

DIAMOND FIELDS RESOURCES INC.

Suite 303, 595 Howe Street
Vancouver, B.C., Canada V6C 2T5
Telephone: (604) 685-9911 Facsimile: (604) 718-2808

INFORMATION CIRCULAR

(As at November 16, 2018, except as indicated)

Diamond Fields Resources Inc. (the "Company") is providing this information circular ("Information Circular") and a form of proxy in connection with management's solicitation of proxies for use at the annual general meeting (the "Meeting") of the Company to be held on **Friday, December 21, 2018** and at any adjournments. Unless the context otherwise requires, when we refer in this Information Circular to the Company, its subsidiaries are also included. The Company will conduct its solicitation by mail and officers and employees of the Company may, without receiving special compensation, also telephone or make other personal contact. The Company will pay the cost of solicitation.

APPOINTMENT OF PROXYHOLDER

The purpose of a proxy is to designate persons who will vote the proxy on a shareholder's behalf in accordance with the instructions given by the shareholder in the proxy. The persons whose names are printed in the enclosed form of proxy are officers or Directors of the Company (the "**Management Proxyholders**").

A shareholder has the right to appoint a person other than a Management Proxyholder, to represent the shareholder at the Meeting by striking out the names of the Management Proxyholders and by inserting the desired person's name in the blank space provided or by executing a proxy in a form similar to the enclosed form. A proxyholder need not be a shareholder.

VOTING BY PROXY

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Shares represented by a properly executed proxy will be voted or be withheld from voting on each matter referred to in the Notice of Meeting in accordance with the instructions of the shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly.

If a shareholder does not specify a choice and the shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.

The enclosed form of proxy also gives discretionary authority to the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of the 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 knows of no such amendments, variations or other matters to come before the Meeting.

COMPLETION AND RETURN OF PROXY

Completed forms of proxy must be deposited at the office of the Company's registrar and transfer agent, **Computershare Trust Company of Canada, Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1**, by mail or by facsimile in accordance with the instructions set out in

the form of proxy accompanying this Information Circular at least 48 hours before the time of the Meeting or any adjournment thereof, excluding Saturdays, Sundays and holidays, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

NOTICE-AND-ACCESS

The Company is not sending this Information Circular to registered or beneficial shareholders using “notice-and-access” as defined under National Instrument 54-101 (“**NI 54-101**”).

NON-REGISTERED HOLDERS

Only shareholders whose names appear on the records of the Company as the registered holders of shares or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are “non-registered” shareholders because the shares they own are not registered in their names but instead registered in the name of a nominee such as a brokerage firm through which they purchased the shares; bank, trust company, trustee or administrator of self-administered RRSP's, RRIF's, RESP's and similar plans; or clearing agency such as The Canadian Depository for Securities Limited (a “Nominee”). If you purchased your shares through a broker, you are likely an unregistered holder.

In accordance with securities regulatory policy, the Company has distributed copies of the Meeting materials, being the Notice of Meeting, this Information Circular and the Proxy, to the Nominees for distribution to non-registered holders.

Nominees are required to forward the Meeting materials to non-registered holders to seek their voting instructions in advance of the Meeting. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered holder. The Nominees often have their own form of proxy, mailing procedures and provide their own return instructions. If you wish to vote by proxy, you should carefully follow the instructions from the Nominee in order that your shares are voted at the Meeting.

If you, as a non-registered holder, wish to vote at the Meeting in person, you should appoint yourself as proxyholder by writing your name in the space provided on the request for voting instructions or proxy provided by the Nominee and return the form to the Nominee in the envelope provided. Do not complete the voting section of the form as your vote will be taken at the Meeting.

In addition, Canadian securities legislation now permits the Company to forward meeting materials directly to “non objecting beneficial owners”. If the Company or its agent has sent these materials directly to you (instead of through a Nominee), your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Nominee holding on your behalf. By choosing to send these materials to you directly, the Company (and not the Nominee holding on your behalf) has assumed responsibility for (i) delivering these materials to you and (ii) executing your proper voting instructions.

NOBOs

The Company is sending the proxy-related materials for the Meeting directly to “non objecting beneficial owners” (“**NOBOs**”), as defined under NI 54-101. The name and address and information about NOBO holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Nominees holding on behalf of NOBOs. By choosing to send these materials to NOBOs directly, the Company (and not the Nominees holding on behalf of NOBOs) has assumed responsibility for (i) delivering these materials to NOBOs and (ii) executing the proper voting instructions of NOBOs.

OBOs

The Company does not intend to pay for Nominees to deliver the proxy-related materials and Form 54-101F7 to "objecting beneficial owners" ("**OBOs**"), as defined under NI 54-101. As a result, OBOs will not receive the Meeting materials unless their Nominee assumes the costs of delivery.

REVOCABILITY OF PROXY

Any registered shareholder who has returned a proxy may revoke it at any time before it has been exercised. In addition to revocation in any other manner permitted by law, a registered shareholder, his attorney authorized in writing or, if the registered shareholder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a proxy by instrument in writing, including a proxy bearing a later date. The instrument revoking the proxy must be deposited at the registered office of the Company, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting. **Only registered shareholders have the right to revoke a proxy. Non-registered holders who wish to change their vote must, at least 7 days before the Meeting, arrange for their Nominees to revoke the proxy on their behalf.**

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Company has an authorized capital consisting of an unlimited number of common shares without par value (the "shares"), of which 67,895,662 common shares are issued and outstanding. Persons who are registered shareholders at the close of business on the record date, being November 16, 2018, will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each share held. The Company has only one class of shares.

To the knowledge of the Directors and executive officers of the Company, no person beneficially owns, directly or indirectly, or controls or directs Shares carrying 10% or more of the voting rights attached to all Shares of the Company, except the following:

Name of Member	Type of Ownership	Number of Shares	Percentage of Issued and Outstanding Shares
Jean-Raymond Boule	Direct/Indirect	52,995,323 ⁽¹⁾	78.1%

- (1) Of these common shares, 12,300 are held directly, and 52,983,023 are held indirectly in the name of Spirit Resources SARL, which is a private company controlled by Jean-Raymond Boule. Spirit also holds warrants to purchase a total of 10,666,667 common shares, exercisable at \$0.125 per share on or before September 22, 2021.

ELECTION OF DIRECTORS

The Directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are appointed. In the absence of instructions to the contrary, the enclosed proxy will be voted for the nominees herein listed.

Shareholder approval will be sought to fix the number of directors of the Company at seven (7).

The Company has a compensation committee, and is required to have an audit committee. Members of these committees are as set out below.

Management of the Company proposes to nominate each of the following persons for election as a Director. Information concerning such persons, as furnished by the individual nominees, and each other person whose term of office as a director will continue after the Meeting, is as follows:

<i>Name, Jurisdiction of Residence and Position</i>	<i>Principal Occupation or employment and, if not a previously elected Director, occupation during the past 5 years</i>	<i>Previous Service as a Director</i>	<i>Number of Common Shares beneficially owned, directly or indirectly, or Controlled or direct⁽¹⁾</i>
Sybrand van der Spuy <i>CEO, President and Director</i> Pretoria, Gauteng, South Africa	Independent Business Consultant & Project Manager since 2011; Director of Raphael Fishing Company Ltd; Principal in Goodharbor Consulting (UAE).	Director since May 30, 2014	400,000
N. Roderic Baker ⁽²⁾ <i>Director</i> United Kingdom	Consulting Geologist, self-employed for the past 21 years.	Director since November 21, 2002	19,200
Al Gourley <i>Non-Executive Chairman and Director</i> United Kingdom	Partner, Fasken Martineau LLP since 2003, excepting August 2011 to July 2012 when CEO of Fluormin Plc.	Director since November 7, 2016	1,450,000 ⁽³⁾
Francois Colette ⁽²⁾ <i>Director</i> Monaco	Technical Manager of the Gecamines Kolwezi Group; Engineer consultant for the Boule Mining Group; Former Country Manager in DRC for America Mineral Field and Adastra until 2009; former director for Sierra Rutile until 2012.	Director since December 12, 2016	Nil
Bertrand Boule ⁽²⁾ <i>Director</i> Mauritius	International Stockbroker; Former administrator for De Beers in DRC & Angola and for independent diamond producers in Sierra Leone & Guinea Conakry; Director of various Investment Dealers in the EU; Principal of Investors Europe (Mauritius) Ltd.	Director since December 12, 2016	Nil
Philip Murphy <i>Director</i> Mauritius	Senior management - mining sector; former CEO and director of TZ Minerals International Pty Ltd.; Former CEO and current director of World Titant Holdigns Ltd.; Current CEO and director of Zirco Resources Ltd.	Director since April 25, 2018	Nil
David Reading <i>Director</i> United Kingdom	Jan2018-present: Special advisor to Continental Gold CEO and BOD on all Geology, Exploration and Resource work; 2017: Consulting Geologist for HPX and Cordoba Minerals; 2013 – 2017: NED of Cordoba Minerals; 2011-2016: CEO of Aureus Mining until sale to a Turkish Conglomerate.	Director since February 5, 2018	Nil

- (1) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at November 16, 2018, based upon information furnished to the Company by individual Directors. Unless otherwise indicated, such shares are held directly.
- (2) Member of the audit committee.
- (3) These shares are held indirectly through Albert C. Gourley Professional Corporation.

No proposed Director is to be elected under any arrangement or understanding between the proposed director and any other person or company, except the directors and executive officers of the Company acting solely in such capacity.

To the knowledge of the Company, no proposed director:

- (a) is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director or chief executive officer (“CEO”) or chief financial officer (“CFO”) of any company (including the Company) that:
 - (i) was the subject, *while* the proposed Director was acting in the capacity as director, CEO or CFO of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; and
 - (ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued *after* the proposed Director ceased to be a director, CEO or CFO but which resulted from an event that occurred while the proposed Director was acting in the capacity as director, CEO or CFO of such company; or
- (b) is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed Director; or
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed Director.

None of the Company’s directors hold directorships in other reporting issuers.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The main objective of the Company's executive compensation program is to attract, retain, and engage high-quality, high-performance executives who have the experience and ability to successfully execute the Company's strategy and deliver value to our shareholders.

The objectives of the Company's executive compensation program are as follows:

- (i) compensate executives competitively for the leadership, skills, knowledge, and experience necessary to perform their duties;
- (ii) align the actions and economic interests of executives with the interests of shareholders; and
- (iii) encourage retention of executives.

The Company currently has no Compensation Committee. Al Gourley, Rod Baker, Philip Murphy, David Reading, Earl Young (who is not standing for re-election at this Meeting), Francois Colette and Bertrand Boule are considered by management to be independent members of the Board of Directors (the "Independent Directors"), and they annually review and set remuneration of executive officers. The Compensation Committee determined that the executive compensation program should be comprised of the following elements:

- Management Fee – to compensate executives for the leadership, skills, knowledge and experience required to perform their duties; and
- Long-term Incentive Plan – to retain talented executives, reward them for their anticipated contribution to the long-term successful performance of the Company and align them with the interests of shareholders. The plan currently consists only of incentive stock options.

Process for Determining Executive Compensation

To determine compensation payable, the Independent Directors consider 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 Company. In setting the compensation, the Independent Directors annually review the performance of the CEO (or President) in light of the Company's objectives and considers other factors that may have impacted the success of the Company in achieving its objectives.

Compensation Policies and Risk Management

The Board has not proceeded to an evaluation of the implications of the risks associated with the Company's compensation policies and practices. The Board generally reviews at least once annually the risks, if any, associated with the Company's compensation policies and practices at such time.

The Company has not retained a compensation consultant during or subsequent to the most recently completed financial year.

The Company does not use a specific "benchmark group" to determine executive compensation levels.

Total compensation for executive officers includes consulting fees and long-term incentive stock options.

- (1) J. Lindberg Charles was appointed CFO and Secretary of the Company on March 19, 2018, taking the place of Earl Young, who resigned from those positions.
- (2) Options to purchase shares were granted to each of Sybrand van der Spuy (as to 800,000) and Earl Young (as to 382,000) on December 12, 2016, exercisable at Cdn\$0.145 per share on or before December 11, 2021. The Company used the Black Scholes valuation model as the methodology to calculate the grant date fair value, and relied on the following the key assumptions and estimates for each calculation:

Exercise price	Cdn\$0.145
Expected life	5 years
Volatility	198%
Risk free rate	1.02%

Incentive Plan Awards – Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information concerning all awards outstanding under incentive plans of the Company at the end of the most recently completed financial year, including awards granted before the most recently completed financial year, to each of the Named Executive Officers.

Name	Option-Based Awards				Share-Based Awards	
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options ⁽¹⁾ (\$)	Number of Shares Or Units Of Shares That Have Not Vested (#)	Market or Payout Value Of Share-Based Awards That Have Not Vested (\$)
Sybrand van der Spuy, CEO and President	800,000	\$0.145	Dec 11/21	Nil	Nil	N/A
Earl Young ⁽²⁾ , former CFO and Secretary	382,000 100,000	\$0.145 0.50	Dec.11/21 July 18/18	Nil Nil	Nil	N/A
J. Lindberg Charles ⁽²⁾ , CFO and Secretary	Nil	N/A	N/A	N/A	Nil	N/A

- (1) This amount is calculated based on the difference between the market value of the securities underlying the options at the end of the most recently completed financial year, which was \$0.09, and the exercise or base price of the option.
- (2) J. Lindberg Charles was appointed CFO and Secretary of the Company on March 19, 2018, taking the place of Earl Young, who resigned from those positions.

Value Vested or Earned During the Year

The value vested or earned during the most recently completed financial year of incentive plan awards granted to Named Executive Officers are as follows:

NEO Name	Option-Based Awards - Value Vested During The Year ⁽¹⁾ (\$)	Share-Based Awards - Value Vested During The Year ⁽²⁾ (\$)	Non-Equity Incentive Plan Compensation - Value Earned During The Year (\$)
Sybrand van der Spuy, CEO and President	Nil	Nil	Nil
Earl Young ⁽³⁾ , former CFO and Secretary	Nil	Nil	Nil
J. Charles Lindberg ⁽³⁾ , CFO and Secretary	Nil	Nil	Nil

- (1) This amount is the dollar value that would have been realized if the options under the option-based award had been exercised on the vesting date, computed by obtaining the difference between the market price of the underlying securities at exercise and the exercise or base price of the options under the option-based award on the vesting date.
- (2) This amount is the dollar value realized upon vesting of share-based awards, computed by multiplying the number of shares or units by the market value of the underlying shares on the vesting date.
- (3) J. Lindberg Charles was appointed CFO and Secretary of the Company on March 19, 2018, taking the place of Earl Young, who resigned from those positions.

Fixed Stock Option Plan

At the fiscal year ended June 30, 2018, the Company had a Fixed Stock Option Plan (the "Fixed Plan") that reserved 4,700,000 shares for issuance, being less than 10% of the Company's issued and outstanding shares as at that date.

On August 27, 2018 the Company amended the Fixed Plan by increasing it to 6,789,000 shares, which was accepted by the TSX Venture Exchange on September 20, 2018. Accordingly, as at the date of this Information Circular the Company has a Fixed Stock Option Plan that reserves 6,789,000 shares for issuance, being less than 10% of the Company's current 67,895,662 issued and outstanding shares.

The material terms of the current Fixed Plan are as follows.

The maximum number of shares which may be issuable pursuant to options granted under the Fixed Plan is 6,789,000 common shares, or such additional amount as may be approved from time to time by the shareholders of the Company and the TSX-V.

The options may be exercisable over periods of up to ten (10) years as determined by the board of directors of the Company.

Any options granted at a discount to market or to Insiders are subject to the TSX-V Exchange Hold Period (as defined in TSX-V Policies).

The number of Shares which may be reserved for issuance pursuant to options granted under the Fixed Plan to Insiders as a group, together with all of the Company's other previously established or proposed share compensation arrangements, in the aggregate, shall not at any time exceed 10% of the total number of issued and outstanding shares on a non-diluted basis.

The number of shares which may be issuable under the Fixed Plan, together with all of the Company's other previously established or proposed share compensation arrangements, within a one-year period:

- (a) to any one optionee shall not exceed 5% of the total number of issued and outstanding shares on the date of grant on a non-diluted basis;
- (b) to Insiders as a group shall not exceed 10% of the total number of issued and outstanding shares on the date of grant on a non-diluted basis;
- (c) to any one consultant, shall not exceed 2% of the total number of issued and outstanding shares on the date of grant on a non-diluted basis; and
- (d) to all Eligible Persons (defined in the Fixed Plan) who undertake Investor Relations Activities shall not exceed 2% in the aggregate of the total number of issued and outstanding shares on the date of grant on a non-diluted basis.

Options Repricings

There were no repricings of stock options under the Company's Fixed Plan or otherwise during the Company's financial year ended June 30, 2018.

Pension Plan Benefits

The Company has no pension plans (whether defined contribution or defined benefit) that provide for payments or benefits to any NEO at, following or in connection with retirement.

Termination and Change of Control Benefits

The Company and its subsidiaries have no employment contracts with any Named Executive Officer.

Neither the Company, nor its subsidiaries, has a contract, agreement, plan or arrangement that provides for payments to a Named Executive Officer following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or its subsidiaries, or a change in responsibilities of a Named Executive Officer following a change of control.

Director Compensation

The following table sets forth all amounts of compensation provided to the directors, who are not also Named Executive Officers, for the Company's most recently completed financial year:

<i>Director Name</i> ⁽¹⁾	<i>Fees Earned</i> (\$)	<i>Share-Based Awards</i> (\$)	<i>Option-Based Awards</i> (\$)	<i>Non-Equity Incentive Plan Compensation</i> (\$)	<i>Pension Value</i> (\$)	<i>All Other Compensation</i> (\$)	<i>Total</i> (\$)
N. Roderic Baker	Nil	Nil	Nil	Nil	N/A	Nil	\$Nil
Al Gourley	Nil	Nil	Nil	Nil	N/A	Nil	\$Nil
Francois Colette	Nil	Nil	Nil	Nil	N/A	Nil	\$Nil
Bertrand Boulle	Nil	Nil	Nil	Nil	N/A	Nil	\$Nil
David Reading	Nil	Nil	38,569	Nil	N/A	Nil	38,569
Philip Murphy	Nil	Nil	Nil	Nil	N/A	Nil	\$Nil

(1) Relevant disclosure has been provided in the *Summary Compensation Table* above, for directors who receive compensation for their services as a director who are (or were during the year ended June 30, 2018) also Named Executive Officers.

The Company has no arrangements, standard or otherwise, pursuant to which Directors are compensated by the Company or its subsidiaries for their services in their capacity as Directors, or for committee participation, involvement in special assignments or for services as consultant or expert during the most recently completed financial year or subsequently, up to and including the date of this Information Circular.

As disclosed under "Fixed Stock Option Plan" above, the Company has a stock option plan for the granting of incentive stock options to the officers, employees and Directors. The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the Directors of the Company and to closely align the personal interests of such persons to that of the shareholders.

Incentive Plan Awards – Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information concerning all awards outstanding under incentive plans of the Company at the end of the most recently completed financial year, including awards granted before the most recently completed financial year, to each of the Directors who are not also Named Executive Officers:

<i>Director Name</i>	<i>Option-Based Awards</i>				<i>Share-Based Awards</i>	
	<i>Number of Securities Underlying Unexercised Options (#)</i>	<i>Option Exercise Price (Cdn\$)</i>	<i>Option Expiration Date</i>	<i>Value of Unexercised In-The-Money Options⁽¹⁾ (Cdn\$)</i>	<i>Number of Shares Or Units Of Shares That Have Not Vested (#)</i>	<i>Market or Payout Value Of Share-Based Awards That Have Not Vested (Cdn\$)</i>
N. Roderic Baker	40,000	\$0.50	July 18/18	Nil	N/A	N/A
N. Roderic Baker	380,800	\$0.145	Dec.11/21	Nil	N/A	N/A
Al Gourley	600,000	\$0.145	Dec.11/21	Nil	N/A	N/A
Francois Colette	400,000	\$0.145	Dec.11/21	Nil	N/A	N/A
Bertrand Boulle	400,000	\$0.145	Dec.11/21	Nil	N/A	N/A
David Reading	400,000	\$0.145	Feb.4/23	Nil	N/A	N/A

(1) This amount is calculated based on the difference between the market value of the securities underlying the options at the end of the most recently completed financial year, which was Cdn\$0.09, and the exercise or base price of the option.

Incentive Plan Awards – Value Vested or Earned During the Year

The value vested or earned during the most recently completed financial year of incentive plan awards granted to Directors who are not also Named Executive Officers are as follows:

<i>Director Name</i>	<i>Option-Based Awards - Value Vested During The Year⁽¹⁾ (Cdn\$)</i>	<i>Share-Based Awards - Value Vested During The Year (Cdn\$)</i>	<i>Non-Equity Incentive Plan Compensation - Value Earned During The Year (Cdn\$)</i>
N. Roderic Baker	Nil	Nil	Nil
Al Gourley	Nil	Nil	Nil
Francois Colette	Nil	Nil	Nil
Bertrand Boulle	Nil	Nil	Nil
David Reading	Nil	Nil	Nil

(1) This amount is the dollar value that would have been realized if the options under the option-based award had been exercised on the vesting date, computed by obtaining the difference between the market price of the underlying securities at exercise and the exercise or base price of the options under the option-based award on the vesting date.

Securities Authorized for Issuance under Equity Compensation Plan

The following table sets forth the Company's compensation plans under which equity securities of the Company are authorized for issuance as at the end of the most recently completed financial year ended June 30, 2018.

<i>Plan Category</i>	<i>Number of securities to be issued upon exercise of outstanding options, warrants and rights</i> <i>(a)</i>	<i>Weighted-average exercise price of outstanding options, warrants and rights</i> <i>(b)</i>	<i>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</i> <i>(c)</i>
Equity compensation plans approved by security holders	3,852,800	0.19	847,200
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Total:	3,852,800		847,200

- (1) Subsequent to the year ended June 30, 2018, on August 27, 2018 the Company increased its Fixed (less than 10%) Plan from 4,700,000 to 6,789,000 shares reserved for issuance as of the date hereof (being November 16, 2018). Refer to “Fixed Stock Option Plan” above for material terms of the Fixed Plan. As well, 490,000 stock options lapsed subsequent to the year ended June 30, 2018, and the Company granted additional stock options, so that as of the date hereof a total of 5,200,000 options are outstanding, leaving a balance of 1,589,000 remaining available for future grants. Fixed (less than 10%) Plans do not require shareholder approval.

INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS

Other than “routine indebtedness” as that term defined in applicable securities legislation, there was no indebtedness outstanding of any current or former Director, executive officer or employee of the Company or any of its subsidiaries which is owing to the Company or any of its subsidiaries or to another entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries, entered into in connection with a purchase of securities or otherwise.

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

- (i) is or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or any of its subsidiaries; or
- (ii) whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries,

in relation to a securities purchase program or other program. Other than “routine indebtedness” as that term is defined in applicable securities legislation, there is no indebtedness of any Director, executive officer, proposed nominee for election as a Director or associate of them, to or guaranteed or supported by the Company or any of its subsidiaries either pursuant to an employee stock purchase program of the Company or otherwise, during the most recently completed financial year.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person or proposed director of the Company and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year ended June 30, 2018 or in any proposed

transaction which in either such case has materially affected or would materially affect the Company or any of its subsidiaries.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No person who has been a Director or executive officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee of management of the Company for election as a Director of the Company and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in any of the matters to be acted upon at the Meeting other than the election of Directors or the appointment of auditors.

APPOINTMENT OF AUDITOR

Davidson & Company LLP, Chartered Professional Accountants, of Suite 1200, 609 Granville Street, Vancouver, British Columbia, V7Y 1G6, is the auditor of the Company. Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the re-appointment of Davidson & Company LLP as the auditor of the Company, to hold office for the ensuing year at a remuneration to be fixed by the Directors. Davidson & Company LLP was first appointed as Auditor for the Company on February 21, 2014.

MANAGEMENT CONTRACTS

No management functions of the Company or its subsidiaries are performed to any substantial degree by a person other than the Directors or executive officers of the Company or its subsidiaries.

CORPORATE GOVERNANCE DISCLOSURE

Corporate governance relates to the activities of 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 Company. 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. National Policy 58-201 *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines; however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. National Instrument 58-101 *Disclosure of Corporate Governance Practices* mandates disclosure of corporate governance practices in Form 58-101F1, which disclosure is set out below.

Independence of Members of Board

The Company's Board currently consists of eight (8) directors, seven (7) of whom are currently considered independent based upon the tests for independence set forth in NI 52-110, being N. Roderic Baker, Earl Young (who is not standing for re-election at the Meeting), Al Gourley, Francois Colette, Bertrand Boule, David Reading and Philip Murphy. Sybrand van der Spuy is not independent as he is CEO/President of the Company.

Board Compensation

The quantity and quality of the Board compensation is reviewed on an annual basis. At present, the Board is satisfied that the current Board compensation arrangements, which currently only include only

incentive stock options, adequately reflect the responsibilities and risks involved in being an effective director of the Company.

Mandate of the Board

The Board does not currently have a written mandate. The mandate of the Board, as prescribed by the *Business Corporations Act* (B.C.), is to manage or supervise the management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company's affairs directly and through its committees. In fulfilling its mandate, the Board, among other matters, is responsible for reviewing and approving the Company's overall business strategies and its annual business plan; reviewing and approving the annual corporate budget and forecast; reviewing and approving significant capital investments outside the approved budget; reviewing major strategic initiatives to ensure that the Company's proposed actions accord with shareholder objectives; reviewing succession planning; assessing management's performance against approved business plans and industry standards; reviewing and approving the reports and other disclosure issued to shareholders; ensuring the effective operation of the Board; and safeguarding shareholders' equity interests through the optimum utilization of the Company's capital resources. The Board also takes responsibility for identifying the principal risks of the Company's business and for ensuring these risks are effectively monitored and mitigated to the extent reasonably practicable.

In keeping with its overall responsibility for the stewardship of the Company, the Board is responsible for the integrity of the Company's internal control and management information systems and for the Company's policies respecting corporate disclosure and communications.

Each member of the Board understands that he is entitled to seek the advice of an independent expert if he reasonably considers it warranted under the circumstances.

Management Supervision by Board

The size of the Company is such that all the Company's operations are conducted by a small management team which is also represented on the Board. Assuming management's nominees for election at the Meeting are approved by shareholders, the Board considers that management will be effectively supervised by the Independent Directors, being N. Roderic Baker, Al Gourley, Francois Colette, Bertrand Bouille, David Reading and Philip Murphy, as they will be actively and regularly involved in reviewing the operations of the Company and will have regular and full access to management. The Independent Directors are able to meet at any time without any members of management being present. Further supervision is performed through the audit committee, which should be comprised of Independent Directors who meet with the Company's auditors without management being in attendance, although it currently is composed of only one independent member.

Participation of Directors in Other Reporting Issuers

The participation of directors in other reporting issuers is described under the heading "Election of Directors" above.

Nomination and Assessment

The Board determines new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and the President and Chief Executive Officer. The Board monitors but does not formally assess the performance of individual Board members or committee members or their contributions.

The Board does not, at present, have a formal process in place for assessing the effectiveness of the Board as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant. Based on the Company's size, its stage of development and the limited number of individuals on the Board, the Board considers a formal assessment process to be inappropriate at this time. The Board plans to continue evaluating its own effectiveness on an ad hoc basis. The current size of the Board is such that the entire Board takes responsibility for selecting new directors and assessing current directors. Proposed director's credentials are reviewed in advance of a Board Meeting with one or more members of the Board prior to the proposed director's nomination. The Board ensures an objective nomination process through the lead role taken by the Board's Independent Directors in recommending and assessing proposed nominees to the Board.

New directors are provided with an information package about the Company and are briefed on strategic plans, short, medium and long term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing company policies.

The skills and knowledge of the Board of Directors as a whole is such that no formal continuing education process is currently deemed required. The Board is comprised of individuals with varying backgrounds, including geologists, a metallurgist, finance professionals, and a resource lawyer (who is also a former securities lawyer) having led several financial transactions for Canada and UK listed companies. 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. Board members have full access to the Company's records. Reference is made to the table under the heading "Election of Directors" for a description of the current principal occupations of the Company's Board.

Expectations of Management

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives.

The Board and the CEO have not, to date, developed formal, documented position descriptions for the CEO defining the limits of management's responsibilities. The Board is currently of the view that the respective corporate governance roles of the Board and management, as represented by the CEO, are clear and that the limits to management's responsibility and authority are reasonably well defined. The Board is specifically responsible for approving long-term strategic plans and annual operating plans recommended by management. Board consideration and approval is also required for all material contracts and business transactions and all debt and equity financing proposals. The Board is also responsible for senior executive recruitment and compensation.

Currently the Company has no written description for its committee Chair positions. There is an informal understanding as to what the roles and responsibilities of each position are, and the Board delineates those roles and responsibilities as it deems necessary at meetings of the Board.

The Board delegates to management, through the CEO, responsibility for meeting defined corporate objectives which the Board has developed and approved; implementing approved strategic and operating plans; carrying on the Company's business in the ordinary course; managing the Company's cash flow; evaluating new business opportunities; and recruiting staff and complying with applicable regulatory requirements. The Board also looks to management to furnish recommendations respecting corporate objectives, long-term strategic plans and annual operating plans.

Ethical Business Conduct

During the financial year ended June 30, 2005, the Board adopted and implemented policies regarding Corporate Disclosure and Confidentiality of Information, Code of Integrity and Ethics, and Insider Trading, which the Company distributed to all of its directors, officers, employees, consultants and contractors. These policies remained in place as of the financial year ended June 30, 2018. The objectives of these policies are summarized as follows:

Corporate Disclosure and Confidentiality of Information Policy:

- to disclose information in a timely, consistent and appropriate manner;
- to protect against and prevent the improper use or disclosure of material and/or confidential information;
- to widely disseminate material information pursuant to all applicable legal requirements;
- to educate “team members” on the appropriate use and disclosure of material and/or confidential information; and
- to foster and facilitate compliance with applicable laws.

Management is responsible for determining whether or not information is material, and if so, the timely disclosure of such material information in accordance with securities laws and overseeing the disclosure controls, procedures, and practices of the Company. The CEO and CFO are primarily responsible for monitoring compliance, and for reporting to the Audit Committee on the results of any evaluation of the Policy.

Code of Integrity and Ethics Policy:

This policy states that all directors, officers, employees, consultants, and contractors of the Company must:

- adhere to applicable laws and regulations governing the Company’s business conduct worldwide;
- be honest, fair and trustworthy in all relationships with the Company;
- avoid all conflicts of interest between work and personal affairs;
- foster an atmosphere in which fair employment practices extend to every member of the Company;
- strive to create a safe workplace and to protect the environment; and
- through leadership at all levels, sustain a culture where ethical conduct is recognized, valued and exemplified by all employees.

The Code of Integrity and Ethics Policy referred to above is available on SEDAR at www.sedar.com.

Insider Trading or Dealing & Stock Tipping Policy

This Policy sets out procedures, guidelines and processes that should be utilized to assist employees, directors and officers in complying with insider trading restrictions. The Policy requests that all officers and directors of the Company refrain from trading in the Company’s securities without first complying with a pre-clearance process. Every director and officer is requested to contact the Company’s Secretary or CEO prior to trading in the Company’s securities. The policy states that the Company may find it necessary from time to time to require compliance with the pre-clearance process from certain employees, consultants and contractors in addition to directors and officers.

Committee Responsibilities and Activities

The Board has determined that at this stage of the Company's development it is not necessary to have additional standing committees other than the Audit Committee.

Audit Committee Information

The Audit Committee's Charter

Mandate

The primary function of the Committee is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements.
- Review and appraise the performance of the Company's external auditors.
- Provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

Composition

The Committee shall be comprised of three directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

Meetings

The Committee meets at least quarterly, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least quarterly with the Chief Financial Officer (or individual acting in that capacity, if there is no such position) and the external auditors in separate sessions.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

Documents/Reports Review

- (a) Review and update the Charter annually.
- (b) Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

External Auditors

- (a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company.
- (b) Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
- (c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (d) Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors.
- (e) Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (f) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- (g) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.

Financial Reporting Processes

- (a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- (b) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.

- (i) Review certification process.
- (j) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Other

The Committee also reviews any related-party transactions.

Relevant Education and Experience

The educational background or experience of each of the following members of the Audit Committee has enabled each to perform his responsibilities as an Audit Committee member and has provided the member with an understanding of the accounting principles used by the Company to prepare its financial statements, including the ability to assess the general application of such accounting principles in connection with the accounting estimates, accruals and reserves. All members have experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or have experience actively supervising one or more individuals engaged in such activities and all have an understanding of internal controls and financial reporting procedures. The following is a brief summary of some of the qualifications of each Audit Committee Member:

Composition, Education and Experience

The following were members of the Audit Committee during the current reporting year:

N. Roderic Baker	Independent ⁽¹⁾	Financially literate ⁽¹⁾
Bertrand Boulle	Independent ⁽¹⁾	Financially literate ⁽¹⁾
Francois Colette	Independent ⁽²⁾	Financially literate ⁽¹⁾

(1) As defined by NI 52-110.

All members of the Audit Committee have a working familiarity with basic finance and accounting practices. For the purposes of the Company's Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Audit Committee are required to be elected by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Audit Committee may designate a Chair by a majority vote of the full Audit Committee membership. Mr. Baker is currently Chair of the Audit Committee. The experience and/or education of each member of the Audit Committee, all of whom understand the principles of estimates, accruals and reserves, as well as internal controls and financial reporting, is as follows:

N. Roderick Baker, B.Sc., M.Sc. – Chair of the Audit Committee. Mr. Baker is a self-employed consulting geologist, and has been a director of the Company since 2002. He has been a member of the Company's Audit Committee since July 2008, and as such has obtained the experience he requires to be considered financially literate.

Bertrand Boulle, BA Hons; MBA, Mr. Boulle is working and has been working as a Regulated individual within Financial Markets over the last 20 years, during which period he has gained significant experience

in internal and external auditing of the companies he has managed as Director, Managing Director and Head of Compliance within the EU and in Mauritius.

Francois Colette is a civil engineer graduate of Liège University in Metallurgy, and he worked 26 years in the Zaire-Republic Democratic of Congo (“DRC”). He was employed by Gécamines for 14 years where he was appointed Technical Manager for the West Group (85% of Gécamines activity), and by AMFI - Adastra for 12 years as country manager in charge of all the company projects mainly for copper, cobalt and zinc. His technical experience includes maintenance and engineering (Owens Corning Fiberglas) in Belgian, non-ferrous production, mining quarries and underground, financial modelling, budget control and process development. Accordingly, he well understands the principles of estimates, accruals and reserves, as well as internal controls and financial reporting.

Audit Committee Oversight

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

Pre-Approval Policies and Procedures

The Committee has adopted specific policies and procedures for the engagement of non-audit services as described above under the heading "External Auditors".

External Auditor Service Fees (By Category)

The aggregate fees billed by the Company's external auditors in each of the last two fiscal years for audit fees are as follows:

<i>Financial Year Ending</i>	<i>Audit Fees</i>	<i>Audit Related Fees</i>	<i>Tax Fees</i>	<i>All Other Fees</i>
June 30, 2018	\$37,000 ⁽¹⁾	Nil	\$8,000 ⁽¹⁾	Nil
June 30, 2017	\$37,485	Nil	\$8,400	Nil

(1) Estimates, as the invoice has not yet been received for the current year.

ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR at www.sedar.com. Shareholders may contact the Company at Suite 303, 595 Howe Street, Vancouver, British Columbia, Canada, V6C 2T5 to request copies of the Company's financial statements and MD&A.

Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year which are filed on SEDAR.

OTHER MATTERS

Management of the Company 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.

DATED this 16th day of November, 2018.

APPROVED BY THE BOARD OF DIRECTORS

“Sybrand van der Spuy”
Sybrand van der Spuy, President and CEO

“J. Charles Lindberg”
J. Charles Lindberg, Secretary and CFO