company and its subsidiaries to a maximum of 10% of the issued and outstanding common shares of the Company at the time of grant, with a maximum of 5% of the Company's issued and outstanding common shares being reserved to any one person on a yearly basis, be and is hereby ratified, authorized, confirmed and approved; and
2. any director or officer of the Company is hereby authorized and directed, acting for, in the name of and on behalf of the Company, to execute or cause to be executed, and to deliver or cause to be delivered, such other documents and instruments, and to do or cause to be done all such other acts and things, as may in the opinion of such director or officer of the Company be necessary or desirable to carry out the intent of the foregoing resolution."

ADDITIONAL INFORMATION

Financial information is provided in the audited consolidated financial statements of the Company for the year ended March 31, 2017 and in the related management discussion and analysis as filed on www.Sedar.com.

Additional information relating to the Company is filed on www.Sedar.com and upon request from the CFO of the Company at Suite 501 – 595 Howe Street, Vancouver, British Columbia V6C 2T5 at telephone no.: (604) 685-4655 or facsimile no.: (604) 685-4675. Copies of documents will be provided free of charge to securityholders of the Company. The Company may require the payment of a reasonable charge from any person or company who is not a securityholder of the Company, who requests a copy of any such document.

OTHER MATTERS

The Board is not aware of any other matters, which it anticipates will come before the Meeting as of the date of mailing of this Information Circular.

The Board of the Company has approved the contents of this Information Circular and its distribution to shareholders.

DATED at Vancouver, British Columbia, October 19, 2017.

BY ORDER OF THE BOARD

"David Coburn"

David Coburn
Director, President and Chief Executive Officer

SCHEDULE "A"

AUDIT COMMITTEE CHARTER

The audit committee is a committee of the board of directors to which the board delegates its responsibilities for the oversight of the accounting and financial reporting process and financial statement audits. The audit committee will:

- 1) review and report to the board of directors of the Company on the following before they are published:
 - *the financial statements and MD&A (management discussion and analysis) (as defined in National Instrument 51-102) of the Company;*
 - *the auditor's report, if any, prepared in relation to those financial statements,*
- 2) review the Company's annual and interim earnings press releases before the Company publicly discloses this information,
- 3) 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 and periodically assess the adequacy of those procedures,
- 4) recommend to the board of directors:
 - *the external 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*
 - *the compensation of the external auditor,*
- 5) oversee the work of the external 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 external auditor regarding financial reporting,
- 6) monitor, evaluate and report to the board of directors on the integrity of the financial reporting process and the system of internal controls that management and the board of directors have established,
- 7) monitor the management of the principal risks that could impact the financial reporting of the Company,
- 8) establish procedures for:
 - *the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and*
 - *the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters,*
- 9) pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the Company's external auditor,
- 10) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company, and
- 11) with respect to ensuring the integrity of disclosure controls and internal controls over financial reporting, understand the process utilized by the Chief Executive Officer and the Chief Financial Officer to comply with Multilateral Instrument 52-109.

Composition of the Committee

The committee will be composed of 3 directors from the Company's board of directors, a majority of whom will be independent. Independence of the board of directors' members will be as defined by applicable legislation and as a minimum each independent committee member will have no direct or indirect relationship with the Company which, in the view of the board of directors, could reasonably interfere with the exercise of a member's independent judgment.

All members of the committee will be financially literate as defined by applicable legislation. If, upon appointment, a member of the committee is not financially literate as required, the person will be provided a three-month period in which to achieve the required level of literacy.

Authority

The committee has the authority to engage independent counsel and other advisors as it deems necessary to carry out its duties and the committee will set the compensation for such advisors.

The committee has the authority to communicate directly with and to meet with the external auditors and the internal auditor, without management involvement. This extends to requiring the external auditor to report directly to the committee.

Reporting

The reporting obligations of the committee will include:

- (a) reporting to the board of directors on the proceedings of each committee meeting and on the committee's recommendations at the next regularly scheduled directors' meeting; and
- (b) reviewing, and reporting to the board of directors on its concurrence with, the disclosure required by Form 52-110F2 in any management information circular prepared by the Company.