

**BAROYECA GOLD & SILVER INC.**  
#1008 – 409 Granville Street  
Vancouver, British Columbia, V6C 1T2

**INFORMATION CIRCULAR**

INFORMATION PROVIDED AS AT FEBRUARY 8, 2019 FOR THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD MARCH 19, 2019.

This Information Circular is furnished in connection with the solicitation of proxies by management of Baroyeca Gold & Silver Inc. (the "Company") for use at the Annual General and Special Meeting (the "Meeting") of Shareholders to be held on March 19, 2019 and any adjournment thereof at the time and place and for the purposes set forth in the Notice of Meeting.

The cost of this solicitation will be borne by the Company. In addition to the solicitation of proxies by mail, directors, officers and some regular employees may solicit personally, but will not receive compensation for so doing.

**APPOINTMENT AND REVOCATION OF PROXIES**

THE PERSONS NAMED IN THE ACCOMPANYING FORM OF PROXY ARE DIRECTORS OF THE COMPANY. A SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER) TO REPRESENT HIM AT THE MEETING MAY DO SO, EITHER BY STRIKING OUT THE PRINTED NAMES AND INSERTING THE DESIRED PERSON'S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER PROPER FORM OF PROXY AND IN EITHER CASE DELIVERING THE COMPLETED PROXY TO THE COMPANY'S TRANSFER AGENT, COMPUTERSHARE TRUST COMPANY OF CANADA, 510 BURRARD STREET, 2ND FLOOR, VANCOUVER, B.C., V6C 3B9, NOT LESS THAN FORTY-EIGHT (48) HOURS (EXCLUDING SATURDAYS, SUNDAYS AND HOLIDAYS) BEFORE THE TIME OF THE MEETING. A proxy may be delivered to the Transfer Agent by fax or other means as set out in the accompanying Form of Proxy. (Refer to notes thereto for instructions).

The instrument of proxy must be signed by the Shareholder or by his attorney in writing, or, if the Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer.

A Shareholder who has given a proxy may revoke it at any time before it is exercised. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or by his attorney authorized in writing, or, if the Shareholder is a corporation, it must either be under its common seal, or signed by a duly authorized officer and deposited at the office of the Company's registrar and transfer agent, Computershare Trust Company of Canada, 2nd Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment of it, at which the proxy is to be used, or to the Chairman of the Meeting on the day of the Meeting or any adjournment of it. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

**VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES**

***General***

On any poll, the persons named in the enclosed instrument of proxy will vote the shares in respect of which they are appointed. Where directions are given by the shareholder in respect of voting for or against any resolution, the proxyholder will do so in accordance with such direction.

IN THE ABSENCE OF ANY INSTRUCTION IN THE PROXY, IT IS INTENDED THAT SUCH SHARES WILL BE VOTED IN FAVOUR OF THE MOTIONS PROPOSED TO BE MADE AT THE MEETING AS STATED UNDER THE HEADINGS IN THIS INFORMATION CIRCULAR. The instrument of proxy enclosed, when properly signed, confers discretionary authority with respect to amendments or variations to the matters which may properly be brought before the Meeting. At the time of printing this information circular, the management of the Company is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any other matters which are not now known to the management should properly come before the Meeting, the proxies hereby solicited will be voted on such matters in accordance with the best judgment of the nominee.

In order to approve a motion proposed at the Meeting, a majority of greater than 50% of the votes cast will be required (an "Ordinary Resolution") unless the motion requires a Special Resolution, in which case a majority of not less than 66 2/3% of the votes cast will be required. In the event a motion proposed at the Meeting requires disinterested shareholder approval, common shares held by shareholders of the Company who are also "insiders," as such term is defined under applicable securities laws, and who have an interest in the outcome of the resolution, will be excluded from the count of votes cast on such motion.

#### *Advice to Beneficial Holders of Common Shares*

**The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold common shares in their own name.** Shareholders who do not hold their common shares in their own name (referred to in this information circular as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of common shares can be recognized and acted upon at the Meeting. If common shares are listed in an account statement provided to a Shareholder by a broker, then, in almost all cases, those common shares will not be registered in the Shareholder's name on the records of the Company. Such common shares will more likely be registered under the name 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 CDS & Co. (the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). The common shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, a broker and its agents are prohibited from voting shares for the broker's clients. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their common shares are communicated to the appropriate person.**

Applicable regulatory rules require intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is identical to the form of proxy provided to registered Shareholders. However, its purpose is limited to instructing the registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications Solutions, Canada ("Broadridge"). Broadridge typically applies a special sticker to the proxy forms, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be presented at the Meeting. **A Beneficial Shareholder receiving a proxy with a Broadridge sticker on it cannot use that proxy to vote Common shares directly at the Meeting. The proxy must be returned to Broadridge well in advance of the Meeting in order to have the Common shares voted.**

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

#### **VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

The voting securities of the Company consist of common shares without par value. As at February 8, 2019, the issued and outstanding shares of the Company consisted of 51,269,938 common shares without par value, each such share carrying the right to one (1) vote at the Meeting. February 8, 2019 has been fixed in advance by the directors as the record date for the purposes of determining those shareholders entitled to receive notice of, and to vote at, the Meeting unless after that date a shareholder of record transfers his shares and the transferee, upon producing properly endorsed certificates evidencing such shares or otherwise establishing that the transferee owns such shares, requests at least 10 days prior to the Meeting that the transferee's name be included in the list of shareholders entitled to vote, in which case such transferee is entitled to vote such shares at the Meeting.

To the knowledge of the directors and senior officers of the Company, as of the record date, no persons beneficially owned, directly or indirectly, or exercise control or direction over, voting securities carrying more than 10% of the voting rights attached to the voting securities of the Company.

As of February 8, 2019, the directors and senior officers of the Company as a group owned beneficially, directly and indirectly, 4,835,444 common shares of the Company, representing 9.43 % of the presently issued and outstanding common shares of the Company.

## **FINANCIAL STATEMENTS**

The audited financial statements of the Company for the year ended May 31, 2018, together with the Auditor's Reports thereon, (the "Financial Statements") will be presented to Shareholders at the Meeting. The Company's Financial Statements, together with the Auditor's Report thereon and the management discussion and analysis are available with the Company's disclosure material on SEDAR at www.sedar.com.

## **FIXING THE NUMBER OF DIRECTORS AND ELECTION OF DIRECTORS**

The number for which positions exist on the Company's Board had been fixed previously at four (4). Four directors will be elected at the Annual and Special General Meeting. Although management is nominating four (4) individuals to stand for election, the names of further nominees for directors may come from the floor at the Meeting.

Each director of the Company is elected annually and holds office until the next annual general meeting of Shareholders, until his successor is duly elected, or until his resignation as a director.

In the absence of instructions to the contrary, the shares represented by proxy will be voted for the nominees herein listed. Management does not contemplate that any of the nominees will be unable to serve as a director.

## **INFORMATION CONCERNING NOMINEES SUBMITTED BY MANAGEMENT**

The following table sets out the names of the persons proposed to be nominated by management for election as a director, the province or state and country in which each person is ordinarily resident, the positions and offices which each presently holds with the Company, the period of time for which each person has been a director of the Company, the respective principal occupations or employment during the past five years if such nominee is not presently an elected director and the number of shares of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of this information circular.

Each director elected will hold office until the next Annual General Meeting unless his office is earlier vacated in accordance with the Articles of the Company and the British Columbia *Business Corporations Act* or unless he becomes disqualified to act as a director.

<b>Name, Province or State and Country of Ordinary Residence</b>	<b>Position Held with the Company</b>	<b>Principal Occupation and, IF NOT at Present an Elected Director, Occupation During the Past Five Years</b>	<b>Date First Became a Director</b>	<b>Approximate Number of Voting Securities<sup>(1)</sup></b>
<b>Richard D. Wilson</b> BC, Canada	President, CEO and Director	President and Chief Executive Officer of Regent Ventures Ltd. and the Company.	March 27, 2006	2,035,000
<b>Douglas Eacrett</b> BC, Canada	CFO, Secretary and Director	Self-employed corporate and securities lawyer since June, 2004	Dec. 16, 2010	152,000
<b>William T. Carr</b> New York, U.S.A.	Director	President, since 1991, of Auriga Capital Corporation of Bronxville, NY, a private company providing corporate and golf course finance and development and loan workout services.	Dec. 13, 2011	618,444
<b>Brian Macnish</b> New York, U.S.A.	N/A	Managing Principal of Craven Capital, LLC, a Registered Investment Advisory firm, New York, NY; a director and Head of Strategy for PF2 Securities Evaluation, Inc. a financial markets litigation consulting firm	Nominee	2,030,000

Name, Province or State and Country of Ordinary Residence	Position Held with the Company	Principal Occupation and, IF NOT at Present an Elected Director, Occupation During the Past Five Years	Date First Became a Director	Approximate Number of Voting Securities <sup>(1)</sup>
		based in New York, N.Y.		

Notes: 1. Voting securities beneficially owned, directly or indirectly, or over which control or direction is exercised as at February 8, 2019, the record date.

All of the proposed nominees are ordinarily resident in Canada, except that William T. Carr and Brian Macnish reside in the USA.

The Board of Directors has not appointed an Executive Committee.

As the Company is a reporting company, the directors of the Company are required to elect from their number an Audit Committee. Currently William Carr, Bruno Mosimann (not standing for re-election) and Douglas Eacrett are the 3 directors elected by the Board of Directors of the Company to the Audit Committee.

Other than as described below, no proposed director:

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

except that:

Douglas Eacrett: was Secretary of Clear Gold Resources Inc. when on November 3, 2005 it was made the subject of a cease trade order for failing to file financial statements, which order was revoked on January 24, 2012; or

- (b) has, within the 10 years before the date of this information circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or has a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

### **STATEMENT OF EXECUTIVE COMPENSATION**

#### **General**

For the purposes of this Information Circular and the discussion of executive compensation herein:

“**CEO**” means an individual who acted as chief executive officer of the company, or acted in a similar capacity, for any part of the most recently completed financial year;

“**CFO**” means an individual who acted as chief financial officer of the company, or acted in a similar capacity, for any part of the most recently completed financial year;

“**equity incentive plan**” means an incentive plan, or portion of an incentive plan, under which awards are granted and that falls

within the scope of Section 3870 of the Handbook;

**“incentive plan”** means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period;

**“incentive plan award”** means compensation awarded, earned, paid, or payable under an incentive plan;

**“NEO”** or **“named executive officer”** means each of the following individuals:

- (a) a CEO;
- (b) a CFO;
- (c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6), for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company, nor acting in a similar capacity, at the end of that financial year;

**“non-equity incentive plan”** means an incentive plan or portion of an incentive plan that is not an equity incentive plan;

**“option-based award”** means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features;

**“plan”** includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, securities, similar instruments or any other property may be received, whether for one or more persons;

**“repricing”** means, in relation to an option, adjusting or amending the exercise or base price of the option, but excludes any adjustment or amendment that equally affects all holders of the class of securities underlying the option and occurs through the operation of a formula or mechanism in, or applicable to, the option;

**“share-based award”** means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock.

**Director and named executive officer compensation, excluding compensation securities**

Richard Wilson became CEO of the Company on December 13, 2011. Douglas Eacrett became CFO of the Company on December 13, 2011 and had served as acting CFO from January 26, 2011. Aside from the CEO and CFO, the Company has no other Named Executive Officers (“NEO’s”) as no other executive officer or individual received total compensation amounting to more than \$150,000 in the completed financial years set out in the table below. Particulars of the compensation paid to the Company’s NEO’s and Directors in each of the two completed financial years that ended May 31, 2018 and 2017 is as follows:

<b>Table of Compensation Excluding Compensation Securities</b>							
<b>Name and position</b>	<b>Year</b>	<b>Salary, consulting fee, retainer or commission (\$)</b>	<b>Bonus (\$)</b>	<b>Committee or meeting fees (\$)</b>	<b>Value of perquisites (\$)</b>	<b>Value of all other compensation (\$)</b>	<b>Total compensation (\$)</b>
<b>Richard Wilson</b> <i>President, CEO and Director</i>	2018	60,000 <sup>(1)</sup>	Nil	Nil	Nil	Nil	60,000
	2017	60,000 <sup>(1)</sup>	Nil	Nil	Nil	Nil	60,000
<b>Douglas Eacrett</b> <i>CFO, Secretary and</i>	2018	19,800 <sup>(2)</sup>	Nil	Nil	Nil	Nil	19,800
	2017	12,529 <sup>(2)</sup>	Nil	Nil	Nil	Nil	12,529

<i>Director</i>							
<b>Bruno Mosimann</b> <i>Director</i>	2018 2017	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
<b>William Carr</b> <i>Director</i>	2018 2017	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

- Notes: 1. This amount was accrued for payment to Richard Wilson through Mercap Investments Inc. (See "Management Services Arrangements", below).
2. Represents amounts accrued for payment, to Mr. Eacrett for legal services provided to the Company from time to time during the respective periods.

### Compensation Discussion and Analysis

The Company's compensation program for its executive officers, including its NEO's, and directors is administered by the board of directors (the "Board"). The Board is responsible for determining the compensation to be paid to its executive officers and for evaluating their performance.

The objective of the Company's approach to compensation of its NEO's is to provide competitive salary levels and compensation incentives to attract and retain qualified management for the Company with a compensation framework that is competitive in the industry and with incentives that will encourage the continued development of the Company and thereby increase shareholder value. The Company's policy is to recognize and reward individual performance as well as to position NEO's compensation within the range found in industry for the applicable level of responsibility.

The deliberations of the Board in these matters are private. To achieve the compensation objectives described above, compensation to the Company's NEO's may consist of: (i) base cash salary or consulting fees; (ii) cash incentive bonus; and (iii) option grants pursuant to the Company's stock option plan.

The Board determines the specific compensation to be paid to NEO's based on a number of factors, including: the Board's understanding of compensation paid for positions of similar responsibility in companies of comparable size; the performance of the individual NEO's in advancing the development and objectives of the Company; the roles and responsibilities of the individual NEO's; and the relevant experience and skills of each NEO.

The Board reviews the compensation paid to the NEO's on an annual basis.

### Management Services Arrangements

During the year ended May 31, 2018, the management services requirements of the Company were provided by Richard Wilson, President and CEO of the Company, for a fee of \$5,000 per month. This arrangement is subject to review by the Board of Directors of the Company and may be terminated at any time by either party providing 30 days written notice to the other party.

### Stock options and other compensation securities

The following table discloses all compensation securities granted or issued to each director and named executive officer by the company or one of its subsidiaries in the most recently completed financial year, ended May 31, 2018, for services provided, or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	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

<b>Richard Wilson</b> <i>President, CEO and Director</i>	None <sup>(1)</sup>	N/A	N/A	N/A	N/A	N/A	N/A
<b>Douglas Eacrett</b> <i>CFO, and Director</i>	None <sup>(1)</sup>	N/A	N/A	N/A	N/A	N/A	N/A
<b>Bruno Mosimann</b> <i>Director</i>	None <sup>(1)</sup>	N/A	N/A	N/A	N/A	N/A	N/A
<b>William T. Carr</b> <i>Director</i>	None <sup>(1)</sup>	N/A	N/A	N/A	N/A	N/A	N/A

Notes: 1. As the foregoing table indicates, there were no compensation securities issued to the NEO's or the Directors of the Company during the fiscal year ended May 31, 2018. In addition, there were no compensation securities (stock options) with the related underlying securities (common shares) held by any NEO or Director on May 31, 2018 that had been granted prior to the 2018 fiscal year.

#### **Exercise of Compensation Securities by Directors and NEOs**

During the fiscal year ended May 31, 2018, there were no exercises of compensation securities by NEO's or Directors of the Company.

#### **Equity compensation plans**

The Company has one equity-based compensation arrangement, its stock option plan (the "Stock Option Plan"), that is approved each year by the shareholders of the Company. The Stock Option Plan serves the objective of motivating directors, officers, employees and consultants of the Company and advancing the interests of the Company by affording such persons the opportunity to acquire an equity interest in the Company through rights granted under the Stock Option Plan to purchase shares of the Company. Particulars of the Stock Option Plan are set below herein under "Particulars of Other Matters to be Acted Upon – Stock Option Plan and Incentive Stock Options." Stock options are fully vested at the time of grant.

The Company does not have any share-based award plans in place.

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

The following table sets out particulars of the compensation plans under which equity securities of the Company are authorized for issuance as of May 31, 2018:

<b>Plan Category</b>	<b>A Number of securities to be issued upon exercise of outstanding options, warrants and rights</b>	<b>B Weighted-average exercise price of outstanding options, warrants and rights</b>	<b>C Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column A)</b>
Equity compensation plans approved by security holders	Nil	N/A	5,126,994
Equity compensation plans not approved by security	Nil	N/A	N/A

holders			
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**Pension Plan Benefits**

The Company has no pension plans that provide for payments or benefits to any NEO at, following or in connection with retirement. The company also does not have any deferred compensation plans relating to any NEO.

**Termination and change of Control Benefits**

As at the end of the most recently completed financial year, the Company did not have any employment agreements with any NEO or any compensatory plans or arrangements that would entitle an NEO to receive compensation in the event of resignation, retirement or other termination, a change of control of the Company or a change in the NEO's responsibilities following a change of control of the Company. During the most recently completed financial year, the Company did not provide compensation, monetary or otherwise to any person who now acts or previously acted as an NEO of the Company, in connection with or related to the retirement, termination or resignation of such person, or as a result of a change of control of the Company.

**INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

As at the date of this information circular, none of the Company's executive officers, directors, employees or former executive officers, directors and employees of the Company or any of its subsidiaries were indebted to the Company or any of its subsidiaries and none of them were indebted to any other entity where such indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries. "Support agreement" includes, but is not limited to, an agreement to provide assistance in the maintenance or servicing of any indebtedness and an agreement to provide compensation for the purpose of maintaining or servicing any indebtedness of the borrower.

At no time during the year ended May 31, 2018, was any director or executive officer of the Company, or proposed nominee for election as a director of the Company, or any associate of any such director, executive officer or proposed nominee, indebted to the Company or any of its subsidiaries, indebted to another entity where such indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

**MANAGEMENT CONTRACTS**

Management functions of the Company are not, to any substantial degree, performed by a person or persons other than the directors or senior officers of the Company.

**CORPORATE GOVERNANCE**

Pursuant to National Policy 58-101 *Disclosure of Corporate Governance Practices*, the Company is required to and hereby discloses its corporate governance practices as follows:

**Board of Directors**

During the most recently completed fiscal year ended May 31, 2018, the board of directors of the Company was comprised of Bruno Mosimann, Richard Wilson, William Carr and Douglas Eacrett. Bruno Mosimann and William Carr are considered "independent" as defined by NP 58-101. Richard Wilson, President and CEO of the Company, and Douglas Eacrett, Secretary and CFO, because of their positions as officers are not considered "independent".

The board of directors of the Company facilitates the independent supervision over the Company's management through frequent meetings of the board.

**Directorships**

The following table sets out the directors and nominees that are currently the directors of other reporting issuers in all Canadian and foreign jurisdictions:

Name of Director or Nominee	Name of Reporting Issuer
Richard Wilson	Nevada Energy Corp. Lico Energy Metals Inc. Regent Ventures Ltd.
Douglas Eacrett	Regent Ventures Ltd.

### **Orientation and Continuing Education**

The board of directors of the Company briefs all new directors with respect to the policies of the board of directors and other relevant corporate and business information. The board does not provide any continuing education.

### **Ethical Business Conduct**

The board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the board in which the director has an interest have been sufficient to ensure that the board operates independently of management and in the best interests of the Company.

### **Nomination of Directors**

The board of directors is responsible for identifying individuals qualified to become new board members and recommending to the board new director nominees for the next annual meeting of shareholders.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the required time, show support for the Company's mission and strategic objectives, and a willingness to serve.

### **Compensation**

The compensation practices of the Company with respect to its executive officers and directors is set out herein under the heading "Statement of Executive Compensation" above.

### **Other Board Committees**

The board of directors has no other committees other than the Audit Committee.

### **Assessments**

The board of directors regularly monitors the adequacy of information given to directors, communications between the board and management and the strategic direction and processes of the board and its committee.

### **AUDIT COMMITTEE DISCLOSURE**

The charter of the Company's audit committee and the other information required to be disclosed by Form 52-110F2 is attached to this Information Circular as Schedule "A" and incorporated by reference herein.

### **APPOINTMENT AND REMUNERATION OF AUDITOR**

The persons named in the enclosed Instrument of Proxy intend to vote for the re-appointment of A. Chan and Company LLP, Chartered Professional Accountants, as the Company's auditor until the next Annual General Meeting of Shareholders at a remuneration to be fixed by the Board of Directors. A. Chan and Company LLP were first appointed auditors on December 14, 2017.

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

Since June 1, 2017, being the commencement of the Company's most recently completed financial year, none of the following persons (the "Informed Persons"), except as set out herein and below, has any material interest, direct or indirect, in any transaction or proposed transaction which has materially affected or will materially affect the Company:

- (a) any person who has been a director, senior officer or insider of the Company since June 1, 2017;
- (b) any proposed nominee for election as a director of the Company; and
- (c) any associate or affiliate of any of the foregoing persons.

### **Matters to be acted upon**

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

### **Material Transactions since June 1, 2017**

#### **Private Placements**

Pursuant to a private placement agreement dated September 14, 2017, William T. Carr, a director of the Company, purchased 500,000 shares of the Company's securities at a price of \$0.01 per share. The private placement was completed in accordance with the policies of, and was approved by, the TSX Venture Exchange. The shares issued to Mr. Carr were restricted from trading until February 27, 2018.

#### **Other informed party transactions**

During the financial year ended May 31, 2018, the Company entered into certain transactions with directors and officers of the Company or companies controlled by directors of the Company as follows:

1. Management fees of \$60,000 were accrued to Richard Wilson President CEO and a director of the Company;
2. Professional fees of \$19,800 were accrued to a law firm of which Douglas Eacrett, a director of the Company, is principal;
3. A company controlled by William Carr, a director of the Company, advanced \$9,079 which has been used for exploration and evaluation assets. The outstanding balance bears interest at 18% per annum and is payable on demand; and
4. The long-term loan payable as at May 31, 2018 of \$355,755 (2016-\$353,408; 2015 - \$332,613) was arranged through a partnership of individuals which includes, William Carr, a director of the Company. As of May 31, 2018, \$336,872 was owing with respect to this loan for accrued interest, participation fee, and loan fee, and is included in accounts payable and accrued liabilities.

### **PARTICULARS OF OTHER MATTERS TO BE ACTED UPON**

#### **Stock Option Plan and Incentive Stock Options**

The Exchange policies with respect to incentive stock options (the "Policies") provide that listed companies may only issue incentive stock options pursuant to the terms of a stock option plan that has been approved by the shareholders of the Company and the Exchange. At the last Annual General Meeting, pursuant to the Policies, management proposed and the shareholders of the Company approved a rolling stock option plan which reserves a maximum of 10% of the issued shares of the Company from time to time for administration and grant of options under the stock option plan. The Policies require that such a rolling plan be approved each year by the shareholders and the Exchange.

Management of the Company believes that incentive stock options serve an important function in furnishing Directors (including officers), Employees, Consultants and Management Company Employees (collectively the "Eligible Parties") of the Company an opportunity to invest in the Company in a simple and effective manner and better aligning the interests of the Eligible Parties with those of the Company and its shareholders through ownership of shares in the Company. Accordingly, at the Meeting the shareholders will be asked to pass an ordinary resolution adopting and approving the Company's "rolling" stock option plan (the "Plan").

The Plan has been prepared by the Company in accordance with the policies of the Exchange and is in the form of a rolling stock option plan reserving for issuance upon the exercise of options granted pursuant to the Plan a maximum of 10% of the issued and outstanding shares of the Company at any time, less any shares required to be reserved with respect to options granted by the Company prior to the

implementation of the Plan. The Plan will be administered by the Board of Directors of the Company, or a committee of three directors, if so appointed by the Board (the "Committee"). Subject to the provisions of the Plan, the Committee in its sole discretion will determine all options to be granted pursuant to the Plan, the exercise price therefore and any special terms or vesting provisions applicable thereto. The Committee will comply with all Exchange and other regulatory requirements in granting options and otherwise administering the Plan. A summary of some of the additional provisions of the Plan follows:

- (i) under the Policies, an Optionee must either be an Eligible Charitable Organization or an Eligible Party at the time the option is granted in order to be eligible for the grant of a stock option;
- (ii) options granted to insiders of the Company as a total in any twelve-month period shall not exceed 10% of the issued and outstanding shares of the Company;
- (iii) options granted to any one Person (and companies wholly-owned by that Person) as a total in any twelve-month period shall not exceed 5% of the issued and outstanding shares of the Company;
- (iv) options granted to any one Consultant to the Company as a total in any twelve-month period shall not exceed 2% of the issued and outstanding shares of the Company;
- (v) options granted to all Persons engaged in Investor Relations Activities for the Company in aggregate in any twelve-month period shall not exceed 2% of the issued and outstanding shares of the Company;
- (vi) options issued to Persons retained to provide Investor Relations Activities must vest in stages over a period of not less than 12 months with no more than 1/4 of the options vesting in any 3 month period;
- (vii) the aggregate number of options granted and outstanding to Eligible Charitable organizations must not at any time exceed 1% of the issued shares of the Company;
- (viii) all options on granting must be allocated to the respective optionee;
- (ix) options granted shall be non-assignable and not transferable and shall not have a term in excess of ten years;
- (x) the exercise price of options granted shall not be less than the Discounted Market Price of the Company's shares, but, in any event, not less than \$0.05 per share;
- (xi) all options granted shall be evidenced by written option agreements;
- (xii) options can be exercisable for a maximum of 10 years from the date of grant (subject to extension where the expiry date falls within a "blackout period" (see (xii) below));
- (xiii) an Option will be automatically extended past its expiry date if such expiry date falls within a blackout period during which the Company prohibits optionees from exercising their options, subject to the following requirements: (a) the blackout period must (i) be formally imposed by the Company pursuant to its internal trading policies; and (ii) must expire upon the general disclosure of undisclosed Material Information; and (b) the automatic extension of an optionee's Option will not be permitted where the optionee or the Company is subject to a cease trade order (or similar order under Securities Laws) in respect of the Company's securities; and
- (xiv) any amendment to reduce the exercise price of options granted to insiders of the Company shall be subject to approval of the disinterested shareholders of the Company, the majority vote of the shareholders other than the insiders of the Company.

"Consultant", "Director", "Discounted Market Price", "Eligible Charitable Organization", "Employee", "Investor Relations Activities", "Management Company Employee", and "Person" all have the same definition as in the policies of the Exchange.

Pursuant to the policies of the Exchange, the shares underlying any options granted to insiders or to other optionees at an exercise price that is at a discount to the market price of the Company's shares on the date of grant will be restricted from trading for a period of four months from the date of grant of the option. A copy of the Amended Plan will be available at the Meeting for review by interested shareholders.

Management recommends, and the persons named in the enclosed form of Proxy intend to vote in favour of, the adoption and approval of the Plan.

The text of the resolution to be passed is as follows:

**"BE IT RESOLVED THAT** the Company's Plan, be and is hereby ratified, confirmed and approved with such additional provisions and amendments, provided that such are not inconsistent with the policies of the TSX Venture Exchange, as the directors of the Company may deem necessary or advisable."

In order to be passed, a majority of the votes cast at the Meeting in person or by proxy must be voted in favour of the resolution.

### **Adoption of New Articles**

The Company is seeking Shareholder approval for the adoption of revised Articles (the "New Articles") with a view to modifying the Articles to adopt more completely the provisions of the *Business Corporations Act* (British Columbia) (the "Act") including procedures approved by securities regulators subsequent to the original adoption of the Articles by the Company.

Management and the Directors believe that the New Articles will provide the Company with greater flexibility for future corporate activities and will result in efficiencies and greater cost-effectiveness.

The resolution approving the New Articles must be passed by not less than two-thirds of the votes cast by the Shareholders present in person or by proxy at the Meeting.

Management believes the major changes from the existing Articles are:

1. Certain changes to the Notice of Articles, New Articles and share structure may be made by directors' resolution or by ordinary resolution. A description of these changes is provided below; and
2. The directors, by directors' resolution, may approve a change of name of the Company without the necessity for Shareholder approval.

If the New Articles are adopted by Shareholders, the Company may alter its Notice of Articles, New Articles and share structure in the following manner:

1. by directors' resolution or ordinary resolution, as determined in each case by the directors, to:
  - (a) if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares and alter the identifying name of any of its shares;
  - (b) establish, increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares;
  - (c) if none of the shares of a class of shares with par value are allotted or issued, increase the par value of those shares; and
  - (d) subdivide or consolidate all or any of its unissued, or fully paid issued, shares.
2. if the Act does not specify the type of resolution and the New Articles do not specify another type of resolution, by ordinary resolution otherwise alter its shares, authorized share structure or the New Articles.

Accordingly, at the Meeting, Shareholders will be asked to consider and, if thought fit, to pass the following special resolution:

"RESOLVED, as a special resolution, that:

- (a) the existing Articles of the Company filed with the Registrar of Companies be altered by deleting all of the provisions for the existing Articles of the Company and the New Articles be adopted in substitution therefore and that the Articles and the Notice of Articles be altered accordingly;
- (b) any director or officer of the Company is authorized to execute and file such documents and take such further action, including any filings with the Registrar of Companies (British Columbia), that may be necessary to effect the amendment; and
- (c) the board of directors of the Company is hereby authorized, at any time in its sole discretion, to determine whether or not to proceed with this resolution without further approval, ratification or confirmation by the Shareholders, as more particularly described in and subject to the restrictions described in the Company's information circular dated February 8, 2019."

The New Articles shall have effect immediately on the date and time the New Articles are deposited for filing in the Company's records office.

A copy of the New Articles will be available for viewing for five (5) business days prior to the Meeting at the Company's office at Suite 1008, 409 Granville Street, Vancouver, British Columbia, V6C 1T2, and at the Meeting.

**ADDITIONAL INFORMATION**

Additional information relating to the Company is on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information relating to the Company is provided in the Company's comparative financial statements and MD&A for the financial year ended May 31, 2018, which are available on SEDAR. Shareholders may contact the Company to request copies of financial statements and MD&A at its office, Suite #1008, 409 Granville Street, Vancouver, British Columbia, V6C 1T2.

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

**OTHER MATTERS**

Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the shares represented by the proxy solicited hereby will be voted on such matter in accordance with the best judgment of the persons voting by proxy.

Dated at Vancouver, British Columbia, as of the 8<sup>th</sup> day of February, 2019.

**BAROYECA GOLD & SILVER INC.**

"Richard Wilson"  
RICHARD WILSON  
President and CEO

**SCHEDULE "A"**

**BAROYECA GOLD & SILVER INC.**

**FORM 52-110F2  
AUDIT COMMITTEE DISCLOSURE**

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**ITEM 1: THE AUDIT COMMITTEE'S CHARTER**

*Mandate*

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

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

*Composition*

The Committee shall be comprised of a minimum three directors as determined by the Board of Directors. If the Company ceases to be a "venture issuer" (as that term is defined in Multilateral Instrument 52-110), then all of the members of the Committee shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

If the Company ceases to be a "venture issuer" (as that term is defined in Multilateral Instrument 52-110), then all members of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Audit Committee Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

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

*Meetings*

The Committee shall meet a least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

*Responsibilities and Duties*

To fulfill its responsibilities and duties, the Committee shall:

1. Documents/Reports Review

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

2. External Auditors

- (a) *review annually, the performance of the external auditors who shall be ultimately accountable to the Company's Board of Directors and the Committee as representatives of the shareholders of the Company;*
- (b) *obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1;*
- (c) *review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors;*
- (d) *take, or recommend that the Company's full Board of Directors take appropriate action to oversee the independence of the external auditors, including the resolution of disagreements between management and the external auditor regarding financial reporting;*
- (e) *recommend to the Company's Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval;*
- (f) *recommend to the Company's Board of Directors the compensation to be paid to the external auditors;*
- (g) *at each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements;*
- (h) *review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company;*
- (i) *review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements; and*
- (j) *review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:*
  - (i) *the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided,*
  - (ii) *such services were not recognized by the Company at the time of the engagement to be non-audit services, and*
  - (iii) *such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.*

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

3. Financial Reporting Processes

- (a) *in consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external;*

- (b) *consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting;*
  - (c) *consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management;*
  - (d) *review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments;*
  - (e) *following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;*
  - (f) *review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements;*
  - (g) *review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented;*
  - (h) *review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters;*
  - (i) *review certification process;*
  - (j) *establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and*
  - (k) *establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.*
4. Other
- (a) *review any related-party transactions;*
  - (b) *engage independent counsel and other advisors as it determines necessary to carry out its duties; and*
  - (c) *to set and pay compensation for any independent counsel and other advisors employed by the Committee.*

## **ITEM 2: COMPOSITION OF THE AUDIT COMMITTEE**

The members of the Company's Audit Committee (the "Committee") are Messrs. Eacrett, Mosimann and Carr, Mr. Mosimann and Mr. Carr are considered independent. Mr. Eacrett is the Chief Financial Officer and Secretary of the Company, thereby having a material relationship with the Company and is not considered independent. All members of the Committee are considered financially literate. "Independent" and "financially literate" have the meaning used in National Instrument 52-110-Audit Committees (the "Instrument") of the Canadian Securities Administrators.

## **ITEM 3: RELEVANT EDUCATION AND EXPERIENCE**

The members of the Company's audit committee have primarily gained their financial education and experience through their participation in the management of other private and publicly traded companies. Douglas Eacrett, Bruno Mosimann and William Carr consider themselves "financially literate", meaning that they 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 be reasonably expected to be raised by the Company's financial statements. Mr. Eacrett is a Chartered Accountant and has been a director of the Company since December 2010 and officer of the Company since December 2011 and strengthens the continuity of the committee with his knowledge of the Company's financial and business history. Mr. Mosimann has been an investment advisor and portfolio manager in Switzerland for over twenty-five years and through his training for, and experience from, this business has gained the necessary understanding of financial statements. Mr. Carr holds an MBA in finance and has work for over 25 years in the finance and corporate finance industry, primarily by serving as President of his own corporate finance consulting firm, which training and experience has provided him with the requisite understanding of financial statements.

#### **ITEM 4: AUDIT COMMITTEE OVERSIGHT**

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Committee to nominate or compensate an external auditor (currently, A Chan and Company LLP, Chartered Professional Accountants) not adopted by the Board.

#### **ITEM 5: RELIANCE ON CERTAIN EXEMPTIONS**

##### **Non-Audit Services**

The Instrument requires that the Committee pre-approve all non-audit services to be provided to the Company or its subsidiaries by the Company's external auditor. In respect of the most recently completed financial year, the Company obtained non-audit services from the external auditor with respect to preparation of income tax returns, which services were pre-approved by the Committee.

##### **Other Exemptions**

In respect of the most recently completed financial year, the Company has not relied on an exemption from the Instrument, in whole or in part, granted under Part 8 of the Instrument.

#### **ITEM 6: PRE-APPROVAL POLICIES AND PROCEDURES**

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted.

#### **ITEM 7: EXTERNAL AUDITOR SERVICE FEES (BY CATEGORY)**

The aggregate fees charged to the Company by the external auditor in each of the last three fiscal years is as follows:

Financial Year Ending May 31	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees	Total Fees
2018	\$8,000	Nil	Nil	Nil	\$8,000
2017	\$8,000	Nil	Nil	Nil	\$8,000
2016	\$8,000	Nil	Nil	Nil	\$8,000

#### **ITEM 8: EXEMPTION**

In respect of the most recently completed financial year, the Company is relying on the exemption set out in section 6.1 of the Instrument with respect to compliance with the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of the Instrument.