



INFORMATION CIRCULAR

(all information as at September 28, 2020 unless otherwise noted)

PERSONS MAKING THE SOLICITATION

This Information Circular is furnished in connection with the solicitation of proxies being made by the management of **Minfocus Exploration Corp.** (the "**Company**" or "**Minfocus**") for use at the Annual General Meeting of the Company's shareholders (the "**Meeting**") to be held on Wednesday, **October 28, 2020** at the time and place and for the purposes set forth in the accompanying Notice of Meeting and is furnished in connection with a solicitation of proxies for use at that Meeting and at any adjournment thereof.

The date of this Information Circular is September 28, 2020. Unless otherwise stated, all amounts herein are in Canadian dollars.

GENERAL PROXY INFORMATION

Management Solicitation

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

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

Appointment of Proxies

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 **September 23, 2020** (the "**Record Date**") on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

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

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

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

In order to be voted, the completed form of proxy must be received by the Company's registrar and transfer agent, Odyssey Trust Company (the "**Transfer Agent**") at their offices located at Suite 323, 409 Granville Street, Vancouver, BC, V6C 1T2 (Attention: Proxy Department) by mail or fax, 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. Alternatively, the completed form of proxy may be delivered to the chairman of the Meeting 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 any time before it is exercised by an instrument in writing:

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

Also, a proxy will automatically be revoked by either attendance at the Meeting and participation in a poll (ballot) by a shareholder, or by the 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 Proxies and Exercise of Discretion

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. If the instructions as to voting indicated in the proxy are certain, the Common Shares represented by the proxy will be voted or withheld from voting

in accordance with the instructions given in the proxy. The Common 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 Common 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 COMMON 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 of Meeting, and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company is not aware of any such amendments, variations, or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the Common Shares on any matter, the Common 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.

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 completing, dating and signing the enclosed form of proxy and returning it to the Company's transfer agent, Odyssey Trust Company, at Suite 323, 409 Granville Street, Vancouver, BC, V6C 1T2 (Attention: Proxy Department). Registered Shareholders can also vote their proxy online at <http://odysseytrust.com/Transfer-Agent/Login> and click 'vote'.

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 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 Common Shares can be recognized and acted upon at the Meeting.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of the shareholder's broker or an agent of that broker. In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person well in advance of the Meeting.

The Company does not have access to names 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 Common 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 Common Shares to be voted at the Meeting. Beneficial Shareholders are requested to complete and return the voting instructions 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 Common 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 Common Shares directly at the Meeting – the voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have its Common Shares voted at the Meeting.

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

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

Notice to Shareholders in the United States

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

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

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue unlimited Common Shares without par value. As at the record date, the Company has **24,910,796** issued and outstanding fully paid and non-assessable Common Shares without par value, each share carrying the right to one vote. The Company has no other classes of voting securities.

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, as at the Record Date, no person beneficially owns, directly or indirectly, or controls or directs shares carrying 10% or more of the voting rights other than Francis Manns, who has control or direction over 7,510,847 common shares of the Company (30.15%).

FINANCIAL STATEMENTS

The directors will place before the Meeting the financial statements for the year ended February 29, 2020 and February 28, 2019 together with the auditors' report thereon.

PARTICULARS OF MATTERS TO BE ACTED UPON

Appointment of Auditor

De Visser Gray LLP, Chartered Professional Accountants, will be nominated at the Meeting for appointment as auditor of the Company. De Visser Gray LLP, Chartered Professional Accountants, were appointed as auditor of the Company on September 18, 2018.

Management recommends that shareholders vote FOR the re-appointment of De Visser Gray LLP, Chartered Professional Accountants, as the Company's auditor at remuneration to be fixed by the Board.

Number of Directors

Shareholders will be asked to pass an ordinary resolution to set the number of directors at 5 for the ensuing year.

Management recommends that shareholders vote FOR setting of the number of directors at 5 for the ensuing year.

Election of Directors

The term of office of those nominees set out below, who are presently directors, will expire as of the date of the Meeting. All of the directors who are elected at the Meeting will have their term of office expire at the next annual general meeting or at such time when their successors are duly elected or appointed in accordance with the Articles of the Company, or with the provisions of applicable corporate legislation or until such director's earlier death, resignation or removal.

In the absence of instructions to the contrary, the enclosed form of proxy will be voted FOR the nominees listed in the form of proxy, all of whom are presently members of the Board.

Management of the Company proposes to nominate each of the following persons for election as a director of the Company to hold office until the next annual general meeting of the shareholders or until their successors are elected or appointed. Information concerning such persons, as furnished by the individual nominees, is as follows:

| Name, Province and Country of Residence and Position Held with the Company | Director Since | Principal Occupation during the past five years | Number of Common Shares held |
|---|----------------|--|------------------------------|
| Alicia Milne British Columbia, Canada President, Chief Executive Officer and Director | September 2018 | Ms. Milne is a legal professional and a specialist in securities and corporate administration of public companies. She is a securities compliance consultant providing services to various public companies listed on the New York Stock Exchange, Toronto Stock Exchange and TSX Venture Exchange. Ms. Milne was the Corporate Secretary of Pretium Resources Inc. from 2011 to 2018 and currently serves as an independent director on four publicly listed companies. Ms. Milne is a member of the Governance Professionals of Canada and is a former director of Women in Mining BC. | 1,050,000 ⁽²⁾ |
| Jody Bellefleur British Columbia, Canada Chief Financial Officer and Director | June 2020 | Jody Bellefleur is a CPA, CGA with over 25 years' experience as a corporate accountant, focusing exclusively on public companies for the last 13 years. Ms. Bellefleur is responsible for all aspects of regulatory financial reporting, including the preparation of quarterly financial statements, management discussion and analysis reports, the coordination of annual audits, and government tax and regulatory reporting. Ms. Bellefleur has served as the CFO of Zimtu Capital Corp. since 2013 and is responsible for the financial reporting of multiple equity holdings of Zimtu, and acts as CFO for many of them. Ms. Bellefleur holds a Bachelor of Commerce (B.Com.) Accounting from the University of British Columbia. | 1,000,000 |
| Kenneth De Graaf⁽¹⁾ British Columbia, Canada Director | January 2012 | Mr. de Graaf is a chemical/metallurgical engineer and senior international mineral resource industry executive with extensive experience in mineral resource development, consulting and junior resource companies. Mr. De Graaf was the President and CEO of the Company from January 2018 to June, 2020. | 297,562 |
| Graham Wilson Ontario, Canada Director | January 2012 | Dr. Wilson is a senior independent consultant geologist/mineralogist and a specialist in geology/mineralization of gold, PGE and base metals with wide experience serving resource exploration and mining development companies as well as various government agencies. Dr. Wilson is the Principal of Turnstone Geological Services Ltd., a private geological consulting firm founded by him. | 724,096 ⁽³⁾ |
| Leo Power⁽¹⁾ Newfoundland, Canada Director | September 2018 | Mr. Power is an established businessman in Newfoundland, Canada with an Executive MBA (Joint Kellogg-Schulich), a Master of Oil and Gas Studies (Memorial University, Newfoundland). He is currently a Director of Canada Fluorspar Inc of Newfoundland, a Director of Ptarmigan Energy Inc. an oil and gas exploration junior in Newfoundland and a Director of Search Minerals Inc. a TSXV company exploring for rare earth elements in Labrador. | Nil |

1. Member of the Audit Committee.

2. Of these shares, 1,000,000 are held by Ms. Milne's private company, A.Milne Consulting Corp.

3. Of these shares, 88,967 are held by Mr. Wilson's private company, Turnstone Geological Services Limited.

As a group, the proposed directors beneficially own, control or direct, directly or indirectly, 3,071,658 Common Shares, representing approximately 12.33% of the issued and outstanding Common Shares as of the date hereof.

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 common shares represented by proxy for the election of any other persons as directors.

Orders: No proposed director of the Company is, or within the 10 years before the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to an order that was issued while the proposed director was acting in the capacity of director, chief executive officer or chief financial officer; or
- (b) 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 of director, chief executive officer or chief financial officer.

For the purposes of the above, "order" means a cease trade order, an order similar to a cease trade order; or an order that denied the relevant company access to any exemption and securities legislation, that was in effect for a period of more than 30 consecutive days.

Bankruptcies: No proposed director of the Company is, or was, within the 10 years before the date of this Information Circular, 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 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. No proposed director of the Company has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Penalties or Sanctions: No proposed director has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority, or has entered into a settlement agreement with respect to same; or any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to reasonable Shareholders in deciding whether to vote for a proposed director.

Approval of Stock Option Plan

Pursuant to the policies of the TSX-V, all stock option plans that reserve for issuance up to 10% (instead of a fixed number) of a listed corporation's shares need to be approved by its shareholders on an annual basis. The rules of the TSX-V require that the Option Plan be approved by an ordinary resolution passed by a majority of the votes cast by holders of Common Shares present or represented by proxy at the Meeting.

At the Meeting, the shareholders of the Company will be asked to vote to approve the adoption of the Stock Option Plan, a copy of which is attached as Appendix "A".

There are currently 2,047,143 stock options issued and outstanding under the Stock Option Plan.

Description of Stock Option Plan: The Company's Stock Option Plan provides for the issuance of stock options to acquire at any time up to a maximum of 10% of the Company's issued and outstanding Common Shares, including previously granted stock options (the "**Option Plan**").

The Option Plan is considered a "rolling" stock option plan as the number of Common Shares reserved under the Option Plan increases with the number of the Company's issued and outstanding Common Shares.

The purpose of the Option Plan is to provide directors, officers and key employees of, and certain other persons who provide services to, the Company and its subsidiaries (the "**Optionees**") with an opportunity to purchase the Company's Common Shares and benefit from any appreciation in the value of the Company's Common Shares. This will provide an increased incentive for these individuals to contribute to the future success and prosperity of the Company, thus enhancing the value of the Common Shares for the benefit of all the shareholders and increasing the ability of the Company and its subsidiaries to attract and retain skilled and motivated individuals in the service of the Company.

Under the Option Plan, an option must be exercised within a period of five years from the date of grant. Within this 5-year period, the Company's Board may determine the period during which an option may be exercised. Any amendment to the Option Plan will require the approval of the TSX-V and may require shareholder approval. If ratification of the Plan or a modified version thereof is not obtained, the Company will not proceed to grant options under the Plan.

The following is a summary of the principal terms of the Option Plan:

Eligible Participants: The Option Plan provides that stock options may be granted to the Company's directors, officers, employees and consultants (and those of its subsidiaries).

Shares Available for Issuance: The Option Plan is considered a "rolling" stock option plan, as the number of shares available for issue under the Option Plan increases with the number of the Company's issued and outstanding shares. The maximum number of Common Shares that may be issuable under the Option Plan is a number equal to 10% of the number of issued and outstanding Common Shares on a non-diluted basis at any time. The Option Plan is also considered an "evergreen" stock option plan as when an option expires or otherwise terminates for any reason without having been exercised in full, the number of common shares reserved for issuance under that expired or terminated stock option again become available for the purposes of the Option Plan. Any stock option outstanding when the Option Plan is terminated will remain in effect until such option is exercised or it expires.

Limitations on the Grant of Options: The Option Plan provides that it is solely within the discretion of the Board to determine who should receive stock options, in what amounts and for what term, subject to the following conditions:

- (a) options may be exercisable for a maximum of 5 years from the date of grant;
- (b) options to acquire no more than 5% of the Company's issued and outstanding Common Shares may be granted to any one director, officer, employee in any 12-month period unless the Company has obtained disinterested shareholder approval; and
- (c) options to acquire no more than 2% of the Company's issued and outstanding Common Shares may be granted to any one consultant in any 12-month period;
- (d) the number of securities issuable (or reserved for issuance) to insiders under all security-based compensation arrangements cannot at any time exceed 10% of the Company's issued and outstanding shares; and

- (e) the number of securities issued to insiders under all security-based compensation arrangements, within a 1-year period, cannot exceed 10% of the Company's issued and outstanding Common Shares.

Exercise Price: The price at which an option holder may purchase a Common Share upon the exercise of a stock option will be as set out in the option certificate issued in respect of the option and in any event will not be less than the market price of the Common Shares as of the date of the grant of the stock option (the "**Award Date**"). The market price of the Common Shares for a particular Award Date will typically be the closing trading price on the TSX-V of the Company's Common Shares on the day immediately preceding the Award Date. In no case will a stock option be exercisable at a price less than the minimum prescribed by the TSX-V or the applicable regulatory authorities that would apply to the award of the stock option in question.

Expiration or Termination: Under the Option Plan, a stock option will expire immediately in the event an employee ceases to be an employee of the Company as a result of termination for cause. In the event an employee ceases to be an employee as a result of resignation or termination without cause, a stock option will expire 30 days after the end of an employee's notice period or at such other date as determined by the Board. In addition, a stock option will expire, unless otherwise determined by the Board, 30 days after: (i) a director ceases to be a director; and (ii) the expiration of a service provider's contract. In the event of the death of an option holder, the expiry date shall be the first anniversary of the option holder's date of death. If an option expires during a trading blackout or within 10 business days after the date on which the blackout ends, then the expiry date of the option will be extended for a period of 10 business days after such date on which the trading blackout ends.

Vesting: Stock options granted to directors, officers, employees or service providers will vest as may be determined by the Board. In the event of a change of control, all options outstanding will vest immediately and be exercisable.

Amendments to the Plan: The Board of Directors of the Company, absent prior approval of the shareholders of the Company and the TSX-V or any regulatory body having authority of the Company, will not be entitled to make any amendment:

- (a) to the number of the Company's shares issuable under the Option Plan (other than as a result of the operation of the "rolling" nature of such plan);
- (b) which reduces the exercise price of an option held by a person who is one of the Company's insiders at the time of such proposed amendment;
- (c) extending the term of an option held by a person who is one of the Company's insiders at the time of such proposed amendment beyond its original expiry date, except as otherwise permitted by the Option Plan; and
- (d) required to be approved by shareholders under applicable law.

Shareholder Approval

The rules of the TSX-V require that the resolution respecting the adoption of the Option Plan and the grants of options thereunder be approved by a majority of the votes cast by shareholders of the Company present or represented by proxy at the Meeting. The ordinary resolution to approve the Option Plan, which will be presented at the Meeting and, if deemed appropriate, adopted with or without variation is as follows:

"BE IT RESOLVED THAT:

1. Subject to the Company receiving TSX Venture Exchange and any other regulatory approvals, if so required,

the Option Plan as described in the management information circular of the Company dated September 28, 2020 is hereby ratified and approved;

2. All outstanding Options granted under the Option Plan prior to the date hereof are hereby ratified and approved; and
3. Any one director or officer of the Company is authorized and directed on behalf of the Company to execute all documents and to do all such other acts and things as such director or officer may determine to be necessary or advisable to give effect to the foregoing provisions of this resolution.”

The Company’s Board of Directors recommends a vote FOR the Stock Option Plan Resolution. In the absence of a contrary instruction, the persons designated by management of the Company in the enclosed form of proxy intend to vote FOR the Stock Option Plan resolution set out above.

Repricing of Previously Granted Stock Options

On September 28, 2020, the directors of the Company determined that, in accordance with the policies of the TSX-V, the terms of the Stock Option Plan and subject to the approval of the disinterested shareholders of the Company, the exercise price of a total of 742,857 stock options that were granted to directors and consultants of the Company in 2018 be repriced to \$0.08 per share, which is the closing price of the common shares of the Company on the TSX-V on September 25, 2020. The expiry dates are to remain unchanged.

Management believes that it is in the best interest of the Company to re-price these options due to the difference between the original exercise price of the options and the current market price of the Company’s shares which undermines the purpose of the Stock Option Plan, which is to attract, retain and motivate the directors, officers, consultants and employees of the Company.

The re-pricing of stock options is subject to acceptance by the TSXV, which also requires that the re-pricing of the stock options issued to insiders of the Company be specifically approved by disinterested shareholders.

Disinterested shareholder approval is the approval by a majority of the votes cast on the resolution by all shareholders at the Meeting excluding the votes attached to shares beneficially owned by Insiders and their Associates (as that term is defined under the policies of the Exchange).

Disinterested shareholders will be asked to approve a resolution to decrease the exercise price of 542,857 stock options previously granted to the following Insiders of the Company:

| Name of Insider | Date of Grant | Expiry Date | Number of Options | Original Exercise Price | New Exercise Price |
|------------------------|----------------------|--------------------|--------------------------|--------------------------------|---------------------------|
| Kenneth De Graaf | 12/19/2016 | 12/19/2021 | 71,429 | \$0.70 | \$0.08 |
| | 02/07/2018 | 02/07/2023 | 242,857 | \$0.35 | \$0.08 |
| Graham Wilson | 12/19/2016 | 12/19/2021 | 28,571 | \$0.70 | \$0.08 |
| | 02/07/2018 | 02/07/2023 | 71,429 | \$0.35 | \$0.08 |
| Jody Bellefleur | 02/14/2018 | 02/14/2023 | 85,714 | \$0.35 | \$0.08 |
| Francis Manns | 02/07/2018 | 02/07/2023 | 42,857 | \$0.35 | \$0.08 |

Based on the present shareholdings of the Insiders and their Associates, a total of 9,532,505 Shares will be excluded from voting on the ordinary resolution to approve the repricing of the stock options.

Resolution Approving the Re-Pricing of Previous Granted Stock Options

At the Meeting, Disinterested Shareholders will be asked to consider and, if thought fit, pass an ordinary resolution in substantially the following form:

“BE IT RESOLVED, AS AN ORDINARY RESOLUTION WITH ALL INTERESTED INSIDERS ABSTAINING FROM VOTING, THAT:

1. Subject to the approval of the TSX Venture Exchange, the Company be and is hereby authorized to amend the exercise price of 542,857 stock options previously granted to Insiders of the Company to \$0.08 per share;
2. The Board of Directors be and is hereby authorized in its absolute discretion to determine whether or not to proceed with the above resolution without further ratification or approval by the Shareholders; and
3. Any one director or officer of the Company be and is hereby authorized and directed to perform all such acts and deeds and things and execute, under the seal of the Company or otherwise, all such documents, agreements and other writings as may be required to give effect to the true intent of this resolution.”

The Company’s Board of Directors recommends a vote “FOR” the Repricing of Previously Granted Stock Options. In the absence of a contrary instruction, the persons designated by management of the Company in the enclosed form of proxy intend to vote FOR the Repricing of Previously Granted Stock Options resolution set out above.

STATEMENT OF EXECUTIVE COMPENSATION

For the purpose of this Information Circular:

"**CEO**" of the Company means each 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;

"**CFO**" of the Company means each individual who acted as chief financial officer of the Company or acted in a similar capacity for any part of the most recently completed financial year;

"**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);and

"**Named Executive Officer**" or "**NEO**" means each of the following individuals:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000 for the 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, and was not acting in a similar capacity, at the end of that financial year.

Director and Named Executive Officer Compensation

The Company currently has three NEOs: Alicia Milne, the President, CEO and a director, Jody Bellefleur, the CFO and Kenneth De Graaf, the former CEO. The following table sets out details of all payments, grants, awards, gifts and benefits paid or awarded to each director and NEO during the two most recently completed financial years:

| Name and Position | Year | Salary, Consulting Fee, Retainer or Commission (\$) | Bonus (\$) | Committee or Meeting Fees (\$) | Value of Perquisites ⁽¹⁾ (\$) | Value of All Other Compensation (\$) | Total Compensation (\$) |
|---|------|---|------------|--------------------------------|--|--------------------------------------|-------------------------|
| Alicia Milne ⁽²⁾ President, CEO & Director | 2020 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2019 | Nil | Nil | Nil | Nil | Nil | Nil |
| Jody Bellefleur ⁽³⁾ CFO & Director | 2020 | \$8,000 | Nil | Nil | Nil | Nil | \$8,000 |
| | 2019 | \$10,500 | Nil | Nil | Nil | Nil | \$10,500 |
| Kenneth De Graaf Director, Former CEO & President ⁽⁴⁾ | 2020 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2019 | \$107,507 | Nil | Nil | Nil | Nil | \$107,507 |
| Graham Wilson Director | 2020 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2019 | \$9,450 | Nil | Nil | Nil | Nil | \$9,450 |
| Leo Power Director | 2020 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2019 | 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) year if the NEO or director's total salary for the financial year is greater than \$150,000 but less than \$500,000, or (b) \$50,000 if the NEO or director's total salary for the financial year is \$500,000 or greater.
- (2) Ms. Milne was appointed as CEO and President of the Company on June 5, 2020.
- (3) Ms. Bellefleur was appointed as a director of the Company on June 5, 2020. Prior to appointment as a director, Ms. Bellefleur has been the CFO of the Company since 2018.
- (4) Mr. De Graaf resigned as the CEO and President of the Company on June 5, 2020. Mr. De Graaf remains a director of the Company.

Stock Options and Other Compensation Securities

There were no stock options and other compensation securities granted or issued to any directors and/or NEOs by the Company during the year ended February 29, 2020.

As at the year ended February 29, 2020, the following stock options were issued & outstanding to directors and NEOs:

| | Number of Stock Options | Price per Option | Grant Date | Expiry Date |
|-----------------|-------------------------|------------------|------------|-------------|
| Alicia Milne | Nil | - | - | - |
| Jody Bellefleur | 85,714 | 0.35 | 02/14/2018 | 02/14/2023 |

| | Number of Stock Options | Price per Option | Grant Date | Expiry Date |
|------------------|-------------------------|------------------|------------|-------------|
| Kenneth De Graaf | 71,429 | 0.70 | 12/19/2016 | 12/19/2021 |
| | 242,857 | 0.35 | 02/07/2018 | 02/07/2023 |
| Graham Wilson | 28,571 | 0.70 | 12/19/2016 | 12/19/2021 |
| | 71,429 | 0.35 | 02/07/2018 | 02/07/2023 |
| Leo Power | Nil | - | - | - |

Exercise of Compensation Securities by Directors and NEOs

No director or NEO exercised any compensation securities, being solely comprised of stock options, during the year ended February 29, 2020.

Stock Option Plans and Other Incentive Plans

The Company has a Stock Option Plan in place. For further particulars on the Stock Option Plan, please see "Approval of Stock Option Plan".

Employment, Consulting and Management Agreements

There are no employment, consulting or management agreements under which compensation is paid to a director or NEO.

Oversight and Description of Director and NEO Compensation

The objectives of the Company's compensation strategy is to align the interests of the Company's NEOs, directors, employees and consultants with the interests of the shareholders. 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 in this regard. The Company relies on Board discussion without a formal agenda for 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 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 discussion relating to compensation, and disclose their interest in and abstain from voting on compensation decisions relating to them, as applicable, in accordance with the applicable corporate legislation.

The Company currently has a short-term compensation component in place, which may include the accrual and/or payment of management fees to certain NEOs, and a long-term compensation component in place, consisting of the grant of stock options under the Stock Option Plan. The Company intends to further develop these compensation components. 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 position

of the executive. The Board considers that the payment of such discretionary annual cash bonuses may satisfy the medium term compensation component.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out, as at February 29, 2020, information regarding the outstanding stock options, warrants and rights granted by the Company under its equity compensation plan.

| Plan Category | Number of Common Shares 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 plans (excluding securities reflected in column (a) (c) |
|--|--|---|--|
| Equity compensation plans approved by security holders | 1,838,222 | \$0.41 | 1,023,937 |
| Equity compensation plans not approved by securityholders ⁽²⁾ | n/a | - | n/a |
| Total | 1,838,222 | | 1,023,937 |

CORPORATE GOVERNANCE

Corporate Governance is the process and structure used to direct and manage the business and affairs of an issuer with the objective of enhancing value for its owners. National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101") of the Canadian Securities Administrators requires the Company to disclose in this Information Circular a summary of the corporate governance policies that the Company has in place.

Board of Directors: Leo Power and Graham Wilson are independent within the meaning of NI 58-101. Alicia Milne and Jody Bellefleur are not independent as they are executive officers of the Company and Kenneth De Graaf is not independent as he is a former officer of the Company.

Directorships

| Name of Director | Names of other Reporting Issuers |
|------------------|--|
| Alicia Milne | QMC Quantum Minerals Corp. Pure Extraction Corp. Saville Resources Inc. Core Assets Corp. |
| Jody Bellefleur | King's Bay Resources Corp. |
| Leo Power | Search Minerals Inc. |

Orientation and Continuing Education: While the Company does not have formal orientation or training programs for new board members, new board members are provided with full access to the Company's records, including all publicly filed documents of the Company, technical reports, internal financial information, management & technical experts and consultants and a summary of significant securities disclosure obligations. Board members are encouraged to communicate with management, auditors and technical consultants to keep themselves current with industry trends and developments and changes in legislation with management's assistance and to attend related industry seminars.

Ethical Business Conduct: Corporate governance is the structure and process used to direct and manage the business and affairs of a corporation with the objective of enhancing shareholder value. The Board believes that the Company has in place corporate governance practices that are both effective and appropriate to the Company's size and its business operations.

Nomination of Directors: The Board has the responsibility for identifying potential Board candidates. The Board assesses potential candidates to fill perceived needs on the Board for required skill, expertise, independence and other factors.

Compensation: Compensation is determined by the Board and is based on the compensation paid for directors and senior officers of companies of a similar size and stage of development. The appropriate compensation reflects the need to provide incentive and compensation for the time and effort expended by the directors and its management while taking into account the financial and other resources of the Company.

Assessments: The Board conducts informal annual assessments of the Board's effectiveness, its individual directors and its committees.

AUDIT COMMITTEE

Under National Instrument 52-110 *Audit Committees* ("**NI 52-110**"), venture issuers are required to provide certain disclosure with respect to their audit committee, including the text of the audit committee's charter, the composition of the audit committee and the fees paid to the external auditor.

Audit Committee Charter: Pursuant to NI 52-110, the Company is required to include a summary of the audit committee responsibilities, composition and authority. The Company's Audit Committee is governed by an Audit Committee Charter, a copy of which is attached as Appendix "B".

Composition of the Audit Committee: As at the Record Date, the Company's audit committee is comprised of Kenneth De Graaf, Leo Power and Alicia Milne. All of the audit committee members are "financially literate". Mr. Power is independent as that term is defined in NI 52-110. Mr. De Graaf is not independent as he is the former President & CEO of the Company and Ms. Milne is not independent as she is the current President & CEO.

Relevant Education and Experience

Kenneth De Graaf: Mr. de Graaf has extensive experience in mineral resource development, consulting and junior resource companies and is a senior international mineral resource industry executive.

Leo Power: Mr. Power has an Executive MBA (Joint Kellogg-Schulich) and holds a Master of Oil and Gas Studies (Memorial University, Newfoundland) with international project finance and development experience managing both private and public companies.

Alicia Milne: Ms. Milne is a legal professional with over 20 years of securities and corporate administrative experience of public companies and has been an independent director of numerous private and public companies.

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

Reliance on Certain Exemptions: At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110, or an exemption

from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre-approval Policies and Procedures: The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services to the extent set forth in the Company's Audit Committee Charter (see under the heading "External Auditor").

External Auditor Service Fees: In the following table, "audit fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The fees charged to the Company by its auditor in the last two fiscal years, by category, are as follows:

| Financial Year Ending | Audit Fees | Audit Related Fees | Tax Fees | All Other Fees |
|------------------------------|-------------------|---------------------------|-----------------|-----------------------|
| February 29, 2020 | \$11,000 | - | - | - |
| February 28, 2019 | \$10,800 | - | - | - |

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

INDEBTEDNESS OF DIRECTORS, EXECUTIVE AND SENIOR OFFICERS

No current or former director, executive officer or employee, proposed nominee for election to the Board, or associate of such persons is, or has been, indebted to the Company or any of its subsidiaries since the beginning of the most recently completed financial year of the Company and no indebtedness remains outstanding as at the date of this Information Circular.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as disclosed elsewhere in this Information Circular, no director or executive officer of the Company who was a director or executive officer since the beginning of the Company's last financial year, each proposed nominee for election as a director of the Company, or any associate or affiliates of any such directors, executive officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors, the approval of the Stock Option Plan as such persons are eligible to participate in the Stock Option Plan and the repricing of certain stock options as such persons may hold stock options that are being repriced.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person of the Company, proposed director of the Company or any associate or affiliate of any informed person or proposed director of the Company has had any material interest, direct or indirect, in any transaction since the beginning of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries, if any.

"Informed person" means

- (a) a director or executive officer of the Company;

- (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;
- (c) any person or company who beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company other than voting securities held by the person or company as underwriter in the course of a distribution of it; and
- (d) the Company has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

ADDITIONAL INFORMATION

Financial information is provided in the Company's comparative financial statements for the years ended February 29, 2020 and February 28, 2019 as well as the Management Discussion & Analysis for the years ended February 29, 2020 and February 28, 2019 which are available, along with additional information relating to the Company, on SEDAR at www.sedar.com or by contacting the Company at Suite 440, 755 Burrard Street, Vancouver, BC V6Z 1X6.

To request copies of the Company's financial statements and management discussion and analysis, shareholders can contact the Company at (800) 482-7560 or by email at info@minfocus.ca

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 28th day of September, 2020.

By Order of the Board of Directors of

MINFOCUS EXPLORATION CORP.

Alicia Milne

President and Chief Executive Officer

APPENDIX "A"

Minifocus Exploration Corp. Stock Option Plan

1. PURPOSE OF THE PLAN

Unless otherwise defined, all capitalized terms are as defined below.

The Company hereby establishes a stock option plan for directors, senior officers, Employees, Management Company Employees and Consultants of the Company and its subsidiaries (collectively "Eligible Persons"), to be known as the "Stock Option Plan" (the "Plan").

The purpose of the Plan is to give to Eligible Persons, as additional compensation, the opportunity to participate in the success of the Company by granting to such individuals Options to buy Shares of the Company at a price not less than the Market Price prevailing on the Grant Date less the applicable discount, if any, permitted by TSX-V Policies and approved by the Board.

2. DEFINITIONS

In this Plan, the following terms shall have the following meanings:

- (a) "Associate" when used to indicate a relationship with a Person, means:
 - (i) an issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10 percent of the voting rights attached to all outstanding voting securities of the issuer;
 - (ii) any partner of the Person;
 - (iii) any trust or estate in which the Person has a substantial beneficial interest or in respect of which the Person serves as trustee or in a similar capacity; and
 - (iv) in the case of a Person who is an individual
 - (A) that Person's spouse or child, or
 - (B) any relative of that Person or of his spouse who has the same residence as that Person;but
 - v) where the Exchange determines that two Persons shall, or shall not, be deemed to be Associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D.1.00 of the TSX Venture Exchange Rule Book and Policies with respect to that Member firm, Member corporation or holding company.
- (b) "Board" means the Board of Directors of the Company.
- (c) "Change of Control" means the acquisition by any person or by any person and all Joint Actors (as defined in the Securities Act), whether directly or indirectly, of voting securities of the Company, which,

when added to all other voting securities of the Company at the time held by such person or by such person and a Joint Actor, totals for the first time not less than fifty percent (50%) of the outstanding voting securities of the Company or the votes attached to those securities are sufficient, if exercised, to elect a majority of the Board of Directors of the Company.

- (d) "Company" means Minfocus Exploration Corp. and its successors.
- (e) "Consultant" means a "Consultant" as defined in the TSX-V Policies.
- (f) "Consultant Company" means a "Consultant Company" as defined in the TSX-V Policies.
- (g) "Disability" means any disability with respect to an Optionee which the Board, in its sole and unfettered discretion, considers likely to prevent permanently the Optionee from:
 - (i) being employed or engaged by the Company, its subsidiaries or another employer, in a position the same as or similar to that in which he was last employed or engaged by the Company or its subsidiaries; or
 - (ii) acting as a director or officer of the Company or its subsidiaries.
- (h) "Discounted Market Price" of Shares means, if the Shares are listed only on the TSX Venture Exchange, the Market Price less the maximum discount permitted under the TSX-V Policy applicable to Options;
- (i) "Disinterested Shareholder Approval" means an ordinary resolution approved at a shareholders meeting by a majority of the votes cast by:
 - (i) the holders of the issued and outstanding Shares; and
 - (ii) the holders of any securities of the Company, other than the Shares, which have a residual right to share in the earnings of the Company and in its assets upon liquidation or winding-up ("Restricted Securities"),

on a basis proportionate to their respective residual equity interests in the Company, excluding votes attaching to the Shares and the Restricted Securities beneficially owned by Insiders to whom Options may be issued and Associates of those persons;
- (j) "Distribution" means a "Distribution" as defined in the TSX-V Policies.
- (k) "Eligible Persons" has the meaning given to that term in section 1 hereof.
- (l) "Employee" means an "Employee" as defined in the TSX-V Policies.
- (m) "Exchange" means the TSX Venture Exchange and, if applicable, any other stock exchange on which the Shares are listed.
- (n) "Expiry Date" means the date set by the Board under section 3(a) of the Plan, as the last date on which an Option may be exercised.
- (o) "Grant Date" means the date specified in an Option Agreement as the date on which an Option is granted.

- (p) "Insider" means an "Insider" as defined in the TSX-V Policies, other than a person who is an insider solely by virtue of being a director or senior officer of a subsidiary of the Company.
- (q) "Investor Relations Activities" means "Investor Relations Activities" as defined in the TSX-V Policies.
- (r) "Joint Actor" means a person acting "jointly or in concert with" another person as that phrase is interpreted in section 96 of the Securities Act.
- (s) "Management Company Employee" means a "Management Company Employee" as defined in the TSX-V Policies.
- (t) "Market Price" of Shares at any Grant Date means the last closing price per Share on the trading day immediately preceding the day on which the Company announces the grant of the option or, if the grant is not announced, on the Grant Date, or if the Shares are not listed on any stock exchange, "Market Price" of Shares means the price per Share on the over-the-counter market determined by dividing the aggregate sale price of the Shares sold by the total number of such Shares so sold on the applicable market for the last day prior to the Grant Date.
- (u) "Option" means an option to purchase Shares granted pursuant to this Plan.
- (v) "Option Agreement" means an agreement, in the form attached hereto as Schedule "A", whereby the Company grants to an Optionee an Option.
- (w) "Optionee" means each of the Eligible Persons granted an Option pursuant to this Plan and their heirs, executors and administrators.
- (x) "Option Price" means the price per Share specified in an Option Agreement, adjusted from time to time in accordance with the provisions of section 5 hereof.
- (y) "Option Shares" means the aggregate number of Shares which an Optionee may purchase under an Option.
- (z) "Plan" has the meaning given to that term in section 1 hereof.
- (aa) "Securities Act" means the Securities Act, R.S.B.C. 1996, c.418, as amended, as at the date hereof.
- (bb) "Shareholder Approval" means approval by the affirmative votes of the holders of a majority of the voting securities of the Company present, or represented, and entitled to vote at a meeting duly held in accordance with applicable corporate laws;
- (cc) "Shares" means the common shares in the capital of the Company as constituted on the Grant Date provided that, in the event of any adjustment pursuant to section 5 hereof, "Shares" shall thereafter mean the shares or other property resulting from the events giving rise to the adjustment.
- (dd) "TSX-V Policies" means the policies included in the Exchange's Corporate Finance Manual and "TSX-V Policy" means any one of them.
- (ee) "Unissued Option Shares" means the number of Shares, at a particular time, which have been reserved for issuance upon the exercise of an Option but which have not been issued, as adjusted from time to time in accordance with the provisions of section 5 hereof, such adjustments to be cumulative.

3. GRANT OF OPTIONS

(a) Price and Term

The Board may from time to time authorize the issue of Options to Eligible Persons of the Company and its subsidiaries. The Option Price under each Option shall be not less than the Discounted Market Price on the Grant Date. The Expiry Date for each Option shall be set by the Board at the time of issue of the Option and shall not be more than ten (10) years after the Grant Date. Options shall not be assignable (or transferable) by the Optionee.

(b) Limits on Shares Issuable on Exercise of Options

The number of Shares reserved for issuance under the Plan in aggregate shall not exceed 10% of the total number of the Company's issued and outstanding common shares on a non-diluted basis. The number of Shares which may be issuable under the Plan (calculated at the Grant Date), within a 12-month period:

- (i) to any one Optionee shall not exceed 5% of the total number of issued and outstanding Shares on a non-diluted basis;
- (ii) to Insiders as a group shall not exceed 10% of the total number of issued and outstanding Shares on a non-diluted basis;
- (iii) to any one Consultant shall not exceed 2% of the total number of issued and outstanding Shares on a non-diluted basis; and
- (iv) to all Eligible Persons who undertake Investor Relations Activities shall not exceed 2% in the aggregate of the total number of issued and outstanding Shares on a non-diluted basis which shall vest in stages over a 12-month period with 20% vesting on the date of grant and 20% each three months thereafter.

(c) Option Agreements

Each Option shall be confirmed by the execution of an Option Agreement. Each Optionee shall have the option to purchase from the Company the Option Shares at the time and in the manner set out in the Plan and in the Option Agreement applicable to that Optionee. For Options to Employees, Consultants, Consultant Companies or Management Company Employees, the Company is representing herein and in the applicable Stock Option Agreement that the Optionee is a bona fide Employee, Consultant, Consultant Company or Management Company Employee, as the case may be, of the Company or its subsidiary. The execution of an Option Agreement shall constitute conclusive evidence that it has been completed in compliance with this Plan.

4. EXERCISE OF OPTION

(a) When Options May be Exercised

Subject to section 4(c), an Option may be exercised to purchase any number of Option Shares up to the number of Unissued Option Shares at any time after the Grant Date up to 4:00 p.m. local time on the Expiry Date and shall not be exercisable thereafter.

(b) Manner of Exercise

The Option shall be exercisable by delivering to the Company a notice specifying the number of Option Shares in respect of which the Option is exercised together with payment in full of the Option Price for each such

Option Share. A form of Notice of Exercise is attached hereto as Schedule "B". Upon notice and payment there will be a binding contract for the issue of the Option Shares in respect of which the Option is exercised, upon and subject to the provisions of the Plan. Delivery of the Optionee's cheque payable to the Company in the amount of the Option Price shall constitute payment of the Option Price unless the cheque is not honoured upon presentation in which case the Option shall not have been validly exercised.

(c) Termination of Employment

In the following cases, an Option shall be exercisable as follows:

(i) Death or Disability

If the Optionee ceases to be an Eligible Person, due to his or her death or Disability or, in the case of an Optionee that is a company, the death or Disability of the person who provides management or consulting services to the Company or to any entity controlled by the Company, the Option then held by the Optionee shall be exercisable to acquire Unissued Option Shares at any time up to but not after the earlier of:

A. 365 days after the date of death or Disability; and

B. the Expiry Date;

(ii) Termination For Cause

If the Optionee, or in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person as a result of termination for cause, as that term is interpreted by the courts of the jurisdiction in which the Optionee, or, in the case of a Management Company Employee or a Consultant Company, of the Optionee's employer, is employed or engaged; any outstanding Option held by such Optionee on the date of such termination shall be cancelled as of that date.

(iii) Early Retirement, Voluntary Resignation or Termination Other than For Cause

If the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person due to his or her retirement at the request of his or her employer earlier than the normal retirement date under the Company's retirement policy then in force, or due to his or her termination by the Company other than for cause, or due to his or her voluntary resignation, the Option then held by the Optionee shall be exercisable to acquire Unissued Option Shares at any time up to but not after the earlier of the Expiry Date and the date which is 90 days (30 days if the Optionee was engaged in Investor Relations Activities) after the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person.

(d) Vesting of Option Shares

Unless otherwise determined by the Directors, the Options shall vest on the Grant Date.

(e) Effect of a Take-Over Bid

If a *bona fide* offer (an "Offer") for Shares is made to the Optionee or to shareholders of the Company generally or to a class of shareholders which includes the Optionee, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of the Company, within the meaning of subsection 1(1) of the Securities Act, the Company shall, immediately upon receipt of notice of the Offer, notify each Optionee of full particulars of the Offer, and the Option may be exercised in whole or in part by the Optionee so as to permit the Optionee to tender the Option Shares received upon such exercise, pursuant to the Offer. However, if:

- (i) the Offer is not completed within the time specified therein; or
- (ii) all of the Option Shares tendered by the Optionee pursuant to the Offer are not taken up or paid for by the offeror in respect thereof,

then the Option Shares received upon such exercise, or in the case of clause (b) above, the Option Shares that are not taken up and paid for, may be returned by the Optionee to the Company and reinstated as authorized but unissued Shares and with respect to such returned Option Shares, the Option shall be reinstated as if it had not been exercised. If any Option Shares are returned to the Company under this section 4(e), the Company shall immediately refund the exercise price to the Optionee for such Option Shares.

(f) Acceleration of Expiry Date

If at any time when an Option granted under the Plan remains unexercised with respect to any Unissued Option Shares, an Offer is made by an offeror, the Directors may, upon notifying each Optionee of full particulars of the Offer, declare all Option Shares issuable upon the exercise of Options granted under the Plan, and declare that the Expiry Date for the exercise of all unexercised Options granted under the Plan is accelerated so that all Options will either be exercised or will expire prior to the date upon which Shares must be tendered pursuant to the Offer. The Directors shall give each Optionee as much notice as possible of the acceleration of the Options under this section, except that not less than 5 business days and not more than 35 days' notice is required.

(g) Compulsory Acquisition or Going Private Transaction

If and whenever there shall be a compulsory acquisition of the Shares of the Company following a takeover bid or issuer bid pursuant to Part XVII of the CBCA or any successor or similar legislation, or any amalgamation, merger or arrangement in which securities acquired in a formal takeover bid may be voted under the conditions described in Section 8.2 of OSC Rule 61-501 – Insider Bids, Issuer Bids, Business Combinations and Related Party Transactions (or any successor instrument), then following the date upon which such compulsory acquisition, amalgamation, merger or arrangement is effective, an Optionee shall be entitled to receive, and shall accept, for the same exercise price, in lieu of the number of Shares to which such Optionee was theretofore entitled to purchase upon the exercise of his or her Options, the aggregate amount of cash, shares, other securities or other property which such Optionee would have been entitled to receive as a result of such bid if he or she had tendered such number of Shares to the takeover bid.

(h) Effect of a Change of Control

If a Change of Control occurs, all Option Shares may be exercised in whole or in part by the Optionee.

(i) Exclusion From Severance Allowance, Retirement Allowance or Termination Settlement

If the Optionee, or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, retires, resigns or is terminated from employment or engagement with the Company or any subsidiary of the Company, the loss or limitation, if any, pursuant to the Option Agreement with respect to the right to purchase Option Shares, shall not give rise to any right to damages and shall not be included in the calculation of nor form any part of any severance allowance, retiring allowance or termination settlement of any kind whatsoever in respect of such Optionee.

(j) Shares Not Acquired

Any Unissued Option Shares not acquired by an Optionee under an Option which has expired may be made the subject of a further Option pursuant to the provisions of the Plan.

5. ADJUSTMENT OF OPTION PRICE AND NUMBER OF OPTION SHARES

(a) Share Reorganization

Whenever the Company issues Shares to all or substantially all holders of Shares by way of a stock dividend or other distribution, or subdivides all outstanding Shares into a greater number of Shares, or combines or consolidates all outstanding Shares into a lesser number of Shares (each of such events being herein called a "Share Reorganization") then effective immediately after the record date for such dividend or other distribution or the effective date of such subdivision, combination or consolidation, for each Option:

- (i) the Option Price will be adjusted to a price per Share which is the product of:
 - A. the Option Price in effect immediately before that effective date or record date; and
 - B. a fraction, the numerator of which is the total number of Shares outstanding on that effective date or record date before giving effect to the Share Reorganization, and the denominator of which is the total number of Shares that are or would be outstanding immediately after such effective date or record date after giving effect to the Share Reorganization; and
- (ii) the number of Unissued Option Shares will be adjusted by multiplying (i) the number of Unissued Option Shares immediately before such effective date or record date by (ii) a fraction which is the reciprocal of the fraction described in subsection (i)(B).

(b) Special Distribution

Subject to the prior approval of the Exchange, whenever the Company issues by way of a dividend or otherwise distributes to all or substantially all holders of Shares:

- (i) shares of the Company, other than the Shares;
- (ii) evidences of indebtedness;
- (iii) any cash or other assets, excluding cash dividends (other than cash dividends which the Board has determined to be outside the normal course); or
- (iv) rights, options or warrants;

then to the extent that such dividend or distribution does not constitute a Share Reorganization (any of such non-excluded events being herein called a "Special Distribution"), and effective immediately after the record date at which holders of Shares are determined for purposes of the Special Distribution, for each Option the Option Price will be reduced, and the number of Unissued Option Shares will be correspondingly increased, by such amount, if any, as is determined by the Board in its sole and unfettered discretion to be appropriate in order to properly reflect any diminution in value of the Option Shares as a result of such Special Distribution.

(c) Corporate Organization

Whenever there is:

- (i) a reclassification of outstanding Shares, a change of Shares into other shares or securities, or any other capital reorganization of the Company, other than as described in sections 5(a) or 5(b);

- (ii) a consolidation, merger or amalgamation of the Company with or into another corporation resulting in a reclassification of outstanding Shares into other shares or securities or a change of Shares into other shares or securities;
- (iii) an arrangement or other transaction under which, among other things, the business or assets of the Company become, collectively, the business and assets of two companies with the same shareholder group upon the distribution to the Company's shareholders, or the exchange with the Company's shareholders, of securities of the Company, or securities of another company, or both; or
- (iv) a transaction whereby all or substantially all of the Company's undertaking and assets become the property of another corporation;

(any such event being herein called a "Corporate Reorganization") the Optionee will have an option to purchase (at the times, for the consideration, and subject to the terms and conditions set out in the Plan) and will accept on the exercise of such option, in lieu of the Unissued Option Shares which he would otherwise have been entitled to purchase, the kind and amount of shares or other securities or property that he would have been entitled to receive as a result of the Corporate Reorganization if, on the effective date thereof, he had been the holder of all Unissued Option Shares or if appropriate, as otherwise determined by the Directors.

(d) Determination of Option Price and Number of Unissued Option Shares

If any questions arise at any time with respect to the Option Price or number of Unissued Option Shares deliverable upon exercise of an Option following a Share Reorganization, Special Distribution or Corporate Reorganization, such questions shall be conclusively determined by the Company's auditor, or, if they decline to so act, any other firm of Chartered Accountants in Vancouver, British Columbia, that the Directors may designate and who will have access to all appropriate records and such determination will be binding upon the Company and all Optionees.

(e) Regulatory Approval

Any adjustment to the Option Price or the number of Unissued Option Shares purchasable under the Plan pursuant to the operation of any one of paragraphs 5(a), 5(b) or 5(c) is subject to the approval of the Exchange and any other governmental authority having jurisdiction.

6. MISCELLANEOUS

(a) Right to Employment

Neither this Plan nor any of the provisions hereof shall confer upon any Optionee any right with respect to employment or continued employment with the Company or any subsidiary of the Company or interfere in any way with the right of the Company or any subsidiary of the Company to terminate such employment.

(b) Necessary Approvals

In accordance with TSX-V Policies, the Plan must be approved by the Company's shareholders yearly at the Company's annual general meeting. Disinterested Shareholder Approval (as required by the Exchange) will be obtained for any reduction in the exercise price of any Option granted under this Plan if the Optionee is an Insider of the Company at the time of the proposed amendment. The obligation of the Company to sell and deliver Shares in accordance with the Plan is subject to the approval of the Exchange and any governmental authority having jurisdiction. If any Shares cannot be issued to any Optionee for any reason, including, without limitation, the failure to obtain such approval, then the obligation of the Company to issue such Shares shall

terminate and any Option Price paid by an Optionee to the Company shall be immediately refunded to the Optionee by the Company.

(c) Administration of the Plan

The Directors shall, without limitation, have full and final authority in their discretion, but subject to the express provisions of the Plan, to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations deemed necessary or advisable in respect of the Plan. Except as set forth in section 5(d), the interpretation and construction of any provision of the Plan by the Directors shall be final and conclusive. Administration of the Plan shall be the responsibility of the appropriate officers of the Company and all costs in respect thereof shall be paid by the Company.

(d) Income Taxes

As a condition of and prior to participation in the Plan any Optionee shall on request authorize the Company in writing to withhold from any remuneration otherwise payable to him or her any amounts required by any taxing authority to be withheld for taxes of any kind as a consequence of his or her participation in the Plan.

(e) Withholding Taxes

The Company or any subsidiary of the Company may take such steps as are considered necessary or appropriate for the withholding and/or remittance of any taxes which the Company or any subsidiary of the Company is required by any law or regulation of any governmental authority whatsoever to withhold and/or remit in connection with any Option or Option exercise including, without limiting the generality of the foregoing, the withholding and/or remitting of all or any portion of any payment or the withholding of the issue of Common Shares to be issued upon the exercise of any Option until such time as the Optionee has paid the Company or any subsidiary of the Company for any amount which the Company or subsidiary of the Company is required to withhold and/or remit with respect to such taxes.

(f) Power to Terminate or Amend Plan

The Directors may from time to time, subject to applicable law and to the prior approval, if required, of the Exchange or any other regulatory body having authority over the Company or the Plan, suspend, terminate or discontinue the Plan at any time, or amend or revise the terms of the Plan or of any Option granted under the Plan and the Option Agreement relating thereto, provided that no such amendment, revision, suspension, termination or discontinuance shall in any manner adversely affect any Option previously granted to an Optionee under the Plan without the consent of that Optionee. Any amendments to the Plan or options granted thereunder will be subject to the approval of the shareholders.

Subject to the approval of any stock exchange on which the Company's securities are listed, the Board may terminate, suspend or amend the terms of the Plan; provided, however, that, except as provided in Section 5 above, and as long as the Company is a "reporting issuer" under the securities laws of any jurisdiction in Canada, the Board may not amend the Plan in any of the following respects without obtaining, within 12 months either before or after the Board's adoption of a resolution authorizing such action, Shareholder Approval, and, where required, Disinterested Shareholder Approval:

- (i) increase the fixed maximum number or percentage of Shares which may be issued under the Plan;
- (ii) materially increase the benefits accruing to participants under the Plan;
- (iii) add any form of financial assistance;

- (iv) make any amendment to a financial assistance provision which is more favourable to participants under the Plan;
- (v) reduce the Option Price;
- (vi) allow for the cancellation or reissuance of any Option granted under the Plan;
- (vii) extend the term of any Option;
- (viii) permit Options granted under the Plan to be transferable or assignable other than for normal estate settlement purposes; or
- (ix) amend this Section 6(f) of the Plan.

For greater certainty, the Directors may make any amendment to the terms of the Plan other than as described at subsections 6(f) (i) through (ix) above without obtaining Shareholder Approval, including the following types of amendments:

- (x) amendments made for the purpose of correcting typographical or clerical errors, clarifying ambiguities or matters of interpretation, or updating statutory or regulatory references;
- (xi) the addition of a deferred or restricted share unit or any other provision which results in participants receiving securities while no cash consideration is received by the Company, payable in cash or shares; or
- (xii) amendments for the purpose of complying with the requirements of any applicable regulatory authority or responding to legal or regulatory changes.

(g) Form of Notice

A notice given to the Company shall be in writing, signed by the Optionee and delivered to the head business office of the Company.

(h) No Representation or Warranty

The Company makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of the Plan.

(i) Compliance with Applicable Law

If any provision of the Plan or any Option Agreement contravenes any law or any order, policy, by-law or regulation of any regulatory body or Exchange having authority over the Company or the Plan, then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

(j) No Assignment

No Optionee may assign any of his or her rights under the Plan or any option granted thereunder.

(k) Rights of Optionees

An Optionee shall have no rights whatsoever as a shareholder of the Company in respect of any of the Unissued Option Shares (including, without limitation, voting rights or any right to receive dividends, warrants or rights under any rights offering).

(l) Conflict

In the event of any conflict between the provisions of this Plan and an Option Agreement, the provisions of this Plan shall govern.

(m) Governing Law

The Plan and each Option Agreement issued pursuant to the Plan shall be governed by the laws of the province of British Columbia.

(n) Time of Essence

Time is of the essence of this Plan and of each Option Agreement. No extension of time will be deemed to be or to operate as a waiver of the essentiality of time.

(o) Entire Agreement

This Plan and the Option Agreement sets out the entire agreement between the Company and the Optionees relative to the subject matter hereof and supersedes all prior agreements, undertakings and understandings, whether oral or written.

Approved by the Board of Directors on September 23, 2020.

SCHEDULE "A"

MINIFOCUS EXPLORATION CORP.

**STOCK OPTION PLAN
OPTION AGREEMENT**

Without prior written approval of the TSX Venture Exchange (the "Exchange") and compliance with all applicable securities legislation, the securities represented by this agreement and any securities issued upon exercise thereof may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until ~~Q~~ 201~~Q~~ four months and one day after the date of grant.

This Option Agreement is entered into between Minifocus Exploration Corp. ("the Company") and the Optionee named below pursuant to the Company's Stock Option Plan (the "Plan"), a copy of which is attached hereto, and confirms that:

1. on _____, _____ (the "Grant Date");
2. _____ (the "Optionee");
3. was granted the option (the "Option") to purchase _____ Common Shares (the "Option Shares") of the Company;
4. for the price (the "Option Price") of \$ _____ per share;
5. which shall be exercisable ("Vested") on the date of grant:
6. terminating on the _____, _____ (the "Expiry Date");

all on the terms and subject to the conditions set out in the Plan. For greater certainty, once Option Shares have become Vested, they continue to be exercisable until the termination or cancellation thereof as provided in this Option Agreement and the Plan.

By signing this Option Agreement, the Optionee acknowledges that the Optionee has read and understands the Plan and agrees to the terms and conditions of the Plan and this Option Agreement.

Acknowledgement - Personal Information

The undersigned hereby acknowledges and consents to:

- (a) the disclosure to the TSX Venture Exchange and all other regulatory authorities of all personal information of the undersigned obtained by the Company; and
- (b) the collection, use and disclosure of such personal information by the TSX Venture Exchange and all other regulatory authorities in accordance with their requirements, including the provision to third party service providers, from time to time.

IN WITNESS WHEREOF the parties hereto have executed this Option Agreement as of the ____ day of _____, 20_.

MINIFOCUS EXPLORATION CORP.

Per: _____

OPTIONEE

Authorized Signatory

SCHEDULE "B"

MINIFOCUS EXPLORATION CORP.

**STOCK OPTION PLAN
NOTICE OF EXERCISE**

TO: **MINIFOCUS EXPLORATION CORP.**

Attention: Chief Financial Officer or Stock Option Plan Administrator
Suite 440, 755 Burrard Street
Vancouver, BC
V6C 1X6

The undersigned hereby exercises the right to purchase and subscribe for _____ Optioned Shares at the purchase price of \$_____ per Optioned Share, payment for which is submitted with this Option Exercise Form.

TOTAL EXERCISE PRICE: _____

The undersigned hereby directs that the Optioned Shares hereby acquired by this Option Exercise Form be issued and delivered as follows:

NAME IN FULL:

ADDRESS IN FULL:

NUMBER OF OPTIONED SHARES:

DATED: _____

(Signature of Option Holder)

APPENDIX "B"
Minfocus Exploration Corp.
Audit Committee Charter

PURPOSE

The Audit Committee (the "Committee") will consist of a majority of independent directors and is appointed by the Board of Directors (the "Board") of Minfocus Exploration Corp. (the "Corporation") to assist the Board in fulfilling its oversight responsibilities relating to financial accounting and reporting process and internal controls for the Corporation.

The Committee's primary duties and responsibilities are to:

- conduct such reviews and discussions with management and the independent auditors relating to the audit and financial reporting as are deemed appropriate by the Committee;
- assess the integrity of internal controls and financial reporting procedures of the Corporation and ensure implementation of such controls and procedures;
- ensure that there is an appropriate standard of corporate conduct including, if necessary, adopting a corporate code of ethics for senior financial personnel;
- review the quarterly and annual financial statements and management's discussion and analysis of the Corporation's financial position and operating results and report thereon to the Board for approval of same;
- select and monitor the independence and performance of the Corporation's outside auditors (the "Independent Auditors"), including attending at private meetings with the Independent Auditors and reviewing and approving all renewals or dismissals of the Independent Auditors and their remuneration; and
- provide oversight to related party transactions entered into by the Corporation.

The Committee has the authority to conduct any investigation appropriate to its responsibilities, and it may request the Independent Auditors as well as any officer of the Corporation, or outside counsel for the Corporation, to attend a meeting of the Committee or to meet with any members of, or advisors to, the Committee. The Committee shall have unrestricted access to the books and records of the Corporation and has the authority to retain, at the expense of the Corporation, special legal, accounting, or other consultants or experts to assist in the performance of the Committee's duties.

The Committee shall review and assess the adequacy of this Charter annually and submit any proposed revisions to the Board for approval. In fulfilling its responsibilities, the Committee will carry out the specific duties set out in Part IV of this Charter.

AUTHORITY OF THE AUDIT COMMITTEE

The Committee shall have 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 advisors employed by the Committee; and
- (c) communicate directly with the internal and external auditors.

COMPOSITION AND MEETINGS

1. The Committee and its membership shall meet all applicable legal and listing requirements, including, without limitation, those of the TSX Venture Exchange ("TSXV"), the *Business Corporations Act* (British Columbia) and all applicable securities regulatory authorities.
2. The Committee shall be composed of three or more directors as shall be designated by the Board from time to time. The members of the Committee shall appoint from among themselves a member who shall serve as Chair.
3. Each member of the Committee shall be "financially literate" (as defined by applicable securities laws and regulations).
4. The Committee shall meet at least quarterly, at the discretion of the Chair or a majority of its members, as circumstances dictate or as may be required by applicable legal or listing requirements. A minimum of two of the members of the Committee present either in person or by telephone shall constitute a quorum.
5. If within one hour of the time appointed for a meeting of the Committee, a quorum is not present, the meeting shall stand adjourned to the same hour on the second business day following the date of such meeting at the same place. If at the adjourned meeting a quorum as hereinbefore specified is not present within one hour of the time appointed for such adjourned meeting, such meeting shall stand adjourned to the same hour on the second business day following the date of such meeting at the same place. If at the second adjourned meeting a quorum as hereinbefore specified is not present, the quorum for the adjourned meeting shall consist of the members then present.
6. If and whenever a vacancy shall exist, the remaining members of the Committee may exercise all of its powers and responsibilities so long as a quorum remains in office.
7. The time and place at which meetings of the Committee shall be held, and procedures at such meetings, shall be determined from time to time by the Committee. A meeting of the Committee may be called by letter, telephone, facsimile, email or other communication equipment, by giving at least 48 hours notice, provided that no notice of a meeting shall be necessary if all of the members are present either in person or by means of conference telephone or if those absent have waived notice or otherwise signified their consent to the holding of such meeting.
8. Any member of the Committee may participate in the meeting of the Committee by means of conference telephone or other communication equipment, and the member participating in a meeting pursuant to this paragraph shall be deemed, for purposes hereof, to be present in person at the meeting.
9. The Committee shall keep minutes of its meetings which shall be submitted to the Board. The Committee may, from time to time, appoint any person who need not be a member, to act as a secretary at any meeting.
10. The Committee may invite such officers, directors and employees of the Corporation and its subsidiaries as it may see fit, from time to time, to attend at meetings of the Committee.
11. The Board may at any time amend or rescind any of the provisions hereof, or cancel them entirely, with or without substitution.
12. Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose. Actions of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose. All decisions or recommendations of the Audit Committee shall require the approval of the Board prior to implementation.

RESPONSIBILITIES

Financial Accounting and Reporting Process and Internal Controls

1. The Committee shall review the annual audited financial statements to satisfy itself that they are presented in accordance with applicable Canadian accounting standards and report thereon to the Board and recommend to the Board whether or not same should be approved prior to their being filed with the appropriate regulatory authorities. The Committee shall also review and approve the interim financial statements. With respect to the annual and interim financial statements, the Committee shall discuss significant issues regarding accounting principles, practices, and judgments of management with management and the Independent Auditors as and when the Committee deems it appropriate to do so. The Committee shall satisfy itself that the information contained in the annual audited financial statements is not significantly erroneous, misleading or incomplete and that the audit function has been effectively carried out.
2. The Committee shall review management's internal control report and the evaluation of such report by the Independent Auditors, together with management's response.
3. The Committee shall review the financial statements, management's discussion and analysis relating to annual and interim financial statements, annual and interim earnings press releases and any other public disclosure documents that are required to be reviewed by the Committee under any applicable laws before the Corporation publicly discloses this information.
4. The Committee shall be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, other than the public disclosure referred to in subsection (3), and periodically assess the adequacy of these procedures.
5. The Committee shall meet no less frequently than annually with the Independent Auditors and the Chief Financial Officer or, in the absence of a Chief Financial Officer, with the officer of the Corporation in charge of financial matters, to review accounting practices, internal controls and such other matters as the Committee, Chief Financial Officer or, in the absence of a Chief Financial Officer, with the officer of the Corporation in charge of financial matters, deems appropriate.
6. The Committee shall inquire of management and the Independent Auditors about significant risks or exposures, both internal and external, to which the Corporation may be subject, and assess the steps management has taken to minimize such risks.
7. The Committee shall review the post-audit or management letter containing the recommendations of the Independent Auditors and management's response and subsequent follow-up to any identified weaknesses.
8. The Committee shall ensure that there is an appropriate standard of corporate conduct including, if necessary, adopting a corporate code of ethics for senior financial personnel.
9. The Committee shall establish procedures for:
 - (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and
 - (b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
10. The Committee shall provide oversight to related party transactions entered into by the Corporation.

INDEPENDENT AUDITORS

1. The Committee shall be directly responsible for the selection, appointment, compensation and oversight of the Independent Auditors and the Independent Auditors shall report directly to the Committee.
2. The Committee shall be directly responsible for overseeing the work of the external auditors, including the resolution of disagreements between management and the external auditors regarding financial reporting.
3. The Committee shall pre-approve all audit and non-audit services (including, without limitation, the review of any interim financial statements of the Corporation by the Independent Auditors at the discretion of the Committee) not prohibited by law to be provided by the Independent Auditors.
4. The Committee shall monitor and assess the relationship between management and the Independent Auditors and monitor, confirm, support and assure the independence and objectivity of the Independent Auditors. The Committee shall establish procedures to receive and respond to complaints with respect to accounting, internal accounting controls and auditing matters.
5. The Committee shall review the Independent Auditor's audit plan, including scope, procedures and timing of the audit.
6. The Committee shall review the results of the annual audit with the Independent Auditors, including matters related to the conduct of the audit, and receive and review the auditor's interim review reports.
7. The Committee shall obtain timely reports from the Independent Auditors describing critical accounting policies and practices, alternative treatments of information within applicable Canadian accounting principles that were discussed with management, their ramifications, and the Independent Auditors' preferred treatment and material written communications between the Corporation and the Independent Auditors.
8. The Committee shall review fees paid by the Corporation to the Independent Auditors and other professionals in respect of audit and non-audit services on an annual basis.
9. The Committee shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former auditors of the Corporation.
10. The Committee shall monitor and assess the relationship between management and the external auditors, and monitor and support the independence and objectivity of the external auditors.

OTHER RESPONSIBILITIES

The Committee shall perform any other activities consistent with this Charter and governing law, as the Committee or the Board deems necessary or appropriate.