

# **CRYSTAL PEAK MINERALS INC.**

**NOTICE OF MEETING**

**AND**

**MANAGEMENT INFORMATION CIRCULAR**

**FOR THE**

**ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON JUNE 4, 2019**

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**Dated May 1, 2019**

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## CRYSTAL PEAK MINERALS INC.

### NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN** that an annual and special meeting (the “**Meeting**”) of the shareholders (“**Shareholders**”) of common shares (“**Common Shares**”) of Crystal Peak Minerals Inc. (the “**Corporation**”) will be held at Cassels Brock & Blackwell LLP, 2100 Scotia Plaza, 40 King Street West, Toronto, Ontario M5H 3C2, at 10:30 a.m. (Toronto time), on June 4, 2019, for the following purposes:

- (a) To receive and consider the audited consolidated financial statements of the Corporation for the year ended December 31, 2018, together with the report of the auditors thereon;
- (b) To reappoint PricewaterhouseCoopers LLP as auditors of the Corporation for the ensuing year and to authorize the directors to fix their remuneration;
- (c) To elect the directors for the Corporation for the ensuing year;
- (d) To consider and, if deemed appropriate, to pass, an ordinary resolution to reapprove the stock option plan implemented by the Corporation in March 2010 in which 10% of the issued Common Shares of the Corporation are reserved for issuance to directors, officers, employees, and other service providers of the Corporation; and
- (e) To transact such other business as may properly be brought before the Meeting.

An “**ordinary resolution**” is a resolution passed by at least a majority of the votes cast by Shareholders who voted in respect of that resolution at the Meeting.

Accompanying this Notice of Meeting is a management information circular (the “**Information Circular**”), a form of proxy (the “**Proxy**”), and a supplemental mailing card. The Information Circular includes more detailed information relating to the matters to be addressed at the Meeting. The Information Circular is deemed to form a part of this Notice of Meeting.

Shareholders unable to attend the Meeting in person should read the notes to the Proxy and complete and return the Proxy to the Corporation’s registrar and transfer agent, TSX Trust Company at 100 Adelaide Street West, Suite 301, Toronto, Ontario M5H 4H1. A Proxy will not be valid unless it is deposited at the office of TSX Trust Company by 10:30 a.m. (Toronto time) on May 31, 2019; or not less than 48 hours (excluding Saturdays, Sundays, and holidays) prior to the commencement of the Meeting or any adjournments or postponements thereof. Late proxies may be accepted or rejected by the chairman of the Meeting in his discretion. The chairman is under no obligation to accept or reject any particular late Proxy.

If you are a non-registered Shareholder of the Corporation and received these materials through your broker or another intermediary, please complete and return the Proxy or other voting form in accordance with instructions provided to you by your broker or such other intermediary.

The enclosed Proxy appoints nominees of management as proxyholder and you may amend the Proxy, if you wish, by inserting in the space provided the name of the person you wish to represent you as proxyholder at the Meeting.

The record date for the determination of Shareholders entitled to receive notice of, and to vote at, the Meeting or any adjournments or postponements thereof is April 22, 2019 (the “**Record Date**”). Shareholders whose names have been entered in the register of Shareholders at the close of business

on the Record Date will be entitled to receive notice of, and to vote, at the Meeting or any adjournments or postponements thereof.

DATED this 1<sup>st</sup> day of May, 2019.

**BY ORDER OF THE BOARD OF DIRECTORS  
OF CRYSTAL PEAK MINERALS INC.**

*(signed) "John Mansanti"*

President, Chief Executive Officer, and Director

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## GENERAL INFORMATION WITH RESPECT TO THE MEETING

### Time, Date, and Place

The annual and special meeting (the “**Meeting**”) of shareholders (“**Shareholders**”) of common shares (“**Common Shares**”) of Crystal Peak Minerals Inc. (the “**Corporation**”) will be held at 10:30 a.m. (Toronto time) on June 4, 2019 at Cassels Brock & Blackwell LLP, 2100 Scotia Plaza, 40 King Street West, Toronto, Ontario M5H 3C2, as set forth in the notice of meeting (the “**Notice of Meeting**”) accompanying this management information circular (the “**Information Circular**”).

### Matters to be Considered

At the Meeting, Shareholders will be asked:

- (a) To receive and consider the audited consolidated financial statements of the Corporation for the year ended December 31, 2018, together with the report of the auditors thereon;
- (b) To reappoint PricewaterhouseCoopers LLP as auditors of the Corporation for the ensuing year and to authorize the directors to fix their remuneration (the “**Auditors Appointment Resolution**”);
- (c) To elect the directors for the Corporation for the ensuing year (the “**Election of Directors Resolution**”);
- (d) To consider and, if deemed appropriate, to pass, an ordinary resolution to reapprove the stock option plan (the “**Option Plan**”) implemented by the Corporation in March, 2010, in which 10% of the issued Common Shares of the Corporation are reserved for issuance to directors, officers, employees, and other service providers of the Corporation (the “**Option Plan Resolution**”); and
- (e) To transact such other business as may properly be brought before the Meeting.

The board of directors (the “**Board**”) unanimously recommends that Shareholders vote **FOR** (a) the Auditors Appointment Resolution, (b) the Election of Directors Resolution, and (c) the Option Plan Resolution at the Meeting.

Unless otherwise stated, information contained in this Information Circular is as of May 1, 2019.

### Currency

In this Information Circular, unless otherwise indicated, all dollar amounts expressed as “\$” are United States dollars and all dollar amounts expressed as “C\$” are Canadian dollars.

### Quorum and Votes Required for Certain Matters

A quorum for the Meeting is two Shareholders present in person, or represented by proxy, representing a minimum of 15% of the Common Shares.

The Option Plan Resolution requires the affirmative vote of not less than a majority of the votes cast by Shareholders who voted in respect thereof, in person or by proxy, at the Meeting (an “**Ordinary Resolution**”).

## **Solicitation of Proxies**

**This Information Circular is furnished in connection with the solicitation by the Corporation's management of proxies to be used at the Meeting to be held on June 4, 2019 for the purposes set forth above and in the enclosed Notice of Meeting. References in this Information Circular to the Meeting include any adjournments or postponements thereof.**

It is expected that the solicitation will be primarily by mail but proxies may also be solicited personally by directors, officers, or regular employees of the Corporation at nominal cost. The cost of solicitation by management will be borne directly by the Corporation.

## **Voting In Person at the Meeting**

A registered Shareholder whose name has been provided to TSX Trust Company will appear on a list of Shareholders prepared by the registrar and transfer agent for the purpose of the Meeting. To vote in person at the Meeting, each registered Shareholder will be required to register for the Meeting by identifying themselves at the registration desk.

## **Voting of Proxies**

Common Shares represented by properly executed proxies in favour of persons designated in the printed portion of the enclosed form of proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and that, if the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. **In the absence of such direction, Common Shares will be voted FOR each of such matters.**

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting, or other matters that may properly come before the Meeting. At the time of printing this Information Circular, management of the Corporation knows of no such amendments, variations, or other matters to come before the Meeting. If, however, any such amendments or other matters properly come before the Meeting, the persons named in the accompanying form of proxy will vote on such amendments or other matters in accordance with their best judgment.

## **Appointment of Proxyholders**

Mr. Woods Silleroy, corporate secretary of the Corporation, and Mr. John Mansanti, a director of the Corporation, have been named in the proxy to represent Shareholders at the Meeting.

Enclosed with this Information Circular is a form of proxy for use at the Meeting. The persons named in the enclosed form of proxy are officers and/or directors of the Corporation. If a registered Shareholder cannot attend the Meeting but wishes to vote on the resolutions, the registered Shareholder should sign, date, and deliver the enclosed form of proxy to the Corporation's registrar and transfer agent: **TSX Trust Company at 100 Adelaide Street West, Suite 301, Toronto, Ontario M5H 4H1, Canada.**

**A Shareholder may appoint a person or company (who need not be a Shareholder) to represent the Shareholder at the Meeting other than the person or company, if any, designated in the form of proxy to represent them at the Meeting or any adjournment thereof, by striking out the printed name of such person or company and inserting such other person or company's name in the blank space provided in that form of proxy or by completing another proper form of proxy**

**and, in either case, depositing the completed proxy at the office of the transfer agent indicated on the enclosed envelope not later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournments or postponements thereof. Late proxies may be accepted or rejected by the chairman of the Meeting in his discretion, and the chairman is under no obligation to accept or reject any particular late proxy.**

A registered Shareholder forwarding the enclosed form of proxy may indicate the manner in which the appointee is to vote with respect to any specific item by checking the appropriate space. If the registered Shareholder giving the proxy wishes to confer a discretionary authority with respect to any item of business, then the space opposite the item is to be left blank. The Common Shares represented by the form of proxy submitted by a registered Shareholder will be voted in accordance with the directions, if any, given in the form of proxy.

To be valid, a form of proxy must be executed by a registered Shareholder or a registered Shareholder's attorney duly authorized in writing or, if the registered Shareholder is a body corporate, under its corporate seal, or by a duly authorized officer or attorney.

### **Revocation of Proxies**

A Shareholder may revoke a proxy given pursuant to this solicitation by an instrument in writing, including another proxy bearing a later date, executed by the Shareholder or by its attorney authorized in writing, and deposited at: (i) the Corporation's registrar and transfer agent, TSX Trust Company, at any time up to and including the last business day preceding the day of the Meeting at which the proxy is to be used; (ii) the Corporation's registered office at Suite 200-204 Lambert Street Whitehorse, Yukon, Y1A 1Z4, at any time up to and including the last business day preceding the day of the Meeting at which the proxy is to be used; (iii) with the chairman of such Meeting on the day of the Meeting; or (iv) in any other manner permitted by law.

### **Voting by Non-Registered Shareholders**

Only registered Shareholders or duly appointed proxyholders are permitted to attend and vote at the Meeting. Many Shareholders are "non-registered" shareholders because the Common Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank, or trust company through which they purchased the Common Shares. More particularly, a person is not a registered Shareholder in respect of Common Shares which are held on behalf of that person (a "**Non-Registered Holder**") but which are registered either:

- (a) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Holder deals with in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers, and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or
- (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc. ("**CDS**")) of which the Intermediary is a participant.

In accordance with the requirements of National Instrument 54-101 - *Communication With Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") of the Canadian Securities Administrators (the "**CSA**"), the Corporation has distributed copies of the Notice of Meeting, this Information Circular, and the form of request for voting instructions (collectively, the "**Meeting Materials**") to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders. The Corporation is not sending the Meeting Materials directly to Non-Registered Holders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Frequently, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

- (a) Be provided with a form of proxy **that has already been signed by the Intermediary** (typically by a facsimile, stamped signature), which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Holder when submitting the proxy. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the enclosed form of proxy and **deposit it with the Corporation's transfer agent as provided above**; or
- (b) More typically, be provided with a voting instruction form **which is not signed by the Intermediary**, and which, when properly completed and signed by the Non-Registered Holder and **returned to the Intermediary or its service company** (or as an alternative, votes may often be registered by telephone or over the Internet), will constitute voting instructions (often called a "**voting instruction form**") which the Intermediary must follow. Typically, the voting instruction form will consist of a one-page pre-printed form. Sometimes, instead of the one-page pre-printed form, the voting instruction form will consist of a regular printed proxy form accompanied by a page of instructions that contains a removable label containing a bar code and other information. In order for the form of proxy to validly constitute a voting instruction form, the Non-Registered Holder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In either case, the purpose of this procedure is to permit Non-Registered Holders to direct the voting of the Common Shares that they beneficially own. Should a Non-Registered Holder who receives one of the above forms wish to vote at the meeting in person, the Non-Registered Holder should strike out the names of the management proxyholders named in the form and insert the Non-Registered Holder's name in the blank space provided. **Non-Registered Holders should carefully follow the instructions of their Intermediary or its service company, including those regarding when and where the proxy or voting instruction form is to be delivered.**

Meeting Materials will not be distributed to Non-Registered Holders that have declined receipt of such materials. In addition, the Corporation intends to pay for an Intermediary to deliver to objecting beneficial owners (as defined in NI 54-101) the Information Circular, other proxy-related materials, and the voting instruction form.

### **Voting of Common Shares Represented by Management Proxies**

On any ballot that may be called for at the Meeting, the Common Shares represented by each properly executed proxy in favour of the persons designated in the enclosed form of proxy received by the Corporation will, subject to Section 154 of the *Business Corporations Act* (Yukon) (the "**YBCA**"), be voted (or withheld from voting) in accordance with the specifications given by the Shareholder. In the absence of such specifications in an enclosed form of proxy where the Shareholder has appointed the persons whose names have been pre-printed in the enclosed form of proxy as the Shareholder's nominee at the Meeting, the Common Shares represented by such proxies will be voted **FOR** (a) the

Auditors Appointment Resolution; (b) the Election of Directors Resolution; and (c) the Option Plan Resolution.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting and any other matters that may properly come before the Meeting. Management knows of no such amendments or variations to matters identified in the Notice of Meeting or other matters to come before the Meeting. However, where a Shareholder has appointed the persons whose names have been pre-printed in the enclosed form of proxy as the Shareholder's nominee at the Meeting, if any amendments or variations to matters identified in the Notice of Meeting or other matters which are not now known to Management should properly come before the Meeting, the enclosed form of proxy may be voted on such matters in accordance with the best judgment of the person voting the proxy.

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

Other than as disclosed herein, no director or officer of the Corporation who has held such position at any time since the beginning of the Corporation's last financial year, proposed nominee for election as a director of the Corporation, or associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matters to be acted upon at the Meeting. Directors and officers of the Corporation have an interest in the Option Plan Resolution, since such persons have been granted and are eligible to be granted awards under the Option Plan.

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

The authorized share capital of the Corporation consists of an unlimited number of Common Shares, an unlimited number of non-voting common shares of the Corporation ("**Non-Voting Shares**") and an unlimited number of preference shares ("**Preference Shares**"), issuable in series. As at the date hereof, there are 250,966,579 Common Shares, 2,466,947 Non-Voting Shares and no Preference Shares issued and outstanding.

The Non-Voting Shares are convertible into Common Shares on a one-for-one basis. In the event the Corporation becomes the subject of an offer to purchase the Common Shares, the Non-Voting Shares will, in certain circumstances, be redeemable by the Corporation at the option of the holders thereof. The holders of Non-Voting Shares will be entitled to such redemption option when: (i) applicable securities laws or rules of the stock exchange on which the Common Shares are listed require the bid be made to each holder of Common Shares; and (ii) certain additional criteria are met. These additional criteria, together with the rights, privileges, restrictions, and conditions attached to the Non-Voting Shares, are more fully described in the Corporation's articles and by-laws, which may be found under the Corporation's profile on SEDAR (at [www.sedar.com](http://www.sedar.com)).

The Corporation has prepared a list of all persons who are registered holders of Common Shares on April 22, 2019 (the "**Record Date**") and the number of Common Shares registered in their name on that date. Each Shareholder is entitled to one vote on all matters to be acted upon at the Meeting for each Common Share registered in his name as it appears on the list of registered Shareholders.

**Shareholders of record at the close of business on the Record Date are entitled to receive notice of, and to vote at, the Meeting.**

To the knowledge of the directors and officers of the Corporation as at the date hereof, other than as disclosed in the table below, no persons or companies beneficially own, or exercise control or direction over, directly or indirectly, 10% or more of the votes attached to all outstanding Common Shares of the Corporation.

| Name of Shareholder                             | Number of Common Shares <sup>(1)</sup> | Percentage of Common Shares <sup>(2)</sup> |
|---|--|--|
| EMR Capital Resources Fund 1, LP <sup>(3)</sup> | 144,074,087                            | 56.85%                                     |
| Gusiute Holdings (UK Limited) <sup>(4)</sup>    | 29,055,612                             | 11.46%                                     |

Notes:

- (1) The information regarding Common Shares beneficially owned, controlled, or directed, not being within the knowledge of the Corporation, has been obtained by the Corporation from publicly disclosed information.
- (2) On a non-diluted basis.
- (3) EMR Capital Resources Fund 1, LP's ("EMR") Common Shares are held of record by EMR Capital Investment (No.5B) PTE. Ltd.
- (4) Gusiute Holdings (UK Limited) ("Gusiute") is an indirect, wholly-owned subsidiary of Tata Chemicals Limited.

**PARTICULARS OF MATTERS TO BE ACTED UPON BY  
SHAREHOLDERS AT THE MEETING**

**Presentation of Financial Statements**

The audited consolidated financial statements of the Corporation for the year ended December 31, 2018, and the report of the auditors thereon, have been approved by the Board and will be presented at the Meeting. No vote of the Shareholders is required with respect to this item of business.

**Reappointment of Auditors**

PricewaterhouseCoopers LLP ("**PricewaterhouseCoopers**") are the independent registered certified auditors of the Corporation. PricewaterhouseCoopers' appointment was effective June 30, 2010 and later ratified by the Shareholders on November 2, 2010. Management proposes that PricewaterhouseCoopers be reappointed as auditors of the Corporation, to hold office until the next annual meeting of Shareholders, or until a successor is appointed, and authorize the Board to fix the remuneration of the auditors.

The Board unanimously recommends that Shareholders vote **FOR** the Auditors Appointment Resolution.

**Unless the Shareholder has specifically instructed in the accompanying form of proxy that the Common Shares represented by such proxy are to be withheld from voting, the persons named in the accompanying proxy will vote FOR the reappointment of PricewaterhouseCoopers as auditors of the Corporation to hold office until the next annual meeting of Shareholders or until a successor is appointed, and to authorize the Board to fix the remuneration of the auditors.**

**Election of Directors**

The articles of the Corporation provide that the Board of the Corporation consists of a minimum of three (3) and a maximum of eleven (11) directors. At the Meeting, the seven (7) persons named hereunder will be proposed for election as directors of the Corporation. Management does not contemplate that any of the nominees will be unable to serve as a director, but if that should occur for any reason prior to

the Meeting, it is intended that discretionary authority shall be exercised by the person named in the accompanying proxy to vote the proxy for the election of any other person or persons in place of any nominee or nominees unable to serve.

The Corporation's by-law No. 4 contains an advance notice provision for nominations of directors (the "**Advance Notice Provision**"). Among other things, the Advance Notice Provision fixes a deadline by which Shareholders must submit director nominations to the Corporation prior to any annual or special meeting of Shareholders and sets forth the information that a Shareholder must include in the notice to the Corporation. As at the date hereof, the Corporation has not received notice of any director nominations in connection with the Meeting. Providing no notice of director nominations has been submitted in accordance with the terms of the Advance Notice Provision, on or prior to May 5, 2019, the only persons eligible to be nominated for election to the Board are the below nominees.

The Corporation entered into a relationship agreement with EMR on May 29, 2015, whereby under that agreement the Corporation agreed that EMR may nominate certain individuals to the Board in accordance with EMR's equity and voting interest in the Corporation as provided for in the relationship agreement. In accordance with that agreement, since EMR holds 144,074,087 Common Shares, it is entitled to nominate up to five directors. EMR has decided to only nominate three directors being Messrs. Carroll, Curtis, and Lyle.

The Board unanimously recommends that Shareholders vote **FOR** the Election of Directors Resolution.

**Unless the Shareholder has specifically instructed in the accompanying form of proxy that the Common Shares represented by such proxy are to be withheld from voting, the persons named in the accompanying proxy will vote FOR the election of the below named directors.**

The following table and the notes thereto state the names and the province or state, and country of residence of all persons proposed to be nominated for election as directors, all other positions and offices with the Corporation now held by them, their principal occupations or employments and abbreviated biographies, their periods of service as directors of the Corporation and the number of Common Shares and Non-Voting Shares beneficially owned or over which control or direction is exercised by each of them as at the date hereof. If elected, each director will hold office until the next annual meeting of Shareholders or until his successor is duly elected, unless prior thereto the director resigns or the director's office becomes vacant by reason of death or other cause.

| Name and Residence (Province or State, and Country) of Each Director and Proposed Director | Principal Occupation, Business or Employment for the Last Five Years  | Director Since | Shares Beneficially Owned, or Over Which Control or Direction is Exercised, Directly or Indirectly <sup>(1)(2)</sup> |
|--|---|----------------|--|
| <b>Daniel Basse</b> <sup>(3)(4)(6)</sup><br>Illinois, United States                        | President, AgResource Company (agricultural research company) from 2001 to present.   | May 2011       | 2,010,368 Common Shares<br>686,306 Non-Voting Shares   |
| <b>De Lyle Bloomquist</b> <sup>(3)(4)(5)(6)</sup><br>Arizona, United States                | Private businessman, March 2015 to present. Formerly, president, Global Chemicals Business of Tata Chemicals Limited from July 2009 to March 2015; President and Chief Executive Officer of Tata Chemicals North America Inc. (and its predecessor company, General Chemical Industrial Products Inc.) from April 2004 to March 2015. | October 2011   | 674,246 Common Shares<br>Nil Non-Voting Shares   |
| <b>Donald Carroll</b> <sup>(4)(6)</sup><br>Victoria, Australia                             | Senior Advisor, EMR Capital Pty Ltd (resource finance company) from March 2012, to present; Senior Executive at BHP Billiton (global mining company) from May 1984 to February 2009.  | June 2015      | Nil Common Shares<br>Nil Non-Voting Shares   |
| <b>Robert Curtis</b> <sup>(5)(6)</sup><br>Victoria, Australia                              | Investment director, EMR Capital Pty Ltd from September 2011 to present; Business Development Manager at Oz Minerals Ltd. from July 2008 to September 2011.   | June 2015      | Nil Common Shares<br>Nil Non-Voting Shares   |
| <b>Roderick Lyle</b> <sup>(3)(5)(6)</sup><br>Victoria, Australia                           | Senior Corporate Advisor at Logie-Smith Lanyon from January 2019 to present. Formerly, Senior Corporate Advisor at Clayton Utz from 2005 to 2018.   | March 2018     | 200,000 Common Shares<br>Nil Non-Voting Shares   |
| <b>John Mansanti</b> <sup>(5)(6)</sup><br>Utah, United States                              | Senior Vice President of Strategic Initiatives and Technical Services at Intrepid Potash Inc.; Senior Vice President of Operations at Intrepid Potash Inc.  | March 2018     | 386,500 Common Shares<br>Nil Non-Voting Shares   |
| <b>Herbert Scruggs</b> <sup>(6)</sup><br>Utah, United States                               | Since February 2014, founding partner of The Cynosure Group; self-employed from January 2013 to February 2014; CEO of The Metal Group from July 2011 to January 2013.   | June 2017      | 100,000 Common Shares<br>Nil Non-Voting Shares   |

Notes:

- (1) The information with respect to the Common Shares and Non-Voting Shares beneficially owned, controlled, or directed is not within the direct knowledge of the Corporation and has been furnished by the respective individuals.
- (2) Particulars of options held by each nominee, if any, are set out in the section "Executive Compensation – Incentive Plan Awards" and "Executive Compensation - Director Compensation – Incentive Plan Awards".
- (3) Member of the Audit Committee. Mr. Bloomquist is the Chair.
- (4) Member of the Compensation Committee. Mr. Basse is the Chair.
- (5) Member of the Finance Committee. Mr. Scruggs is the Chair.
- (6) Member of the Technical Advisory Committee. Mr. Bloomquist is the Chair.

As a group, the proposed directors beneficially own, control, or direct, directly or indirectly, 686,306 Non-Voting Shares, representing approximately 27.82% of the issued and outstanding Non-Voting Shares, and 3,371,114 Common Shares, representing approximately 1.34% of the issued and outstanding Common Shares, as at the date hereof. If all Non-Voting Shares owned by the proposed directors were converted into Common Shares, 4,057,420 Common Shares, representing approximately 1.60% of the issued and outstanding Common Shares, would be beneficially owned, controlled, or directed by proposed directors.

### ***Biographies***

The following is a brief description of the proposed directors of the Corporation:

***Daniel W. Basse*** – Mr. Basse is President of AgResource Company, an international agricultural research firm located in Chicago, that forecasts domestic and world agricultural price trends. Mr. Basse is an agricultural economist and has been in the commodity business since 1979. Mr. Basse graduated from the University of Wisconsin, Madison in 1979 and has worked with Professional Farmers of America, Brock Associates and the agriculture research division of GNP Commodities in Chicago. In 1987, Mr. Basse founded AgResource with a view to direct future United States and world agriculture policy.

Mr. Basse holds a Bachelor of Science in Agricultural Economics from the University of Wisconsin, Madison.

***De Lyle Bloomquist*** – Mr. Bloomquist retired in March 2015 as the President, Global Chemicals Business for Tata Chemicals Ltd. as well as the President, CEO, and Director of Tata Chemicals North America Inc. (the former General Chemical), which he was instrumental in selling to Tata Chemicals for over \$1 billion in 2008. During his over 28-year career, he has held positions in finance, manufacturing, sales & marketing, logistics and general management. Currently, he is a partner of Windrunner Management Advisors LLC (a management advisory business); Silverleaf Capital LLC (provider of maintenance services to luxury coaches); and Ranch Estates LLC (a developer of luxury estate lots in Flagstaff, AZ). Mr. Bloomquist also serves as an advisor to the CEO of Natural Resource Partners LP.

Mr. Bloomquist serves on the Board of Directors for Rayonier Advanced Materials (NYSE: RYAM), Huber Engineered Materials, PDS Biotechnology Corporation (f/k/a Edge Therapeutics Inc. (NASDAQ: EDGE)), Crystal Peak Minerals (TSXV: CPM), Gran Colombia Gold (TSX: GCM), Ciner Wyoming LLC, and Scientia Vascular LLC. In the past, he has served on the Boards of ANSAC, Oglebay Norton, Costa Farms, and Vivos Therapeutics Inc. He currently serves on the compensation and audit committees for RYAM; the technical, compensation and audit committees for Crystal Peak Minerals; and the audit committee of Gran Colombia Gold. He also serves on the Board of Business Advisors for the Tepper School of Business at Carnegie Mellon University, and the Board of Advisors for Sonoran Capital LLC.

Mr. Bloomquist received his MBA from Carnegie Mellon University and his B.S. in General Management from Brigham Young University.

**Donald Carroll** – Mr. Carroll is a senior resources executive with over 37 years of experience with BHP Billiton and Rio Tinto in a variety of leadership, technical, strategy, marketing and business development roles. Mr. Carroll's former roles at BHP include: Country Head and President of BHP Japan; Country Head and President of BHP India; Chief Development Officer – Aluminium; Vice President, Market Development; Group General Manager, BHP Power; Vice President and General Manager, Minerals Marketing; Vice President, Investor Relations (Asia and Australia); and manager of iron ore and coal marketing. Mr. Carroll was also a key member of the BHP Billiton merger and BHP Rio merger team. Mr. Carroll has extensive experience across a diversified range of commodities including iron ore, coal and aluminium, and has deep networks across Asia, in particular, India and Japan.

Mr. Carroll is currently a Non-Executive Director of Coal of Queensland Pty Ltd, Energio (ASX Listed) and Lowell Capital.

Mr. Carroll graduated from Sydney University with a Bachelor of Engineering (Mining) and is a member of the Australian Institute of Mining and Metallurgy and the Australian Institute of Company Directors.

**Robert Curtis** – Mr. Curtis is a geologist with more than 20 years of experience in exploration, business development and investments within teams at Rio Tinto, Oxiana and OZ Minerals. Mr. Curtis has an extensive track record in bringing investment opportunities from early stage project evaluation, technical due diligence through to successful execution of investments. Mr. Curtis also has significant hands-on fieldwork, transactional and due diligence experience in grassroots to advanced exploration and development projects across a diverse range of commodities and countries. Mr. Curtis has focused a large portion of his 16-year career on identifying and evaluating resources investment opportunities around the world, including performing site due diligence and developing networks globally to facilitate deal pipelines.

Mr. Curtis has worked on and assessed resources opportunities in many parts of the world including Australia, Indonesia, India, Laos, Papua New Guinea, and both North and South America. Mr. Curtis has lived in Laos, Papua New Guinea, and various locations in Australia. Mr. Curtis' transaction experience includes execution of investments in Sandfire Resources, IMX Resources, Toro Energy, Beadell Resources, Royalco Resources, Minotaur Resources, Golden Grove, Martabe and many others. Mr. Curtis was also involved in a number of successful investment exits including Sepon, Wafi and Hidden Valley.

Mr. Curtis graduated from the School of Mines at the University of Ballarat with a Bachelor of Applied Science (Geology) with First Class Honours and was a winner of the Australian Institute of Mines and Metallurgy Scholarship.

**Roderick Lyle** – Mr. Lyle is the Senior Corporate Adviser in the Melbourne, Australia office of Logie-Smith Lanyon. Recognized as one of Australia's leading commercial lawyers, Mr. Lyle has been a key adviser in a number of mergers and acquisitions and equity capital market transactions in Australia and overseas. For more than three decades, Mr. Lyle has provided strategic and tactical advice and project management skills advising on and overseeing a wide range of corporate issues.

Mr. Lyle is a member of the Law Institute of Victoria, a member of the Law Society of New South Wales, and a member of the Law Society, London. Additionally, Mr. Lyle is the author of the textbook “Share Buy-Backs” published by Longman Professional.

Mr. Lyle holds Bachelor of Laws and Bachelor of Commerce Degrees from University of Melbourne, a Master of Laws Degree from the University of London, and a Masters of Business Administration Degree (Award of Distinction for Excellence) from Melbourne Business School.

**John G. Mansanti** – Mr. Mansanti is currently Chief Executive Officer of the Corporation and the President and a director of the Corporation’s indirect wholly owned subsidiary Peak Minerals Inc.

Mr. Mansanti is a highly experienced mining executive who has been recognized multiple times for his leadership and technical skills. Mr. Mansanti has almost 40 years of experience in the management of mining operations and projects. His experience spans all levels of site and corporate operations, including project development and construction. In addition to smaller companies, Mr. Mansanti held leadership positions with Intrepid Potash, Rye Patch Gold, Barrick, Placer Dome, Newmont, Santa Fe Pacific Gold, Gold Fields, and Freeport McMoRan. He currently serves on the board of directors for Alio Gold Corp (TSXV).

He is also an active member and past president of the Society for Mining, Metallurgy, and Exploration (SME). Mr. Mansanti is a graduate of the Montana College of Mineral Science and Technology and holds a B.S. in chemistry and a M.S. in mineral processing engineering.

**Herbert E. Scruggs** – Mr. Scruggs is a founding partner of The Cynosure Group, a Utah based company formed to bring together the resources of the Eccles family of Salt Lake City and other like-minded families and foundations to make long-term equity investments in private companies across a range of industries. The Cynosure Group has expertise in financial services, industrials, healthcare, natural resources, consumer/retail and technology.

Prior to that, Mr. Scruggs played a key leadership role as a senior executive at Leucadia National Corporation. Further, he spent over a decade advising some of the wealthiest families in the world, including working as the CEO of The Metal Group (now the Minderoo Group), the private holding company of Andrew Forrest in Perth, Australia.

Currently, Mr. Scruggs is a director of The Build Group (Austin, TX), Linkem (Rome), and Snowbird Ski Resort. In the past, he has served as a director of public and private companies including American Investment Bank, Barbados Light & Power, Conwed Plastics, Fortescue Metals Group (one of the largest mining companies in Australia), Poseidon Nickel, Deseret Morning News, Empire Insurance, and MK Gold; and has experience on multiple audit and executive committees. He also served as Chief of Staff to Governor Norman Bangert and was a co-founder and partner with Governor Michael Leavitt of the Public Affairs Advisory Group.

Mr. Scruggs received a Bachelor of Arts degree in Political Science from Brigham Young University and his Juris Doctor from BYU’s J. Reuben Clark Law School.

### ***Cease Trade Orders or Bankruptcies***

No proposed director of the Corporation:

1. Is, as at the date hereof, or has been, within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Corporation) that:
  - (a) Was subject to (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) 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 (collectively, an “**Order**”) that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
  - (b) Was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer;
2. Is, as at the date hereof, or has been within 10 years before the date hereof, a director or executive officer of any company (including the Corporation) 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
3. Has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

### ***Penalties or Sanctions***

As at the date hereof, no proposed director of the Corporation has been subject to:

1. 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
2. Any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

### ***Option Plan Re-approval***

Shareholders of the Corporation approved the implementation of the Option Plan in March 2010. Under the terms and conditions of the Option Plan, up to a maximum of 10% of the issued and outstanding Common Shares of the Corporation are reserved for directors, officers, employees, and other service providers. Please see “Securities Authorized for Issuance under Equity Compensation Plans – The Option Plan” for a summary of the Option Plan.

### **Board Recommendation**

The Board unanimously recommends that the Shareholders vote **FOR** the Option Plan Resolution.

### **Shareholder Approval**

Shareholders approved the introduction of the Option Plan at the Corporation's annual and special meeting of Shareholders in March 2010. Further Shareholder approval is not required for option grants made in accordance with the Option Plan, except as required by TSX-V policy. TSX-V policy requires that rolling stock option plans, such as that of the Corporation, be approved and ratified by Shareholders and the TSX-V on an annual basis. Pursuant to such policies, approval by disinterested shareholders would be required when the number of Common Shares reserved for issuance under the Option Plan exceeds a 10% threshold. While options were granted in the most recent financial year ended December 31, 2018, the 10% threshold was not passed and thus disinterested shareholders' approval will not be sought at the Meeting.

Shareholders will be asked to consider and, if deemed appropriate, approve the Option Plan Resolution. In order to be effective, the Option Plan Resolution must be approved by not less than a majority of the votes cast in respect thereof by Shareholders who voted in respect thereof, present in person or by proxy at the Meeting.

**Unless the Shareholder has specifically instructed in the enclosed form of proxy that the Common Shares represented by such proxy are to be voted against the Option Plan Resolution, the persons named in the accompanying proxy will vote FOR the Option Plan Resolution.**

The following is the text of the Option Plan Resolution that will be put forward for approval by the Shareholders at the Meeting:

**“NOW THEREFORE BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:**

1. the Corporation's Option Plan, as described in this Information Circular and as available on SEDAR, is hereby ratified, approved, and confirmed; and
2. any director or officer of the Corporation be, and such director or officer of the Corporation, is hereby, authorized, instructed, and empowered, acting for, in the name of and on behalf of the Corporation, to do or to cause all such other acts and things in the opinion of such director or officer of the Corporation as may be necessary or desirable in order to fulfill the intent of this foregoing resolution.”

### **Other Matters**

Management of the Corporation knows of no amendment, variation, or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting accompanying this Information Circular. However, if any other matter properly comes before the Meeting, the form of proxy furnished by the Corporation will be voted on such matters in accordance with the best judgment of the persons voting the proxy.

## EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

#### *Objectives of Compensation Program*

Securities legislation requires the disclosure of compensation received by each “Named Executive Officer” (“**NEO**”) of the Corporation for the three most recently completed financial years. “Named Executive Officer” is defined by the legislation to mean: (i) each of the Chief Executive Officer and the Chief Financial Officer of the Corporation; (ii) each of the Corporation’s three most highly compensated executive officers, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the Chief Executive Officer and the Chief Financial Officer, at the end of the most recently completed financial year and whose total compensation, individually, exceeded \$150,000 in that year; and (iii) any individual for whom disclosure would have been required under (ii) but for the fact that the individual was not serving as an executive officer of the Corporation or its subsidiaries, nor acting in a similar capacity, at the end of the most recently completed financial year of the Corporation.

The Corporation believes that the creation of long-term value for Shareholders depends upon its ability to attract, motivate, and retain highly-talented executives. The Corporation intends to encourage sustained future profitability and increase shareholder value by relating certain components of executive compensation to the Corporation’s operating and financial performance. Using equity-based compensation and other mechanisms, the Corporation aims to align the long-term interests of its executive team with that of its Shareholders. The Corporation’s compensation program also intends to increase the probability of retaining key employees.

#### *Overview of Compensation Philosophy*

It is the Corporation’s intention that the following principles shall guide the Corporation’s overall compensation philosophy going forward: (a) providing a fair and competitive level of compensation; (b) attracting, retaining, and motivating executives who are critical to the Corporation’s long-term success; (c) rewarding performance, both on an individual basis and with respect to the business in general; and (d) reinforcing the link between Shareholders’ interests and the compensation of the Corporation’s executives.

#### *Elements of Executive Compensation*

The three main elements of compensation of the senior executive officers of the Corporation include annual compensation in the form of base salary, annual performance-based cash incentives in the form of bonuses, and long-term equity-based incentives in the form of option grants under the Option Plan, and restricted share unit (“**RSU**”) grants under the Restricted Share Unit Plan (“**RSU Plan**”). Competitive benefits and perquisites are also provided.

### Cash-Based Compensation

**Base Salary** – Salaries form an essential component of the Corporation’s compensation package since they compensate performance. Base salaries are fixed and are therefore not subject to uncertainty and are used as the base to determine other elements of compensation and benefits. The annual salaries for NEOs, including the CEO, are designed to be comparable to executive compensation packages for similar positions at companies at a comparable stage of development with similar financial, operating, and industry characteristics. See “Executive Compensation – Compensation Governance – Benchmarking” for further details.

Each NEO is paid an annual salary that considers his existing professional qualifications and experience. The NEOs’ performances and salaries are reviewed by the CEO and Compensation Committee annually. The CEO’s performance and salary are reviewed by the Compensation Committee and the full Board annually.

**Performance-Based Cash Incentives** – Cash incentives are a variable component of compensation designed to reward the Corporation’s executive officers for maximizing the Corporation’s annual performance. All significant awards are at the discretion of the CEO or the Board, as applicable, taking into consideration the recommendations of the Compensation Committee.

During the financial year ended December 2018, no performance-based cash incentives were paid.

### Equity Incentive Plans

**Options** – Options act as a variable component of compensation intended to attract, motivate, and reward the executive officers and directors of the Corporation in advancing the success and interests of Shareholders and the Corporation. In determining the number of options to be granted under the Option Plan, the Compensation Committee and/or the Board considers, among other things, the individual’s current and potential contribution to the success of the Corporation as well as to the relative position of the individual within the Corporation. In addition, previous grants are considered when considering new grants.

The Corporation may grant options annually and/or based upon the completion of specified projects such as significant financings or transactions.

Additionally, the Corporation may utilize the grant of options upon hiring of new employees as an element of compensation designed to attract qualified personnel. The grant of options would typically be included in the terms of the particular individual’s employment agreement and the number of options granted would depend on the Corporation’s level of desire to retain the particular individual, the particular responsibilities of the position and the individual’s level of experience. Please see “Securities Authorized for Issuance Under Equity Compensation Plans – The Option Plan” for further details regarding the Option Plan.

**Restricted share units** – RSUs act as another variable component of compensation intended to attract, motivate, and reward the executive officers and directors of the Corporation in advancing the success and interests of Shareholders and the Corporation. In determining the number of RSUs to be granted under the RSU Plan, the Compensation Committee and/or the Board consider, among other things, the individual’s current and potential contribution to the success of the Corporation as well as to the relative position of the individual within the Corporation. In addition, previous grants will be evaluated when considering new grants.

The Corporation may grant RSUs annually and/or based upon the completion of specified projects such as significant financings or transactions.

Additionally, the Corporation may utilize the grant of RSUs upon hiring new employees as an element of compensation designed to attract qualified personnel. The grant of RSUs would typically be included in the terms of the particular individual's employment agreement and the number of RSUs granted would depend on the Corporation's level of desire to retain the particular individual, the particular responsibilities of the position and the individual's level of experience. Please see "Securities Authorized for Issuance Under Equity Compensation Plans – The RSU Plan" for further details regarding the RSU Plan.

## **Compensation Governance**

### ***Role of the Compensation Committee***

The Corporation established a Compensation Committee on May 12, 2011 to ensure that the Corporation has a compensation program that is both motivational and competitive while meeting the objectives of the Corporation. The Corporation has adopted a charter for the Compensation Committee. The charter provides that the primary function of the Compensation Committee is to assist the Board in fulfilling its oversight responsibilities by:

- (a) Reviewing, approving, and recommending to the Board salary, bonus, and other benefits, direct or indirect, and any change of control packages of the Chief Executive Officer and other members of the senior management team;
- (b) Administering the Corporation's compensation plans, including the Stock Option Plan and RSU Plan, and other such compensation plans or structures as are adopted by the Corporation from time to time; and
- (c) Reviewing trends in employment benefits and periodically review and adjust the Corporation's policies in the area of management benefits and perquisites.

The Compensation Committee is composed of three directors who meet as often as the committee deems reasonably necessary. The members of the Compensation Committee are Messrs. Basse (Chair), Bloomquist, and Carroll. The Board believes that, by virtue of their collective past experience as officers of various mining and financial companies, and their experience in corporate governance, the Compensation Committee has the diversity of skills needed to make informed and independent decisions on compensation matters for the Corporation. During the most recent fiscal year, the Compensation Committee met and corresponded regularly on compensation matters.

Please see "Corporate Governance Practices – Compensation Committee" for the relevant education and experience of members of the Compensation Committee.

### ***Risk Management***

During the financial year ended December 31, 2018, neither the Board nor a committee of the Board considered the implications of the risks associated with the Corporation's compensation policies and practices. However, the Corporation believes its compensation policies alleviate risk by having a balance of short term and long-term compensation.

## Compensation Consultants and Advisors

The Corporation did not retain any compensation consultants or advisors during the financial years ended December 31, 2018 or December 31, 2017.

## Benchmarking

In setting compensation for the executive officers and directors, the Compensation Committee reviewed compensation paid to other executive officers and directors in the industry. The Compensation Committee intends to continue this practice in the future to gauge if its compensation is competitive in the marketplace. The Compensation Committee also intends to monitor the particular individual's achievement of the Corporation's objectives for the previous financial year on a going forward basis when considering compensation. It is also the intention that the Compensation Committee will review on an annual basis the compensation of the Board.

The following table sets out the comparator group considered by the Compensation Committee for the financial year ended December 31, 2018:

| Comparative Company             | Category                         | Company Head Office Location |
|---------------------------------|----------------------------------|------------------------------|
| SOPerior Fertilizer Corp.       | Resource Industry                | Toronto, Ontario             |
| Belgravia Capital International | North American Resource Industry | Toronto, Ontario             |
| Highfield Resources             | Resource Industry                | Pamplona, Spain              |

## Hedging Policy

NEOs and directors of the Corporation are not permitted to purchase financial instruments of any kind that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by an NEO or a director.

## Summary Compensation Table

The following table sets forth all annual and long-term compensation for services in all capacities to the Corporation for the financial years ended December 31, 2018, 2017, and 2016, in respect of the NEOs, in accordance with National Instrument Form 51-102F6 – *Statement of Executive Compensation*.

| Name and Principal Position   | Year | Salary (\$) | Share-based awards (\$) <sup>(1)</sup> | Option-based awards (\$) <sup>(2)</sup> | Non-equity incentive plan compensation (\$) |                           | Pension value (\$) | All other compensation (\$) <sup>(4)</sup> | Total compensation (\$) |
|---|------|-------------|--|---|---|---------------------------|--------------------|--|-------------------------|
|   |      |             |  |   | Annual incentive plans <sup>(3)</sup>       | Long-term incentive plans |                    |  |                         |
| John Mansanti<br>President and Chief Executive Officer <sup>(5)</sup> | 2018 | 350,000     | 1,403,108                              | N/A                                     | Nil   | N/A                       | N/A                | 73,347                                     | 1,826,455               |
|   | 2017 | N/A         | N/A                                    | N/A                                     | N/A   | N/A                       | N/A                | N/A  | N/A                     |
| Blake Measom  | 2018 | 225,000     | N/A                                    | N/A                                     | Nil   | N/A                       | NA                 | 14,366                                     | 239,366                 |
|   | 2017 | 225,000     | N/A                                    | 55,539                                  | 52,500                                      | N/A                       | NA                 | 13,133                                     | 346,172                 |

|   |      |         |           |        |        |     |     |         |           |
|---|------|---------|-----------|--------|--------|-----|-----|---------|-----------|
| Chief Financial Officer <sup>(6)</sup>  | 2016 | 18,750  | N/A       | 41,134 | Nil    | N/A | NA  | Nil     | 59,884    |
| Woods Silleroy  | 2018 | 175,000 | N/A       | N/A    | Nil    | N/A | N/A | 7,450   | 182,450   |
|   | 2017 | 175,000 | N/A       | 32,398 | 40,833 | N/A | N/A | 6,795   | 255,026   |
| Corporate Secretary and Vice President Operations of Peak Minerals <sup>(7)</sup> | 2016 | 162,500 | N/A       | 17,607 | 20,394 | N/A | N/A | 6,149   | 206,650   |
| Lance D'Ambrosio  | 2018 | 2,885   | N/A       | N/A    | Nil    | N/A | N/A | 250,000 | 252,885   |
|   | 2017 | 250,000 | 1,210,010 | N/A    | Nil    | N/A | N/A | 13,523  | 1,473,533 |
|   | 2016 | 250,000 | N/A       | 58,690 | Nil    | N/A | N/A | 12,239  | 320,929   |
| Former President and Chief Executive Officer <sup>(8)</sup>                       |      |         |           |        |        |     |     |         |           |

**Notes:**

- (1) Represents the total grant date fair value of RSUs and may not represent the amounts the recipient will actually realize from the awards. The fair value of the RSUs has been estimated at the date of the grant in accordance with International Financial Reporting Standards ("IFRS"). RSUs are measured at fair value on the grant date. The fair value of the RSUs issued on January 2, 2018 was based on the market price per share of C\$0.45. Fair value calculations for all such grants were performed in Canadian dollars but were converted to U.S. dollars based on a conversion rate of C\$1= \$0.7989, which was the Bank of Canada exchange rate as of the date of issuance. The fair value of the RSUs issued on December 20, 2017 was based on the market price per share of C\$0.42. Fair value calculations for all such grants were performed in Canadian dollars but were converted to U.S. dollars based on a conversion rate of C\$1= \$0.7787, which was the Bank of Canada exchange rate as of the date of issuance.
- (2) Represents the total grant date fair value of options granted and may not represent the amounts the recipient will actually realize from the awards. The fair value of the options has been estimated at the date of the grant in accordance with IFRS using a Black-Scholes option pricing model. The fair value of the options issued November 13, 2017 was based on the following weighted average assumptions: risk-free interest rate 0.94%, dividend yield of 0%, a volatility factor of 108.16%, and an expected life of 3.87 years. Fair value calculations for all such grants were performed in Canadian dollars but were converted to U.S. dollars based on a conversion rate of C\$1 = \$0.7885, which was The Bank of Canada exchange rate as at the date of issuance. The fair value of the options issued December 5, 2016 was based on the following weighted average assumptions: risk-free interest rate 0.86%, dividend yield of 0%, a volatility factor of 83.31%, and an expected life of 3.56 years. Fair value calculations for all such grants were performed in Canadian dollars but were converted to U.S. dollars based on a conversion rate of C\$1 = \$0.7535, which was The Bank of Canada exchange rate as at the date of issuance. The fair value of the options issued August 18, 2016 was based on the following weighted average assumptions: risk-free interest rate 0.94%, dividend yield of 0%, a volatility factor of 108.16%, and an expected life of 3.87 years. Fair value calculations for all such grants were performed in Canadian dollars but were converted to U.S. dollars based on a conversion rate of C\$1 = \$0.7828, which was The Bank of Canada nominal noon exchange rate as at the date of issuance.
- (3) Discretionary cash bonuses paid out during the financial year to NEOs for performance for the applicable year
- (4) Represents all other compensation and benefits, including moving expenses, severance, and health insurance premiums paid by the Corporation and any of its subsidiaries. Mr. D'Ambrosio received a payment in the amount of \$250,000 in connection with his separation agreement upon resignation.
- (5) Mr. Mansanti was appointed as President and Chief Executive Officer on January 2, 2018.
- (6) Mr. Measom was appointed as Chief Financial Officer on December 5, 2016.
- (7) Mr. Silleroy was appointed Corporate Secretary on June 23, 2015.
- (8) Mr. D'Ambrosio resigned as the President and Chief Executive Officer and director of the Corporation effective January 2, 2018.

## Incentive Plan Awards

### ***Outstanding share-based awards and option-based awards***

The following table provides information regarding all awards outstanding for each Named Executive Officer as of December 31, 2018.

| Name                            | Option-based Awards                                     |                             |                                  |   | Share-based Awards   |  |  |
|---------------------------------|---|-----------------------------|----------------------------------|---|--|--|--|
|                                 | Number of securities underlying unexercised options (#) | Option exercise price (C\$) | Option expiration date           | Value of unexercised in-the-money options <sup>(2)(8)</sup> (C\$) | Number of shares or units of shares that have not vested (#) | Market or payout value of share-based awards that have not vested <sup>(7)(8)</sup> (\$) | Market or payout value of vested share-based awards not paid out or distributed (\$) |
| John Mansanti <sup>(1)</sup>    | N/A   | N/A                         | N/A                              | N/A   | 3,902,889  | 486,339  | Nil  |
| Blake Measom                    | 300,000   | 0.45                        | December 5, 2021 <sup>(5)</sup>  | Nil   | N/A  | N/A  | N/A  |
|                                 | 300,000   | 0.42                        | November 13, 2022 <sup>(6)</sup> | Nil   | N/A  | N/A  | N/A  |
| Woods Silleroy                  | 250,000   | 0.42                        | August 20, 2020 <sup>(3)</sup>   | Nil   | N/A  | N/A  | N/A  |
|                                 | 150,000   | 0.45                        | August 18, 2021 <sup>(4)</sup>   | Nil   | N/A  | N/A  | N/A  |
|                                 | 175,000   | 0.42                        | November 13, 2022 <sup>(6)</sup> | Nil   | N/A  | N/A  | N/A  |
| Lance D'Ambrosio <sup>(9)</sup> | N/A   | N/A                         | N/A                              | N/A   | N/A  | N/A  | N/A  |

**Notes:**

- (1) Mr. Mansanti was appointed as President and Chief Executive Officer on January 2, 2018.
- (2) Based on the closing price of Common Shares on the TSX-V on December 31, 2018 of C\$0.17 per Common Share. Amounts are reflected as "Nil" if option-based awards vested during the year were out-of-the-money.
- (3) The date of issuance of these options was August 20, 2015. The high and low trading price for the 30 days preceding the date of the issuance of these options was C\$0.40 and C\$0.39, respectively. These options vest one-third on each anniversary date from the date of grant.
- (4) The date of issuance of these options was August 18, 2016. The high and low trading price for the 30 days preceding the date of the issuance was C\$.0285 and C\$0.23, respectively. These options are all exercisable over a period of five years with various vesting schedules.
- (5) The date of issuance of these options was December 5, 2016. The high and low trading price for the 30 days preceding the date of the issuance of these options was C\$0.28 and C\$0.35 respectively. These options are all exercisable over a period of five years and shall vest in three equal annual installments on the first, second, and third anniversaries of the option grant.
- (6) The date of issuance of these options was November 13, 2017. The high and low trading price for the 30 days preceding the date of the issuance of these options was C\$0.42 and C\$0.38 respectively. These options are all exercisable over a period of five years and shall vest in three equal annual installments on the first, second, and third anniversaries of the option grant.
- (7) The date of issuance of these restricted share units was January 2, 2018. The market price at time of grant was C\$0.45. This calculation is assuming all RSUs are immediately vested as at December 31, 2018, and is based on the closing price of the Common Shares on the TSX-V on December 31, 2018 of C\$0.17 per Common Share.
- (8) Converted to U.S. dollars on a conversion rate of C\$1= C\$0.7330 which was the Bank of Canada exchange rate as of December 31, 2018.
- (9) Mr. D'Ambrosio resigned as the President and Chief Executive Officer and director of the Corporation effective January 2, 2018.

***Incentive plan awards – value vested or earned during the year***

The following table provides information regarding the value vested or earned on incentive plan awards for each Named Executive Officer during the financial year ended December 31, 2018:

| Name                            | Option-based Awards – Value vested during the year (\$) <sup>(2)</sup> | Share-based awards – Value vested during the year <sup>(3)</sup> (\$) | Non-equity incentive plan compensation – Value earned during the year (\$) <sup>(4)</sup> |
|---------------------------------|--|---|---|
| John Mansanti <sup>(1)</sup>    | N/A  | Nil   | Nil   |
| Blake Measom                    | Nil  | N/A   | Nil   |
| Woods Silleroy                  | Nil  | N/A   | Nil   |
| Lance D'Ambrosio <sup>(5)</sup> | Nil  | 1,007,251 <sup>(6)</sup>  | Nil   |

**Notes:**

- (1) Mr. Mansanti was appointed as President and Chief Executive Officer on January 2, 2018.
- (2) Represents the aggregate dollar value that would have been realized if the options had been exercised on the vesting date, based on the difference between the market price of the underlying Common Shares at exercise and the exercise price of the options on the vesting date. Amounts are reflected as "Nil" if option-based awards vested during the year were out-of-the-money.
- (3) Represents the aggregate dollar value that would have been realized if the RSUs had been exercised on the vesting date, based on the difference between the market price of the underlying Common Shares at grant and the exercise price of the RSUs on the vesting date. Amounts are reflected as "Nil" as there were no share-based awards that vested during the year.
- (4) Discretionary cash bonuses paid out to NEOs for performance for the applicable year.
- (5) Mr. D'Ambrosio resigned as the President and Chief Executive Officer and director of the Corporation effective January 2, 2018.
- (6) Based on an April 30, 2018 vesting date. All such calculations were performed in Canadian dollars but were converted to U.S. dollars based on a conversion rate of C\$1 = \$0.778, which was the Bank of Canada nominal noon exchange rate as at April 27, 2018, the date of release.

## Pension Plan Benefits

The Corporation does not have any pension or retirement plans.

## Employment Agreements

**Mr. Mansanti – President and Chief Executive Officer** – On January 2, 2018, the Corporation, through its direct wholly-owned subsidiary, Peak Minerals, entered into an employment agreement with Mr. Mansanti. The employment agreement provides that Mr. Mansanti will act as the President and Chief Executive Officer of both Peak Minerals Inc. and the Corporation. It entitles Mr. Mansanti to a base annual salary of \$350,000 per year and a discretionary cash bonus of 100% of base annual salary based upon performance criteria established by the Board of Directors. Mr. Mansanti may resign as an employee at any time by giving sixty (60) days written notice. Peak Minerals at its sole discretion may accelerate the effective date of such resignation. If Peak Minerals chooses to do so, it shall pay Mr. Mansanti all salary and benefits that would have been earned during the 60-day period. Mr. Mansanti is entitled to participate in, and to receive, all rights and benefits under any retirement, life insurance, deferred compensation, disability, medical, dental, health, and accident plans maintained by Peak Minerals for managers. He is entitled to four (4) weeks paid time off per calendar year at times acceptable to him and the Corporation. Mr. Mansanti is entitled to be reimbursed for all reasonable and necessary expenses, including travel and promotion, incurred in carrying out his duties.

**Mr. Measom – Chief Financial Officer** – On December 5, 2016, the Corporation, through its direct wholly-owned subsidiary, Peak Minerals, entered into an employment agreement with Mr. Measom. The employment agreement, as amended, provides that Mr. Measom will act as the Chief Financial Officer of both Peak Minerals Inc. and the Corporation. It entitles Mr. Measom to a base annual salary of \$225,000 per year and a discretionary cash bonus of 35% of base annual salary based upon his performance and that of the Corporation. The bonus may be increased for exceptional performance at the discretion of the CEO. Mr. Measom may resign as an employee at any time by giving sixty (60) days written notice. Peak Minerals at its sole discretion may accelerate the effective date of such resignation. If Peak Minerals chooses to do so, it shall pay Mr. Measom all salary and benefits that

would have been earned during the 60-day period. Mr. Measom is entitled to participate in, and to receive, all rights and benefits under any retirement, life insurance, deferred compensation, disability, medical, dental, health, and accident plans maintained by Peak Minerals for managers. He is entitled to five (5) weeks paid time off per calendar year at times acceptable to him and the Corporation. Mr. Measom is entitled to be reimbursed for all reasonable and necessary expenses, including travel and promotion, incurred in carrying out his duties

**Mr. Silleroy – Vice President Operations and Corporate Secretary** – On May 1, 2011, the Corporation, through its direct, wholly-owned subsidiary Peak Minerals, entered into an employment agreement with Mr. Silleroy. Under his employment agreement, as amended, Mr. Silleroy is entitled to a base annual salary of \$175,000 per year and is eligible for a discretionary cash bonus of 35% of base annual salary based upon his performance and that of the Corporation. The bonus may be increased for exceptional performance at the discretion of the CEO. Mr. Silleroy may resign as an employee at any time by giving sixty (60) days written notice. Peak Minerals at its sole discretion may accelerate the effective date of such resignation. If Peak Minerals chooses to do so, it shall pay Mr. Silleroy all salary and benefits that would have been earned during the 60-day period. Pursuant to Mr. Silleroy's employment agreement, he is entitled to participate in, and to receive, all rights and benefits under any retirement, life insurance, deferred compensation, disability, medical, dental, health, and accident plans maintained by Peak Minerals for managers. He is entitled to five (5) weeks paid time off per calendar year at times acceptable to him and the Corporation. Mr. Silleroy is entitled to be reimbursed for all reasonable and necessary expenses, including travel and promotion, incurred in carrying out his duties. Mr. Silleroy was appointed Corporate Secretary on June 23, 2015.

**Mr. D'Ambrosio – Former President and Chief Executive Officer** – Mr. D'Ambrosio resigned as the President & Chief Executive Officer and director of the Corporation effective January 2, 2018. In connection with his resignation, he was paid a lump sum payment of \$250,000 less applicable deductions. His separation agreement with the Corporation provided for the cancellation of all stock options and the immediate vesting of all the RSUs previously granted to him. The Corporation also agreed to pay for Mr. D'Ambrosio's health insurance benefits until December 31, 2018. As part of the Separation Agreement, Mr. D'Ambrosio entered into a Consulting Agreement with the Corporation pursuant to which Mr. D'Ambrosio will provide certain management consulting services for a term of 12 months.

### **Non-Competition and Non-Solicitation**

Each of the employment agreements for the NEOs contains non-competition and non-solicitation provisions that provide that, in certain circumstances, while employed and for a certain period of time (six (6) months in the case of Mr. Measom and Mr. Silleroy, and one (1) year in the case of Mr. Mansanti) following resignation or termination, the NEO will not; as an owner, director, trustee, manager, member, employee, consultant, partner, principal, agent, representative, or stockholder; either individually, in partnership, jointly, or in conjunction with any person or association, directly, or indirectly; carry on or be engaged in, lend money to or guarantee the debts or obligations of, any person or persons, including, without limitation, any individual, firm, association, company, or other business enterprise, engaged in or concerned with any business that competes with the business of Peak Minerals. For purposes of these provisions, the business of Peak Minerals is the identification of and research concerning opportunities to develop properties that produce potash and/or associated saline minerals, the development of such properties and/or the production, sale, distribution or use of potash and/or associated saline minerals.

## Termination and Change of Control Benefits

The employment agreements of the NEOs indicated above who are currently employed with the Corporation provide for certain payments in connection with termination or a Change of Control. The estimated incremental payments and material terms and conditions are set out below. No incremental payments are required in the event of a resignation, retirement, disability, or death.

None of the benefits described in this section will be payable unless the NEO has signed a general release that has become irrevocable releasing the Corporation and any related companies, and their officers, directors, employees, and agents from any and all claims and potential claims arising from or related to the NEO's employment and termination of employment.

A "**Change of Control**" in the employment agreements means the occurrence of any one or more of the following events: (a) a consolidation, merger, amalgamation, arrangement, share exchange, or other reorganization, or acquisition in which the Corporation is not the continuing or surviving entity; (b) the sale, lease, exchange, or other disposition, in a single transaction or a series of related transactions, of all or substantially all the assets, rights, or properties of the Corporation to any other person or entity, other than the disposition to a wholly or majority-owned subsidiary of the Corporation in the course of a reorganization of the assets of the Corporation; and (c) any person, entity, or group of persons acting jointly or in concert, who as at the date of the applicable employment agreement do not directly or indirectly control more than 50% or more of the voting stock of the Corporation, acquires control directly or indirectly of stock of the Corporation which when added to shares already controlled by the acquirer constitutes more than 50% or more of the voting stock of the Corporation (regardless of whether a meeting has been called to elect directors).

### Termination upon a Change of Control

The employment agreement of each of the NEOs indicated above who are currently employed by the Corporation contains a Change of Control provision. The following table provides details regarding the estimated incremental payments from the Corporation to each of Messrs. Mansanti, Measom, and Silleroy on December 31, 2018 upon a Change of Control together with the occurrence of certain triggering events, as defined in the employment agreements, including: (i) an adverse change in any of the duties, powers, rights, discretion, salary, or benefits of the NEO; (ii) a diminution of the NEO's title, (iii) a change in reporting relationships such that the NEO reports to a person in a lower level of authority, or (iv) a change in the location at which the NEO is regularly required to carry out the terms of his employment with the Corporation of greater than fifty (50) miles.

| Name                          | Severance Period (# of months) | Base Salary <sup>(2)</sup> (\$) | Bonus <sup>(3)</sup> (\$) | Option Based Awards <sup>(4)</sup> (\$) | RSU Based Awards <sup>(5)</sup> (\$) | Total Incremental Payment (\$) |
|-------------------------------|--------------------------------|---------------------------------|---------------------------|---|--------------------------------------|--------------------------------|
| John Mansanti <sup>(1)</sup>  | 12                             | 350,000                         | 350,000                   | N/A                                     | 486,339                              | 1,186,339                      |
| Blake Measom <sup>(1)</sup>   | 12                             | 225,000                         | Nil                       | Nil                                     | NA                                   | 225,000                        |
| Woods Silleroy <sup>(1)</sup> | 12                             | 175,000                         | Nil                       | Nil                                     | NA                                   | 175,000                        |

Notes:

- (1) Each NEO is entitled to an amount equal to twelve (12) months premium contributions paid on behalf of the NEO immediately prior to the Change of Control in connection with the NEO's participation in the Corporation's health insurance plan, if any, and retirement plan, if any.
- (2) Amounts represent annual base salaries, which would be pro-rated based on the number of months of severance.
- (3) Assuming the maximum bonus payable under the NEO's employment agreement.

- (4) Each NEO's vested options shall be exercisable for a period of the earlier of 1 year or the expiry date of the options if the NEO shall cease to be an Eligible Person as defined in the Option Plan. This calculation assumes that the employee exercises all vested options as of December 31, 2018. Based on the closing price of the Common Shares on the TSX-V on December 31, 2018 of C\$0.17 per Common Share and converted to U.S. dollars based on a conversion rate of C\$1= C\$0.733 which was the Bank of Canada exchange rate as of December 31, 2018. Amounts are reflected as "Nil" if option-based awards were out-of-the-money.
- (5) Assuming all RSUs are immediately vested as at December 31, 2018. Based on the closing price of the Common Shares on the TSX-V on December 31, 2018 of C\$0.17 per Common Share and converted to U.S. dollars based on a conversion rate of C\$1= C\$0.733, which was the Bank of Canada exchange rate as of December 31, 2018.

### Termination without Cause

The following table provides details regarding the estimated incremental payments from the Corporation to each of Messrs. Mansanti, Measom, and Silleroy on termination without cause on December 31, 2018 other than for death or disability. If an NEO is terminated without cause, as defined above, for any reason other than death or disability, then the Corporation shall give the NEO written notice of such termination, which shall be effective upon giving notice.

| Name                          | Severance Period (# of months) | Base Salary <sup>(2)</sup> (\$) | Bonus (\$) <sup>(3)</sup> | Option Based Awards <sup>(4)</sup> (\$) | RSU Based Awards (\$) <sup>(5)</sup> | Total Incremental Payment (\$) |
|-------------------------------|--------------------------------|---------------------------------|---------------------------|---|--------------------------------------|--------------------------------|
| John Mansanti <sup>(1)</sup>  | 12                             | 350,000                         | 350,000                   | N/A                                     | N/A                                  | 700,000                        |
| Blake Measom <sup>(1)</sup>   | 12                             | 225,000                         | Nil                       | Nil                                     | NA                                   | 225,000                        |
| Woods Silleroy <sup>(1)</sup> | 12                             | 175,000                         | Nil                       | Nil                                     | NA                                   | 175,000                        |

#### Notes:

- (1) Each NEO is entitled to an amount equal to twelve (12) months premium contributions paid on behalf of the NEO immediately prior to the Change of Control in connection with the NEO's participation in the Corporation's health insurance plan, if any, and retirement plan, if any.
- (2) Amounts represent annual base salaries, which would be pro-rated based on the number of months of severance.
- (3) Assuming the maximum bonus payable under the NEO's employment agreement.
- (4) Each NEO's vested options shall be exercisable for a period of the earlier of one year or the expiry date of the options if the NEO shall cease to be an Eligible Person as defined in the Option Plan. This calculation assumes that the employee exercises all vested options as of December 31, 2018. Based on the closing price of the Common Shares on the TSX-V on December 31, 2018 of C\$0.17 per Common Share and converted to U.S. dollars based on a conversion rate of C\$1=.733 which was the Bank of Canada exchange rate as of December 31, 2018. Amounts are reflected as "Nil" if option-based awards vested were out-of-the-money.
- (5) Value of vested awards as of December 31, 2018.

### Other Termination

For NEOs as of the date of the Information Circular, in the event of termination for cause, death, resignation, or disability, the Corporation is not required to make any incremental payments to any of Messrs. Mansanti, Measom, or Silleroy.

### Director Compensation

The table below provides all amounts of compensation paid or accrued to the directors for the year ended December 31, 2018.

| Name <sup>(1)(4)</sup>        | Fees earned (\$) | Share-based awards <sup>(2)</sup> (\$) | Option-based awards (\$) | Non-equity incentive plan compensation (\$) |                           | Pension value (\$) | All other compensation (\$) | Total compensation (\$) |
|-------------------------------|------------------|--|--------------------------|---|---------------------------|--------------------|-----------------------------|-------------------------|
|                               |                  |  |                          | Annual incentive plans                      | Long-term incentive plans |                    |                             |                         |
| Daniel Basse                  | 55,000           | N/A                                    | N/A                      | N/A   | N/A                       | N/A                | N/A                         | 55,000                  |
| De Lyle Bloomquist            | 60,000           | N/A                                    | N/A                      | N/A   | N/A                       | N/A                | N/A                         | 60,000                  |
| Theodore Botts <sup>(5)</sup> | 12,500           | N/A                                    | N/A                      | N/A   | N/A                       | N/A                | N/A                         | 12,500                  |
| Donald Carroll                | 50,000           | N/A                                    | N/A                      | N/A   | N/A                       | N/A                | N/A                         | 50,000                  |
| Rob Curtis                    | 50,000           | N/A                                    | N/A                      | N/A   | N/A                       | N/A                | N/A                         | 50,000                  |
| Aaron Hood <sup>(5)</sup>     | Nil              | N/A                                    | N/A                      | N/A   | N/A                       | N/A                | N/A                         | Nil                     |
| Roderick Lyle                 | 40,000           | N/A                                    | N/A                      | N/A   | N/A                       | N/A                | N/A                         | 40,000                  |
| John Mulhall <sup>(5)</sup>   | Nil              | N/A                                    | N/A                      | N/A   | N/A                       | N/A                | N/A                         | Nil                     |
| Thomas Pladsen <sup>(5)</sup> | 12,500           | N/A                                    | N/A                      | N/A   | N/A                       | N/A                | N/A                         | 12,500                  |
| Herbert Scruggs               | 60,000           | N/A                                    | 16,509                   | N/A   | N/A                       | N/A                | N/A                         | 76,509                  |

**Notes:**

- (1) All compensation received by Mr. Mansanti is reflected in the Summary Compensation Table since he was an officer of the Company during the twelve months ended December 31, 2018. Mr. Mansanti was appointed to the board effective as of March 13, 2018.
- (2) Represents the total grant date fair value of RSUs granted and may not represent the amounts the recipient will actually realize from the awards. The fair value of the shares has been estimated based on the market price at the date of the grant. There were no RSUs granted to directors in 2018.
- (3) Represents the total grant date fair value of options granted and may not represent the amounts the recipient will actually realize from the awards. The fair value of the options has been estimated at the date of the grant in accordance with IFRS using a Black-Scholes option-pricing model. The fair value of the options granted to directors during the twelve months ended December 31, 2018 was based on the following weighted average assumptions: risk-free interest rate 1.93%, dividend yield of 0%, a volatility factor of 65.77%, and an expected life of 1.13 years. Fair value calculations for all such grants were performed in Canadian dollars but were converted to U.S. dollars based on a conversion rate of C\$1 = \$0.7781, which was The Bank of Canada exchange rate as at the date of the issuance on May 2, 2018.
- (4) No compensation was paid to directors of the subsidiaries of the Corporation.
- (5) Messrs. Botts, Hood, Mulhall, and Pladsen resigned effective as of March 13, 2018.

## Incentive Plan Awards

### *Outstanding share-based awards and option-based awards*

The following table provides information regarding the incentive plan awards for each director as of December 31, 2018.

| Name <sup>(1)</sup>           | Option-based Awards                                     |                             |                                  |  | Share-based Awards   |  |   |
|-------------------------------|---|-----------------------------|----------------------------------|--|--|--|---|
|                               | Number of securities underlying unexercised options (#) | Option exercise price (C\$) | Option expiration date           | Value of unexercised in-the-money options <sup>(2)</sup> (C\$) | Number of shares or units of shares that have not vested (#) | Market or payout value of share-based awards that have not vested (\$) <sup>(2)(8)</sup> | Market or payout value of vested share-based awards not paid out or distributed (C\$) |
| Daniel Basse                  | N/A   | Nil                         | N/A                              | Nil  | 606,179  | 75,536   | N/A   |
| De Lyle Bloomquist            | N/A   | Nil                         | N/A                              | Nil  | 674,246  | 84,017   | N/A   |
| Theodore Botts <sup>(6)</sup> | N/A   | N/A                         | N/A                              | N/A  | N/A  | N/A  | N/A   |
| Donald Carroll                | 175,000   | 0.42                        | August 20, 2020 <sup>(3)</sup>   | Nil  | N/A  | N/A  | N/A   |
|                               | 300,000   | 0.45                        | August 18, 2021 <sup>(4)</sup>   | Nil  | N/A  | N/A  | N/A   |
|                               | 250,000   | 0.40                        | November 13, 2022 <sup>(5)</sup> | Nil  | N/A  | N/A  | N/A   |
| Rob Curtis                    | 175,000   | 0.42                        | August 20, 2020 <sup>(3)</sup>   | Nil  | N/A  | N/A  | N/A   |
|                               | 300,000   | 0.45                        | August 18, 2021 <sup>(4)</sup>   | Nil  | N/A  | N/A  | N/A   |
|                               | 250,000   | 0.40                        | November 13, 2022 <sup>(5)</sup> | Nil  | N/A  | N/A  | N/A   |
| Aaron Hood <sup>(7)</sup>     | N/A   | N/A                         | N/A                              | Nil  | N/A  | N/A  | N/A   |
| Roderick Lyle                 | N/A   | Nil                         | N/A                              | Nil  | N/A  | N/A  | N/A   |
| John Mulhall <sup>(7)</sup>   | N/A   | Nil                         | N/A                              | Nil  | N/A  | N/A  | N/A   |
| Thomas Pladsen <sup>(7)</sup> | N/A   | Nil                         | N/A                              | Nil  | N/A  | N/A  | N/A   |
| Herbert Scruggs               | 250,000   | Nil                         | June 20, 2020 <sup>(6)</sup>     | Nil  | N/A  | N/A  | N/A   |

**Notes:**

- (1) All incentive plan awards received by Mr. Mansanti are reflected in the Incentive Plan Awards tables for the NEOs. Mr. Mansanti was appointed to the board effective as of March 13, 2018.
- (2) Based on the closing price of Common Shares on the TSX-V on December 31, 2018 of C\$0.17 per Common Share.
- (3) The date of issuance of these options was August 20, 2015. The high and low trading price for the 30 days preceding the date of the issuance of these options was C\$0.39 and C\$0.40, respectively. These options vest one-third on each anniversary date from the date of grant.
- (4) The date of issuance of these options was August 18, 2016. The high and low trading price for the 30 days preceding the date of the issuance was C\$.023 and C\$.285, respectively. These options are all exercisable over a period of five years with various vesting schedules.
- (5) The date of issuance of these options was November 13, 2017. The high and low trading price for the 30 days preceding the date of the issuance of these options was C\$0.42 and C\$0.38 respectively. These options are all exercisable over a period of five years and shall vest in three equal annual installments on the first, second, and third anniversaries of the option grant.
- (6) The date of issuance of these options was May 2, 2018. The high and low trading price for the 30 days preceding the date of the issuance of these options was C\$0.37 and C\$0.30 respectively. These options are all exercisable over a period of 1.2 years and vested in full June 20, 2018.
- (7) Messrs. Botts, Hood, Mulhall and Pladsen resigned effective as of March 13, 2018.
- (8) Converted to U.S. dollars based on a conversion rate of C\$1= C\$.733, which was the Bank of Canada exchange rate as of December 31, 2018.

### ***Incentive plan awards – value vested or earned during the year***

The following table provides information regarding the value vested or earned on incentive plan awards for each director during the financial year ended December 31, 2018:

| <b>Name <sup>(1)</sup></b>    | <b>Option-based Awards – Value vested during the year <sup>(2)</sup><br/>(\$)</b> | <b>Share-based awards – Value vested during the year <sup>(3)</sup><br/>(\$)</b> | <b>Non-equity incentive plan compensation – Value earned during the year<br/>(\$)</b> |
|-------------------------------|---|--|---|
| Daniel Basse                  | N/A   | 109,071  | N/A   |
| De Lyle Bloomquist            | N/A   | 121,319  | N/A   |
| Theodore Botts <sup>(4)</sup> | N/A   | 324,726  | N/A   |
| Donald Carroll                | Nil   | N/A  | N/A   |
| Rob Curtis                    | Nil   | N/A  | N/A   |
| Aaron Hood <sup>(4)</sup>     | N/A   | N/A  | N/A   |
| Roderick Lyle                 | N/A   | N/A  | N/A   |
| John Mulhall <sup>(4)</sup>   | N/A   | 37,777   | N/A   |
| Thomas Pladsen <sup>(4)</sup> | N/A   | 317,782  | N/A   |
| Herbert Scruggs               | N/A   | N/A  | N/A   |

**Notes:**

- (1) All incentive plan awards received by Mr. Mansanti are reflected in the Incentive Plan Awards tables for the NEOs.
- (2) Represents the aggregate dollar value that would have been realized if the options had been exercised on the vesting date, based on the difference between the market price of the underlying Common Shares at exercise and the exercise price of the options on the vesting date. Amounts are reflected as "Nil" as all option-based awards vested during the year were out-of-the-money.
- (3) Represents the aggregate dollar value of the shares realized upon release. Calculations were performed in Canadian dollars and converted to US dollars based on the Bank of Canada exchange rate the day prior to the share release dates. (4) Messrs. Botts, Hood, Mulhall and Pladsen resigned effective as of March 13, 2018.

### **External Management Companies**

There are currently no contracts with external management companies in effect.

### **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

#### **Equity Compensation Plan Information**

The only compensation plans of the Corporation under which equity securities are currently authorized for issuance are the Option Plan and the RSU Plan. The Shareholders previously approved the Option Plan in March 2010 and the RSU Plan in June 2017. The table below summarizes information in relation to the Common Shares reserved for issuance under the Option Plan and RSU Plan as of December 31, 2018.

| Plan Category   | Number of Common Shares to be issued upon exercise/release of outstanding options or vesting of restricted share units | Weighted average exercise price of outstanding options or weighted share price of outstanding restricted share units at time of grant (C\$) | Number of Common Shares remaining available for future issuance under the equity compensation plan |
|---|--|---|--|
| <b>Equity compensation plans approved by Shareholders</b>     |  |   |  |
| Option Plan (approved by Shareholders)                        | 5,175,000  | 0.43  | 21,155,787 <sup>(1)</sup>  |
| Restricted Share Unit Plan (approved by Shareholders)         | 5,183,314  | 0.44  | 13,816,686 <sup>(2)</sup>  |
| <b>Equity compensation plans not approved by Shareholders</b> |  |   |  |
| None  | Nil  | Nil   | Nil  |
| <b>Total</b>  | 10,358,314   | N/A   | 34,972,474 <sup>(1)(2)</sup>   |

**Notes:**

- (1) Based on 10% of the Corporation's issued and outstanding Common Shares as of the end of the Corporation's most recently completed financial year.
- (2) Based on a maximum of 19,000,000 of the Corporation's issued and outstanding Common Shares reserved under the RSU Plan, however, this is subject to a 10% cap on all incentive plans.

As at December 31, 2018 there were 5,175,000 options and 5,183,314 RSUs of the Corporation outstanding, representing approximately 2.45% and 2.45% respectively, of the current issued and outstanding Common Shares of the Corporation. Since the commencement of the Corporation's last financial year to the date of this Information Circular, 640,212 RSUs have vested to certain directors, and no options have been exercised.

### **The Option Plan**

The Option Plan provides that up to 10% of the issued and outstanding Common Shares from time to time may be reserved for issue upon the exercise of options granted.

The purpose of the Option Plan is to attract, retain, and motivate directors, officers, employees, and other service providers by providing them with the opportunity, through share options, to acquire a proprietary interest in the Corporation and benefit from its growth. The options are non-assignable and may be granted for a term not exceeding five years.

Options may be granted to directors, officers, employees, and other service providers subject to the rules and regulations of applicable regulatory authorities and any Canadian stock exchange upon which the Common Shares may be listed or may trade from time to time. The total number of Common Shares that may be reserved for issuance to any one individual under the Option Plan within any one-year period shall not exceed 5% of the outstanding issue.

The maximum number of Common Shares that may be reserved for issuance to insiders under the Option Plan, any other employer stock option plans, or options for services, shall be 10% of the Common Shares issued and outstanding at the time of the grant (on a non-diluted basis). The maximum number of Common Shares which may be issued to insiders under the Option Plan, together with any other previously established or proposed share compensation arrangements, within any one-year period shall be 10% of the outstanding issue. The maximum number of Common Shares that may be issued to any one insider and his associates under the Option Plan, together with any other

previously established or proposed share compensation arrangements, within a one-year period shall be 5% of the Common Shares outstanding at the time of the grant (on a non-diluted basis).

The maximum number of stock options that may be granted to any one consultant under the Option Plan, any other employer stock option plans, or options for services, within any 12-month period, must not exceed 2% of the Common Shares issued and outstanding at the time of the grant (on a non-diluted basis). The maximum number of stock options which may be granted to any persons performing investor relations services under the Option Plan, any other employer stock option plans or options for services, within any 12-month period must not exceed, in the aggregate, 2% of the Common Shares issued and outstanding at the time of the grant (on a non-diluted basis). The exercise price of options issued may not be less than the fair market value of the Common Shares at the time the option is granted, less any allowable discounts.

### **The Restricted Stock Unit Plan**

The Board adopted the RSU Plan on May 12, 2017, and it was ratified by disinterested shareholders on June 20, 2017. The RSU Plan provides for the issue of Common Shares to participants for the purpose of advancing the interests of the Corporation through the motivation, attraction, and retention of officers, employees, consultants, and directors of the Corporation and its affiliates and to secure for the Corporation and the Shareholders the benefits inherent in the ownership of Common Shares by key officers, employees, consultants, and directors of the Corporation and its affiliates; it being recognized generally that restricted share plans aid in attracting, retaining, and encouraging employees and directors due to the opportunity offered to them to acquire a proprietary interest in the Corporation.

Under the RSU Plan, eligible participants will be issued RSUs from time to time that each represent the right to receive one Common Share in consideration for past performance upon expiry of an applicable restricted period. Each grant of RSUs will be reflected in an agreement that sets out the applicable restricted period for those RSUs, as determined by the Board or Compensation Committee, if the Board delegates the Compensation Committee authority to grant such RSUs.

Upon the termination or resignation of an eligible participant, RSUs that were subject to a restricted period would terminate without settlement for Common Shares, except as explicitly provided otherwise by the Board.

Below is a summary of certain provisions, which is qualified in its entirety by the full text of the RSU Plan:

- (a) The aggregate maximum number of Common Shares available for issuance from treasury shall not exceed 19,000,000 Common Shares.
- (b) The maximum number of Common Shares issuable to Insiders, at any time, pursuant to the RSU Plan and any other security-based compensation arrangements of the Corporation, including the Option Plan, is 10% of the total number of Common Shares then outstanding.
- (c) In no event can an issuance of RSUs, when combined with any grants made pursuant to any other share-based compensation plan result in:
  - (i) any one person being granted such number of share-based compensation awards equaling or exceeding 5% of the issued shares of the Corporation, calculated on the

date an option/RSU is granted to the person (unless the Corporation has obtained the requisite approval of disinterested shareholders);

(ii) any one consultant in a 12-month period being granted such number of share-based compensation awards equaling or exceeding 2% of the issued shares of the Corporation, calculated at the date the share-based compensation is granted to the consultant; and

(iii) all persons retained to provide “Investor Relations Activities” being granted such number of share-based compensation awards equaling or exceeding 2% of the issued shares of the Corporation in any 12-month period, calculated on the date share-based compensation is granted to any such person.

- (d) The maximum term for RSUs to vest is up to ten (10) years but may be such shorter term as the Corporation chooses.
- (e) In the event of a change of control, if a participant is terminated for other than cause or asked to resign from the Board, then all RSUs outstanding will vest immediately.
- (f) A grant letter is to be prepared for each grant of RSUs setting out the terms of the awards, including any vesting provisions. The awards are then issued in the form of Common Shares from treasury upon the completion of the vesting provisions.

## **CORPORATE GOVERNANCE PRACTICES**

### **Board**

The Board is of the view that maintaining effective corporate governance practices is an important factor that contributes to the general success of the Corporation. The Board is responsible for the supervision of the Corporation’s business and affairs.

### **Composition of the Board**

As at the date hereof, the Board is composed of seven directors: Messrs. Basse, Bloomquist, Curtis, Carroll, Lyle, Mansanti, and Scruggs. Messrs. Basse, Bloomquist, and Scruggs are considered independent within the meaning of National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) as adopted by the Canadian Securities Administrators. The non-independent members of the Board are Messrs. Curtis, Carroll, Lyle, and Mansanti. Messrs. Curtis, Carroll, and Lyle have been determined to be non-independent within the meaning of NI 58-101 by virtue of their association with EMR. Mr. Mansanti has been determined to be non-independent within the meaning of NI 58-101 by virtue of his position as the President and Chief Executive Officer of the Corporation.

EMR has proposed Messrs. Carrol, Curtis, and Lyle as its nominees. For further information please see “Particulars of Matters to be Acted Upon – Election of Directors”.

The Board is of the opinion that its proposed size is adequate, given the purpose of the Corporation, and will further the efficiency of its deliberations, while ensuring a diversity of opinion and experience. The Corporation believes that each and every current and proposed director is eager to fulfil his obligations and assume his responsibilities in the best interests of the Corporation and of all the Shareholders and not in the best interests of himself or a particular group of Shareholders.

The independent directors did not hold any regularly scheduled meetings during the financial year ended December 31, 2018, at which non-independent directors and members of management were not in attendance. To facilitate open and candid discussion among its independent directors, at Board meetings, as applicable, non-independent directors have been asked to leave the meeting. In addition, any item that could involve a potential conflict of interest for one or more directors is voted on by those directors that are not related to the conflict in question. It is anticipated that independent directors' meetings will be held as deemed appropriate during the current financial year.

### Meetings of the Board

The Board held ten (10) meetings during the financial year ended December 31, 2018. The members of the Board during the financial year ended December 31, 2018 and their attendance are set forth below.

| Board of Directors            |                            |                    |
|-------------------------------|----------------------------|--------------------|
| Name of Director              | Independent <sup>(1)</sup> | Meeting Attendance |
| Daniel Basse                  | Yes                        | 9 of 10            |
| De Lyle Bloomquist            | Yes                        | 8 of 10            |
| Donald Carroll                | No                         | 9 of 10            |
| Robert Curtis                 | No                         | 9 of 10            |
| Roderick Lyle                 | No                         | 7 of 8             |
| John Mansanti                 | No                         | 8 of 8             |
| Herbert Scruggs               | Yes                        | 10 of 10           |
| Theodore Botts <sup>(2)</sup> | Yes                        | 1 of 2             |
| Aaron Hood <sup>(2)</sup>     | Yes                        | 0 of 2             |
| John Mulhall <sup>(2)</sup>   | Yes                        | 0 of 2             |
| Thomas Pladsen <sup>(2)</sup> | No                         | 0 of 2             |

Notes:

- (1) To be considered independent, a member of the Board must not have any direct or indirect "material relationship" with the Corporation. A material relationship is a relationship that could, in the view of the Board, be reasonably expected to interfere with the exercise of a member's independent judgment.
- (2) Messrs. Botts, Hood, Mulhall, and Pladsen resigned from the Board effective as of March 13, 2018.

## Other Directorships

The following table summarizes current directorships of other reporting issuers for the current and proposed directors of the Corporation:

| Name               | Name of Reporting Issuer & Exchange   |
|--------------------|---|
| Daniel Basse       | Nil   |
| De Lyle Bloomquist | Rayonier Advanced Materials (NYSE: RYAM), Huber Engineered Materials, PDS Biotechnology Corporation (f/k/a Edge Therapeutics Inc. (NASDAQ: EDGE)), Crystal Peak Minerals (TSXV: CPM), Gran Colombia Gold (TSX: GCM), Ciner Wyoming LLC, and Scientia Vascular LLC |
| Donald Carroll     | Queensland Pty Ltd, Energio (ASX Listed) and Lowell Capital   |
| Robert Curtis      | Nil   |
| Roderick Lyle      | Nil   |
| John Mansanti      | Alio Gold Corp. (TSXV)  |
| Herbert Scruggs    | The Build Group (Austin, TX), Linkem (Rome), and Snowbird Ski Resort (private)  |

## Orientation and Continuing Education

While the Corporation does not have a formal orientation and training program, new Board members are provided with:

- (a) Information respecting the functioning of the Board and its committees;
- (b) Information respecting the nature and operation of the business of the Corporation;
- (c) Access to recent, publicly-filed documents of the Corporation, technical reports and the Corporation's internal financial information;
- (d) Access to management and technical experts and consultants; and
- (e) A summary of significant corporate and securities responsibilities.

New directors of the Corporation are provided with insight from other Board members and management regarding the contribution that they are expected to make to the Board in terms of both time and resource commitments. Board members are also encouraged to communicate with management, auditors, technical experts, and consultants to keep themselves current with industry trends and developments and changes in legislation; and to attend related industry seminars and visit the Corporation's operations, to ensure that each member of the Board maintains the skill and knowledge necessary to meet their obligations as directors.

## **Ethical Business Conduct**

All directors of the Corporation have an obligation to perform their duties and assume their responsibilities in the best interests of the Corporation. The Corporation expects all of its directors to comply with the laws and regulations governing its conduct and further is committed to promoting integrity and maintaining the highest standard of ethical conduct in all of its activities. The Board views good corporate governance as an integral component to the success of the Corporation and to meet responsibilities to Shareholders.

It is a requirement of applicable corporate law that directors and senior officers who have an interest in a transaction or agreement with the Corporation promptly disclose that interest at any meeting of the Board at which the transaction or agreement will be discussed and, in the case of directors, abstain from discussions and voting in respect to same if the interest is material. These requirements are made clear to all directors and senior officers of the Corporation.

## **Nomination of Directors**

The Corporation does not have a stand-alone nomination committee. The full Board has the responsibility for identifying potential Board candidates. The Board monitors and assesses the mix of skills and competencies required in order for the Board to fulfil its role effectively. Representatives of the mining industry are also consulted for possible candidates. In addition, the Board discusses with each individual Board member his intention to continue to serve as a Board member in order to plan and prepare for succession at the Board level in a seamless manner.

The Corporation entered into a relationship agreement with EMR on May 29, 2015, whereby the Corporation agreed that EMR may nominate individuals to the Board in accordance with EMR's equity and voting interest in the Corporation. Based on EMR's ownership interest in the Corporation, it is entitled to five nominees for election at the Meeting in light of the reduced number of directors as required by the relationship agreement. For the Meeting EMR has decided to put forward only three nominees.

## **Compensation of Directors and Officers**

The Corporation has established a Compensation Committee that is responsible for determining compensation matters for the Corporation. The Compensation Committee is set up to ensure that compensation is competitive within the industry and aligns the interests of such individuals with those of the Corporation. Please see "Executive Compensation – Compensation Governance - Role of the Compensation Committee" for additional details with respect to the Compensation Committee.

## **Board Committees**

The Corporation has four standing committees: the Audit Committee, the Compensation Committee, the Finance Committee, and the Technical Advisory Committee.

The Board has established these committees to assist it in fulfilling its mandate and to satisfy various regulatory obligations. The Board oversees the operations of the Audit Committee, the Compensation Committee, the Technical Advisory Committee, the appointment of its members, their compensation, and their conduct.

## ***Audit Committee***

The overall purpose of the Audit Committee is to assist the Board in its oversight of the integrity of the Corporation's financial statements and other relevant public disclosures, the Corporation's compliance with legal and regulatory requirements relating to financial reporting, the external auditors' qualifications and independence, and the performance of the internal audit function and the external auditors.

### ***Charter and Composition of the Audit Committee***

The text of the Audit Committee's Charter may be found in the attached Schedule "A" to this Information Circular. The members of the Audit Committee are Messrs. Bloomquist (Chair), Basse, and Carroll. All members are independent directors in accordance with National Instrument 52-110 – *Audit Committees* ("NI 52-110") and are "financially literate" within the meaning of Section 1.6 of NI 52-110, as a result of their prior financial experience in a management capacity or as a member of an audit committee of public companies or as a certified accountant performing audit services (see "Particulars of Matters To Be Acted Upon By Shareholders At The Meeting – Election of Directors – Biographies" and below for further details).

The Audit Committee held four (4) meetings during the financial year ended December 31, 2018. The members of the Audit Committee and their attendance are set forth below.

| <b>Audit Committee</b>            |                                  |   |                           |
|-----------------------------------|----------------------------------|---|---------------------------|
| <b>Name of Director</b>           | <b>Independent<sup>(1)</sup></b> | <b>Financially Literate<sup>(2)</sup></b> | <b>Meeting Attendance</b> |
| Dan Basse                         | Yes                              | Yes                                       | 4 of 4                    |
| De Lyle Bloomquist <sup>(3)</sup> | Yes                              | Yes                                       | 4 of 4                    |
| Roderick Lyle <sup>(5)</sup>      | No                               | Yes                                       | 2 of 4                    |
| Donald Carroll <sup>(5)</sup>     | No                               | Yes                                       | 2 of 2                    |
| Theodore Botts <sup>(4)</sup>     | Yes                              | Yes                                       | 0 of 0                    |

**Notes:**

- (1) To be considered independent, a member of the Board must not have any direct or indirect "material relationship" with the Corporation. A material relationship is a relationship that could, in the view of the Board, be reasonably expected to interfere with the exercise of a member's independent judgment.
- (2) To be considered financially literate, a member of the Committee must have 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 reasonably be expected to be raised by the Corporation's financial statements.
- (3) Mr. Bloomquist is the current Chair of the Audit Committee and was appointed to replace Mr. Botts effective March 13, 2018.
- (4) Mr. Botts served as the Chair of the Audit Committee until his resignation from the Board effective March 13, 2018.
- (5) Mr. Lyle was appointed to the Audit Committee in June 2018, to replace Mr. Carroll.

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

Set out below is a general description of the education and experience of each current Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member, as set out in National Instrument Form 52-110F2:

***De Lyle Bloomquist*** – Mr. Bloomquist holds an MBA from the Tepper School of Business, Carnegie Mellon University and a B.S. General Management from Brigham Young University. Mr. Bloomquist was formerly the President of Global Chemicals Business at Tata Chemicals Limited. He was a Divisional CFO of General Chemical Corporation and was a member of the audit committee for Tata Chemicals Magadi, Tata Chemicals North America, and American Natural Soda Ash Corporation. Mr. Bloomquist was also a member of Oglebay Norton Company's compensation committee from February 2005 to November 2007.

**Daniel W. Basse** – Mr. Basse is an agricultural economist and has been in the commodity business since 1979. He graduated from the University of Wisconsin, Madison in 1979 and has worked with Professional Farmers of America, Brock Associates, and the agriculture research division of GNP Commodities in Chicago. Mr. Basse is President of AgResource Company, an international agricultural research firm located in Chicago, that forecasts domestic and world agricultural price trends.

**Roderick Lyle** – Mr. Lyle is the Senior Corporate Adviser in the Melbourne, Australia office of Logie-Smith Lanyon. Recognized to be one of Australia’s leading commercial lawyers, Mr. Lyle has served as key adviser in many mergers and acquisitions and equity capital market transactions in Australia and overseas. He holds Bachelor of Laws and Bachelor of Commerce Degrees from University of Melbourne, a Master of Laws Degree from the University of London, and a Masters of Business Administration Degree (Award of Distinction for Excellence) from Melbourne Business School.

**Audit Committee Oversight**

At no time since the commencement of the Corporation’s financial year ended December 31, 2018 was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

**Reliance on Certain Exemptions**

Since the commencement of its most recently completed financial year, the Corporation has not relied on any exemptions under NI 52-110. The Board has adopted the recommendation of the Audit Committee on the compensation of the external auditor. However, the Corporation is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110 given that it is a venture issuer as defined in NI 52-110.

**Pre-Approval Policies and Procedures**

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Audit Committee’s charter attached hereto as Schedule “A”.

**Report on External Auditor Service Fees**

The audit for the financial year ended December 31, 2018 was conducted by PricewaterhouseCoopers. The Corporation paid or accrued the following fees in the most recently completed financial year and the previous financial year:

| <b>Fees</b>                       | <b>Year Ended<br/>December 31, 2018<br/>(C\$)</b> | <b>Year Ended<br/>December 31, 2017<br/>(C\$)</b> |
|-----------------------------------|---|---|
| Audit Fees <sup>(1)</sup>         | 94,500  | 88,616  |
| Audit-Related Fees <sup>(2)</sup> | NIL   | NIL   |
| Tax Fees <sup>(3)</sup>           | 16,500  | 20,155  |
| All Other Fees <sup>(4)</sup>     | NIL   | NIL   |
| <b>Total fees</b>                 | <b>111,000</b>                                    | <b>108,771</b>                                    |

Notes:

- (1) Audit Fees consist of fees paid or accrued for the annual audit of the Corporation's financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements. They also include fees billed for other audit services, which are those services that only the external auditor reasonably can provide, and include the provision of comfort letters and consents, the consultation concerning financial accounting and reporting of specific issues and the review of documents filed with regulatory authorities.
- (2) Audit-Related Fees consist of fees paid or accrued for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation's financial statements or that are traditionally performed by the external auditor, and include consultations concerning financial accounting and reporting standards.
- (3) Tax Fees include fees paid or accrued for tax compliance services, including the preparation of original and amended tax returns and claims for refund; tax consultations, such as assistance and representation in connection with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from taxing authorities; tax planning services; and consultation and planning services.
- (4) All Other Fees include fees paid for products and services provided by the Corporation's external auditor other than the services reported under Audit Fees, Audit-Related Fees, and Tax Fees, all as more particularly described in notes (1) to (3) of this table.

### ***Compensation Committee***

Please see "Executive Compensation – Compensation Governance – Role of the Compensation Committee" for details with respect to the function of the Compensation Committee.

The Compensation Committee held two (2) meetings during the financial year ended December 31, 2018. The members of the Compensation Committee and their attendance are set forth below.

| <b>Compensation Committee</b> |                                   |                           |
|-------------------------------|-----------------------------------|---------------------------|
| <b>Name of Director</b>       | <b>Independent <sup>(1)</sup></b> | <b>Meeting Attendance</b> |
| Daniel Basse <sup>(2)</sup>   | Yes                               | 2 of 2                    |
| De Lyle Bloomquist            | Yes                               | 2 of 2                    |
| Donald Carroll                | No                                | 2 of 2                    |
| Theodore Botts <sup>(3)</sup> | Yes                               | 0 of 0                    |

Notes:

- (1) To be considered independent, a member of the Board must not have any direct or indirect "material relationship" with the Corporation. A material relationship is a relationship that could, in the view of the Board, be reasonably expected to interfere with the exercise of a member's independent judgment.
- (2) Mr. Basse is the Chair of the Compensation Committee and was appointed to replace Mr. Botts effective March 13, 2018.
- (3) Mr. Botts was the Chair of the Compensation Committee until his resignation from the Board effective March 13, 2018.

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

Set out below is a general description of the education and experience of each Compensation Committee member relevant to each individual's performance as a member of the Compensation Committee:

**Daniel Basse** – Mr. Basse is the current President of AgResource Company, a company which forecasts agricultural trends. Professional experience in forecasting and an undergraduate economics degree from the University of Wisconsin, Madison are valuable assets for aligning the Corporation's best interests with long-term shareholder value.

**De Lyle Bloomquist** – Mr. Bloomquist holds an MBA from the Tepper School of Business, Carnegie Mellon University and a B.S. General Management from Brigham Young University. Mr. Bloomquist was formerly the President of Global Chemicals Business at Tata Chemicals Limited. He was a Divisional CFO of General Chemical Corporation and was a member of the audit committee for Tata Chemicals Magadi, Tata Chemicals North America, and American Natural Soda Ash Corporation. Mr. Bloomquist was also a member of Oglebay Norton Company's compensation committee from February 2005 to November 2007.

**Donald Carroll** – Mr. Carroll holds a Bachelor of Engineering (Mining) from Sydney University and is a member of the Australian Institute of Mining and Metallurgy and the Australian Institute of Company Directors. He is a senior resources executive with more than 37 years of experience with BHP Billiton and Rio Tinto in a variety of leadership, technical, strategy, marketing, and business development roles. He has extensive experience across a diversified range of commodities including iron ore, coal, and aluminum. Mr. Carroll has served as a Non-Executive Director of Coal of Queensland Pty Ltd, Energio (ASX Listed) and Lowell Capital.

### **Finance Committee**

The Finance Committee is composed of Messrs. Scruggs (Chair), Bloomquist, Curtis, Lyle, and Mansanti. The purpose of the Finance Committee is to assist the Board in the oversight of the Corporation’s capital structure, strategic financial planning, fundraising, investments, and other financial matters. Pursuant to the terms of the relationship agreement with EMR, the Finance Committee is also mandated with developing and maintaining a financing plan for the Project Corporation’s Sevier Playa project.

The Finance Committee held three (3) meetings during the financial year ended December 31, 2018. The members of the Compensation Committee and their attendance are set forth below.

| <b>Finance Committee</b>       |                                  |                           |
|--------------------------------|----------------------------------|---------------------------|
| <b>Name of Director</b>        | <b>Independent<sup>(1)</sup></b> | <b>Meeting Attendance</b> |
| Herbert Scruggs <sup>(2)</sup> | Yes                              | 3 of 3                    |
| De Lyle Bloomquist             | Yes                              | 2 of 3                    |
| Robert Curtis                  | No                               | 3 of 3                    |
| Roderick Lyle                  | No                               | 3 of 3                    |
| John Mansanti                  | No                               | 3 of 3                    |

**Notes:**

- (1) To be considered independent, a member of the Board must not have any direct or indirect “material relationship” with the Corporation. A material relationship is a relationship that could, in the view of the Board, be reasonably expected to interfere with the exercise of a member’s independent judgment.
- (2) Mr. Scruggs is the Chair of the Finance Committee.

### **Technical Advisory Committee**

The Technical Advisory Committee is composed of Messrs. Bloomquist (Chair), Basse, Carroll, Curtis, and Mansanti. The purpose of the Technical Advisory Committee is to assist the Board by providing oversight and assistance in the analysis of technical data and to monitor the implementation and management of technical procedures relating to the execution of its business plan. In particular, it will review and monitor technical data regarding the Corporation’s resources and other technical issues.

The Technical Advisory Committee will work with management in reviewing its work in support of its feasibility studies, the development of its potash and other resources, review corporate and operational policies regarding the development of the Corporation’s mining operations, and ensure that the Corporation’s directors are informed about their duties and responsibilities as it relates to the technical operations of the business. It will also review and monitor management activities to ensure that the necessary resources are allocated properly and to address risks and opportunities.

Pursuant to the terms of the relationship agreement with EMR, the Technical Advisory Committee is also mandated with approving the annual project operating and capital expenditure budgets and any material changes to such budgets in respect of the Corporation's Sevier Playa project.

The Technical Advisory Committee held thirteen (13) meetings during the financial year ended December 31, 2018. Further details on the Technical Advisory Committee are set out below:

| Technical Advisory Committee      |                            |                    |
|-----------------------------------|----------------------------|--------------------|
| Name of Director                  | Independent <sup>(1)</sup> | Meeting Attendance |
| De Lyle Bloomquist <sup>(2)</sup> | Yes                        | 11 of 13           |
| Dan Basse                         | Yes                        | 12 of 13           |
| Donald Carroll                    | No                         | 13 of 13           |
| Rob Curtis                        | No                         | 13 of 13           |
| John Mansanti <sup>(3)</sup>      | No                         | 10 of 10           |

**Notes:**

- (1) To be considered independent, a member of the Board must not have any direct or indirect "material relationship" with the Corporation. A material relationship is a relationship that could, in the view of the Board, be reasonably expected to interfere with the exercise of a member's independent judgment.
- (2) Mr. Bloomquist is the Chair of the Technical Advisory Committee.
- (3) Mr. Mansanti was appointed as a member of the Technical Advisory Committee to replace Mr. D'Ambrosio after Mr. D'Ambrosio resigned as the President & Chief Executive Officer and director of the Corporation, which was effective January 2, 2018.

**Assessments**

The Board monitors the adequacy of information given to directors, the communication between the Board and management, and the strategic direction and processes of the Board and its Committees to satisfy itself that the Board, its Committees, and individual directors are performing effectively. As part of their review, the Board may review Committees' respective mandates/charters and applicable corporate policies.

**INDEBTEDNESS OF MANAGEMENT AND DIRECTORS**

As at the date hereof, there is no indebtedness to the Corporation or to another associated entity owing by any directors, officers, employees; or former directors, officers, or employees of the Corporation, where the indebtedness to such other entity is the subject of a guarantee, support agreement, letter of credit, or other similar arrangement or understanding provided by the Corporation. Additionally, no individual who is, or at any time during the Corporation's last financial year was, a director or officer of the Corporation, proposed management nominee for director of the Corporation, or associate of any such director, officer, or proposed nominee is, or at any time since the beginning of the Corporation's last financial year has been, indebted to the Corporation or to another entity where the indebtedness to such other entity is the subject of a guarantee, support agreement, letter of credit, or other similar arrangement or understanding provided by the Corporation, including indebtedness for security purchase or any other programs.

**INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Except for EMR Capital Investment (No. 5B) Pte. Ltd., an affiliate of EMR Capital Resources Fund 1, LP, the Corporation's largest shareholder, who provided the Corporation with a \$10,000,000 convertible loan in July 2018, to the knowledge of the directors and officers of the Corporation, no informed person of the Corporation, proposed management nominee for director of the Corporation, or any associate or

affiliate of the foregoing has or had any material interest, direct or indirect, in any transaction since the commencement of the Corporation's last financial year, or in any proposed transaction, which, in either case, has materially affected or will materially affect the Corporation.

### **ADDITIONAL INFORMATION AND AVAILABILITY OF DOCUMENTS**

Additional information relating to the Corporation may be found under the Corporation's SEDAR profile (at [www.sedar.com](http://www.sedar.com)).

Inquiries including requests for copies of the Corporation's financial statements and management's discussion and analysis for the year ended December 31, 2018, may be directed to Blake Measom, Chief Financial Officer by e-mail at [info@crystalpeakminerals.com](mailto:info@crystalpeakminerals.com) or by phone at 801-485-0223.

Additional financial information is provided in the Corporation's consolidated financial statements and management's discussion and analysis for the year ended December 31, 2018, which is also available on SEDAR ([www.sedar.com](http://www.sedar.com)).

### **APPROVAL**

The contents and sending of this Information Circular have been approved by the Board of the Corporation.

DATED this 1<sup>st</sup> day of May, 2018.

**BY ORDER OF THE BOARD OF DIRECTORS  
OF CRYSTAL PEAK MINERALS INC.**

*(signed) "John Mansanti"*

John Mansanti  
President, Chief Executive Officer and Director

## **SCHEDULE "A"**

### **CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS**

#### **1. Purpose of the Audit Committee**

- 1.1. The Audit Committee is a committee of the Board of Directors (the "Board") of Crystal Peak Minerals Inc. (the "Company").
- 1.2. The primary functions of the Audit Committee are to assist the Board in its oversight of the Company's financial statements, and other relevant public disclosures, to ensure the Company's compliance with legal, financial, and regulatory requirements relating to financial reporting; to perform a review of the external auditors' qualifications and independence; to evaluate the performance of the external auditors; and to evaluate internal audit functions.

#### **2. Composition**

- 2.1. The Audit Committee shall consist of at least three directors.
- 2.2. The Board will appoint the members of the Audit Committee (the "Members") after the annual general meeting of shareholders of the Company each year.
- 2.3. The Members will be appointed to hold office until the next annual general meeting of shareholders of the Company, or until their successors are duly appointed.
- 2.4. The Board may remove a Member at any time and may fill any vacancy occurring on the Audit Committee.
- 2.5. A Member may resign at any time and a Member will cease to be a Member upon ceasing to be a director.
- 2.6. All Members must generally possess the skills or experience relevant to the mandate of the Audit Committee and shall have a general familiarity with accounting, finance, debt, and equity.
- 2.7. At least one Member must be "financially literate".
  - a) A "financially literate" director is a director who has 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 reasonably be expected to be raised by the Company's financial statements.
- 2.8. A majority of the Members shall be "independent". An "independent" director is a director who has no direct or indirect material relationship with the Company.
  - a) A "material relationship" is a relationship which, in the view of the Board, could be reasonably expected to interfere with the exercise of the director's independent judgement or a relationship deemed to be a material relationship pursuant to Sections 1.4 and 1.5 of National Instrument 52-110 — Audit Committees ("NI 52-110").

### **3. Meetings**

- 3.1. The Audit Committee shall meet once quarterly, or more frequently as circumstances require.
- 3.2. Twenty-four (24) hours advance notice of each meeting will be given to each Member either orally, by telephone, by facsimile, or via email, unless all Members are present and waive notice; or if those absent waive notice before or after a meeting.
- 3.3. Members may attend meetings either in person or by conference call.
- 3.4. A quorum for the transaction of business at any meeting of the Audit Committee will be a majority of the Members, or such greater number as the Audit Committee shall by resolution determine.
- 3.5. Each Member shall have one vote. Decisions of the Audit Committee shall be made by an affirmative vote of the majority.
- 3.6. Powers of the Audit Committee may be exercised by a written resolution signed by all Members.
- 3.7. If present, the Audit Committee Chair will act as the Chair of meetings of the Audit Committee. If the Chair is not present, then the Members present may select one of their number to act as Chair of the meeting.
- 3.8. If the Board has selected the Chair of the Audit Committee, the Chair shall have a deciding or casting vote in the case of an equality of votes.
- 3.9. If the Members have designated the Audit Committee Chair by majority vote of the full membership of the Audit Committee, the Chair shall not have a deciding or casting vote in the case of an equality of votes.
- 3.10. The Audit Committee may invite external auditors, management, or any persons it sees fit to attend its meetings and to take part in the discussion and consideration of the affairs of the Audit Committee, or to provide information as necessary.
- 3.11. In advance of regular meetings of the Audit Committee, management shall distribute to the Members; and to others, as deemed appropriate by the Audit Committee Chair; an agenda of matters to be addressed at the meeting together with all materials requested by the Audit Committee as well as any appropriate briefing materials.

### **4. Responsibilities and Duties**

- 4.1. Responsibilities and duties of the Audit Committee include:
  - a) Appointment of External Auditors  
The external auditors are the independent representatives of and accountable to the shareholders of the Company.

The Audit Committee shall nominate the external auditors for appointment, such nomination to be ratified by the Board of Directors before being placed before shareholders for approval.

The external auditors will be appointed each year by the shareholders of the Company at the annual general meeting of the shareholders.

b) Establishing the Relationship with External Auditors

The Audit Committee will have direct access to the external auditors at all times. The external auditors shall report directly to the Audit Committee. The Audit Committee shall direct the actions of the external auditors and shall ensure that management cooperates fully with the external auditors in the course of carrying out their professional duties.

The Audit Committee shall ensure that the external auditors are able to complete their audit procedures and reviews with professional independence free from any undue interference from management or directors.

The Audit Committee may meet with the external auditors independently of the management of the Company at any time, acting reasonably.

The Audit Committee shall ensure that the external auditors are directed to respond to all enquiries from the Audit Committee in a thorough and timely fashion, without necessarily reporting these enquiries or actions to the Board of Directors or to the management of the Company.

c) Evaluating Auditors

The Audit Committee will review the performance of the external auditors on at least an annual basis and notify the directors and the external auditors in writing of any concerns in regards to the performance of the external auditors, or the accounting or auditing methods, procedures, standards, or principles applied by the external auditors; or any other accounting or auditing issues which come to the attention of the Audit Committee.

d) Establishing the Remuneration of the Auditors

The Audit Committee must recommend to the Board of Directors the compensation of the external auditor.

The remuneration of the external auditors will be determined by the Board of Directors upon the annual authorization of the shareholders at each annual meeting of the shareholders.

The remuneration of the external auditors will be determined based on the time required to complete the audit and preparation of the audited financial statements and the difficulty of the audit and performance of the standard auditing procedures under generally accepted auditing standards and International Financial Reporting Standards (IFRS) of Canada.

e) Determining and Approving Non-Audit Services

The external auditors are prohibited at all times from carrying out any of the following services while functioning as the external auditors of the Company:

- i) acting as an agent of the Company for the sale of all or substantially all of the undertaking of the Company; and
- ii) performing any non-audit consulting work for any director or senior officer of the Company in their personal capacity, but not as a director, officer or insider of any other entity not associated or related to the Company.

The external auditors are prohibited from providing any non-audit services to the Company without the express written consent of the Audit Committee.

In determining whether the external auditors will be granted permission to provide non-audit services to the Company, the Audit Committee must consider that the benefits to the Company from the provision of such services outweighs the risk of any compromise to or loss of the independence of the external auditors in carrying out their auditing mandate.

f) **Funding of Auditing and Consulting Services**

Auditing expenses will be funded by the Company. The auditors must not perform any other consulting services for the Company, which could impair or interfere with their role as the independent auditors of the Company.

g) **Termination of the Auditors**

The Audit Committee has the power to terminate the services of the external auditors, with or without the approval of the Board of Directors, if the Audit Committee reasonably deems such termination necessary.

h) **Oversight of Internal Controls for The Company**

The Audit Committee will have the oversight responsibility for ensuring that the internal controls are implemented and monitored and that such internal controls are effective.

At this time, due to the Company's size and limited financial resources, the Chief Financial Officer of the Company, under the direction of the Audit Committee, shall be responsible for implementing internal controls and performing the role as the internal auditor to ensure that such controls are adequate and enforced.

i) **Continuous Disclosure Requirements**

At this time, due to the Company's size and limited financial resources, the Chief Financial Officer of the Company, under the direction of the Audit Committee, shall be responsible for ensuring that the Company's continuous reporting requirements are met and in compliance with applicable regulatory requirements.

## **5. Independent Advisers**

- 5.1. The Audit Committee shall have the power to retain legal, accounting, or other advisors to assist the Committee.

## **6. Annual Review of Charter**

- 6.1. The Audit Committee shall review and assess the adequacy of this Charter annually and recommend any proposed changes to the Board for consideration.