



ANNUAL GENERAL & SPECIAL MEETING

Materials Attached:

**Notice of Meeting
Information Circular
Proxy
Supplemental Mailing List Return Card**

**The Annual General & Special Meeting of the Shareholders of
Nickel Rock Resources Inc. (formerly Nevada Energy Metals Inc.) is being held at
3028 Quadra Court, Coquitlam, BC V3B 5X6
on December 15, 2020 at 9:00am (Vancouver time)**

COVID-19 NOTICE

Amid ongoing concerns about the coronavirus (COVID-19) outbreak, the Company remains mindful of the wellbeing of our shareholders and their families, our industry partners and other stakeholders as well as the communities in which we operate.

The Company currently intends on holding an in-person shareholder meeting, with the necessary restrictions set forth in the following paragraph. However, as COVID-19 is a rapidly evolving situation, the Company will continue to monitor and review provincial and federal governmental guidance in order to assess and implement measures to reduce the risk of spreading the virus at the Meeting, which may include potentially adjourning or postponing the Meeting. The Company will provide updates to any arrangements in respect of the Meeting by way of news release. Shareholders are encouraged to monitor the Company's website at www.nickelrockresources.com or the Company's SEDAR profile at www.sedar.com, where copies of such news releases, if any, will be posted.

The Company reserves the right to take any additional pre-cautionary measures deemed to be appropriate, necessary or advisable in relation to the Meeting in response to further developments in the COVID-19 outbreak, including:

- (i) holding the Meeting virtually or by providing a webcast of the Meeting;
- (ii) hosting the Meeting solely by means of remote communication;
- (iii) changing the Meeting date and/or changing the means of holding the Meeting;
- (iv) denying access to persons who exhibit cold or flu-like symptoms, or who have, or have been in close contact with someone who has, travelled to/from outside of Canada within the 14 days immediately prior to the Meeting; and
- (v) such other measures as may be recommended by public health authorities in connection with gatherings of persons such as the Meeting.

The Company, in accordance with current public health guidelines, discourages shareholders from physically attending the Meeting, and, in order to ensure as many common shares as possible are represented at the Meeting, strongly encourages registered shareholders to complete the Form of Proxy and return it as soon as possible in accordance with the instructions outlined in the Circular. Shareholders who do not hold their Common Shares in their own name are strongly encouraged to complete the voting instruction forms received from their broker as soon as possible and to follow the instructions set out in the accompanying Information Circular. In addition, only registered shareholders of the Company (the "Registered Shareholders") or their duly appointed proxy holders will be permitted to attend the Meeting. If the situation improves and these restrictions can be lifted, the Company will provide an update as described above.



(formerly Nevada Energy Metals Inc.)
1220 – 789 West Pender Street
Vancouver, British Columbia, V6C 1H2

NOTICE OF ANNUAL GENERAL & SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT an Annual General & Special Meeting (the “**Meeting**”) of the shareholders of Nickel Rock Resources Inc. (formerly Nevada Energy Metals Inc.) (the “**Company**”) will be held at 3028 Quadra Court, Coquitlam, British Columbia, V3B 5X6 on Tuesday, December 15, 2020 at 9:00am (Vancouver time) for the following purposes:

1. To receive the audited financial statements of the Company for the period ended June 30, 2020, together with the report of the auditors thereon.
2. To fix the number of directors of the Company at three (3) persons.
3. To elect the directors for the forthcoming year.
4. To appoint Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, of Vancouver, British Columbia, as the Company’s auditors for the ensuing year and to authorize the directors to fix their remuneration.
5. To approve as an ordinary resolution the amendment to the Company’s Stock Option Plan, as more particularly described in the accompanying Information Circular.
6. To approve by ordinary resolution the grant of stock options to certain insiders and consultants of the Company pursuant to the Company’s Stock Option Plan as described in the accompanying Information Circular.
7. To transact such further or other business as may properly come before the Meeting or any adjournment thereof.

The details of the matters proposed to be put before the Meeting are set forth in the Information Circular accompanying this Notice, which is supplemental to and expressly made a part of this Notice. Shareholders of record as of the close of business on November 10, 2020 (the “**Record Date**”) will be entitled to vote at the Meeting and at any adjournment or adjournments thereof.

It is important that your shares be represented at this Meeting to ensure a quorum. If you cannot be present to vote in person, please ensure that your proxy or, if a company, your representative, is appointed and present to vote on your behalf at the Meeting. Instructions regarding the appointment of a proxy or representative are contained in the Information Circular.

DATED at the City of Vancouver, in the Province of British Columbia, as of this 10th day of November, 2020.

BY ORDER OF THE BOARD OF DIRECTORS

“Robert Setter”

Robert Setter, President & CEO



(formerly Nevada Energy Metals Inc.)
1220 – 789 West Pender Street
Vancouver, British Columbia, V6C 1H2

INFORMATION CIRCULAR

(Containing information as at November 10, 2020 unless otherwise indicated)

This information circular ("*Information Circular*") is provided in connection with the solicitation of proxies by the management **NICKEL ROCK RESOURCES INC. (formerly Nevada Energy Metals Inc.)** (the "*Company*") for use at the Annual General & Special Meeting of the shareholders of the Company (the "*Meeting*") to be held at 3028 Quadra Court, Coquitlam, British Columbia, V3B 5X6 on Tuesday, December 15, 2020 at 9:00am (Vancouver time) and at any adjournments thereof for the purpose set forth in the enclosed Notice of Annual General & Special Meeting ("*Notice of Meeting*").

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. All costs of solicitation of proxies by management will be borne by the Company.

Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the "**Proxy**") are directors and officers of, or counsel to, 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 either of 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 Proxyholder

The persons named in the Proxy will vote or withhold from voting the shares of the Company ("**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 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 persons named in the Proxy will vote the Shares represented by the Proxy for the approval of such matter.

Registered Shareholders

Registered shareholders 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, Odyssey Trust Company ("**Odyssey**"), Attention: Proxy Department, by fax to 1-(800)-517-4553, via email to proxy@odysseytrust.com, or by mail or hand delivery to Odyssey Trust Company, Attention: Proxy Department, 409 Granville Street, Suite 323, Vancouver, British Columbia, V6C 1T2; or

- (b) using the internet through the website of the Company's transfer agent at odysseytrust.com/Transfer-Agent/Login. 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 control 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.

Beneficial Shareholders

The following information is of significant importance to shareholders of the Company who do not hold 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 (those whose names appear on the records of the Company as the registered holders of Shares).

If Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Shares will not be registered in the shareholder's name on the records of the Company. Such Shares will more likely be registered under the name of the 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 United States 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 shareholders' meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

If you are a Beneficial Shareholder:

You should carefully follow the instructions of your broker or intermediary in order to ensure that your 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 on your behalf. Many brokers delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications or another investor communication service (collectively, for the purposes of this Information Circular, "**Broadridge**") in Canada and the United States. Broadridge will typically mail a voting instruction form in lieu of a Proxy provided by the Company. The voting instruction form will name the same persons as the Company's Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a Beneficial shareholder of the Company), other than the persons designated in the voting instruction form, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the voting instruction form. The completed voting instruction form 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 Shares to be represented at the Meeting. **If you receive a voting instruction form from Broadridge, you cannot use it to vote Shares directly at the Meeting - the voting instruction form must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have the Shares voted.**

Although as a Beneficial shareholder you may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of your broker, you, or a person designated by you, may attend at the Meeting as proxy holder for your broker and vote your Shares in that capacity. If you wish to attend at the Meeting and indirectly vote your Shares as proxy holder for your broker, or have a person designated by you do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the voting instruction form provided to you and return the same to your broker in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

Alternatively, you can request in writing that your broker send you a legal proxy which would enable you, or a person designated by you, to attend at the Meeting and vote your Shares.

This Information Circular and related material is being sent to both registered and non-registered owners of the securities of the Company. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been

obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

By choosing to send these materials to you directly the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you and (ii) executing your proper voting instructions. Please return your voting instructions as specified in your request for voting instructions.

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a registered 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 registered shareholder or the registered shareholder's authorized attorney in writing, or, if the registered 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 Odyssey Trust Company, by fax to 1-(800)-517-4553, via email to proxy@odysseytrust.com, or by mail or hand delivery to Odyssey Trust, Attention: Proxy Department, 409 Granville Street, Suite 323, Vancouver, British Columbia, V6C 1T2, 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 registered shareholder's Shares.

Only registered shareholders have the right to revoke a Proxy. Beneficial shareholders who wish to revoke their Proxy must, at least seven days before the Meeting, arrange for their respective intermediaries (as described above) to revoke the Proxy on their behalf. A revocation of a Proxy will not affect a matter on which a vote is taken before the revocation.

Votes Necessary to Pass Resolutions

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein.

RECORD DATE

The Company has set the close of business on November 10, 2020 as the record date (the "*Record Date*") for the Meeting. Only the registered holders of common shares, and those beneficial holders entitled to receive notice through their intermediaries, as at that date, are entitled to receive notice of and to vote at the Meeting unless after that date a shareholder of record transfers his or her shares and the transferee, upon producing properly endorsed certificates evidencing such shares or otherwise establishing that he or she owns such shares, requests at least ten (10) days prior to the Meeting that the transferee's name be included in the list of shareholders entitled to vote, in which case such transferee is entitled to vote such shares at the Meeting.

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

Except as disclosed herein, no person who has been a 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 substantial or 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 the election of directors and the appointment of auditors and as set out herein.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The holders of the Company's common shares of record at the Record Date are entitled to vote such shares at the Meeting on the basis of one vote for each common share held. The Company is authorized to issue an unlimited number of common shares without par value (the "*shares*") of which 32,484,153 shares are issued and outstanding as of the Record Date. The Company has no other class of voting securities.

A quorum for the transaction of business at the Meeting is one person who represents by proxy, one or more shareholders, who in the aggregate, hold at least 5% of the issued and outstanding shares entitled to vote at the meeting. If there is only one shareholder entitled to vote at a meeting of shareholders: (a) the quorum is one person who is, or who represents by proxy, that shareholder; and (b) that shareholder, present in person or by proxy, may constitute the meeting

To the knowledge of the directors and executive officers of the Company, and based upon the Company's review of the records maintained by Odyssey Trust Company and insider reports filed with System for Electronic Disclosure by Insiders (SEDI), as at the Record Date, no shareholders beneficially own, directly or indirectly, or exercise control or direction over, shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company.

STATEMENT OF EXECUTIVE COMPENSATION

The following terms have the meanings set out below:

Chief Executive Officer ("CEO") means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year.

Chief Financial Officer ("CFO") means an individual who served as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year.

Named Executive Officers ("NEOs") means the following individuals:

(a) a CEO; (b) a CFO; (c) each of the Company's three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 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, nor acting in a similar capacity, at the end of that financial year.

COMPENSATION DISCUSSION & ANALYSIS

Compensation Discussion & Analysis

When determining the compensation of the NEOs, the board of directors ("Board of Directors") considers the resources of the Company and the objectives of attracting, motivating and retaining highly skilled and experienced executive officers. The Board of Directors does not have a formal compensation program with set benchmarks, however, the Board of Directors does have an informal program which seeks to reward an executive officer's current and future expected performance and the achievements of corporate milestones and align the interests of executive officers with the interests of the Company's shareholders.

The compensation awarded to, earned by, paid to or payable to each of the NEOs for the most recently completed financial year is set out under the heading, "*Executive Compensation – Summary Compensation Table*".

Compensation Review Process

The Board of Directors reviews on an annual basis the cash compensation, performance and overall compensation package of each executive officer, including the NEOs.

In establishing levels of remuneration, stock option and bonus grants, the Board of Directors are guided by the following principles:

- compensation is determined on an individual basis by the need to attract and retain talented, qualified and effective executives;
- total compensation is set with reference to the market for similar positions in comparable companies and with reference to the location of employment; and
- the current market and economic environment.

Assessment of Individual Performance

Individual performance in connection with the achievement of corporate milestones and objectives is reviewed by the Board of Directors for all executive officers. While awards are generally tied to performance against quantitative objectives, consideration is also given to an individual's qualitative contribution to the Company. For example, the Board of Directors will evaluate the individual's leadership skills, commitment to the Company's shareholders, innovation and teamwork.

Elements of Executive Compensation

There are two main elements of direct compensation, namely base salary and equity participation through the Company's stock option plan (the "*Stock Option Plan*").

Base Salary

The base fee or salary for each NEO is determined by an assessment by the Board of Directors of such NEOs performance, a consideration of competitive compensation levels in companies similar to the Company and review of the performance of the Company as a whole.

Option Based Awards

In the Company's view, encouraging its executive officers and employees to become shareholders of the Company is the best way to align their interests with those of the Company's shareholders. Equity participation is accomplished through the Stock Option Plan.

The Board of Directors reviews the performance of the Company's management and advisors from time to time, and recommends option based awards as appropriate, taking into consideration factors such as individual performance and the overall performance of the Company.

Summary of Compensation

As at the year ended June 30, 2020, the Company had two NEOs, being: (i) Robert Setter, CEO of the Company and; (ii) Simon (Tak Tsan) Tso, CFO of the Company.

The following table sets forth a summary of the compensation paid to the Company's NEOs for the last two fiscal years ended June 30, 2020.

Summary Compensation Table

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$) ⁽¹⁾	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Robert Setter, CEO ⁽²⁾	2020	\$2,865	Nil	Nil	Nil	Nil	Nil	Nil	\$2,865
	2019	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Richard Wilson, former CEO ⁽²⁾	2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Simon (Tak Tsan) Tso, CFO ⁽¹⁾	2020	\$24,000	Nil	Nil	Nil	Nil	Nil	Nil	\$24,000
	2019	\$9,000	Nil	Nil	Nil	Nil	Nil	Nil	\$9,000
Robert Guanzon, former CFO ⁽¹⁾	2019	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2018	\$29,750	Nil	Nil	Nil	Nil	Nil	Nil	\$29,750

(1) Effective February 18, 2019, Mr. Tso was appointed CFO and Mr. Guanzon ceased as CFO.

(2) Effective April 9, 2020, Mr. Setter was appointed CEO and Mr. Wilson ceased as CEO.

Outstanding Share-Based and Option-Based Awards

The following table sets forth option-based awards outstanding to NEOs for the fiscal year ended June 30, 2020. The closing price of the Company's shares on the TSX Venture Exchange (the "Exchange") on June 30, 2020 was \$0.075. The value of the unexercised, in the money options is based on the difference between the market price on June 30, 2020 and the exercise price of the options.

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 (\$)	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 (\$)
Robert Setter, CEO ⁽²⁾	Nil	n/a	n/a	n/a	n/a	n/a	n/a
Richard Wilson, former CEO ⁽²⁾	22,500	\$0.667	Jan 7/21	Nil	n/a	n/a	n/a
Simon (Tak Tsan) Tso, CFO ⁽¹⁾	Nil	n/a	n/a	n/a	n/a	n/a	n/a
Robert Guanzon, former CFO ⁽¹⁾	Nil	n/a	n/a	n/a	n/a	n/a	n/a

(1) Effective February 18, 2019, Mr. Tso was appointed CFO and Mr. Guanzon ceased as CFO.

(2) Effective April 9, 2020, Mr. Setter was appointed CEO and Mr. Wilson ceased as CEO. Subsequent to year end stock options held by Mr. Wilson were cancelled pursuant to the Company's stock option plan.

Incentive Plan Awards – Value Vested or Earned During the Year Ended June 30, 2020

The following table sets forth the value of share-based and option-based awards vested or earned by NEOs during the fiscal year ended June 30, 2020:

Name	Option-based awards – Value vested during the year (\$) ⁽¹⁾	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Robert Setter, CEO ⁽²⁾	Nil	N/A	N/A
Richard Wilson, former CEO ⁽²⁾	Nil	N/A	N/A
Simon (Tak Tsan) Tso, CFO ⁽¹⁾	Nil	N/A	N/A
Robert Guanzon, former CFO ⁽¹⁾	Nil	N/A	N/A

(1) Effective February 18, 2019, Mr. Tso was appointed CFO and Mr. Guanzon ceased as CFO.

(2) Effective April 9, 2020, Mr. Setter was appointed CEO and Mr. Wilson ceased as CEO.

Pension Plan Benefits

As at the fiscal year ended June 30, 2020, the Company did not maintain any defined benefit plans, defined contribution plans or deferred compensation plans.

Termination and Change of Control Benefits

There is no compensatory plan or arrangement with respect to the NEOs resulting from the resignation, retirement or any other termination of employment or from a change of the NEO's responsibilities following a change in control.

Director Compensation

The following table shows the compensation provided to the non-executive directors of the Company for the fiscal year ended June 30, 2020. Please see “*Summary Compensation Table*” under “*Statement of Executive Compensation*” above for details of compensation paid by the Company to those directors who are also NEOs.

Name	Fees earned (\$) ⁽¹⁾	Share-based awards (\$)	Option-based awards (\$) ⁽²⁾	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$) ⁽³⁾	Total (\$)
Tim Fernback ⁽⁴⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil
John Oness	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Ali Alizadeh	Nil	Nil	Nil	Nil	Nil	Nil	Nil
James Hellwarth ⁽⁴⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Includes all fees awarded, earned, paid or payable in cash for services as a director, including retainer, committee, chair and meeting fees.
(2) The value of the option-based awards represents the fair value, on the date of grant, of awards under the Option Plan. The grant date fair value has been calculated using the Black Scholes Option Pricing Model and reflects assumptions for risk-free interest rate, expected life, volatility and dividend yield.
(3) Includes all compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly
(4) Effective April 14, 2020, Mr. Fernback resigned as Director and COO and Mr. Hellwarth was appointed. Subsequent to year-end and prior to the date of this information circular, Mr. Hellwarth resigned as director effective November 4, 2020.

There are no arrangements under which directors of the Company who were not NEOs were compensated by the Company or its subsidiaries during the Company’s most recently completed fiscal year-end for their services in their capacity as directors or consultants of the Company.

Outstanding Share-Based & Option-Based Awards

The following table sets forth share-based and option-based awards outstanding to the directors of the Company who were not NEOs for the fiscal year ended June 30, 2020. The closing price of the Company’s shares on the Exchange on June 30, 2020 was \$0.075. The value of the unexercised, in the money options is based on the difference between the market price on June 30, 2020 and the exercise price of the options.

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 (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Tim Fernback ⁽¹⁾	Nil	Nil	Nil	Nil	N/A	N/A
John Oness	Nil	Nil	Nil	Nil	N/A	N/A
Ali Alizadeh	Nil	Nil	Nil	Nil	N/A	N/A
James Hellwarth ⁽¹⁾	Nil	Nil	Nil	Nil	N/A	N/A

- (1) Effective April 14, 2020, Mr. Fernback resigned as Director and COO and Mr. Hellwarth was appointed. Subsequent to year-end and prior to the date of this information circular, Mr. Hellwarth resigned as director effective November 4, 2020.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER THE EQUITY COMPENSATION PLAN

During the fiscal year ended June 30, 2020, the Company maintained the Stock Option Plan, which was approved by the shareholders of the Company on December 10, 2019. The following table sets forth information with respect to the securities outstanding under the Stock Option Plan as at June 30, 2020.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plan (excluding securities reflected in column (a)) (c)
Equity compensation plan approved by securityholders	787,500	\$0.145	147,347
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	787,500	\$0.145	147,347

The following is a summary of the substantive terms of the Company's current Stock Option Plan (the "Plan").

Plan Summary

The Plan is administered by the Board of Directors of the Company, but may be administered by a special committee of Directors if one is appointed by the Board of Directors. The aggregate number of Shares that may be reserved for issuance under the Plan shall not exceed 934,847 post-consolidated shares of the issued and outstanding Shares of the Company. The number of Shares subject to an option to a participant shall be determined by the Board of Directors, but no participant shall be granted an option which exceeds the maximum number of shares permitted by the Exchange or any stock exchange on which the Shares are then listed, or other regulatory body having jurisdiction.

The exercise price of the Shares covered by each option shall be determined by the Board of Directors, provided that the exercise price shall not be less than the Discounted Market Price permitted by the Exchange or any stock exchange on which the Common Shares are then listed, or other regulatory body having jurisdiction.

The maximum term of an option is ten (10) years, provided that participant's options expire ninety (90) days after his ceasing to act for the Company, except upon the death of a participant, in which case his estate shall have one (1) year in which to exercise the outstanding Options.

The Options are subject to extension should the expiry date of such Options fall within a Blackout Period, or nine (9) Business Days following expiration of a Blackout Period. Exchange approval for such extension must also be obtained.

No options are transferable or assignable.

Subject to the approval of the Exchange, the Board of Directors has the discretion to amend or terminate the Plan; however, no amendment shall alter the terms of any outstanding options without the consent of the Optionees concerned.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the current or former directors, executive officers or employees of the Company or persons who were directors, executive officers or employees of the Company at any time during the Company's last completed financial year, nor any proposed nominees for election as a director of the Company and no associate or affiliate of such persons are or have been indebted to the Company (or its subsidiaries) at any time since during the last completed financial year ending June 30, 2020, nor as at the date of this Information Circular. Furthermore, none of such persons were indebted to a third party during such period where their indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

None of the informed persons of the Company, nor any proposed 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, in any transactions since the commencement of the Company's last completed financial year, or in any proposed transaction which, in either case, has or will materially affect the Company or any of its subsidiaries, except as disclosed herein or set out below.

Applicable securities legislation defines "*informed person*" to mean any of the following: (a) a director or executive officer of a reporting issuer; (b) a director or officer of a person or company that is itself an informed person or subsidiary of a reporting issuer; (c) any person or company who beneficially owns, directly or indirectly, voting securities of a reporting issuer or who exercises control or direction over voting securities of a reporting issuer or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the reporting issuer other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) a reporting issuer that has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

MANAGEMENT CONTRACT

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 senior officers of the Company.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

Corporate governance relates to activities of the Board of Directors, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board of Directors and who are charged with the day- to- day management of the Company. The Board of Directors is committed to sound corporate governance practices which are both in the interest of its shareholders and contribute to effective and efficient decision making. National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101") requires that each reporting company disclose its corporate governance practices on an annual basis. The Company's general approach to corporate governance is summarized below.

The Board of Directors

The Board of Directors is currently composed of three directors.

Independence

Section 1.4 of National Instrument 52-110 – *Audit Committees* ("NI 52-110") sets out the standard for director independence. Under NI 52-110, a director is independent if he or she has no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Board of Directors, be reasonably expected to interfere with the exercise of a director's independent judgment. NI 52-110 also sets out certain situations where a director will automatically be considered to have a material relationship to the Company.

Applying the definition set out in section 1.4 of NI 52-110, two of the four members of the Board of Directors are independent. The members who are independent are John Oness and Alizadeh. Richard Wilson and Tim Fernback are not independent by virtue of the fact that they are executive officers of the Company.

Other Directorships

As at the date hereof, the following Directors are also directors of other reporting issuers as set out below:

Name of Director	Reporting Issuer(s) or Equivalent(s)
Robert Setter	Granada Gold Mine Inc. Canada Silver Cobalt Works Inc. Fuse Cobalt Inc.
John (Jay) Oness	n/a
Ali H. Alizadeh	n/a

Orientation and Continuing Education

The Company has not adopted a formalized process of orientation for new members of the Board of Directors. Orientation of new directors is conducted on an ad hoc basis.

Directors are kept informed as to matters impacting, or which may impact, the Company's operations through reports and presentations at meetings of the Board of Directors. Directors are also provided the opportunity to meet with senior management and other employees and advisors, who can answer any questions that may arise.

Ethical Business Conduct

The Board of Directors 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 of Directors in which the director has an interest have been sufficient to ensure that the Board of Directors operates independently of management and in the best interests of the Company.

Nomination of Directors

The Board of Directors does not have a nominating committee or a formal procedure with respect to the nomination of directors. The nominees are generally the result of recruitment efforts by the members of the Board of Directors, including both formal and informal discussions among Board members.

Board Committees

The Company currently has one standing committee – the audit committee.

Audit Committee

The Company's audit committee (the "*Audit Committee*") is currently comprised of Richard Wilson (Chairman of the Audit Committee), John Oness and Tim Fernback, who are financially literate in accordance with Section 1.6 of NI 52-110 which states that an individual is financially literate if he or she has the ability to read and understand a set of financial statements that presents a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the issuer's financial statements.

Applying the definition of "independence" set out in section 1.4 of NI 52-110, John Oness and Tim Fernback are independent members of the Audit Committee.

The Audit Committee is governed by an audit committee charter the text of which is attached hereto as Schedule "A".

Robert Setter

Mr. Setter brings two decades of business and marketing experience to the Company and he holds a degree in Economics from UBC. Management consultant for public companies since 2010. He is currently President, CEO and a Director of Fuse Cobalt Inc.; Director of Granada Gold Mine Inc. and Canada Silver Cobalt Works Inc.

John Oness, has extensive expertise in all aspects of corporate management with strengths in strategic planning, business development and investor relations for public companies. He has served as a director, executive and consultant to public companies in the resource and non-resource fields over a 20 year career. He is currently Vice-President Investor Relations of Southern Silver Exploration Corp.

Ali H. Alizadeh is a senior geologist who possess extensive experience in mineral exploration. He graduated in 1991 and completed his M.Sc. in Petrology in 1995. In 2010 he also completed his MBA at Queen's University. He is a member of the Associated of Professional Engineers and Geoscientists of British Columbia.

The Audit Committee reviews and recommends to the Board of Directors for approval the annual financial statements and the annual report of the Company. The quarterly financial statements of the Company are reviewed and approved by the Audit Committee. In addition, the Audit Committee is charged with the responsibility of monitoring the integrity of the Company's internal controls and management information systems. For the purposes of performing these duties, the members of the Audit Committee have the right, at all times, to inspect all of the books and financial records of the Company and to discuss with management and the auditors of the Company any accounts, records and matters relating to the financial statements of the Company.

Since the commencement of the Company's most recently completed fiscal year ended June 30, 2020, the Company's Board of Directors has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

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

Audit Fees

The Audit Committee must pre-approve any engagement of the external auditors for any non-audit services to the Company in accordance with applicable law and policies and procedures to be approved by the Board of Directors. The engagement of non-audit services will be considered by the Company's Board of Directors on a case-by-case basis.

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 or 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 fees paid by the Company to its auditors for each of the last two fiscal years, by category, are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
June 30, 2020	\$20,000	N/A	N/A	N/A
June 30, 2019	\$21,000	N/A	N/A	N/A

PARTICULARS OF MATTERS TO BE ACTED ON

1. Financial Statements

The Company's Board of Directors has approved all of the information in the audited financial statements for the year ended June 30, 2020, including the auditor's report thereon, copies of which have been sent to those shareholders who had requested receipt of same. Copies of these materials are also available on the Company's website at www.nickelrockresources.com and under the Company's profile on SEDAR at www.sedar.com.

2. Re-Appointment of Auditors

Shareholders of the Company will be asked to vote for the re-appointment of Dale Matheson Carr-Hilton Labonte

LLP, Chartered Professional Accountants, of Vancouver, British Columbia, as the Company's auditors, to hold office until the next annual general meeting of the shareholders, at a remuneration to be fixed by the directors. Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants were appointed as auditors of the Company on June 27, 2019.

Management recommends that Dale Matheson Carr-Hilton Labonte LLP be appointed auditors of the Company for the ensuing year at a remuneration to be approved by the Board.

Unless otherwise directed by the Shareholders appointing them proxy, the persons named in the enclosed Instrument of Proxy intend to vote at the Meeting to approve this ordinary resolution.

3. Set Number of Directors

Management of the Company intends to propose a resolution to set the number of directors at three (3).

4. Election of Directors

Management is nominating the individuals identified below for election as directors of the Company for the ensuing year. The persons designated in the enclosed form of proxy, unless instructed otherwise, intend to vote for the election of the nominees listed below to the Company's Board of Directors. No management nominee is to be elected under any arrangement or understanding between the management nominee and any other person or company, except the directors and executive officers of the Company acting solely in such capacity. Each director elected will hold office until the close of the next annual general meeting, or until his or her successor is duly elected or appointed, unless his or her office is earlier vacated in accordance with the *Business Corporations Act* (British Columbia) and the Articles of the Company.

Management of the Company does not contemplate that any of the nominees will be unable to serve as a director but, if that should occur for any reason prior to the Meeting, the persons designated in the enclosed form of proxy reserve the right to vote for other nominees in their discretion.

The following table sets out the names of management's nominees for election as directors, all offices in the Company each now holds, each nominee's principal occupation, business or employment, the period of time during which each has been a director of the Company and the number of shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at November 10, 2020:

Name, Province and Country of Residence and Current Position with the Company	Director Since	Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Direction is Exercised ⁽¹⁾	Principal Occupation for the Past Five Years ⁽¹⁾
Robert Setter ⁽²⁾ President, CEO & Director British Columbia, Canada	April 9, 2020	Nil	Self-employed writer and consultant, 2011 to present; President & CEO of the Company since April, 2020
John (Jay) Oness ⁽²⁾ Director British Columbia, Canada	December 15, 2011	8,100	Vice President Investor/Corporate Relations of Southern Silver Exploration Corp. since 2015; President of Onestar Consulting Inc.
Ali H. Alizadeh ⁽²⁾ Director British Columbia, Canada	October 15, 2013	Nil	Senior Geologist

Notes:

(1) The information as to principal occupation, business or employment and share ownership has been furnished by the respective nominees themselves. This information is current to November 10, 2020

(2) Member of the Audit Committee.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as described below, none of the proposed nominees for election as a director of the Company are proposed for election pursuant to any arrangement or understanding between the nominee and any other person, except

the other directors and senior officers of the Company acting solely in their management capacity.

No proposed nominees for election as a director of the Company is, or has been within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that is, or has been, or acted in that capacity for a company that:

- (i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer;
- (ii) was subject to an order 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; or
- (iii) 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.

John Oness was a director of Indigo Sky Capital Corp. ("Indigo") which was issued a cease trade order against it on March 15, 2011 by the British Columbia Securities Commission for failure to file interim financial statements and management's discussion and analysis ("MD&A") for the first quarter ended December 31, 2010 by the required deadline. Indigo filed the interim statements on the same day and the cease trade order was revoked on March 16, 2011. Subsequently, on June 6, 2011, Indigo had another cease trade order issued against it by the British Columbia Securities Commission for failure to file interim financial statements and MD&A for the second quarter ended March 31, 2011 by the required deadline. Indigo filed the interim financial statements on June 7, 2011 and the cease trade order was revoked on June 8, 2011.

5. Amendment to the Stock Option Plan

The Company has in place a fixed 20% stock option plan which was last approved by the shareholders at its December 10, 2019 Annual General Meeting. The Company intends to amend its Plan to reserve up to a total of 6,496,830 common shares, being 20% of the current issued and outstanding shares of the Company. All other terms of the Plan remain unchanged. For a summary of the Amended Plan, please see "*Plan Summary*" above or for a complete copy of the Amended Plan, please contact the Company.

Approval of Amended Stock Option Plan

At the Meeting, the shareholders of the Company will be asked to approve the following resolutions: "BE IT RESOLVED that:

1. the Company's Amended Plan be and it is hereby ratified and approved;
2. the Board of Directors of the Company be authorized to grant options under and subject to the terms and conditions of the Amended Plan, which may be exercised to purchase up to an aggregate of 6,496,830 common shares, being 20% of the issued and outstanding common shares of the Company; and
3. the directors and officers of the Company be authorized and directed to perform such acts and deeds and things and execute all such documents, agreements and other writings as may be required to give effect to the true intent of these resolutions."

Management of the Company recommends that shareholders vote in favour of the foregoing resolution, and the persons named in the enclosed form of proxy intend to vote for the approval of the foregoing resolution at the Meeting unless otherwise directed by the shareholders appointing them.

6. Disinterested Shareholder Approval of Prior Stock Option Grants

On September 17, 2020 the Company granted 4,000,000 stock options to certain directors, officers and consultants of the Company. The 4,000,000 stock options were granted in excess of the reserved number of options allowable pursuant to the Company's 2019 Plan (the "September Option Grants").

The September Option Grants were conditional upon the shareholders approving the amendments to the Company's Stock Option Plan described in Item 5 and ratifying and approving the September Option Grants.

Particulars of the September Option Grants are as follows:

Name of Optionee	Date of Grant	Number of Options	Exercise Price	Expiry Date
Tina Whyte	September 17, 2020	500,000	\$0.05	September 17, 2025
John Oness	September 17, 2020	150,000	\$0.05	September 17, 2025
Ali H. Alizadeh	September 17, 2020	150,000	\$0.05	September 17, 2025
Various Consultants	September 17, 2020	3,200,000	\$0.05	September 17, 2025
		4,000,000		

At the Meeting, disinterested shareholders of the Company will be asked to approve the following resolutions, provided the amendments to the Company's 2020 Amended Plan described in 5 are ratified and approved by the shareholders:

"BE IT RESOLVED that:

1. The 4,000,000 stock options granted in excess of the previously reserved 2019 Plan number are hereby ratified and approved; and
2. the directors and officers of the Company be authorized and directed to perform such acts and deeds and things and execute all such documents, agreements and other writings as may be required to give effect to the true intent of these resolutions."

Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote "FOR" the ordinary resolution. In order to be effective, the foregoing ordinary resolution must be approved by a majority of the votes cast by those disinterested shareholders of the Company, being entitled to do so, vote in person or by proxy at the Meeting in respect of such resolution.

OTHER MATTERS

The Company will consider and transact such other business as may properly come before the Meeting or any adjournment. Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting the common shares represented by the proxies solicited hereby will be voted on such matter in accordance with the best judgement of the persons voting by proxy.

ADDITIONAL INFORMATION

Additional information relating to the Company and its operations is available on SEDAR at www.sedar.com. Financial information concerning the Company is provided in its comparative financial statements and management's discussion and analysis ("MD&A") for the Company's most recently completed financial year ended June 30, 2020. Copies of this information are available by contacting the Company at its offices located at 1220 – 789 West Pender Street, Vancouver, BC, V6C 1H2; phone 604-428-5690.

BOARD APPROVAL

The contents of this Information Circular have been approved and its mailing has been authorized by the Board.

Dated this 10th day of November, 2020.

BY ORDER OF THE BOARD OF DIRECTORS

"Robert Setter"

Robert Setter
President, CEO & Director

SCHEDULE "A"



**(formerly Nevada Energy Metals Inc.)
(the "Company")**

Charter of the Audit Committee of the Board of Directors

Amended and adopted by the Board of Directors on October 13, 2013

1. Mandate

The audit committee will assist the board of directors (the "Board") in fulfilling its financial oversight responsibilities. The audit committee will review and consider in consultation with the auditors the financial reporting process, the system of internal control and the audit process. In performing its duties, the committee will maintain effective working relationships with the Board, management, and the external auditors. To effectively perform his or her role, each committee member must obtain an understanding of the principal responsibilities of committee membership as well as the Company's business, operations and risks.

2. Composition

The Board will appoint from among their membership an audit committee after each annual general meeting of the shareholders of the Company. The audit committee will consist of a minimum of three directors.

Independence

A majority of the members of the audit committee must not be officers, employees or control persons of the Company.

Expertise of Committee Members

Each member of the audit committee must be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the committee. At least one member of the committee must have accounting or related financial management expertise. The Board shall interpret the qualifications of financial literacy and financial management expertise in its business judgment and shall conclude whether a director meets these qualifications.

3. Meetings

The audit committee shall meet in accordance with a schedule established each year by the Board, and at other times that the audit committee may determine. The audit committee shall meet at least annually with the Company's Chief Financial Officer and external auditors in separate executive sessions.

4. Roles and Responsibilities

The audit committee shall fulfill the following roles and discharge the following responsibilities:

External Audit

The audit committee shall be directly responsible for overseeing the work of the external auditors in preparing or issuing the auditor's report, including the resolution of disagreements between management and the external auditors regarding financial reporting and audit scope or procedures. In carrying out this duty, the audit committee shall:

- (a) recommend to the Board the external auditor to be nominated by the shareholders for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company;

- (b) review (by discussion and enquiry) the external auditors' proposed audit scope and approach;
- (c) review the performance of the external auditors and recommend to the Board the appointment or discharge of the external auditors;
- (d) review and recommend to the Board the compensation to be paid to the external auditors; and
- (e) review and confirm the independence of the external auditors by reviewing the non-audit services provided and the external auditors' assertion of their independence in accordance with professional standards.

Internal Control

The audit committee shall consider whether adequate controls are in place over annual and interim financial reporting as well as controls over assets, transactions and the creation of obligations, commitments and liabilities of the Company. In carrying out this duty, the audit committee shall:

- (a) evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Company; and
- (b) ensure that the external auditors discuss with the audit committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

Financial Reporting

The audit committee shall review the financial statements and financial information prior to its release to the public. In carrying out this duty, the audit committee shall:

General

- (a) review significant accounting and financial reporting issues, especially complex, unusual and related party transactions; and
- (b) review and ensure that the accounting principles selected by management in preparing financial statements are appropriate.

Annual Financial Statements

- (a) review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements;
- (b) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered; and
- (c) review management's discussion & analysis respecting the annual reporting period prior to its release to the public.

Interim Financial Statements

- (a) review and approve the interim financial statements prior to their release to the public; and
- (b) review management's discussion & analysis respecting the interim reporting period prior to its release to the public.

Release of Financial Information

- (a) where reasonably possible, review and approve all public disclosure, including news releases, containing financial information, prior to its release to the public.

Non-Audit Services

All non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements) which are proposed to be provided by the external auditors to the Company or any subsidiary of the Company shall be subject to the prior approval of the audit committee.

Delegation of Authority

- (a) The audit committee may delegate to one or more independent members of the audit committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the audit committee at its next scheduled meeting.

De-Minimis Non-Audit Services

- (a) The audit committee may satisfy the requirement for the pre-approval of non-audit services if:
 - (i) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Company and its subsidiaries to the external auditor during the fiscal year in which the services are provided; or
 - (ii) the services are brought to the attention of the audit committee and approved, prior to the completion of the audit, by the audit committee or by one or more of its members to whom authority to grant such approvals has been delegated.

Pre-Approval Policies and Procedures

- (a) The audit committee may also satisfy the requirement for the pre-approval of non-audit services by adopting specific policies and procedures for the engagement of non-audit services, if:
 - (i) the pre-approval policies and procedures are detailed as to the particular service;
 - (ii) the audit committee is informed of each non-audit service; and
 - (iii) the procedures do not include delegation of the audit committee's responsibilities to management.

Other Responsibilities

The audit committee shall:

- (a) establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters;
- (b) establish procedures for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;
- (c) ensure that significant findings and recommendations made by management and external auditor are received and discussed on a timely basis;
- (d) review the policies and procedures in effect for considering officers' expenses and perquisites;
- (e) perform other oversight functions as requested by the Board; and
- (f) review and update this Charter and receive approval of changes to this Charter from the Board.

Reporting Responsibilities

The audit committee shall regularly update the Board about committee activities and make appropriate recommendations.

5. Resources and Authority of the Audit Committee

The audit committee shall have the resources and the authority appropriate to discharge its responsibilities, including the authority to:

- (a) engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for any advisors employed by the audit committee; and
- (c) communicate directly with the internal and external auditors.

6. Guidance -Roles & Responsibilities

The following guidance is intended to provide the audit committee members with additional guidance on fulfilment of their roles and responsibilities on the committee:

Internal Control

- (a) evaluate whether management is setting the goal of high standards by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities;
- (b) focus on the extent to which external auditors review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of an IT systems breakdown; and

- (c) gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.

Financial Reporting

General

- (a) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements; and
- (b) ask management and the external auditors about significant risks and exposures and the plans to minimize such risks; and
- (c) understand industry best practices and the Company's adoption of them.

Annual Financial Statements

- (a) review the annual financial statements and determine whether they are complete and consistent with the information known to committee members, and assess whether the financial statements reflect appropriate accounting principles in light of the jurisdictions in which the Company reports or trades its shares;
- (b) pay attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;
- (c) focus on judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of loan losses; warranty, professional liability; litigation reserves; and other commitments and contingencies;
- (d) consider management's handling of proposed audit adjustments identified by the external auditors; and
- (e) ensure that the external auditors communicate all required matters to the committee.

Interim Financial Statements

- (a) be briefed on how management develops and summarizes interim financial information, the extent to which the external auditors review interim financial information;
- (b) meet with management and the auditors, either telephonically or in person, to review the interim financial statements; and
- (c) to gain insight into the fairness of the interim statements and disclosures, obtain explanations from management on whether:
 - (i) actual financial results for the quarter or interim period varied significantly from budgeted or projected results;
 - (ii) changes in financial ratios and relationships of various balance sheet and operating statement figures in the interim financial statements are consistent with changes in the Company's operations and financing practices;
 - (iii) generally accepted accounting principles have been consistently applied;
 - (iv) there are any actual or proposed changes in accounting or financial reporting practices;
 - (v) there are any significant or unusual events or transactions;
 - (vi) the Company's financial and operating controls are functioning effectively;
 - (vii) the Company has complied with the terms of loan agreements, security indentures or other financial position or results dependent agreement; and
 - (viii) the interim financial statements contain adequate and appropriate disclosures.

Compliance with Laws and Regulations

- (a) periodically obtain updates from management regarding compliance with this policy and industry "best practices";
- (b) be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements; and
- (c) review the findings of any examinations by securities regulatory authorities and stock exchanges.

Other Responsibilities

- (a) review, with the Company's counsel, any legal matters that could have a significant impact on the Company's financial statements.