

# **TRUE GRIT RESOURCES LTD.**

Suite 404 – 999 Canada Place  
Vancouver, BC V6C 3E2

## **NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON DECEMBER 21, 2018**

**AND**

## **INFORMATION CIRCULAR**

*November 21, 2018*

*This document requires immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this notice and information circular, you should immediately contact your advisor.*

**TRUE GRIT RESOURCES LTD.**

Suite 404, 999 Canada Place  
Vancouver, BC V6C 3E2  
Telephone: (604) 657-7004

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING**

**TO THE SHAREHOLDERS:**

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the “**Meeting**”) of shareholders of True Grit Resources Ltd. (the “**Company**”) will be held at the offices of Clark Wilson LLP, 900 - 885 West Georgia Street, Vancouver, British Columbia, on Friday, December 21, 2018, at the hour of 10:00 a.m. (Vancouver time) for the following purposes:

- (1) to receive the audited financial statements of the Company for the fiscal year ended March 31, 2018, and the accompanying report of the auditors;
- (2) to set the number of directors of the Company for the ensuing year at four (4) persons;
- (3) to elect Byron Coulthard, Cyrus Driver, David McCue and Nicolas R. Barr as directors of the Company;
- (4) to appoint Davidson & Company LLP, Chartered Professional Accountants, as the auditors of the Company for the fiscal year ending March 31, 2019 and to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending March 31, 2019;
- (5) to consider and, if thought fit, to pass an ordinary resolution to ratify the Company’s Stock Option Plan, as described in the accompanying information circular (the “**Information Circular**”); and
- (6) to transact such further or other business as may properly come before the Meeting and any adjournment or postponement thereof.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this Notice of Meeting.

The board of directors of the Company has fixed November 14, 2018 as the record date for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered shareholder at the close of business on that date is entitled to such notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular.

If you are a registered shareholder of the Company and unable to attend the Meeting in person, please vote by proxy by following the instructions provided in the form of proxy at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of the Meeting or any adjournment or postponement thereof.

If you are a non-registered shareholder of the Company and received this Notice of Meeting and accompanying materials through a broker, a financial institution, a participant, or a trustee or administrator of a retirement savings plan, retirement income fund, education savings plan or other similar savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing that holds your securities on your behalf (each, an “**Intermediary**”), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

DATED at Vancouver, British Columbia, this 21st day of November, 2018.

By Order of the Board of Directors of

**TRUE GRIT RESOURCES LTD.**

*“Byron Coulthard”*

Byron Coulthard

President and Chief Executive Officer

**PLEASE VOTE. YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU EXPECT TO ATTEND THE MEETING, PLEASE COMPLETE, SIGN AND DATE THE ENCLOSED FORM OF PROXY AND PROMPTLY RETURN IT IN THE ENVELOPE PROVIDED.**

**TRUE GRIT RESOURCES LTD.**

Suite 404, 999 Canada Place  
Vancouver, BC V6C 3E2  
Telephone: (604) 657-7004

**INFORMATION CIRCULAR**

**November 21, 2018**

**INTRODUCTION**

This information circular (the “**Information Circular**”) accompanies the notice of annual general and special meeting of shareholders (the “**Notice**”) of True Grit Resources Ltd. (the “**Company**”) and is furnished to shareholders (each, a “**Shareholder**”) holding common shares (the “**Shares**”) of the Company in connection with the solicitation by the management of the Company of proxies to be voted at the annual general and special meeting (the “**Meeting**”) of the shareholders to be held at 10:00 a.m. on Friday, December 21, 2018 at the offices of Clark Wilson LLP, 900 – 885 West Georgia Street, Vancouver, British Columbia, or at any adjournment or postponement thereof.

**Date and Currency**

The date of this Information Circular is November 21, 2018. Unless otherwise stated, all amounts herein are in Canadian dollars.

**PROXIES AND VOTING RIGHTS**

**Management Solicitation**

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

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

**Appointment of Proxy**

Registered shareholders are entitled to vote at the Meeting. A shareholder is entitled to one vote for each common share that such shareholder holds on the record date of November 14, 2018 on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

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

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

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

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

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

#### **Revocation of Proxies**

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

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

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

A Shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space on the proxy. **The Shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.**

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

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

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

#### **ADVICE TO BENEFICIAL SHAREHOLDERS**

**The information set out in this section is of significant importance to those Shareholders who do not hold Shares in their own name. Shareholders who do not hold their Shares in their own name (referred to in this Information Circular as "Beneficial Shareholders") should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Shares can be recognized and acted upon at the Meeting.** If Shares are listed in an account statement provided by a broker, then in almost all cases those Shares will not be registered in the Beneficial Shareholder's name on the records of the Company. Such Shares will more likely be registered under the names of the Beneficial Shareholder's broker or an agent of that broker. In the United States, the vast majority of such 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). **Beneficial Shareholders should ensure that instructions respecting the voting of their Shares are communicated to the appropriate person well in advance of the Meeting.**

The Company does not have access to names of all of Beneficial Shareholders. Applicable regulatory policy requires 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 Shares are voted at the Meeting. 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 the Company. 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**") in the United States and in Canada. Broadridge typically prepares a special voting instruction form, mails this form to the Beneficial Shareholders and asks for appropriate instructions regarding the voting of Shares to be voted at the Meeting. If Beneficial Shareholders receive the voting instruction forms from Broadridge, they are requested to complete and return the voting instruction forms to Broadridge by mail or facsimile. Alternatively, Beneficial Shareholders can call a toll-free number and access Broadridge's dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and to vote the Shares held by them. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Broadridge voting instruction form cannot use that form as a proxy to vote Shares directly at the**

**Meeting – the voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have the applicable Shares voted at the Meeting.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of his, her or its broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered Shareholder and vote the Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their 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.

Alternatively, a Beneficial Shareholder may request in writing that his, her or its broker send to the Beneficial Shareholder a legal proxy which would enable the Beneficial Shareholder to attend at the Meeting and vote his, her or its Shares.

Beneficial Shareholders consist of non-objecting beneficial owners and objecting beneficial owners. A non-objecting beneficial owner is a beneficial owner of securities that has provided instructions to an intermediary holding the securities in an account on behalf of the beneficial owner that the beneficial owner does not object, for that account, to the intermediary disclosing ownership information about the beneficial owner under National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators. An objecting beneficial owner means a beneficial owner of securities that has provided instructions to an intermediary holding the securities in an account on behalf of the beneficial owner that the beneficial owner objects, for that account, to the intermediary disclosing ownership information about the beneficial owner under National Instrument 54-101.

The Company is sending proxy-related materials directly to non-objecting beneficial owners of the Shares. The Company will not pay for the delivery of proxy-related materials to objecting beneficial owners of the Shares. The objecting beneficial owners of the Shares will not receive the materials unless their intermediary assumes the costs of delivery.

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

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

The Company is authorized to issue an unlimited number of Shares without par value. As of the record date, determined by the board of directors of the Company (the "**Board**") to be the close of business on November 14, 2018, a total of 33,710,492 Shares were issued and outstanding. Each Share carries the right to one vote at the Meeting.

Only registered shareholders as of the record date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

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

| Name of Shareholder | Number of Common Shares Owned <sup>(3)</sup> | Percentage of Outstanding Common Shares <sup>(1)(2)</sup> |
|---------------------|--|---|
| Blair Naughty       | 4,500,000                                    | 13.35%  |

- (1) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at November 14, 2018, based upon information furnished to the Company by the individual directors. Options, warrants or other convertible securities currently exercisable or convertible, or exercisable or convertible within 60 days, are counted as outstanding for computing the percentage of the person holding such options, warrants or other convertible securities, but are not counted as outstanding for computing the percentage of any other person.
- (2) Based on 33,710,492 Shares issued and outstanding as of November 14, 2018.
- (3) These numbers are derived solely from public filings made by this shareholder on the System for Electronic Disclosure by Insiders (SEDI). The Company does not have actual knowledge of the number of securities held by this shareholder.

### NUMBER OF DIRECTORS

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company at four (4). An ordinary resolution needs to be passed by a simple majority of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting.

**Management recommends the approval of setting the number of directors of the Company at four (4).**

### ELECTION OF DIRECTORS

At present, the directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting, or until their successors are duly elected or appointed in accordance with the Company's Articles or until such director's earlier death, resignation or removal.

Management of the Company proposes to nominate all of the current directors of the Company, as set out in the table below, for election by the shareholders as directors of the Company. Information concerning such persons, as furnished by the individual nominees, is as follows:

| Name, Place of Residence and Position(s) with the Company   | Principal Occupation, Business or Employment for Last Five Years <sup>(1)</sup>  | Director Since    | Number of Shares Owned <sup>(1)</sup> |
|---|--|-------------------|---------------------------------------|
| Byron Coulthard <sup>(2)</sup><br>British Columbia,<br>Canada<br><br><i>President, Chief Executive Officer, acting Chief Financial Officer and Director</i> | President, chief executive officer and director of the Company since December 12, 2016 and acting chief financial officer of the Company since August 28, 2017; president and chief executive officer of Trueclaim Exploration Inc., a junior mining company listed on the TSX Venture Exchange (the "TSXV") since January 3, 2013 and a director since July 26, 2012; director of BRS Resources Ltd., an oil and gas company listed on the TSXV, since January 2003, president and chief executive officer from March 3, 2003 to February 24, 2011 and from January 2016, interim chief financial officer from May 12, 2017. Mr. Coulthard was a director of Tinkerine Studios Ltd. from May 2006 until April 2014. | December 12, 2016 | 2,740,000                             |
| Cyrus Driver <sup>(2)</sup><br>British Columbia,<br>Canada<br><br><i>Director</i>   | Former Partner with Davidson & Company LLP, Chartered Professional Accountants, since March 2002. Mr. Driver was the chief financial officer of the Company from June 19, 2017 until August 28, 2017.  | June 19, 2017     | 400,000                               |

| Name,<br>Place of Residence and<br>Position(s)<br>with the Company                   | Principal Occupation,<br>Business or Employment<br>for Last Five Years <sup>(1)</sup>   | Director<br>Since   | Number of<br>Shares<br>Owned <sup>(1)</sup> |
|--|---|---------------------|---|
| David McCue<br>British Columbia,<br>Canada<br><br><i>Director</i>                    | Retired Lawyer; director of Maritime Resources Corp. from March 2008 until April 24, 2017.  | January 14,<br>2011 | 2,675,532 <sup>(3)</sup>                    |
| Nicolas R. Barr <sup>(2)</sup><br>British Columbia,<br>Canada<br><br><i>Director</i> | Mr. Barr is a geologist with over 40 years of industry experience and primarily in exploration for precious and base metals, massive sulfides, uranium industrial minerals and gold placers in Arizona, Nevada, California and Idaho. His recent consulting included 18 months engaged in all phases of lithium-in-brine exploration in Clayton Valley, Nevada. | April 12,<br>2018   | Nil   |

(1) Information has been furnished by the respective nominees individually.

(2) Member of the Audit Committee.

(3) Does not include 100,000 stock options held directly, each of which is exercisable into one Share at a price of \$0.05 per Share until February 18, 2020.

Management does not contemplate that any of its nominees will be unable to serve as directors. If any vacancies occur in the slate of nominees listed above before the Meeting, then the Designated Persons intend to exercise discretionary authority to vote the Shares represented by proxies for the election of any other persons as directors.

**Management recommends the election of each of the nominees listed above as a director of the Company.**

*Orders*

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

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

*Bankruptcies*

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

capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets or made a proposal under any legislation relating to bankruptcies or insolvency.

#### *Penalties and Sanctions*

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

### STATEMENT OF EXECUTIVE COMPENSATION

#### General

For the purpose of this Statement of Executive Compensation:

**"compensation securities"** includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries (if any) for services provided or to be provided, directly or indirectly to the Company or any of its subsidiaries (if any);

**"NEO"** or **"named executive officer"** means:

- (a) each individual who served as chief executive officer ("**CEO**") of the Company, or who performed functions similar to a CEO, during any part of the most recently completed financial year,
- (b) each individual who served as chief financial officer ("**CFO**") of the Company, or who performed functions similar to a CFO, during any part of the most recently completed financial year,
- (c) the most highly compensated executive officer of the Company or any of its subsidiaries (if any) other than individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for that financial year, and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries (if any), nor acting in a similar capacity, at the end of that financial year;

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

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

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

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

| Name and Position  | Year Ended March 31 | Salary, Consulting Fee, Retainer or Commission (\$) | Bonus (\$) | Committee or Meeting Fees (\$) | Value of Perquisites <sup>(1)</sup> (\$) | Value of All Other Compensation (\$) | Total Compensation (\$) |
|--|---------------------|---|------------|--------------------------------|--|--------------------------------------|-------------------------|
| Byron Coulthard <sup>(2)</sup><br><i>President, CEO, acting CFO and Director</i> | 2018                | Nil   | Nil        | Nil                            | Nil                                      | Nil                                  | Nil                     |
|  | 2017                | Nil   | Nil        | Nil                            | Nil                                      | Nil                                  | Nil                     |
| David McCue <sup>(3)</sup><br><i>Director</i>                                    | 2018                | Nil   | Nil        | Nil                            | Nil                                      | Nil                                  | Nil                     |
|  | 2017                | Nil   | Nil        | Nil                            | Nil                                      | Nil                                  | Nil                     |
| Cyrus Driver <sup>(4)</sup><br><i>Director</i>                                   | 2018                | Nil   | Nil        | Nil                            | Nil                                      | Nil                                  | Nil                     |
|  | 2017                | N/A   | N/A        | N/A                            | N/A                                      | N/A                                  | N/A                     |
| Nicolas R. Barr <sup>(5)</sup><br><i>Director</i>                                | 2018                | N/A   | N/A        | N/A                            | N/A                                      | N/A                                  | N/A                     |
|  | 2017                | N/A   | N/A        | N/A                            | N/A                                      | N/A                                  | N/A                     |
| Allan Williams <sup>(6)</sup><br><i>Former Director and President and CEO</i>    | 2018                | Nil   | Nil        | Nil                            | Nil                                      | Nil                                  | Nil                     |
|  | 2017                | Nil   | Nil        | Nil                            | Nil                                      | Nil                                  | Nil                     |
| Douglas Fulcher <sup>(7)</sup><br><i>Former President, CEO and Director</i>      | 2018                | Nil   | Nil        | Nil                            | Nil                                      | Nil                                  | Nil                     |
|  | 2017                | Nil   | Nil        | Nil                            | Nil                                      | Nil                                  | Nil                     |
| Andrew Pooler <sup>(8)</sup><br><i>Former Director</i>                           | 2018                | Nil   | Nil        | Nil                            | Nil                                      | Nil                                  | Nil                     |
|  | 2017                | Nil   | Nil        | Nil                            | Nil                                      | Nil                                  | Nil                     |
| Jeannine P.M. Webb <sup>(9)</sup><br><i>Former CFO and Secretary</i>             | 2018                | Nil   | Nil        | Nil                            | Nil                                      | Nil                                  | Nil                     |
|  | 2017                | Nil   | Nil        | Nil                            | Nil                                      | Nil                                  | Nil                     |

- (1) "Perquisites" include perquisites provided to an NEO or director that are not generally available to all employees and that, in aggregate, are: (a) \$15,000, if the NEO or director's total salary for the financial year is \$150,000 or less, (b) 10% of the NEO or director's salary for the financial year if the NEO or director's total salary for the financial year is greater than \$150,000 but less than \$500,000, or (c) \$50,000 if the NEO or director's total salary for the financial year is \$500,000 or greater.
- (2) Byron Coulthard has been the president, CEO and a director of the Company since December 12, 2016 and the acting CFO since August 28, 2017.
- (3) David McCue has been a director of the Company since January 14, 2011 and was the secretary from April 19, 2011 to July 1, 2014.
- (4) Cyrus Driver has been a director of the Company since June 19, 2017.
- (5) Nicolas R. Barr has been a director of the Company since April 12, 2018.

- (6) Allan Williams was a director of the Company from January 11, 2012 to April 12, 2018 and the president and CEO from January 11, 2012 to July 1, 2014.
- (7) Douglas Fulcher was the president and CEO of the Company from July 1, 2014 to December 12, 2016 and a director from April 19, 2011 to June 19, 2017.
- (8) Andrew Pooler was a director of the Company from July 1, 2014 to December 12, 2016.
- (9) Jeannine P.M. Webb was the CFO of the Company from September 1, 2011 to October 8, 2016 and the secretary of the Company from July 1, 2014 to October 8, 2016.

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

The Company did not grant or issue any compensation securities to any director or NEO in the financial year ended March 31, 2018. As at March 31, 2018:

- (a) Byron Coulthard, the President, CEO, acting CFO and a director of the Company, did not own any compensation securities;
- (b) David McCue, a director of the Company, owned an aggregate of 100,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share at a price of \$0.05 per Share until February 18, 2020;
- (c) Cyrus Driver, a director and former CFO of the Company, did not own any compensation securities;
- (d) Nicolas R. Barr, a director and former CFO of the Company, did not own any compensation securities;
- (e) Allan Williams, a former director and president and CEO of the Company, owned an aggregate of 100,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Share at a price of \$0.05 per Share until February 18, 2020;
- (f) Douglas Fulcher, the former president, CEO and director of the Company, did not own any compensation securities;
- (g) Andrew Pooler, a former director of the Company, did not own any compensation securities; and
- (h) Jeannine P.M. Webb, the former CFO of the Company, did not own any compensation securities.

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

The Company's current stock option plan (the "**Plan**"), which it adopted in 2017, is a "rolling" stock option plan, whereby the aggregate number of Shares reserved for issuance, together with any other Shares reserved for issuance under any other plan or agreement of the Company, shall not exceed ten (10%) percent of the total number of issued Shares (calculated on a non-diluted basis) at the time an option is granted. The Plan provides that the Board may, from time to time, in its discretion, grant to directors, officers, employees, consultants and other personnel of the Company and its subsidiaries or affiliates, options to purchase Shares. As at November 14, 2018, there were 200,000 options outstanding under the Plan. The Shareholders approved the Plan at the Company's annual general and special meeting held on December 12, 2017.

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

The Company is not party to any formal, written employment, consulting or management agreements with any NEO or director.

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

The Board has not created or appointed a compensation committee given the Company's current size and stage of development. All tasks related to developing and monitoring the Company's approach to the compensation of the Company's NEOs and directors are performed by the members of the Board. The compensation of the NEOs, directors and the Company's employees or consultants, if any, is reviewed, recommended and approved by the Board without reference to any specific formula or criteria. NEOs that are also directors of the Company are involved in discussions relating to compensation, but disclose their interest in, and abstain from voting on, decisions related to their own respective compensation.

The overall objective of the Company's compensation strategy is to offer short, medium and long-term compensation components to ensure that the Company has in place programs to attract, retain and develop management of the highest calibre and has in place a process to provide for the orderly succession of management, including receipt on an annual basis of any recommendations of the chief executive officer, if any, in this regard.

Executive officers' compensation is currently composed of two major components: a short term compensation component, which includes the payment of management fees to certain NEOs, and a long-term compensation component, which includes the grant of stock options under the Plan. Management fees primarily reward recent performance and incentive stock options encourage NEOs and directors to continue to deliver results over a longer period of time and serve as a retention tool. The Company intends to further develop these compensation components.

The management fee for each NEO, as applicable, is determined by the Board based on the level of responsibility and experience of the individual, the relative importance of the position to the Company, the professional qualifications of the individual and the performance of the individual over time.

The second component of the executive officers' compensation is stock options. The objectives of the Company's compensation policies and procedures are to align the interests of the Company's employees with the interests of the shareholders of the Company. Therefore, a significant portion of total compensation granted by the Company, being the grant of stock options, is based upon overall corporate performance.

Although it has not to date, the Board may in the future consider, on an annual basis, an award of bonuses to key executives and senior management. The amount and award of such bonuses is expected to be discretionary, depending on, among other factors, the financial performance of the Company and the performance of the executive. The Board considers that the payment of such discretionary annual cash bonuses may satisfy the medium term compensation component.

The Company relies on Board discussion, without formal objectives, criteria and analysis, when determining executive compensation. There are currently no formal performance goals or similar conditions that must be satisfied in connection with the payment of executive compensation.

The NEOs' performances and salaries or fees are to be reviewed periodically. Increases in management fees are to be evaluated on an individual basis and are performance and market-based. Compensation is not tied to performance criteria or goals such as milestones, agreements or transactions, and the Company does not use a "peer group" to determine compensation.

## Pension Plan Benefits

The Company does not have any pension, defined benefit, defined contribution or deferred compensation plans in place.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth details of the Plan, being the Company's only equity compensation plan, as of March 31, 2018. The Plan was most recently approved by the Shareholders at its last annual general and special meeting on December 12, 2017.

| Plan Category  | Number of shares to be issued upon exercise of outstanding options <sup>(1)</sup> | Weighted-average exercise price of outstanding options | Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) <sup>(2)</sup> |
|--|---|--|--|
| Equity compensation plans approved by shareholders     | 200,000 <sup>(2)</sup>  | \$0.05   | 2,721,049  |
| Equity compensation plans not approved by shareholders | Nil   | N/A  | N/A  |
| <b>Total</b>   | <b>200,000</b>  | <b>\$0.05</b>  | <b>2,721,049</b>   |

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

<sup>(2)</sup> The Plan is a rolling stock option plan under which the Company can issue such number of options as is equal to 10% of the Company's issued and outstanding Shares from time to time. As of November 14, 2018, there were 33,710,492 Shares outstanding and the Company could issue up to 3,171,049 options to acquire Shares on such date.

A copy of the Plan is attached as Schedule "A" to the Company's management information circular dated November 10, 2017, which was filed under the Company's profile on SEDAR on November 16, 2017 and is available at [www.sedar.com](http://www.sedar.com). A copy of the Plan is also available for review at the office of Clark Wilson LLP, the registered offices of the Company, at Suite 800 - 885 West Georgia Street, Vancouver, BC, V6C 3H1, during normal business hours up to and including the date of the Meeting. See "Particulars of Matters to be Acted Upon - Ratification of Stock Option Plan", below.

## APPOINTMENT OF AUDITOR

It is proposed that Davidson & Company LLP, Chartered Professional Accountants ("**Davidson**") of 1200 - 609 Granville Street, Vancouver, BC V7Y 1G6 be appointed as auditor of the Company for the financial year ending March 31, 2019.

Anton Bryson Schindler Chartered Professional Accountants LLP ("**ABS**"), the previous auditor of the Company, resigned as auditor effective July 16, 2018. Pursuant to Section 204(4) of the *Business Corporations Act* (British Columbia), the Board is entitled to fill any causal vacancy in the office of auditor. Effective July 16, 2018, the Board appointed Davidson to the position of auditor for the Company until the Meeting. Attached as Schedule "A" to this Information Circular is a reporting package consisting of: (a) a Notice of Change of Auditor and (b) letters addressed to certain securities regulators from Davidson and ABS with respect to the change of auditor.

At the Meeting, shareholders will be asked to vote for the appointment of Davidson, to serve as auditor of the Company for the Company's fiscal year ending March 31, 2019 at a remuneration to be fixed by the Board.

**Management recommends shareholders vote for the appointment of Davidson as the Company's auditor for the Company's fiscal year ending March 31, 2019 at remuneration to be fixed by the Board.**

#### **AUDIT COMMITTEE DISCLOSURE**

Under National Instrument 52-110 *Audit Committees* ("**NI 52-110**"), a reporting issuer is required to provide disclosure annually with respect to its audit committee, including the text of its audit committee charter, information regarding composition of the audit committee, and information regarding fees paid to its external auditor. The Company provides the following disclosure with respect to its audit committee (the "**Audit Committee**").

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

The full text of the Company's audit committee charter (the "**Audit Committee Charter**") is attached as Schedule "A" to the Company's information circular dated October 18, 2016 and filed on SEDAR at [www.sedar.com](http://www.sedar.com).

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

The Company's Audit Committee is comprised of three directors consisting of Byron Coulthard, Nicolas R. Barr and Cyrus Driver. As defined in NI 52-110, Messrs. Barr and Driver are independent. Mr. Coulthard is not independent as he is the CEO, acting CFO and president of the Company. All of the Audit Committee members are "financially literate", as defined in NI 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as the understanding of internal controls and procedures necessary for financial reporting.

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

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

The following sets out the education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member and that provides each member with: (i) an understanding of the accounting principles used by the Company to prepare its financial statements; (ii) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions, (iii) 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 one or more individuals engaged in such activities; and (iv) an understanding of internal controls and procedures for financial reporting:

Mr. Coulthard, the president, CEO and director of the Company, is an independent financial advisor and a consultant to various public and private companies. He has been the president and CEO of Trueclaim

Exploration Inc., a junior mining company listed on the TSXV since January 3, 2013 and a director since July 26, 2012. He has been a director of BRS Resources Ltd., an oil and gas company listed on the TSXV, since January 2003, president and CEO since January 2016 and interim CFO from May 12, 2017. He was the president and CEO from March 3, 2003 to February 24, 2011 and interim CFO from May 2008 to March 2010. Mr. Coulthard has over 25 years of experience in the financial markets and has experience in understanding accounting principles for reporting companies and analyzing or evaluating financial statements similar to those of the Company.

Mr. Driver, a director of the Company, is a Chartered Accountant, and was a partner with the firm of Davidson & Company of Vancouver, BC from March 2002 until 2017. Prior to March 2002 he was a partner with the accounting firm of Driver Anderson which he co-founded in 1982. Mr. Driver has over 25 years of accounting experience with public companies; and is and has been the CFO and/or director of a number of junior natural resource companies listed on the TSXV. While providing general accounting and tax services to a wide range of clients, he specializes in managing and serving publicly traded companies and members of the brokerage community.

Mr. Barr, a director of the Company, is a geologist with over 40 years of industry experience and primarily in exploration for precious and base metals, massive sulfides, uranium industrial minerals and gold placers in Arizona, Nevada, California and Idaho. His recent consulting included 18 months engaged in all phases of lithium-in-brine exploration in Clayton Valley, Nevada. Mr. Barr earned his B.S. Geology at Southern Oregon State University in 1978.

#### **Audit Committee Oversight**

Since the commencement of the Company's most recently completed financial year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

#### **Reliance on Certain Exemptions**

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

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

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by, as applicable, the Board and the Audit Committee, on a case-by-case basis.

### External Auditor Service Fees

In the following table, “audit fees” are fees billed by the Company’s external auditors for services provided in auditing the Company’s annual financial statements for the subject year. “Audit-related fees” are fees not included in audit fees that are billed by the auditors for assurance and related services that are reasonably related to the performance of the audit review of the Company’s financial statements. “Tax fees” are fees billed by the auditors for professional services rendered for tax compliance, tax advice and tax planning. “All other fees” are fees billed by the auditors for products and services not included in the foregoing categories.

The aggregate fees billed by the Company’s external auditors in the last two fiscal years, by category, are as follows:

| Year Ended March 31 | Audit Fees | Audit Related Fees | Tax Fees | All Other Fees |
|---------------------|------------|--------------------|----------|----------------|
| 2018 <sup>(2)</sup> | \$12,000   | Nil                | Nil      | Nil            |
| 2017 <sup>(3)</sup> | \$12,000   | Nil                | Nil      | Nil            |

- (1) Fees related to the preparation of the Company’s T-2 corporate income tax return and the General Index of Financial Information required by CCRA.
- (2) These fees were billed by Davidson & Company LLP.
- (3) These fees were billed by Anton Bryson Schindler Chartered Professional Accountants LLP.

### Exemption

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

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No current or former director, executive officer, proposed nominee for election to the Board, or associate of such persons is, or at any time since the beginning of the Company’s most recently completed financial year has been, indebted to the Company or any of its subsidiaries.

No indebtedness of current or former director, executive officer, proposed nominee for election to the Board, or associate of such person 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 any of its subsidiaries.

### INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

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

## MANAGEMENT CONTRACTS

There were no management functions of the Company, which were, to any substantial degree, performed by a person other than the directors or executive officers of the Company, except as otherwise described in this Information Circular.

## CORPORATE GOVERNANCE

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices*, the Company is required to disclose its corporate governance practices as follows:

### Board of Directors

The Board facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board.

Each of Cyrus Driver, David McCue and Nicolas R. Barr are "independent" in that each are independent and free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act with the best interests of the Company, other than the interests and relationships arising from being shareholders of the Company. Byron Coulthard is the CEO, acting CFO and president of the Company.

### Directorships

Certain directors of the Company are currently also directors of other reporting issuers, as described in the table below:

| Name of Director of the Company | Names of Other Reporting Issuers   |
|---------------------------------|--|
| Byron Coulthard                 | Trueclaim Exploration Inc. - TSXV<br>BRS Resources Inc. - TSXV   |
| Cyrus Driver                    | BRS Resources Ltd. - TSXV<br>Cobra Venture Corporation - TSXV<br>Superior Mining International Corporation - TSXV<br>Far Resources Ltd. - Canadian Securities Exchange<br>Power Metals Corp. - TSXV<br>OK2 Minerals Ltd. - TSXV<br>Serrano Resources Ltd. - TSXV |
| David McCue                     | None   |
| Nicolas R. Barr                 | None   |

### Orientation and Continuing Education

The Board briefs all new directors with respect to the policies of the Board and other relevant corporate and business information. The Board does not provide any continuing education.

### 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 director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

### **Nomination of Directors**

The Company does not have a formal process or committee for proposing new nominees for election to the Board. The nominees proposed are generally the result of recruitment efforts by the members of the Board, including both formal and informal discussions among the members of the Board.

### **Compensation**

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

### **Other Board Committees**

The Board has no other committees other than the Audit Committee.

### **Assessments**

The Board regularly monitors the adequacy of information given to directors, communications between the Board and management and the strategic direction and processes of the Board and its committees.

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

Except as disclosed elsewhere in this Information Circular, no director or executive officer of the Company who was a director or executive officer since the beginning of the Company's last financial year, no proposed nominee for election as a director of the Company, nor any associate or affiliates of any such directors, officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of Shares or other securities in the Company or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors and the grant of options which may be granted to such persons upon the approval of the Stock Option Plan, as further discussed below.

Directors, executive officers, proposed nominees for election as director of the Company may be interested in the approval of the Company's stock option plan, pursuant to which they may be granted stock options. See "Particulars of Matters to be Acted Upon - Ratification of Stock Option Plan", below, for more information.

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

### **Ratification of Stock Option Plan**

The Plan is a "rolling" stock option plan, whereby the maximum number of Shares that may be reserved for issuance pursuant to the exercise of options is 10% of the issued shares of the Company and, as such, will increase with the issue of additional shares of the Company. The TSXV requires listed companies that have a "rolling" stock option plan in place to receive shareholder approval of such plan on a yearly basis at the company's annual meeting. Accordingly, shareholders of the Company will be asked at the

Meeting to ratify and approve the Plan. The Plan complies with the current policies of TSXV for Tier 2 issuers.

The purpose of the Plan is to advance the interests of the Company and its shareholders by attracting, retaining and motivating selected directors, officers, employees, consultants and management company employees of the Company of high caliber and potential, and to encourage and enable such persons to acquire an ownership interest in the Company.

The following information is intended as a brief description of the Plan and is qualified in its entirety by the full text of the Plan, which is attached as Schedule "A" to the Company's management information circular dated November 10, 2017, which was filed under the Company's profile on SEDAR on November 16, 2017 and is available at [www.sedar.com](http://www.sedar.com):

1. The Board shall establish the exercise price at the time each Option is granted, subject to the following conditions:
  - (a) if the Shares are listed on the TSXV, the exercise price will not be less than the minimum prevailing price permitted by TSXV policies;
  - (b) if the Shares are not listed, posted and trading on any stock exchange or bulletin board, then the exercise price will be determined by the Board at the time of granting;
  - (c) if an option is granted within 90 days of a distribution by a prospectus by the Company, the exercise price will not be less than the price that is the greater of the minimum prevailing price permitted by TSXV policies and the per share price paid by public investors for Shares acquired under the distribution by the prospectus, with the 90 day period beginning on the date a final receipt is issued for the prospectus; and
  - (d) in all other cases, the exercise price shall be determined in accordance with the rules and regulations of any applicable regulatory bodies.
2. Upon expiry of an option, or in the event an option is otherwise terminated for any reason, without having been exercised in full, the number of Shares in respect of the expired or terminated option shall again be available for a grant under the Plan.
3. No option granted under the Plan may have an expiry date exceeding ten years from the date on which the option is granted (unless automatically extended as a result of a blackout period as described below).
4. The expiry date of each option will be automatically extended if the expiry date falls within a period during which the Company prohibits optionees from exercising their options, provided that:
  - (a) the blackout period has been formally imposed by the Company pursuant to its internal trading policies as a result of the bona fide existence of undisclosed Material Information (as defined in the policies of the TSXV). For greater certainty, in the absence of the Company formally imposing a blackout period, the expiry date of any options will not be automatically extended in any circumstances;
  - (b) the blackout period expires upon the general disclosure of the undisclosed Material Information and the expiry date of the affected options is extended to no later than ten (10) business days after the expiry of the blackout period; and

- (c) the automatic extension will not be permitted where the optionee or the Company is subject to a cease trade order (or similar order under applicable securities laws) in respect of the Company's securities.
- 5. Options granted to any one individual in any 12 month period cannot exceed more than 5% of the issued Shares, unless the Company has obtained disinterested shareholder approval.
- 6. Options granted to any one consultant in any 12 month period cannot exceed more than 2% of the issued Shares, without the prior consent of the TSXV.
- 7. Options granted to all persons, in aggregate, conducting investor relations activities in any 12 month period cannot exceed more than 2% of the issued Shares, without the prior consent of the TSXV.
- 8. Options issued to optionees performing investor relations activities will vest in stages over 12 months with no more than one quarter of the options vesting in any three month period.
- 9. If a director, employee or consultant of the Company is terminated for cause, then any option granted to the option holder will terminate immediately upon the option holder ceasing to be a director, employee, or consultant of the Company by reason of termination for cause.
- 10. If an option holder ceases to be a director, employee or consultant of the Company (other than by reason of death, disability or termination of services for cause), or if an optionee resigns, as the case may be, then any option granted to the holder that had vested and was exercisable on the date of termination will expire on the earlier of the expiry date and the date that is 90 days following the date that the holder ceases to be a director, employee or service provider of the Company.
- 11. If the engagement of an option holder engaged in investor relations activities as a consultant is terminated for any reason other than cause, disability or death, any option granted to such holder that was exercisable and had vested on the date of termination will be exercisable until the earlier of the expiry date and the date that is 30 days after the effective date of the holder ceasing to be a consultant.
- 12. If an option holder dies, the holder's lawful personal representatives, heirs or executors may exercise any option granted to the holder that had vested and was exercisable on the date of death until the earlier of the expiry date and one year after the date of death of the holder.
- 13. If an option holder ceases to be a director, employee or consultant of the Company as a result of a disability, the holder may exercise any option granted to the holder that had vested and was exercisable on the date of disability until the earlier of the expiry date and one year after the date of disability.
- 14. Options granted to directors, employees or consultants will vest when granted unless determined by the Board on a case by case basis, other than options granted to consultants performing investor relations activities, which will vest in stages over 12 months with no more than one quarter of the options vesting in any three month period.
- 15. The Plan will be administered by the Board who will have the full authority and sole discretion to grant options under the Plan to any eligible party, including themselves.
- 16. Options granted under the Plan shall not be assignable or transferable by an option holder.

17. The Board may from time to time, subject to regulatory or shareholder approval, amend or revise the terms of the Plan.

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

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

“**RESOLVED**, as an ordinary resolution of the shareholders of True Grit Resources Ltd. (the “**Company**”), that:

1. The Company’s Stock Option Plan (the “**Plan**”), as set forth in the Company’s Information Circular dated November 21, 2018, including the reservation for issuance under the Plan at any time of a maximum of 10% of the issued common shares of the Company, be and is hereby ratified, confirmed and approved, subject to the acceptance of the Plan by the TSX Venture Exchange (the “**TSXV**”);
2. The board of directors of the Company be authorized in its absolute discretion to administer the Plan and amend or modify the Plan in accordance with its terms and conditions and with the policies of the TSXV; and
3. Any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver, under the corporate seal of the Company or otherwise, all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to the foregoing resolutions, including, without limitation, making any changes to the Plan required by the TSXV or applicable securities regulatory authorities and to complete all transactions in connection with the administration of the Plan.”

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

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

#### ADDITIONAL INFORMATION

Shareholders may contact the Company at its office by mail at Suite 404 - 999 Canada Place, Vancouver, BC V6C 3E2, to request copies of the Company’s financial statements and related Management’s Discussion and Analysis (the “**MD&A**”). Financial information is provided in the Company’s audited financial statements and MD&A for the most recently completed financial year and in the financial statements and MD&A for subsequent financial periods, which are available on SEDAR.

#### OTHER MATTERS

Other than the above, management of the Company know of no other matters to come before the Meeting other than those referred to in the Notice. If any other matters that are not currently known to management should properly come before the Meeting, the accompanying form of proxy confers

discretionary authority upon the Designated Persons named therein to vote on such matters in accordance with their best judgment.

**APPROVAL OF THE BOARD OF DIRECTORS**

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

Dated at Vancouver, British Columbia this 21<sup>st</sup> day of November, 2018.

**ON BEHALF OF THE BOARD OF DIRECTORS OF**

**TRUE GRIT RESOURCES LTD.**

*"Byron Coulthard"*

\_\_\_\_\_  
Byron Coulthard  
President, Chief Executive Officer  
and Director

**SCHEDULE "A"**

**AUDITOR REPORTING PACKAGE**

TRUE GRIT RESOURCES LTD.

**TO:** British Columbia Securities Commission  
Alberta Securities Commission

**AND TO:** Anton Bryson Schindler Chartered Professional Accountants LLP ("ABS")

**AND TO:** Davidson & Company LLP ("Davidson")

**RE:** Notice of Change of Auditor pursuant to Section 4.11 of National Instrument 51-102 - *Continuous Disclosure Obligations* ("NI 51-102")

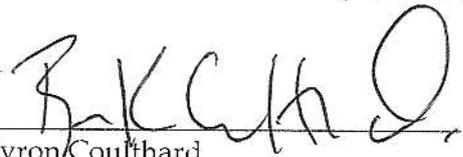
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Pursuant to Section 4.11(7) of NI 51-102, True Grit Resources Ltd. (the "**Issuer**") hereby gives notice of the change of its auditor from ABS to Davidson. In accordance with NI 51-102, the Issuer hereby states that:

1. ABS has resigned as auditors of the Issuer, at the request of the Issuer, effective July 16, 2018;
2. the resignation of ABS and the appointment of Davidson as the Issuer's auditor have been considered and approved by the Issuer's Audit Committee and the Issuer's Board of Directors;
3. there were no reservations in ABS's reports for the two most recently completed fiscal years of the Issuer, nor for any subsequent period; and
4. there have been no "reportable events" within the meaning assigned under subsection 4.11(1) of NI 51-102.

DATED the 16th day of July, 2018.

**BY ORDER OF THE BOARD OF DIRECTORS  
OF TRUE GRIT RESOURCES LTD.**

  
Byron Coulthard  
President and Chief Executive Officer

July 19, 2018

**British Columbia Securities Commission**  
PO Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, BC  
V7Y 1L2

**Alberta Securities Commission**  
600, 250 – 5<sup>th</sup> Street S.W.  
Calgary, AB  
T2P 0R4

Dear Sirs / Mesdames:

**Re: True Grit Resources Ltd. (the "Company")**  
**Notice Pursuant to NI 51-102 - Change of Auditor**

As required by the National Instrument 51-102 and in connection with our proposed engagement as auditor of the Company, we have reviewed the information contained in the Company's Notice of Change of Auditor, dated July 16, 2018, and agree with the information contained therein, based upon our knowledge of the information relating to the said notice and of the Company at this time.

Yours very truly,

**"DAVIDSON & COMPANY"**

**DAVIDSON & COMPANY LLP**  
Chartered Professional Accountants

**cc: TSX Venture Exchange**



July 16, 2018

BY SEDAR

British Columbia Securities Commission  
701 West Georgia Street  
Vancouver, BC V7Y 1L2

Alberta Securities Commission  
Suite 600, 250 - 5th Street SW  
Calgary, AB T2P 0R4

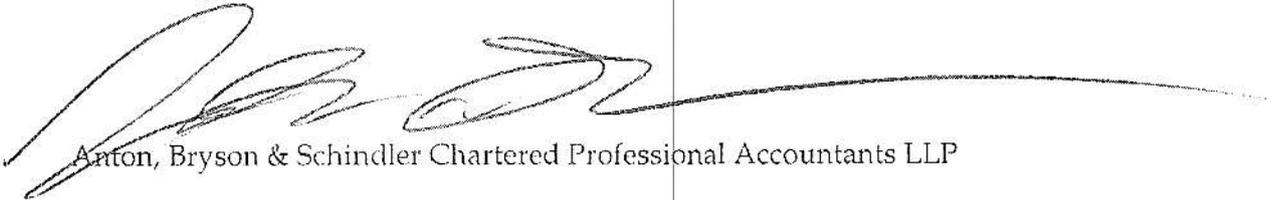
Dear Sirs/Mesdames:

Re: True Grit Resources Ltd. (the "Issuer") -  
Notice Pursuant to NI 51-102 *Continuous Disclosure Obligations* ("NI 51-102")

In accordance with NI 51-102, we have read the Issuer's Change of Auditor Notice dated July 16, 2018 and agree with the information contained therein, based upon our knowledge of the information at this date.

Should you require clarification or further information, please do not hesitate to contact the writer.

Yours truly,



Anton, Bryson & Schindler Chartered Professional Accountants LLP

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