

**Fortress Technologies Inc.**  
(formerly Fortress Blockchain Corp. and Focused Capital II Corp.)

**INFORMATION CIRCULAR**

**for the**

**ANNUAL GENERAL MEETING**

**to be held on**

**November 19, 2019**

**Fortress Technologies Inc.**  
**INFORMATION CIRCULAR**  
(containing information as at October 11, 2019, *except as otherwise indicated*)

**For the Annual General Meeting  
to be held on November 19, 2019**

**This Information Circular is furnished in connection with the solicitation of proxies by the management of Fortress Technologies Inc. (the “Company”) for use at the annual general meeting (the “Meeting”) of the Company’s shareholders to be held on November 19, 2019 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.**

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

**GENERAL PROXY INFORMATION**

**Solicitation of Proxies**

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

**Appointment of Proxyholders**

**The Persons named in the enclosed form of proxy are directors and/or officers of the Company. Each shareholder has the right to appoint a Person or company, who need not be a shareholder of the Company, other than the Persons named in the enclosed form of proxy, to represent such shareholder at the Meeting or any adjournment thereof. Such right may be exercised by inserting such Person’s name in the blank space provided and striking out the names of management’s nominees in the enclosed form of proxy or by completing another proper form of proxy.**

All proxies must be executed by the shareholder or his or her attorney duly authorized in writing or, if the shareholder is a company, by an officer or attorney thereof duly authorized. The completed form of proxy must be deposited at the office of Computershare, 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1 (the mailing address for Computershare), before 5:00 p.m. (Toronto time) on **November 15, 2019** (the “Proxy Submission Deadline”).

**Voting by Proxyholder**

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

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

**In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter.**

## Registered Shareholders

Registered Shareholders who have given a proxy has the power to revoke it as to any matter on which a vote has not already been casted pursuant to the authority conferred by such proxy and may do so either:

1. not later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of holding the Meeting or adjournment thereof at which the proxy is to be used, by delivering another properly executed form of proxy bearing a later date and depositing it as aforesaid;
2. by depositing an instrument in writing revoking the proxy executed by him or her:
  - (a) with Computershare at its office denoted herein at any time up to and including the Proxy Submission Deadline, or not later than 48 hours prior to any adjournment(s) of the Meeting at which the proxy is to be used; or
  - (b) with the Chair of the Meeting on the day of the Meeting, prior to the commencement of the Meeting or any adjournment thereof; or
3. in any other manner permitted by law.

## Beneficial Shareholders (Unregistered Shareholders)

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

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

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

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

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

**to have the Common Shares voted at the Meeting, or to have an alternate representative duly appointed to attend the Meeting and vote your Common Shares.**

This information circular and related material is being sent to both registered and non-registered owners of the securities of the Company. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

**Notice to Shareholders in the United States**

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

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

**Revocation of Proxies**

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

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder’s authorized attorney in writing, or, if the Registered Shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare or at the address of the registered office of the Company at Suite 320, 638 Broughton Street, Vancouver, British Columbia, V6G 3K3, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or
- (b) personally attending the Meeting and voting the Registered Shareholder’s Common Shares.

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

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

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

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors (the “Board”) of the Company has fixed October 11, 2019 as the record date (the “Record Date”) for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Company is authorized to issue an unlimited number of Common Shares. As of the Record Date, there were 71,177,984 Common Shares issued and outstanding, each carrying the right to one vote. No group of shareholders has the right to elect a specified number of directors and there are no cumulative or similar voting rights attached to the Common Shares.

To the knowledge of the directors and executive officers of the Company, no persons or corporations beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company as at the Record Date, other than as set forth below:

Name of Shareholder	Number of Shares	Percentage of Issued Shares
Roy Sebag	7,556,000	10.62%
Anson Funds Management LP	9,394,500	13.20%

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

- The audited annual financial statements of the Company for the financial year ended December 31, 2018, together with the report of the auditor thereon and the related management discussion and analysis, both of which have been filed under the Company’s profile on the System for Electronic Document Analysis and Retrieval (“SEDAR”) on April 30, 2019.

Copies of any documents referred to and incorporated herein by reference may be obtained by a shareholder upon request without charge from the Corporate Secretary of the Company at Tel: 604-477-9997, or at the address of the Company at Suite 320 – 638 Broughton Street, Vancouver, British Columbia, V6G 3K3. The documents are also available through the internet under the Company’s SEDAR profile, which can be accessed at [www.sedar.com](http://www.sedar.com).

## VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein. If there are more nominees for election as directors or appointment of the Company’s auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed by acclamation.

### Advance Notice Provisions

The directors of the Company intend to pass a resolution to adopt amendments to the Company’s Articles to include advance notice provisions (the “Advance Notice Provisions”). The Advance Notice Provisions include, among other things, a provision that requires advance notice be given to the Company in circumstances where nomination of persons for election to the Board are made by Shareholders of the Company. The Advance Notice Provisions set a deadline by which Shareholders must submit nominations (a “Notice”) for the election of directors to the Company prior to any annual or special meeting of Shareholders. The Advance Notice Provisions also set forth the information that a Shareholder must include in the Notice to the Company, and establish the form in which the Shareholder must submit

the Notice for that notice to be in proper written form. In the case of an annual meeting of Shareholders, a Notice must be provided to the Company not less than 30 days and not more than 65 days prior to the date of the annual meeting. Shareholders can access the Company’s Articles by visiting the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

As of the date of this Information Circular, the Company has not received notice of a nomination in compliance with the Advance Notice Provisions.

## STATEMENT OF EXECUTIVE COMPENSATION

### Named Executive Officers

In this section “Named Executive Officer” means the Chief Executive Officer, the Chief Financial Officer and each of the three most highly compensated executive officers, other than the Chief Executive Officer and the Chief Financial Officer, who were serving as executive officers at the end of the most recently completed fiscal year or whose total compensation was more than \$150,000 as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an officer of the Company at the end of the most recently completed financial year.

### Director and NEO Compensation

The following compensation table, excluding options and compensation securities, provides a summary of the compensation paid by the Company to NEOs and members of the board of directors of the Company (the “Board”) for the most recently completed financial years ended December 31, 2017 and December 31, 2018. Options and compensation securities are disclosed under the heading “**Stock Options and Other Compensation Securities**” below.

During the financial year ended December 31, 2017, based on the definition above, the NEOs of the Company were: Mark Goodman, former CEO and Carmelo Marrelli former CFO. During the financial year ended December 31, 2018, based on the definition above, the NEOs of the Company were: Aydin Kilic, CEO, Sean Ty, CFO, David Pais, former CFO and Michael Ages, former CTO.

The directors of the Company who were not NEOs during financial year ended December 31, 2017 was Robert Leckie. The directors of the Company who were not NEOs during financial year ended December 31, 2018 were: Roy Sebag, Joshua Crumb, David Jaques and Michael Costa.

Table of Compensation Excluding Compensation Securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Aydin Kilic <sup>(1)</sup> President, CEO and Director	2018	257,825	Nil	Nil	Nil	Nil	257,825
	2017	N/A	N/A	N/A	N/A	N/A	N/A
Sean Ty <sup>(2)</sup> CFO and Corporate Secretary	2018	15,750	Nil	Nil	Nil	Nil	15,750
	2017	N/A	N/A	N/A	N/A	N/A	N/A
David Pais <sup>(3)</sup> Former CFO	2018	118,792	Nil	Nil	Nil	Nil	118,792
	2017	N/A	N/A	N/A	N/A	N/A	N/A
Michael Ages <sup>(4)</sup> Former CTO	2018	100,595	10,000	Nil	Nil	Nil	110,595
	2017	N/A	N/A	N/A	N/A	N/A	N/A
Roy Sebag <sup>(5)</sup> Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	N/A	N/A	N/A	N/A	N/A	N/A
Joshua Crumb <sup>(6)</sup> Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	N/A	N/A	N/A	N/A	N/A	N/A
David Jaques <sup>(7)</sup> Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	N/A	N/A	N/A	N/A	N/A	N/A
Michael Costa <sup>(8)</sup> Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	N/A	N/A	N/A	N/A	N/A	N/A
Kent Wakeford <sup>(9)</sup>	2018	Nil	Nil	Nil	Nil	Nil	Nil

Table of Compensation Excluding Compensation Securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Former Director	2017	N/A	N/A	N/A	N/A	N/A	N/A
Mark Goodman <sup>(10)</sup> Former CEO, Former Corporate Secretary and Former Director	2018 2017	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Carmelo Marrelli <sup>(11)</sup> Former CFO and Former Director	2018 2017	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Robert Leckie <sup>(12)</sup> Former Director	2018 2017	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

Notes:

- (1) Mr. Kilic became a Director on March 15, 2019 and was appointed President, CEO and Director on April 18, 2019. He was paid a management and consulting fees for the amount of \$257,825 (2017 - \$Nil) in relation to management consulting fees which included provision of office space and business facilities for the Company and \$42,716 (2017 - \$Nil) for executive assistant and business consultant services provided by two other individuals employed by a private company beneficially owned by Mr. Kilic.
- (2) Mr. Ty was appointed CFO on November 1, 2018. Ty Consulting Inc., a private company beneficially owned by Mr. Ty, was paid fees for accounting services.
- (3) Mr. Pais served as CFO from April 16, 2018 to November 1, 2018.
- (4) Mr. Ages served as CTO from February 5, 2018 to November 7, 2018.
- (5) Mr. Sebag was appointed a Chairman and Director on August 16, 2018.
- (6) Mr. Crumb was appointed a Director on August 16, 2018.
- (7) Mr. Jaques was appointed a Director on August 16, 2018.
- (8) Mr. Costa was appointed a Director on August 31, 2018.
- (9) Mr. Wakeford served as Director from August 16, 2018 to August 31, 2018.
- (10) Mr. Goodman served as director from July 13, 2011 to August 16, 2018.
- (11) Mr. Marrelli served as director from July 13, 2011 to August 16, 2018.
- (12) Mr. Leckie served as director from July 13, 2011 to August 16, 2018.

### Stock Options and Other Compensation Securities

The Company's authorized share capital is an unlimited number of Common Shares. At October 11, 2019 there were 71,177,981 Common Shares of the Company issued and outstanding. The Company has a 10% rolling stock option plan allowing it to grant options to a maximum of 10% of the issued and outstanding Common Shares of the Company, from time to time.

The following table discloses all compensation securities granted or issued to each director and named executive officer by the Company in the financial year ended December 31, 2018, for services provided or to be provided, directly or indirectly, to the Company.

Compensation Securities							
Name and Position	Type of Compensation Security	Number of Compensation Securities, underlying securities and percentage of class <sup>(1)</sup> (# / %)	Date of Grant or Issue (mm/dd/yy)	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date (mm/dd/yy)
Aydin Kilic Director, President	Stock Options	750,000	02/20/2018	0.60	0.60	0.125	02/19/2028

Compensation Securities							
Name and Position	Type of Compensation Security	Number of Compensation Securities, underlying securities and percentage of class <sup>(1)</sup> (# / %)	Date of Grant or Issue (mm/dd/yy)	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date (mm/dd/yy)
and CEO							
Sean Ty CFO	Stock Options	30,000	02/20/2018	0.50	0.50	0.125	02/19/2028
David Pais Former CFO	Stock Options	200,000	02/20/2018	0.60	0.60	0.125	02/19/2028
Michael Ages Former CTO	Stock Options	150,000	02/20/2018	0.60	0.60	0.125	02/19/2028
Roy Sebag Chairman and Director	Stock Options	150,000	02/20/2018	0.60	0.60	0.125	02/19/2028
Joshua Crumb Director	Stock Options	150,000	02/20/2018	0.60	0.60	0.125	02/19/2028
David Jaques Director	Stock Options	150,000	02/20/2018	0.60	0.60	0.125	02/19/2028
Michael Costa Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
Kent Wakeford Former Director	Stock Options	150,000	02/20/2018	0.60	0.60	0.125	02/19/2028

Notes:

- (1) All stock options vest as to 25% on the date of grant and 25% at the end of each subsequent quarter thereafter unless otherwise indicated. One common share is issuable on the exercise of each stock option.

### Termination and Change of Control Benefits

The Company has entered into verbal and/or written agreements with its NEOs which contain terms relating to duties, salaries, other compensation, and benefits. Except as disclosed below, no change of control benefits have been instituted by the Corporation.

Pursuant to the consulting contract agreement between a private company whose beneficial ownership is the CEO (“PrivCo”) and the Company dated November 21, 2018, in the event that the contract with PrivCo was terminated by the Company other than for cause, the Company shall pay PrivCo \$150,000 plus GST. In the event of a change of control of the Company, PrivCo is entitled to receive \$150,000 plus GST.

### Exercise of Compensation Securities by NEOs and Directors

During the financial year ended December 31, 2018, no stock options were exercised.

### Stock Option Plan

The Company has an Option Plan dated for reference March 26, 2014 (the “Option Plan”). The Option Plan is a rolling plan under which options totaling a maximum of 10% of the Common Shares outstanding from time to time are available for grant. For more information about the material features of the Option Plan, please refer to “*Particular Matters to be Acted On – Approval and Ratification of Option Plan*” below.

Under section 2.9(b) of Policy 4.4 – *Incentive Stock Options* (“Policy 4.4”) of the TSXV all rolling stock option plans, such as the Company’s stock option plan, most recently approved by the shareholders of the

Corporation on June 22, 2018, must receive shareholder approval yearly, at the Company's annual shareholder meeting.

As at the date of this Information Circular there were 71,177,984 Common Shares issued and outstanding. Accordingly, under the Plan the Company has the authority to grant options to purchase up to a total of 7,117,798 Common Shares. As at the date of this Information Circular, options to purchase an aggregate of 5,599,928 Common Shares are granted and outstanding under the Plan, representing approximately 7.86% of the outstanding Common Shares in the capital of the Company.

### **Employment, Consulting and Management Agreements**

The Company has entered into a Consulting Agreement with Aydin Kilic, the Company's President, Chief Executive Officer and Director, effective January 9, 2018 which was replaced with a new agreement on November 21, 2018. As compensation for the services to be provided, Mr. Kilic will receive a monthly consulting fee of \$15,000, plus disbursements of \$1,031.

The Company has entered into a Consulting Agreement with Ty Consulting Inc., a private company beneficially owned by Sean Ty, the Company's Chief Financial Officer and Corporate Secretary, effective November 1, 2018. As compensation for the services to be provided, Ty Consulting Inc. will receive a monthly fee of \$5,000.

The Company has entered into an Employment Agreement with David Pais, the Company's Chief Financial Officer and Corporate Secretary, effective April 16, 2018. As compensation for the services to be provided, Mr. Pais will receive a monthly salary of \$12,500 for the first four (4) months and will increase to \$14,583 thereafter. Mr. Pais' employment was terminated on November 1, 2018.

The Company has entered into an Employment Agreement with Michael Ages, the Company's Chief Technology Officer, effective February 5, 2018. As compensation for the services to be provided, Mr. Ages will receive a monthly salary of \$8,333 and is eligible to receive an annual bonus of up to \$20,000. Mr. Ages' employment was terminated on November 7, 2018.

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

#### *Elements of the Compensation Program*

The responsibilities relating to executive and director compensation, including reviewing and recommending compensation of the Company's officers and employees and overseeing the Company's base compensation structure and equity-based compensation program is performed by the Board as a whole. The Board also assumes responsibility for reviewing and monitoring the long-range compensation strategy for the Company's senior management. The Board generally reviews the compensation of senior management on an annual basis taking into account compensation paid by other issuers of similar size and activity and the performance of officers generally and in light of the Company's goals and objectives.

The Company is a small junior resource company with limited resources. The compensation for senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including: (a) attracting and retaining talented, qualified and effective executives; (b) motivating the short and long-term performance of executives; and (c) better aligning the interests of executive officers with those of the Company's shareholders. In the Board's view, paying salaries which are competitive in the markets in which the Company operates is a first step to attracting and retaining talented, qualified and effective executives.

The Board determines the compensation for the CEO. The compensation of the Company's executives is determined by the Board after the recommendation of the CEO. In each case, the Board takes into consideration the prior experience of the executive, industry standards, competitive salary information on comparable companies of similar size and stage of development, the degree of responsibility and participation of the executive in the day-to-day affairs of the Company, and the Company's available cash resources.

In the Board's view, to attract and retain qualified and effective executives, the Company must pay base salaries which are reasonable in relation to the level of service expected while remaining competitive in the markets in which the Company operates.

The Board has assessed the Company's compensation plans and programs for its executive officers to ensure alignment with the Company's business plan and to evaluate the potential risks associated with those plans and programs. The Board has concluded that the compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Company. The Board considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

The Company has not adopted a policy restricting its executive officers or directors from purchasing financial instruments that are designated to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its executive officers or directors. To the knowledge of the Company, none of the executive officers or directors has purchased such financial instruments.

### **Executive Compensation**

Except for the grant of incentive share options to the NEOs and any compensation payable pursuant to an executive compensation agreement between the CEO or CFO and the Company, there are no arrangements under which NEOs were compensated by the Company during the two most recently completed financial years for their services in their capacity as NEOs, directors or consultants.

### **Director Compensation**

The directors receive no cash compensation for acting in their capacity as directors of the Company.

Except for the grant to directors of share options, there are no arrangements under which directors were compensated by the Company during the two most recently completed financial years for their services in their capacity as directors.

### **Option-Based Awards**

The Company has a share option plan in place, which was established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. Management proposes share option grants to the Board based on such criteria as performance, previous grants, and hiring incentives. The Board administers the Company's share option plan and all option grants require Board approval. The Option Plan allows options to be issued to directors, officers, employees or consultants of the Company.

In compensating its senior management, the Company employs a combination of salary and equity participation. The Board is of the view that encouraging its executives and employees to hold shares of the Company is the best way to align their interests with those of the Company's shareholders. Equity participation is accomplished through the Company's share option plan. See "Securities Authorized for Issuance under Equity Compensation Plans" above.

Share options are granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base salary and competitive factors. The amounts and terms of options granted are determined by the Board based on recommendations put forward by the CEO. Due to the Company's limited financial resources, option grants are an important part of executive compensation to assist in maintaining executive motivation.

Given the evolving nature of the Company's business, the Board continues to review and redesign the overall compensation plan for senior management so as to continue to address the objectives identified above.

## Actions, Decisions and Policies Made following December 31, 2018 Financial Year End

There were no actions, decisions and policies put in place affecting management remuneration subsequent to the December 31, 2018 financial year end.

### Pension Plan

The Company does not have a pension plan for any of its Directors or NEOs.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The only equity compensation plan which the Company has in place is a share option plan dated for reference March 26, 2014 (the “Option Plan”). The Option Plan is a “rolling plan,” under which the total number of Common Shares issuable from time to time, together with all of the Company's other previously established or proposed share compensation arrangements, may not exceed 10% of the total number of issued and outstanding Common Shares from time to time.

### Equity Compensation Plan Information

At the December 31, 2018 fiscal year end, the number of issued and outstanding Common Shares was 71,177,981 Common Shares and therefore the number of Common Shares available to be reserved for issuance upon exercise of options under the Option Plan was 7,117,798 Common Shares.

The following table sets out equity compensation plan information as at the December 31, 2018 fiscal year end:

Equity Compensation Plan Information			
	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights (\$)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans adopted by the Company <sup>(1)</sup>	5,599,928	\$0.30	1,517,870
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
<b>Total</b>	<b>5,599,928</b>		<b>1,517,870</b>

Notes:

- (1) The Company’s only equity compensation plan is the Option Plan, a rolling stock option plan. The number of shares which may be reserved for issuance under the Stock Option Plan is limited to 10% of the issued and outstanding Common Shares on the options grant date. For more information about the material features of the Option Plan, please refer to “*Particular Matters to be Acted On – Approval and Ratification of Option Plan*” below.
- (2) Based on a total of 71,177,981 Common Shares issued and outstanding as at December 31, 2018.

## CORPORATE GOVERNANCE

### General

Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and accountable to shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The Board is committed to sound corporate governance practices as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making. This section sets out the Company’s approach to corporate governance and addresses the Company’s compliance with National Instrument 58-101 – *Disclosure of Corporate Governance Practices*.

## Board of Directors

In order to identify and manage risks, the Board requires management to provide complete and accurate information with respect to the Company's activities and to provide relevant information concerning the industry in which the Company operates. The Board is responsible for monitoring the Company's officers, who in turn are responsible for the maintenance of internal controls and management information systems.

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A "material relationship" is a relationship which could, in view of the Company's Board of Directors, be reasonably expected to interfere with the exercise of a director's independent judgment.

Joshua Crumb, David Jaques and Michael Costa are independent members of the Board. Aydin Kilic is considered non-independent by virtue of his role as President and Chief Executive Officer of the Company. Roy Sebag is not independent as he held greater than 10% beneficial ownership interest in the issued and outstanding common shares of the Company during the financial year ended December 31, 2018.

The operations of the Company do not support a large board of directors and the Board has determined that the current constitution of the Board is appropriate for the Company's current stage of development. Similarly, given the size of the Company, all the Company's operations are conducted by a small management team which is also represented on the Board. Individual directors are encouraged to engage an outside advisor at the expense of the Company in appropriate circumstances, and the independent directors have retained independent advice on occasion.

The directors do not hold meetings at which non-independent directors and members of management are not in attendance. However, the Board considers that management is effectively supervised by the independent directors on an informal basis as the independent directors are actively and regularly involved in reviewing and supervising the operations of the Company and are able to meet at any time without the non-independent director being present. At the present time, the Board facilitates the exercise of independent judgment in carrying out its responsibilities by carefully examining all material issues and relying heavily on the advice of outside counsel and other advisors in all appropriate circumstances.

## Directorships

The following directors are currently serving on the boards of other reporting companies (or equivalent) as set out below.

Name of Director	Name of Reporting Issuer	Exchange Listed
Roy Sebag	President and Chief Executive Officer of Goldmoney Inc. (TSX: XAU ; Chairman, CEO and Director of Menē Inc. (TSXV: MENE)	TSX, TSXV
Joshua Crumb	Director of Menē Inc. (TSXV: MENE), Director of Soltario Zinc Corp. (TSXV: SLR)	TSXV
Michael Costa	Director of Almonty Industries Inc. (TSX: AII)	TSX

## Orientation and Continuing Education

When new directors are appointed, they receive orientation, commensurate with their previous experience, on the Company's properties, business, technology and industry and on the responsibilities of directors. Directors are also encouraged to take part in training courses or information sessions provided by regulatory bodies to keep abreast of current developments in corporate governance requirements.

Board meetings are always commenced with an update and/or presentation by the Company's management team to give the directors additional insight into the Company's business and progress.

### **Ethical Business Conduct**

Each member of the Board has been made aware of the fiduciary duties placed on individual directors by the governing corporate legislation and the common law applicable to the Company and the restrictions on an individual director's participation in decisions of the Board in which the director has an interest. The Board finds that the knowledge of its members of these legal restrictions is sufficient to ensure that the Board operates independently of management and in the best interests of the Company. Where a Board member has an interest in a transaction involving the Company, that director must declare his interest in advance of its consideration by the Board and must refrain from voting on any resolution approving the transaction. Further, the Company's auditors have full and unrestricted access to the audit committee at all times to discuss their audit and their related findings as to the integrity of the financial reporting process.

### **Nomination of Directors**

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

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

### **Compensation**

The directors receive no cash compensation for acting in their capacity as directors of the Company. The compensation for senior management of the Company is determined by and at the discretion of the Board. The Board determines compensation for the directors, the Chief Executive Officer and the Chief Financial Officer. See "*Statement of Executive Compensation*" below.

### **Other Board Committees**

The Board has no committees other than the audit committee.

### **Assessments**

The Board has not developed written descriptions or objectives for its executives and looks to generally accepted industry standards as adequately delineating the roles and responsibilities of such persons. There is no formal process for regular assessment of the Board, its committees and individual directors. Rather the Board informally assesses performance through ongoing dialogue amongst Board members.

## **AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR**

National Instrument 52-110 of the Canadian Securities Administrators ("NI 52-110") requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth below.

### **The Audit Committee's Charter**

The charter of the Company's audit committee and other information required to be disclosed by Form 52-110F2 are attached as Schedule "A".

### **Composition of the Audit Committee**

The members of the audit committee of the Board are David Jaques (Chair), Aydin Kilic and Joshua Crumb. Mr. Jaques and Mr. Crumb are both independent directors of the Company. Mr. Kilic is not independent as he is the President and Chief Executive Officer of the Company. All of the audit committee members are considered to be financially literate.

## **Relevant Education and Experience**

**David Jaques** – Mr. Jaques has held senior financial positions in banking, corporate and venture capital. In his early career, he held various positions with Barclays Bank in London and provided advisory services in currency and interest rate risk management to the bank's corporate clients. He held a similar role at Barclays Bank, New York from 1988 to 1993. He was Senior Vice President and Treasurer of Silicon Valley Bank between 1994 and 1999; founding CFO for PayPal from 1999 to 2001 and CFO of BlueRun Ventures from 2001 to 2008. Since 2008 he has provided CFO consulting services through Greenough Consulting Group and has held board positions at Katapult Technology Corp. (TSXV: FUND), UBL Interactive, Inc., Mobivity Holdings, Inc., Bluedot Interactive, Inc. and Digitz Solutions, Inc. Mr. Jaques holds a Higher National Diploma in Business Administration from Polytechnic of the South Bank, London, and is a UK Chartered Certified Accountant (inactive).

**Aydin Kilic** - Mr. Kilic is an experienced management consultant and expert analyst with a deep understanding of cryptocurrency mining algorithms, and started his career in the technology sector as a Radio Frequency (RF) Engineer at Sierra Wireless (TSE: SW). Mr. Kilic holds a BAsC. Honours in Engineering Science from Simon Fraser University with a specialization in high frequency electronics, mathematical modelling and physics. As a property development consultant, he has underwritten over \$200 million in land acquisition offers for property developers and has managed and secured over \$100 million in construction financing for commercial real estate developments he has led, successfully rezoned and obtained development permits for over 300 strata units.

**Joshua Crumb** – Mr. Crumb is the founder of Abbax Technologies Inc. He has served as the Chief Strategy Officer and a founder and director of Goldmoney Inc. (TSE: XAU) from 2014 to 2018. Mr. Crumb was previously the Senior Metals Strategist at Goldman Sachs in the Global Economics, Commodities and Strategies research division in London. Mr. Crumb also held various positions within the Lundin group of companies, serving as Special Project Analyst for group chairman Lukas Lundin, and is currently a director of Solitario Zinc Corp., nominated on behalf of Lundin group holdings. Mr. Crumb holds a Master of Science degree in Mineral Economics, a Graduate Certificate in International Political Economy and a Bachelor of Science degree in Engineering from the Colorado School of Mines.

Each member of the Company's audit committee has adequate education and experience relevant to their performance as an audit committee member and, in particular, the requisite education and experience that provides the member with:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements or experience actively supervising individuals engaged in such activities; and
- (c) an understanding of internal controls and procedures for financial reporting.

## **Audit Committee Oversight**

The audit committee has not made any recommendations to the Board to nominate or compensate any external auditor.

## **Reliance on Certain Exemptions**

The Company's auditors, DMCL, have not provided any material non-audit services.

## **Pre-Approval Policies and Procedures**

The audit committee has not adopted specific policies and procedures for the engagement of non-audit services.

### External Auditor Service Fees

To ensure auditor independence, no non-audit services were requested to be provided to the Company by DMCL during the last completed fiscal year. Fees incurred with the Company’s external auditors for audit and non-audit services in the last two fiscal years for audit fees are outlined in the following table:

Nature of Services	Fees Paid to Dale Matheson Carr-Hilton LaBonte LLP in Fiscal Year Ended December 31, 2018	Fees Paid to MNP LLP in Fiscal Period Ended December 31, 2017
Audit Fees <sup>(1)</sup>	\$100,000	\$5,000
Audit-Related Fees <sup>(2)</sup>	Nil	Nil
Tax Fees <sup>(3)</sup>	Nil	Nil
All Other Fees <sup>(4)</sup>	Nil	Nil
<b>Total</b>	<b>\$100,000</b>	<b>\$5,000</b>

Notes:

- (1) “Audit Fees” include fees necessary to perform the annual audit and quarterly reviews of the Company’s financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) “Audit-Related Fees” include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) “Tax Fees” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) “All Other Fees” include all other non-audit services.

### Exemption

The Company is a “venture issuer” as defined in NI 52-110 and is relying upon the exemption in s. 6.1 of NI 52-110 concerning Parts 3 (*Composition of Audit Committee*) and 5 (*Reporting Obligations*).

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company as of the date of completion of the most recent fiscal year or as at the date hereof.

### INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed in this Management Information Circular, none of the informed persons of the Company (as defined in National Instrument 51-102 – *Continuous Disclosure Obligations*), nor any proposed nominee for election as a director of the Company, nor any person who beneficially owns, directly or indirectly, shares carrying more than 10% of the voting rights attached to the issued shares of the Company, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which, in either case, has or will materially affect the Company and none of such persons has any material interest in any transaction proposed to be undertaken by the Company that will materially affect the Company.

### MANAGEMENT CONTRACTS

There are no management functions of the Company, which are to any substantial degree performed by a person or company other than the directors or senior officers of the Company.

## PARTICULARS OF MATTERS TO BE ACTED UPON

### 1. Financial Statements

The financial statements of the Company for the year ended December 31, 2018 and the Auditors' Report thereon accompanying this Management Information Circular will be placed before the shareholders at the meeting for their consideration.

Shareholders who wish to receive interim financial statements are encouraged to send the enclosed notice, in the addressed envelope to Computershare Trust Company of Canada. Shareholders can also access the Company's financial statements by visiting the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

### 2. Election of Directors

Pursuant to the Company's Articles, the Board has determined that five (5) directors are to be elected to the Board at the Meeting. Therefore, at the Meeting shareholders will elect five (5) directors to the Board.

The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director's office is vacated earlier in accordance with the provisions of the BCA, each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

The following table sets out the names of management's nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment (for the five preceding years for each new director nominee), the period of time during which each has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as of October 11, 2019.

Name of Nominee; Current Position with the Company, Province and Country of Residence	Occupation, Business or Employment	Period as a Director of the Company	Common Shares Beneficially Owned or Controlled <sup>(1)</sup>
<b>ROY SEBAG</b> <sup>(3)</sup> Chairman and Director Tel Aviv District, Israel	President and Chief Executive Officer of Goldmoney Inc. (TSX: XAU) (2014 to Present); Chairman, Chief Executive Officer and Director of Menē Inc. (TSXV: MENE) (2016 to present); Founder and Managing Partner of Braavos Capital Ltd. (2004 to 2010).	Since August 16, 2018	7,556,000
<b>AYDIN KILIC</b> <sup>(2)(4)</sup> President, CEO and Director Vancouver, British Columbia, Canada	President, CEO and Director of Fortress; Principal, Unimage Enterprises Ltd.; prior thereto, Managing Director, Esperanza Homes Ltd. and RF Engineer, Sierra Wireless.	Since August 16, 2018	5,150,001

Name of Nominee; Current Position with the Company, Province and Country of Residence	Occupation, Business or Employment	Period as a Director of the Company	Common Shares Beneficially Owned or Controlled <sup>(1)</sup>
<b>JOSHUA CRUMB</b> <sup>(2)(5)</sup> Director Huntsville, Ontario, Canada	Director of Menē Inc. (TSXV: MENE) (2017 to present); Chief Strategy Officer and Director (2014 to 2018) and Chief Financial Officer (2017 to 2018) of Goldmoney Inc. (TSX: XAU); Executive Director (Senior Metals Strategist in the Global Economics) of Goldman Sachs; Co-founder and Chief Financial Officer of Coffee Flour; Director of Corporate Development of Lundin Group of Companies.	Since August 16, 2018	1,000,000
<b>DAVID JAQUES</b> <sup>(2)(6)</sup> Director Los Altos, California, USA	Director of Katapult Technology Corp. (TSXV: FUND) (2017 to 2019); Director of Mobivity Holdings Corp. (OTC: MFON) (2011 to 2017)	Since August 16, 2018	650,000
<b>MICHAEL COSTA</b> <sup>(7)</sup> Director Aurora, Ontario, Canada	Director of Almonty Industries Inc. (TSX: AII) (2018 to present); Vice President and Portfolio Manager of Goodman & Company Investment Counsel Inc.	Since August 31, 2018	264,707

Notes:

- (1) The number of Common Shares beneficially owned by the above nominees for directors, directly or indirectly, is based on information furnished by the nominees themselves.
- (2) Member of the Audit Committee.
- (3) Mr. Sebag holds options to purchase 1,150,000 Common Shares.
- (4) Mr. Kilic holds options to purchase 750,000 Common Shares.
- (5) Mr. Crumb holds options to purchase 1,150,000 Common Shares.
- (6) Mr. Jaques holds options to purchase 650,000 Common Shares.
- (7) Mr. Costa holds options to purchase 1,000,000 Common Shares.

None of the proposed nominees for election as a director of the Company are proposed for election pursuant to any arrangement or understanding between the nominee and any other person, except the directors and senior officers of the Company acting solely in such capacity.

### Cease Trade Orders and Bankruptcies

No proposed director is, as at the date of this Information Circular, or has been, within ten (10) years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company in respect of which the Information Circular is being prepared) that:

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

No proposed director is, as at the date of this Information Circular, or has been within ten (10) years before the date of this Information Circular, a director or executive officer of any company (including the Company in respect of which the Information Circular is being prepared) 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.

No proposed director has, within the past ten (10) years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

### **Penalties and Sanctions**

No proposed director of the Company has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

### **3. Appointment of Auditors**

Dale Matheson Carr-Hilton LaBonte LLP (“DMCL”), Chartered Professional Accountants, of 1500 – 1140 West Pender Street, Vancouver, British Columbia, V6E 4G1 will be nominated at the Meeting for appointment as auditor of the Company.

Prior to DMCL’s engagement, MNP LLP served as auditors for the Company for the year 2017 and 2016 fiscal years.

In the past, the directors have negotiated with the auditors of the Company on an arm’s length basis in determining the fees to be paid to the auditors. Such fees have been based on the complexity of the matters in question and the time incurred by the auditors. The directors believe that the fees negotiated in the past with the auditors of the Company were reasonable and, in the circumstances, would be comparable to fees charged by other auditors providing similar services.

In order to appoint DMCL as auditors of the Company to hold office until the close of the next annual meeting and authorize the directors to fix the remuneration thereof, a majority of the votes cast at the Meeting must be voted in favour thereof.

The directors of the Company recommend that shareholders vote in favour of appointing DMCL as auditors of the Company and authorizing the directors to fix the remuneration of the auditors. The management representatives named in the attached form of proxy intend to vote in favour of the appointment of DMCL as the auditors of the Company and in favour of authorizing the directors to fix the remuneration of the auditors, unless a shareholder specifies in the proxy that his or her shares are to be withheld from voting in respect of the appointment of auditors and the fixing of their remuneration.

### **4. Approval and Ratification of Option Plan**

The Company has implemented the Option Plan dated for reference March 26, 2014. The Option Plan is a “rolling plan,” under which the total number of Common Shares issuable from time to time, together with all of the Company’s other previously established or proposed share compensation arrangements, may not exceed 10% of the total number of issued and outstanding Common Shares from time to time.

The following is a summary of the terms of the Option Plan and is qualified in its entirety by the full text of the Plan, which will be supplied free of charge to shareholders upon written request made directly to the Company at its registered head office located at 320 – 638 Broughton Street, Vancouver, British Columbia, V6G 3K3, Attention: Chief Executive Officer.

- The number of Common Shares to be reserved and authorized for issuance pursuant to options granted under the Option Plan is a rolling maximum of 10% of the issued and outstanding common shares of the Company from time to time;
- Under the Option Plan, the aggregate number of optioned Common Shares granted to any one optionee in a 12 month period must not exceed 5% of the Company's issued and outstanding shares. The number of optioned Common Shares granted to any one consultant in a 12 month period must not exceed 2% of the Company's issued and outstanding shares. The aggregate number of optioned Common Shares granted to an optionee who is employed to provide investor relations' services must not exceed 2% of the Company's issued and outstanding common shares in any 12 month period;
- The exercise price for options granted under the Option Plan will not be less than the greater of \$0.20 and the market price of the Company's Common Shares at the time of the grant, less applicable discounts permitted by the policies of the TSXV;
- Options will be exercisable for a term of up to ten (10) years, subject to earlier termination in the event of the optionee's death or the cessation of the optionee's services to the Corporation; and
- Options granted under the Option Plan are non-assignable, except by will or by the laws of descent and distribution.

#### **Re-Approval of Rolling Option Plan**

Under section 2.9(b) of Policy 4.4 – Incentive Stock Options (“Policy 4.4”) of the TSXV all rolling stock option plans, such as the Corporation's stock option plan, most recently approved by the shareholders of the Corporation on June 22, 2018 (the “Option Plan”), must receive shareholder approval yearly, at the Company's annual shareholders meeting.

At the Meeting, shareholders will be asked to pass a resolution approving the Option Plan. The Option Plan will be carried forward as the stock option plan of the Resulting Issuer upon successful completion of the Transaction. Accordingly, at the Meeting, shareholders are being asked to consider and, if thought advisable, approve an ordinary resolution in the following form:

**“BE IT HEREBY RESOLVED** that:

- (1) the stock option plan of the Corporation, as described in the Management Information Circular of the Company dated October 11, 2019, be and the same is hereby ratified, confirmed and approved as the stock option plan of the Company;
- (2) any director or officer be and is hereby authorized to amend the stock option plan of the Company should such amendments be required by applicable regulatory authorities including, but not limited to, the TSX Venture Exchange; and
- (3) any one director or officer of the Company be and is hereby authorized and directed to do all such things and to execute and deliver all documents and instruments as may be necessary or desirable to carry out the terms of this resolution.”

Unless otherwise instructed, the persons named in the enclosed proxy or voting instruction form intend to vote such proxy or voting instruction form in favour of the approval of the Option Plan. The directors of the Company recommend that shareholders vote in favour of the approval of the Option Plan. To be adopted, this resolution is required to be passed by the affirmative vote of a majority of the votes cast at the Meeting.

## 5. Other Matters

Other than the foregoing, management of the Company knows of no other matter to come before the Meeting other than those referred to in the Notice of Meeting. The Board of the Company is not aware of any other matters which it anticipates will come before the Meeting as of the date of mailing of this Information Circular.

However, if any other matters which are not known to the management or the Board of the Company should properly come before the Meeting by way of the Advanced Notice Provisions, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgment.

### ADDITIONAL INFORMATION

Additional information relating to the Company is available on [www.sedar.com](http://www.sedar.com). Financial information is provided in the Company's comparative financial statements and management discussion and analysis for its most recently completed financial years ended December 31, 2018 and December 31, 2017. The Company will provide to any person or company, upon request to the Corporate Secretary of the Company at 320 – 638 Broughton Street, Vancouver, British Columbia, V6G 3K3, Telephone: 604-477-9997 one copy of the comparative financial statements of the Company filed with the applicable securities regulatory authorities for the Company the most recently completed financial year in respect for which such financial statements have been issued, together with the report of the auditor, related management's discussion and analysis and any interim financial statements of the Company filed with the applicable securities regulatory authorities subsequent to the filing of the annual financial statements.

Copies of the above documents will be provided free of charge to security holders of the Company. The Company may require payment of a reasonable charge from any person or company who is not a security holder of the Company, who requests a copy of any such document. These documents are also available under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

### DIRECTORS APPROVAL

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

**DATED** at Vancouver, British Columbia this 11th day of October, 2019.

**BY ORDER OF THE BOARD**

*“Aydin Kilic”*

**Aydin Kilic**  
**President, Chief Executive Officer and Director**

## Schedule "A"

### FORTRESS TECHNOLOGIES INC. AUDIT COMMITTEE CHARTER

This charter (the "**Charter**") sets forth the purpose, composition, responsibilities and authority of the Audit Committee (the "**Committee**") of the Board of Directors (the "**Board**") of Fortress Technologies Inc. ("**Fortress**" or the "**Corporation**").

#### 1.0 Mandate

The Committee shall:

- (a) assist the Board in its oversight role with respect to the quality and integrity of the financial information;
- (b) assess the effectiveness of the Corporation's risk management and compliance practices;
- (c) assess the independent auditor's performance, qualifications and independence;
- (d) assess the performance of the Corporation's internal audit function;
- (e) ensure the Corporation's compliance with legal and regulatory requirements; and
- (f) prepare such reports of the Committee required to be included in any Management Information Circular in accordance with applicable laws or the rules of applicable securities regulatory authorities.

#### 2.0 Composition and Membership

The committee shall be composed of not less than three members, each of whom shall be a director of the Corporation. A majority of the members of the Committee shall not be an officer or employee of the Corporation. All members shall satisfy the applicable independence and experience requirements of the laws governing the Corporation, the applicable stock exchanges on which the Corporation's securities are listed and applicable securities regulatory authorities.

Each member of the Committee shall be financially literate as such qualification is interpreted by the Board of Directors in its business judgment.

Members of the Committee shall be appointed or reappointed at the annual meeting of the Corporation and in the normal course of business will serve a minimum of three years. Each member shall continue to be a member of the Committee until a successor is appointed, unless the member resigns, is removed or ceases to be a Director. The Board of Directors may fill a vacancy that occurs in the Committee at any time.

The Board of Directors or, in the event of its failure to do so, the members of the Committee, shall appoint or reappoint, at the annual meeting of the Corporation a Chairman among their number. The Chairman shall not be a former Officer of the Corporation. Such Chairman shall serve as a liaison between members and senior management.

The time and place of meetings of the Committee and the procedure at such meetings shall be determined from time to time by the members therefore provided that:

- (a) a quorum for meetings shall be at least three members;
- (b) the Committee shall meet at least quarterly;
- (c) notice of the time and place of every meeting shall be given in writing or by telephone, facsimile, email or other electronic communication to each member of the Committee at least 24 hours in advance of such meeting;
- (d) a resolution in writing signed by all directors entitled to vote on that resolution at a meeting of the Committee is as valid as if it had been passed at a meeting of the Committee.

The Committee shall report to the Board of Directors on its activities after each of its meetings. The Committee shall review and assess the adequacy of this charter annually and, where necessary, will recommend changes to the Board of Directors for its approval. The Committee shall undertake and review with the Board of Directors an annual performance evaluation of the Committee, which shall compare the performance of the Committee with the requirements of this charter and set forth the goals and objectives of the Committee for the upcoming year. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board of Directors may take the form of an oral report by the chairperson of the Committee or any other designated member of the Committee.

#### **4.0 Duties and Responsibilities**

##### ***4.1 Oversight of the Independent Auditor***

- (a) Sole authority to appoint or replace the independent auditor (subject to shareholder ratification) and responsibility for the compensation and oversight of the work of the independent auditor (including resolution of disagreements between Management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Committee.
- (b) Sole authority to pre-approve all audit services as well as non-audit services (including the fees, terms and conditions for the performance of such services) to be performed by the independent auditor.
- (c) Evaluate the qualifications, performance and independence of the independent auditor, including (i) reviewing and evaluating the lead partner on the independent auditor's engagement with the Corporation, and (ii) considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence.
- (d) Obtain and review a report from the independent auditor at least annually regarding: the independent auditor's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm; any steps taken to deal with any such issues; and all relationships between the independent auditor and the Corporation.
- (e) Review and discuss with Management and the independent auditor prior to the annual audit the scope, planning and staffing of the annual audit.

- (f) Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law.
- (g) Review as necessary policies for the Corporation's hiring of partners, employees or former partners and employees of the independent auditor.

#### ***4.2 Financial Reporting***

- (a) Review and discuss with Management and the independent auditor the annual audited financial statements prior to the publication of earnings.
- (b) Review and discuss with Management the Corporation's annual and quarterly disclosures made in Management's Discussion and Analysis. The Committee shall approve any reports for inclusion in the Corporation's Annual Report, as required by applicable legislation.
- (c) Review and discuss with Management and the independent auditor management's report on its assessment of internal controls over financial reporting and the independent auditor's attestation report on management's assessment.
- (d) Review and discuss with Management the Corporation's quarterly financial statements prior to the publication of earnings.
- (e) Review and discuss with Management and the independent auditor at least annually significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements, including any significant changes in the Corporation's selection or application of accounting principles, any major issues as to the adequacy of the Corporation's internal controls and any special steps adopted in light of material control deficiencies.
- (f) Review and discuss with Management and the independent auditor at least annually reports from the independent auditors on: critical accounting policies and practices to be used; significant financial reporting issues, estimates and judgments made in connection with the preparation of the financial statements; alternative treatments of financial information within generally accepted accounting principles that have been discussed with Management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor; and other material written communications between the independent auditor and Management, such as any management letter or schedule of unadjusted differences.
- (g) Discuss with the independent auditor at least annually any "Management" or "internal control" letters issued or proposed to be issued by the independent auditor to the Corporation.
- (h) Review and discuss with Management and the independent auditor at least annually any significant changes to the Corporation's accounting principles and practices suggested by the independent auditor, internal audit personnel or Management.
- (i) Discuss with Management the Corporation's earnings press releases, including the use of "pro forma" or "adjusted" non-GAAP information, as well as financial information and earnings guidance (if any) provided to analysts and rating agencies.

- (j) Review and discuss with Management and the independent auditor at least annually the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Corporation's financial statements.
- (k) Review and discuss with the Chief Executive Officer and the Chief Financial Officer the procedures undertaken in connection with the Chief Executive Officer and Chief Financial Officer certifications for the annual filings with applicable securities regulatory authorities.
- (l) Review disclosures made by the Corporation's Chief Executive Officer and Chief Financial Officer during their certification process for the annual filing with applicable securities regulatory authorities about any significant deficiencies in the design or operation of internal controls which could adversely affect the Corporation's ability to record, process, summarize and report financial data or any material weaknesses in the internal controls, and any fraud involving Management or other employees who have a significant role in the Corporation's internal controls.
- (m) Discuss with the Corporation's General Counsel at least annually any legal matters that may have a material impact on the financial statements, operations, assets or compliance policies and any material reports or inquiries received by the Corporation or any of its subsidiaries from regulators or governmental agencies.

#### ***4.3 Oversight of Risk Management***

- (a) Review and approve periodically Management's risk philosophy and risk management policies.
- (b) Review with Management at least annually reports demonstrating compliance with risk management policies.
- (c) Review with Management the quality and competence of Management appointed to administer risk management policies.
- (d) Review reports from the independent auditor at least annually relating to the adequacy of the Corporation's risk management practices together with Management's responses.
- (e) Discuss with Management at least annually the Corporation's major financial risk exposures and the steps Management has taken to monitor and control such exposures, including the Corporation's risk assessment and risk management policies.

#### ***4.4 Oversight of Regulatory Compliance***

- (a) Establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
- (b) Discuss with Management and the independent auditor at least annually any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Corporation's financial statements or accounting.
- (c) Meet with the Corporation's regulators, according to applicable law.

- (d) Exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Committee by the Board of Directors.

### **5.0 Funding for the Independent Auditor and Retention of Other Independent Advisors**

The Corporation shall provide for appropriate funding, as determined by the Committee, for payment of compensation to the independent auditor for the purpose of issuing an audit report and to any advisors retained by the Committee. The Committee shall also have the authority to retain and, at Fortress's expense, to set and pay the compensation for such other independent counsel and other advisors as it may from time to time deem necessary or advisable for its purposes. The Committee also has the authority to communicate directly with internal and external auditors.

### **6.0 Procedures for Receipt of Complaints and Submissions Relating to Accounting Matters**

1. The Corporation shall inform employees on the Corporation's intranet, if there is one, or via a newsletter or e-mail that is disseminated to all employees at least annually, of the officer (the "**Complaints Officer**") designated from time to time by the Committee to whom complaints and submissions can be made regarding accounting, internal accounting controls or auditing matters or issues of concern regarding questionable accounting or auditing matters.
2. The Complaints Officer shall be informed that any complaints or submissions so received must be kept confidential and that the identity of employees making complaints or submissions shall be kept confidential and shall only be communicated to the Committee or the Chair of the Committee.
3. The Complaints Officer shall be informed that he or she must report to the Committee as frequently as such Complaints Officer deems appropriate, but in any event no less frequently than on a quarterly basis prior to the quarterly meeting of the Committee called to approve interim and annual financial statements of the Corporation.
4. Upon receipt of a report from the Complaints Officer, the Committee shall discuss the report and take such steps as the Committee may deem appropriate.
5. The Complaints Officer shall retain a record of a complaint or submission received for a period of six years following resolution of the complaint or submission.

### **7.0 Procedures for Approval of Non-Audit Services**

1. The Corporation's external auditors shall be prohibited from performing for the Corporation the following categories of non-audit services:
  - (a) bookkeeping or other services related to the Corporation's accounting records or financial statements;
  - (b) financial information systems design and implementation;
  - (c) appraisal or valuation services, fairness opinion or contributions-in-kind reports;
  - (d) actuarial services;
  - (e) internal audit outsourcing services;
  - (f) management functions;
  - (g) human resources;

- (h) broker or dealer, investment adviser or investment banking services;
  - (i) legal services;
  - (j) expert services unrelated to the audit; and
  - (k) any other service that the Canadian Public Accountability Board determines is impermissible.
2. In the event that the Corporation wishes to retain the services of the Corporation's external auditors for tax compliance, tax advice or tax planning, the Chief Financial Officer of the Corporation shall consult with the Chair of the Committee, who shall have the authority to approve or disapprove on behalf of the Committee, such non-audit services. All other non-audit services shall be approved or disapproved by the Committee as a whole.
  3. The Chief Financial Officer of the Corporation shall maintain a record of non-audit services approved by the Chair of the Committee or the Committee for each fiscal year and provide a report to the Committee no less frequently than on a quarterly basis.

## **8.0 Reporting**

The Chairman will report to the Board at each Board meeting on the Committee's activities since the last Board meeting. The Committee will annually review and approve the Committee's report for inclusion in the Annual Information Form. The Secretary will circulate the minutes of each meeting of the Committee to the members of the Board.

## **9.0 Access to Information and Authority**

The Committee will be granted unrestricted access to all information regarding Fortress that is necessary or desirable to fulfill its duties and all directors, officers and employees will be directed to cooperate as requested by Members.

## **10.0 Review of Charter**

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

Dated: October 9, 2018

Approved by: Audit Committee  
Board of Directors