

# SUPERIOR MINING INTERNATIONAL CORPORATION

(the “Corporation”)

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Vancouver, BC, V6C 3B6

Telephone: (604) 684-6264

## INFORMATION CIRCULAR

as at March 17, 2020

**This Information Circular is furnished in connection with the solicitation of proxies by the management of Superior Mining International Corporation (the “Corporation”) for use at the annual general meeting (the “Meeting”) of its shareholders to be held on April 21, 2020 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.**

In this Information Circular, references to the “Corporation”, “we” and “our” refer to Superior Mining International Corporation “Common Shares” means common shares without par value in the capital of the Corporation. “Beneficial Shareholders” means shareholders who do not hold Common Shares in their own name and “intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

### GENERAL PROXY INFORMATION

#### Solicitation of Proxies

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

#### Appointment of Proxyholders

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

#### Voting by Proxyholder

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

- (i) each matter or group of matters identified therein for which a choice is not specified,
- (ii) any amendment to or variation of any matter identified therein, and
- (iii) any other matter that properly comes before the Meeting.

**In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter.** Management is not currently aware of any other matter that could come before the Meeting.

#### 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:

- (i) completing, dating and signing the enclosed form of proxy and returning it to the Corporation's transfer agent, Odyssey Trust Company ("Odyssey") by mail or hand delivery at Odyssey Trust Company, 1230 - 300 5th Avenue SW, Calgary AB, T2P 3C4;
- (ii) using a touch-tone phone to transmit voting choices to the toll free number given in the proxy. Registered Shareholders who choose this option must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll free number, the holder's account number and the proxy access number; or
- (iii) using the internet through the website of Odyssey at <http://odysseytrust.com/Transfer-Agent/Login>. Registered Shareholders who choose this option must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder's account number and the proxy access number;

in all cases ensuring that the proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the proxy is to be used.

### **Beneficial Shareholders**

The following information is of significant importance to shareholders who do not hold Common Shares in their own name. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders (those whose names appear on the records of the Corporation as the registered holders of Common Shares).

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 Corporation. 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).

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

#### ***If you are a Beneficial Shareholder:***

You should carefully follow the instructions of your broker or intermediary in order to ensure that your Common Shares are voted at the Meeting.

The form of proxy supplied to you by your broker will be similar to the Proxy provided to registered shareholders by the Corporation. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge mails a voting instruction form in lieu of a Proxy provided by the Corporation. The voting instruction form will name the same persons as the Corporation's Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a shareholder of the Corporation), other than the persons designated in the voting instruction form, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the voting instruction form. The completed voting instruction form must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **If you receive a voting instruction form from Broadridge, you cannot use it to vote Common Shares directly at the Meeting - the voting instruction form must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have the Common Shares voted.**

Although as a Beneficial Shareholder you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your broker, you, or a person designated by you, may attend at the

Meeting as proxyholder for your broker and vote your Common Shares in that capacity. If you wish to attend at the Meeting and indirectly vote your Common Shares as proxyholder for your broker, or have a person designated by you do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the voting instruction form provided to you and return the same to your broker in accordance with the instructions provided by such broker, well in advance of the Meeting.

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

### **Revocation of Proxies**

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

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

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

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

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

### **RECORD DATE AND QUORUM**

The board of directors (the "**Board**") of the Corporation have fixed the record date for the Meeting at the close of business on March 17, 2020 (the "**Record Date**"). Shareholders of the Corporation of record as at the Record Date are entitled to receive notice of the Meeting and to vote those shares included in the list of shareholders entitled to vote at the Meeting prepared as at the Record Date, except to the extent that any such shareholder transfers any shares after the Record Date and the transferee of those shares establishes that the transferee owns the shares and demands, not less than ten days before the Meeting, that the transferee's name be included in the list of shareholders entitled to vote at the Meeting, in which case such transferee shall be entitled to vote such shares at the Meeting.

Under the Corporation's current Articles the quorum for the transaction of business at the Meeting consists of two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to vote at the Meeting.

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

The Corporation is authorized to issue an unlimited number of Common Shares. As of March 17, 2020, there were 52,941,326 Common Shares issued and outstanding, each carrying the right to one vote. Common Shares of the Corporation are listed on the TSX Venture Exchange (the "TSXV") under the trading symbol "SUI".

As at March 17, 2020, to the knowledge of the directors and senior officers of the Corporation, and based on the Corporation's review of the records maintained by **Odyssey**, electronic filings with System for Electronic Document Analysis and Retrieval (SEDAR) and insider reports filed with System for Electronic Disclosure by Insiders (SEDI),

no person owns, directly or indirectly, or exercises control or direction over, shares carrying more than 10% of the voting rights attached to all outstanding shares of the Corporation.

## STATEMENT OF EXECUTIVE COMPENSATION

For the purpose of this information circular:

“CEO” of the Company means an individual who acted as Chief Executive Officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

“CFO” of the Company means an 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;

“Executive Officer” of an entity means an individual who is:

- (a) the chair of the Company, if any;
- (b) the vice-chair of the Company, if any;
- (c) the president of the Company;
- (d) a vice-president of the Company in charge of a principal business unit, division or function including sales, finance or production;
- (e) an officer of the Company (or subsidiary, if any) who performs a policy-making function in respect of the Company; or
- (f) any other individual who performs a policy-making function in respect of the Company;

“Named Executive Officers or NEOs” means:

- (a) the CEO of the Company;
- (b) the CFO of the Company;
- (c) each of the Company’s three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000;
- (d) any additional individuals for whom disclosure would have been provided under paragraph (i) above except that the individual was not serving as an executive officer of the Company, nor in a similar capacity, as at the end of the most recently completed financial year end.

As of July 31, 2019, the Company had two “Named Executive Officers”, namely Brent Butler, CEO and Cyrus Driver, CFO.

### Director and Named Executive Officer Compensation

The following table (presented in accordance with National Instrument Form 51-102F6V, is a summary compensation (excluding compensation securities) paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, to the directors and NEOs for each of the Company’s two most recently completed financial years.

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Brent Butler <sup>(2)</sup> President, Chief Executive Officer and Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	30,000	Nil	Nil	Nil	Nil	30,000
Cyrus Driver <sup>(3)</sup> , Chief Financial Officer and Director	2019	67,000	Nil	Nil	Nil	Nil	67,000
	2018	101,300	Nil	Nil	Nil	Nil	101,300
Johnathan More <sup>(5)(6)</sup> , Chairman and Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	n/a	n/a	n/a	n/a	n/a	n/a
Kjeld Thygesen <sup>(4)</sup> , Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
David Stone <sup>(5)</sup> , Former Director	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil

**Notes:**

1. The value of perquisites and benefits, if any, for each Named Executive Officer was less than the lesser of \$50,000 and 10% of the total annual salary and bonus.
2. Mr. Butler was appointed President and CEO on March 21, 2011.
3. Mr. Driver was appointed CFO of the Corporation on January 19, 2000 and held that office until his resignation on March 21, 2011. On June 29, 2012, the Corporation again appointed Mr. Driver as CFO.
4. Mr. Thygesen was appointed a Director of the Corporation on October 14, 2004.
5. On March 19, 2019, David Stone tendered his resignation as Director of the Corporation. Following Mr. Stone's resignation Johnathan More was appointed a Director of the Corporation
6. Mr. More was appointed Chairman of the Corporation on December 12, 2019.

**External Management Companies.**

None of the NEOs or directors of the Company have been retained or employed by an external management company which has entered into an understanding, arrangement or agreement with the Company to provide executive management services to the Company, directly or indirectly. *(for further information, refer to "Employment, Consulting and Management Agreements" below.*

**Stock Options and Other Compensation Securities**

No compensation securities were granted or issued to any NEO or director of the Corporation in the financial year ended July 31, 2019 for services provided or to be provided to the Corporation.

There are no compensation securities held by the NEOs and directors as at the Corporation's financial year ended July 31, 2019.

Other than any vesting restrictions noted above, there are no restrictions or conditions for converting, exercising or exchanging the compensation securities.

**Exercise of Compensation Securities by NEO's**

No compensation securities were exercised by the NEO's or directors for the year ended July 31, 2019.

**Employment, consulting and management agreements**

Except as described below, the Corporation does not have any contracts, agreements, plans or arrangements that provides for payments to a director or NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Corporation or a change in an NEO's responsibilities:

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

The Board of Directors considers and determines all compensation matters for the NEO's and directors. The objective of the Corporation's compensation arrangements is to compensate the executive officers for their services to the Corporation at a level that is both in line with the Corporation's fiscal resources and competitive with companies at a similar stage of development.

The Corporation compensates its executive officers based on their skill, qualifications, experience level, level of responsibility involved in their position, the existing stage of development of the Corporation, the Corporation's resources, industry practice and regulatory guidelines regarding executive compensation levels.

At this time, the Corporation does not have a formal compensation program with specific performance goals or similar conditions.

Executive compensation is based upon the need to provide a compensation package that will allow the Corporation to attract and retain qualified and experienced executives, balanced with a pay-for-performance philosophy. The stock option plan will continue to be used to provide share-purchase options to executives. The share-purchase options are granted in consideration of the level of responsibility of the executive as well as his or her impact to the longer-term operating performance of the Corporation. In determining the number of options to be granted to the executive officers, the Board takes into account the number of options, if any, previously granted to each executive officer and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the TSX Venture Exchange, and closely align the interests of the executive officers with the interests of the Corporation's shareholders.

### Pension Disclosure

The Corporation does not have any pension or retirement plan which is applicable to the NEOs or directors. The Corporation has not provided compensation, monetary or otherwise, to any person who now or previously has acted as an NEO of the Corporation, in connection with or related to the retirement, termination or resignation of such person, and the Corporation has provided no compensation to any such person as a result of a change of control of the Corporation.

### Securities Authorized For Issuance under Equity Compensation Plans

The following table sets out equity compensation plan information as at the end of the financial year ended July 31, 2019:

#### *Equity Compensation Plan Information*

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

## **INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS**

No person who is or at any time during the most recently completed financial year was a director, executive officer or senior officer of the Company, no proposed nominee for election as a director of the Company, and no associate of any of the foregoing persons has been indebted to the Company at any time since the commencement of the Company's last completed financial year. No guarantee, support agreement, letter of credit or other similar arrangement or understanding has been provided by the Company at any time since the beginning of the most recently completed financial year with respect to any indebtedness of any such person.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Other than as previously disclosed in this Information Circular, to the knowledge of management of the Corporation, no informed person (a director, officer or holder of 10% or more of the Common Shares) or nominee for election as a director of the Corporation or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries during the most recently completed financial year end, or has any interest in any material transaction in the current year.

The directors and officers of the Corporation have an interest in the resolutions concerning the election of directors and stock options. Otherwise no director or senior officer of the Corporation or any associate of the foregoing has any substantial interest, direct or indirect, by way of beneficial ownership of shares or otherwise in the matters to be acted upon at the Meeting, except for any interest arising from the ownership of shares of the Corporation where the shareholder will receive no extra or special benefit or advantage not shared on a pro rata basis by all holders of shares in the capital of the Corporation.

## **STATEMENT OF CORPORATE GOVERNANCE**

### **Corporate Governance**

Corporate governance relates to the activities of the Board of Directors (the “**Board**”), the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Corporation. National Policy 58-201 *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices. The Board is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”), the Corporation is required to disclose its corporate governance practices, as summarized below. The Board of Directors will continue to monitor such practices on an ongoing basis and, when necessary, implement such additional practices as it deems appropriate.

### *Board of Directors*

Directors are considered to be independent if they have no direct or indirect material relationship with the Corporation. A “material relationship” is a relationship which could, in the view of the Corporation’s board of directors, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The Corporation’s Board facilitates its exercise of independent judgement in carrying out its responsibilities by carefully examining issues and consulting with outside counsel and other advisors in appropriate circumstances. The Corporation’s Board requires management to provide complete and accurate information with respect to the Corporation’s activities and to provide relevant information concerning the industry in which the Corporation operates in order to identify and manage risks. The Corporation’s Board is responsible for monitoring the

Corporation's officers, who in turn are responsible for the maintenance of internal controls and management information systems.

Currently, the Corporation's board has two independent members, being Kjeld Thygesen and Johnathan More. The non-independent members are Brent Butler, CEO and Cyrus Driver, CFO.

#### Directorships

The following table sets forth the directors of the Corporation who currently hold directorships in other reporting issuers:

Name of Director	Other Issuer
Brent Butler	Power Metals Corp. Audalia Resources Limited
Cyrus Driver	Cobra Venture Corporation Noram Ventures Inc. OK2 Minerals Ltd. Power Metals Corp. Serrano Resources Ltd. Starr Peak Exploration Ltd. Tesoro Minerals Corp. Wangton Capital Corp.
Johnathan More	Power Metals Corp. Starr Peak Exploration Ltd.

#### Orientation and Continuing Education

Each new director is given an outline of the nature of the Corporation's business, its corporate strategy and current issues within the Corporation. New directors are also required to meet with management of the Corporation to discuss and better understand the Corporation's business and are given the opportunity to meet with counsel to the Corporation to discuss their legal obligations as director of the Corporation.

In addition, management of the Corporation takes steps to ensure that its directors and officers are continually updated as to the latest corporate and securities policies which may affect the directors, officers and committee members of the Corporation as a whole. The Corporation continually reviews the latest securities rules and policies and is on the mailing list of the TSX Venture Exchange (the "TSXV") to receive updates to any of those policies. Any such changes or new requirements are then brought to the attention of the Corporation's directors either by way of director or committee meetings or by direct communications from management to the directors.

#### Ethical Business Conduct

The Corporation's Board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual directors' participation in decisions of the board in which the director has an interest have been sufficient to ensure that the board operates independently of management and in the best interests of the Corporation. Further, the Corporation's auditor has full and unrestricted access to the Audit Committee at all times to discuss the audit of the Corporation's financial statements and any related findings as to the integrity of the financial reporting process.

#### Nomination of Directors

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

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

#### Compensation

To determine compensation payable, the Compensation Committee reviews compensation paid for directors, officers and senior management of companies of similar size and stage of development in the oil and gas exploration industry and determines an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the Directors and senior management while taking into account the financial and other resources of the Corporation. In setting the compensation the Compensation Committee annually reviews the performance of the officers, and senior management in light of the Corporation's objectives and consider other factors that may have impacted the success of the Corporation in achieving its objectives.

#### Other Board Committees

The Board has no other committees other than the Audit Committee, Compensation Committee and Corporate Governance Committee.

#### Assessments

The Corporation's Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committees.

#### **Audit Committee Disclosure**

Pursuant to section 224(1) of the *British Columbia Business Corporations Act*, the policies of the TSXV and National Instrument 52-110 *Audit Committees* (“**NI 52-110**”), the Corporation is required to have an Audit Committee comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Corporation or an affiliate of the Corporation. NI 52-110 requires the Corporation, as a venture issuer, to disclose annually in its information circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor. The Audit Committee Charter is attached to this Information Circular as Schedule “B”.

#### Composition of the Audit Committee

The following are the members of the Committee:

Cyrus Driver	Non-Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>
Kjeld Thygesen	Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>
Johnathan More	Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>

1. As defined in NI 52-110.

#### Relevant Education and Experience

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

**Kjeld Thygesen** is the managing director of Lion Resource Management, a London-based mining and corporate finance consultancy firm that is the advisor to several leading mining and natural resource funds, including Excelsior Mining Fund, Azure Energy Fund and Tiger Resource Finance Plc, an AIM-listed finance company. Mr. Thygesen has more than 31 years' experience in the mining investment business. Before founding Lion Resource Management

in 1989, Mr. Thygesen held various positions with NM Rothschild & Sons and was an international mining research analyst at James Capel. Mr. Thygesen has also held the position of Director of Ivanhoe Mines since February 2001.

**Johnathan More** has over 25 years of experience in North American and European capital markets focused on natural resource industries. He had a history of achievement from his years with Canaccord Capital. In August 2008, Mr. More retired from Canaccord Capital as an investment advisor to apply his experience and contacts to the public company sector.

Audit Committee Oversight

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

Reliance on Certain Exemptions

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

External Auditor Service Fees (By Category)

Aggregate fees paid to the Auditor during the financial years ended July 31, 2019 and 2018 were as follows:

Financial Year Ended	Audit Fees	Audit Related Fees <sup>1</sup>	Tax Fees <sup>2</sup>	All Other Fees <sup>3</sup>
2019	\$12,600	\$Nil	\$Nil	\$Nil
2018	\$11,220	\$Nil	\$Nil	\$Nil

Notes:

1. Fees charged for assurance and related services reasonably related to the performance of an audit, and not included under "Audit Fees".
2. Fees charged (or estimated charges) for tax compliance, tax advice and tax planning services.
3. Fees for services other than disclosed in any other column.

**PARTICULARS OF MATTERS TO BE ACTED UPON**

**A. Financial Statements**

The shareholders will receive and consider the audited financial statements of the Corporation for the fiscal year ended July 31, 2019 together with the auditor's report thereon. A copy of the financial statements is available for review on [www.sedar.com](http://www.sedar.com).

**B. Election of Directors**

The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director's office is earlier vacated in accordance with the provisions of the *British Columbia Business Corporations Act*, each director elected will hold office until the conclusion of the next annual general meeting of the Corporation.

Management is proposing to fix the number for which positions exist on the Corporation's board at four (4).

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

Name of Nominee, Current Position with Corporation, Province and Country of Residence	Principal Occupation	Period From Which Nominee Has Been Director	Number of Approximate Voting Securities <sup>(1)</sup>
<b>Brent Butler</b> President; Chief Executive Officer, and Director Joondalup, West Australia	Professional Geologist. Mr. Butler has served on the board of directors of several companies in Canada and Australia.	July 15, 2011	200,000
<b>Cyrus Driver</b> <sup>(2)</sup> Chief Financial Officer and Director British Columbia, Canada	Chartered Accountant and a retired partner with the firm Davidson & Company	January 26, 2012	4,444,220
<b>Kjeld Thygesen</b> <sup>(2)(3)</sup> Director England, United Kingdom	Business person and a director of numerous non-reporting companies.	October 14, 2004	1,125,000
<b>Johnathan More</b> <sup>(2)</sup> Director Arizona, USA	Self-employed Investment Banker	March 19, 2019	Nil

**Notes:**

1. Voting securities beneficially owned, directly or indirectly, or over which control or direction is exercised.
2. Member of Audit Committee.
3. Member of Compensation Committee.

The Corporation does not have an Executive Committee. The Board has established an Audit Committee, details of which are provided under the heading “Statement of Corporate Governance”.

Management does not contemplate that any of the nominees will be unable to serve as a director. However, if a nominee should be unable to so serve for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion. **The persons named in the enclosed form of proxy intend to vote for the election of all of the nominees whose names are set forth above.**

Except as noted below, as at the date of this Information Circular and within the ten years before the date of this Information Circular, no proposed director:

- (a) is or has been a director or executive officer of any Corporation (including the Corporation), that while that person was acting in that capacity:
  - i. was the subject of a cease-trade order or similar order or an order that denied the relevant Corporation access to any exemption under securities legislation, for a period of more than 30 consecutive days;
  - ii. was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the Corporation being the subject of a cease trade or similar order or an order that denied the relevant Corporation access to any exemption under securities legislation, for a period of more than 30 consecutive days;
  - iii. within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has within 10 years before the date of the Information Circular become 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 the assets of the director, officers or shareholders.

**C. Appointment of Auditor**

Management recommends the re-appointment of Crowe MacKay LLP, Chartered Accountants, of Vancouver, British Columbia, the present auditor, as the auditor of the Corporation to hold office until the close of the next annual meeting of the shareholders.

**Shares represented by proxies in favour of the management nominees will be voted in favour of the appointment of Crowe MacKay LLP, Chartered Accountants, as auditor of the Corporation and authorizing**

**the Board to fix the auditor's remuneration, unless a shareholder has specified in his proxy that his shares are to be withheld from voting on the appointment of auditor.**

#### **DOCUMENTS INCORPORATED BY REFERENCE**

The following documents filed with the securities commissions or similar regulatory authorities in British Columbia and Alberta are specifically incorporated by reference into, and form an integral part of, this information circular:

- Audited Annual Financial Statements for the year ended July 31, 2019; and
- Annual Management's Discussion and Analysis for the year ended July 31, 2019.

Copies of the documents incorporated herein by reference may be obtained by a shareholder upon request without charge from the Corporation at Suite 510-580 Hornby Street, Vancouver, BC, V6C 3B6. These documents are also available through the internet on SEDAR, which can be accessed at [www.sedar.com](http://www.sedar.com).

#### **OTHER MATTERS**

Management of the Corporation is not aware of any other matter to come before the Meeting other than as set forth in the notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

The contents of this Information Circular and its distribution to shareholders have been approved by the Board of the Corporation.

**DATED** at Vancouver, British Columbia, March 17, 2020.

**BY ORDER OF THE BOARD**

*/s/ "Brent Butler"*

**Brent Butler, Chief Executive Officer**