



KORE MINING LTD.

## INFORMATION CIRCULAR

*(as at September 4, 2019 unless indicated otherwise)*

**This Information Circular is furnished in connection with the solicitation of proxies by the management of KORE Mining Ltd. (the “Company”) for use at the annual general meeting (the “Meeting”) of its shareholders to be held on October 10, 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 KORE Mining Ltd. The “Board of Directors” or the “Board” refers to the Board of Directors of the Company. “Common Shares” means common shares without par value in the capital of the Company. “Company shareholders”, “shareholders” and “shareholders of the Company” refer to the shareholders 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. We have arranged for intermediaries to forward the meeting materials to Beneficial Shareholders held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

### Appointment of Proxyholders

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

### Voting by Proxyholder

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

- (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 management appointee acting as a proxyholder will vote in favour of each matter identified on the Proxy and, if applicable, for the nominees of management for directors and auditors as identified in the Proxy.**

### **Registered Shareholders**

Registered shareholders (a shareholder whose name appears on the records of the Company as the registered holder of Common Shares) may wish to vote by proxy whether or not they are able to attend the Meeting in person. To be valid, a proxy must be signed by the shareholder or the shareholder's attorney authorized in writing, or, if the shareholder is a corporation, by a duly authorized officer or attorney. Proxies must be delivered to the Company c/o Proxy Department, Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1 prior to 7:00 a.m. Toronto time (10:00 a.m. Vancouver time) on Tuesday, October 8, 2019 or, in the case of any adjournment or postponement of the Meeting, no later than 48 hours before the time of such reconvened meeting. Failure to properly complete or deposit a proxy may result in its invalidation.

### **Beneficial Shareholders**

**The following information is of significant importance to shareholders who do not hold Common Shares in their own name.** Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders 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 intermediaries. 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 of America (the "**United States**"), under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many United States brokerage firms and custodian banks).

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

There are two kinds of Beneficial Shareholders – those who object to their identity being made known to the issuers of securities which they own (called "**OBOs**" for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing their identity (called "**NOBOs**" for Non-Objecting Beneficial Owners).

### Non-Objecting Beneficial Owners

The Company is relying on the provisions of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* that permit it to deliver proxy-related materials directly to its NOBOs. As a result, NOBOs can expect to receive a scannable voting instruction form ("**VIF**") from the Company's transfer agent, Computershare Investor Services Inc. ("**Computershare**"). The VIF is to be completed and returned to Computershare as set out in the instructions provided on the VIF. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

These security holder materials are being sent to both registered and non-registered owners of the Common Shares 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, address and information about your holdings of securities, were obtained in accordance with applicable securities regulatory requirements from the intermediary holding securities on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary holding securities on your behalf) has assumed responsibility for: (a) delivering these materials to you; and (b)

carrying out your voting instructions. Please return your VIF as specified in the request for voting instructions that was sent to you.

### Objecting Beneficial Owners

The Company has elected not to pay for an intermediary to deliver proxy-related materials and voting instruction forms to Objecting Beneficial Owners. Accordingly, OBOs will not receive material unless their intermediary assumes the cost of delivery. Beneficial Shareholders who are OBOs should follow the instructions of their intermediary carefully to ensure that their Common Shares are voted at the Meeting.

The proxy form 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 delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. (“**Broadridge**”) in Canada and in the United States. Broadridge mails a VIF in lieu of the 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 shareholder of the Company, and who can be you) other than any of the persons designated in the VIF, to represent your Common Shares at the Meeting. To exercise this right, insert the name of the desired representative, who may be you, in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge in accordance with Broadridge’s instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting and the appointment of any shareholder’s representative. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions well in advance of the Meeting in order to have your Common Shares voted or to have an alternate representative duly appointed to attend the Meeting and vote your Common Shares at the Meeting.**

### **Notice to Shareholders in the United States**

This 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 the securities laws of applicable 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 applicable provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of applicable 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 “**Business Corporations Act**”), as amended, and its directors and executive officers are residents of countries that, 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 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 Investor Services Inc. at the address set forth in the Proxy, or to the Company at the address of the registered office of the Company at Suite 2200, 885 West Georgia Street, Vancouver, British Columbia V6C 3E8, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned or postponed, 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**

To the best of our knowledge, except as otherwise disclosed herein, no person who has been a director or executive officer of the Company at any time since the beginning of the Company's last completed financial year, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors or the appointment of auditors.

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

#### **Record Date**

The Board has fixed September 4, 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: (a) attend the Meeting personally; or (b) 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.

#### **Voting Securities**

The Company's authorized share capital consists of an unlimited number of Common Shares without par value. The Common Shares are listed for trading on the TSX Venture Exchange (the "**TSXV**") under the symbol "KORE". As of September 4, 2019 there were **88,841,914** Common Shares issued and outstanding. The quorum for the transaction of business at the Meeting is one or more persons present in person or by proxy.

On a vote by a show of hands, every person present who is a shareholder or proxy holder and entitled to vote on the matter has one vote. On a poll, every shareholder entitled to vote on the matter has one vote in respect of each Common Share entitled to be voted on the matter and held by that shareholder and may exercise that vote either in person or by proxy. If there are joint shareholders registered in respect of any share: (a) any one of the joint shareholders may vote at any meeting of shareholders, personally or by proxy, in respect of the share as if that joint shareholder were solely entitled to it; or (b) if more than one of the joint shareholders is present at any meeting of shareholders, personally or by proxy, and more than one of them votes in respect of that share, then only the vote of the joint shareholder present whose name stands first on the central securities register in respect of the share will be counted. No group of shareholders of the Company has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

To the knowledge of the directors and executive officers of the Company, the only persons that 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 September 4, 2019 were:

<b>Name of Shareholder</b>	<b>Number of Shares Held</b>	<b>Percentage of Issued Shares</b>
2176423 Ontario Ltd.	10,000,000 <sup>1</sup>	11.26%
1130447 BC Ltd.	22,400,485 <sup>2</sup>	25.21%
Blaxland Pacific Management Corp.	13,200,673 <sup>3</sup>	14.68%

(1) These shares are held through 2176423 Ontario Ltd., a company owned and controlled by Eric Sprott.

(2) This company is owned and controlled by Skye Marker, the spouse of James Hynes.

(3) This company is owned and controlled by Michael Tomsett-Ell, the spouse of Adrian Rothwell.

### VOTES NECESSARY TO PASS RESOLUTIONS

Except as otherwise disclosed herein, 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.

### ELECTION OF DIRECTORS

#### Board Size

The Company's Board of Directors is currently set at six.

#### Nominees for Election

The current directors will cease to hold office immediately before the election of directors at the Meeting. Unless the director's office is vacated earlier in accordance with the provisions of the Business Corporations Act or the terms of the Company's Articles, each director elected at the Meeting will hold office until immediately before the election of directors at the next annual general meeting of shareholders of the Company, or, if no director is then elected, until a successor is elected, or until he otherwise ceases to hold office under the Business Corporations Act or the terms of the Company's Articles.

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 or company, except the directors and senior officers of the Company acting solely in such capacity.

Each of the six director nominees has agreed to stand for election. If, however, one or more of them should become unable to stand for election, it is likely that one or more other persons would be nominated for election at the Meeting.

The following disclosure sets out, as at September 4, 2019, for each of management's nominees for election as directors: (a) the nominee's name and the nominee's province or county, and country of residence; (b) the nominee's principal occupation, business or employment for the five preceding years, unless the nominee is now a director and was elected to the present term of office by a vote of security holders at a meeting, the notice of which was accompanied by an information circular; (c) the period of time during which each has been a director of the Company; (d) the members of each committee of the Board; and (e) the number of Common Shares beneficially owned, or controlled or directed, directly or indirectly, by the nominee:

Name, and Province or County and Country of Residence	Director Since	Occupation, Business or Employment <sup>(1)</sup>	Common Shares Beneficially Owned or Controlled <sup>(2)</sup>
Brendan Cahill <sup>(3)</sup> Ontario, Canada	2018	President (since 2012) and Chief Executive Officer ("CEO") (since 2013) of Excellon Resources Inc.	294,001
James Hynes British Columbia, Canada	2018	Chief Operating Officer ("COO") and Chairman of the Company until July 2019, Executive Chair of the Company since 2019; Businessman and former Director, Vice President, Operations at Reperio Resources Corp. from December 2006 to September 2016	4,350,562 <sup>(4)</sup>

Name, and Province or County and Country of Residence	Director Since	Occupation, Business or Employment <sup>(1)</sup>	Common Shares Beneficially Owned or Controlled <sup>(2)</sup>
Robert J. (Don) Macdonald <sup>(3)</sup> British Columbia, Canada	2018	Businessman; President & CEO of NorZinc Ltd. June 2018 to present; Chief Financial Officer (“CFO”) (from August 2010 to March 2017) and acting CEO (from October 2016 to March 2017) at KGHM International (formerly Quadra FNX Mining).	1,050,000
Harry Pokrandt <sup>(3)</sup> British Columbia, Canada	2018	Businessman; and former CEO of Hive Blockchain Technologies Ltd. (from June 2017 to August 2018); director of Sandspring Resources Ltd. since September 2015; Managing Director of Macquarie Capital Markets Canada Ltd. from 1985 to 2015. Formerly a director of Lithium X Energy Corp., Fiore Exploration Ltd., and BQ Metals Corp.	952,030 <sup>(5)</sup>
Adrian Rothwell British Columbia, Canada	2018	Businessman; CEO of the Company until July, 2019. Former Director, Strategy at Goldcorp from December 2012 to December 2015; and CFO of Centurion Minerals Ltd. from June 2008 to July 2013.	1,077,092 <sup>(6)</sup>
Scott Trebilcock British Columbia, Canada	2019	CEO of the Company since July 2019. Former Chief Development Officer of Nevsun Resources (from Oct 2009 to Dec 2018) and VP Corporate Development for Nautilus Minerals from 2007 to 2009.	1,584,000 <sup>(7)</sup>

Notes:

1. The information as to principal occupation, business or employment may not be within the knowledge of the management of the Company and has been furnished by the respective nominees.
2. The information as to Common Shares beneficially owned, or controlled or directed, directly or indirectly, is not within the knowledge of management of the Company and has been furnished to the Company by the respective nominees or has been extracted from insider reports available at [www.sedi.ca](http://www.sedi.ca).
3. Members of the Company's Audit Committee.
4. 8,050 shares owned directly. 2,581,124 shares held by 1081646 BC Ltd. (a company owned and controlled by Mr. Hynes), and 1,761,388 shares held by 1125974 BC Ltd. (a company owned and controlled by Mr. Hynes). Mr. Hynes' spouse beneficially owns, or has control and direction over, 22,400,485 shares held by 1130447 B.C. Ltd., (a company owned and controlled by Mr. Hynes' spouse).
5. 952,030 shares held by 485374 BC Ltd (a company owned and controlled by Mr. Pokrandt)
6. 1,077,092 shares owned directly. Mr. Rothwell's spouse beneficially owns, or has control and direction over, 13,200,673 shares held by Blaxland Pacific Management Corp. (a company owned and controlled by Mr. Rothwell's spouse).
7. 420,000 shares owned directly and an additional 1,164,000 shares are owned by Mr. Trebilcock's spouse, Anna Him Loa.

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT EACH SHAREHOLDER VOTE “FOR” THE ELECTION OF THE ABOVE NOMINEES AS DIRECTORS.** Unless authority to do so with respect to one or more directors is withheld, the persons designated as proxyholders in the accompanying Proxy intend to vote the Common Shares represented by such Proxy, properly executed, FOR the election of each of the nominees set forth in the above disclosure.

The Company’s management does not contemplate that any of the above nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, it is intended that discretionary authority will be exercised by the persons designated in the accompanying Proxy to vote the Common Shares represented by such Proxy, properly executed, **FOR** the election of any other person or persons in place of any nominee or nominees unable to serve, unless authority to do so with respect to the nominee or nominees unable to serve is withheld.

#### **Cease Trade Orders, Bankruptcies, Penalties and Sanctions**

No proposed director of the Company:

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

No proposed director has been subject to:

- (a) 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
- (b) any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

#### **CONTINUATION OF STOCK OPTION PLAN**

The TSXV requires that each company listed on the exchange have a stock option plan if the company intends to grant options to purchase shares in the company. The Company’s 10% rolling share option plan (the “**Plan**”), dated March 11, 2008, as amended December 3, 2014, was implemented in order to comply with TSXV policies, and to provide incentive to directors, officers, employees, management and others who provide services to the Company or any subsidiary to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. The Plan is attached hereto as Schedule “A”.

Under the Plan, a maximum of 10% of the issued and outstanding Common Shares of the Company at the time an option is granted, less Common Shares reserved for issuance outstanding in the Plan, will be reserved for options to be granted at the discretion of Board to eligible optionees. As at the date of the mailing of this Information Circular, there are options outstanding to purchase an aggregate of 7,300,000 Common Shares.

The Company is required to obtain annual approval from the TSXV and approval from the shareholders of the Company by ordinary resolution for the continuation of the Plan at each annual general meeting.

At the Meeting, shareholders will be asked to vote on the following ordinary resolution, with or without variation:

**“BE IT RESOLVED THAT** the continuation of the Company’s share option plan dated for reference March 11, 2008, as amended December 3, 2014, be ratified and approved until the next annual general meeting of the Company.”

The Board has concluded that the continuation of the Plan is in the best interests of the Company and its shareholders. **Accordingly, the Board unanimously recommends that the shareholders approve the continuation of the Plan by voting FOR the above resolution at the Meeting.**

Proxies received in favour of management will be voted in favour of the continuation of the Plan, unless the shareholder has specified in the Proxy that his or her Common Shares are to be voted against such resolution.

#### **APPOINTMENT OF AUDITOR**

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT EACH SHAREHOLDER VOTE “FOR” THE APPOINTMENT OF PRICEWATERHOUSECOOPERS LLP AS AUDITOR.** Unless authority to do so is withheld, the persons designated as proxyholders in the accompany Proxy intend to vote the Common Shares represented by such Proxy, properly executed, FOR the appointment of PricewaterhouseCoopers LLP as auditor of the Company to serve until the close of the next annual general meeting of shareholders and the authorization of the directors to fix the remuneration of the auditor. PricewaterhouseCoopers LLP have been auditor of the Resulting Issuer since October 2018.

#### **AUDIT COMMITTEE**

##### **The Audit Committee’s Charter**

The Company’s Audit Committee Charter sets out the Audit Committee’s mandate and responsibilities, and is attached as Schedule A hereto.

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

The current members of the Audit Committee are Messrs. Cahill, MacDonald and Pokrandt. Each member is independent within the meaning of National Instrument 52-110 *Audit Committees* (“**NI 52-110**”). All members of the Audit Committee are financially literate within the meaning of NI 52-110.

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

The following is a summary of the education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member:

- Mr. Cahill is the President and CEO of Excellon Resources Inc. (a reporting issuer) and is a member of the Law Society of Upper Canada.
- Mr. MacDonald is the President and CEO of NorZinc Ltd. (a reporting issuer).
- Mr. Pokrandt is the former CEO of Hive Blockchain Technologies Inc. (a reporting issuer).

Such education and experience provides each member with:

- an understanding of the accounting principles used by the issuer to prepare its financial statements;

- the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions;
- 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 issuer's financial statements, or experience actively supervising individuals engaged in such activities; and
- an understanding of internal controls and procedures for financial reporting.

### **Audit Committee Oversight**

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

### **Reliance on Certain Exemptions**

At no time since the commencement of the Company's most recently completed financial year has the Company relied on:

- (a) the exemption in section 2.4 (*De Minimis Non-audit Services*);
- (b) the exemption in subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*);
- (c) the exemption in subsection 6.1.1(5) (*Events Outside Control of Member*);
- (d) the exemption in subsection 6.1.1(6) (*Death, Incapacity or Resignation*); or
- (e) an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*).

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

The Audit Committee pre-approves fees for non-audit services.

### **External Auditor Service Fees**

The aggregate fees billed by the Company's auditors, being PricewaterhouseCoopers LLP, are shown in the table below.

<u>Nature of Services</u>	<u>Auditors fees for the Year Ended December 31, 2018</u>
Audit Fees <sup>(1)</sup>	\$24,675
Audit Related Fees <sup>(2)</sup>	\$10,500
Tax Fees <sup>(3)</sup>	\$15,750
<b>Total</b>	<b>\$50,925</b>

Notes:

1. "Audit Fees" include fees necessary to perform the annual audit of KORE Mining Ltd for the years ended December 31, 2017 and 2016 and quarterly review of the interim financial statements for KORE Mining Ltd. 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 section 6.1 of National Instrument 52-110 relating to Parts 3 (*Composition of Audit Committee*) and 5 (*Reporting Obligations*).

## **STATEMENT OF CORPORATE GOVERNANCE**

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

### **Board of Directors**

The board of directors of the Company (the “**Board**”) is responsible for determining whether or not each director is an independent director. To do this, the Board analyzes all the relationships of the directors with the Company and its subsidiaries. The Board facilitates its exercise of independent supervision over the Company’s management through frequent meetings of the Board.

A director is independent if he or she has no direct or indirect material relationship with the Company that the Board believes could reasonably be perceived to materially interfere with his or her ability to exercise independent judgment. Applicable securities laws set out certain situations where a director is deemed to have a material relationship with the Company.

The Board is comprised of six directors, three of whom are considered independent under applicable securities laws, namely, Robert MacDonald, Harry Pokrandt and Brendan Cahill. Mr. Scott Trebilcock and Mr. James Hynes are officers of the Company, and Mr. Adrian Rothwell is a former officer of the Company and are therefore not independent. The remaining directors of the Company are “independent” in that they are free from any direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of his independent judgment.

### **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.

Under the corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the Board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction.

The director must then abstain from voting on the contract or transaction unless the contract or transaction (i) relates primarily to their remuneration as a director, officer, employee or agent of the Company or an affiliate of the Company, (ii) is for indemnity or insurance for the benefit of the director in connection with the Company, or (iii) is with an affiliate of the Company. If the director abstains from voting after disclosure of their interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the Company at the time it was entered into, the contract or transaction is not invalid and the director is not accountable to the Company for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have

been reasonable and fair to the Company and the contract or transaction be approved by the shareholders by a special resolution after receiving full disclosure of its terms in order for the director to avoid such liability or the contract or transaction being invalid.

### **Nomination of Directors**

The Board 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 the 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 time required, shown support for the Company's mission and strategic objectives, and a willingness to serve.

### **Compensation**

The Board conducts reviews with regard to directors' and officers' compensation once a year. To make its recommendation on directors' and officers' compensation, the Board relies solely on the experience and knowledge of its members.

### **Other committees**

The Board has no committees other than the Audit Committee.

### **Assessments**

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and its committee(s).

### **Outside Directorships**

The following directors of the Company hold directorships in other reporting issuers as set out below:

<b><u>Name of Director</u></b>	<b><u>Name of Other Reporting Issuer</u></b>
Brendan Cahill	Excellon Resources Inc., CryptoStar Corp., Group Eleven Resources Corp.
James Hynes	None
Robert J. (Don) Macdonald	NorZinc Ltd.
Harry Pokrandt	Sandspring Resources Inc.
Adrian Rothwell	Fireweed Zinc Ltd.
Scott Trebilcock	None

## **EXECUTIVE COMPENSATION**

For the purpose of the following disclosure regarding executive compensation:

“**company**” includes other types of business organizations such as partnerships, trusts and other unincorporated business entities;

“**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the company or any of its subsidiaries;

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

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

- (a) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief executive officer (**“CEO”**), including an individual performing functions similar to a chief executive officer;
- (b) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer (**“CFO”**), including an individual performing functions similar to a chief financial officer;
- (c) in respect of the company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000;
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year;

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

**“underlying securities”** means any securities issuable on conversion, exchange or exercise of compensation securities.

### **Director and Named Executive Officer Compensation**

The following information is presented in accordance with Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* and provides details of all compensation for each of the directors and named executive officers (**“NEOs”**) of the Company for the year ended October 31, 2017 and the period from November 1, 2017 to December 31, 2018.

During the periods ended December 31, 2018 and October 31, 2017, the Company had five (5) NEOs: Adrian Rothwell, President, CEO and director, Alan Ahlgren, CFO and Corporate Secretary, James Hynes, COO, director and Chairman, Michael D. Sweatman, former director, President and CEO and Brent Petterson, former CFO. Effective October 30, 2018, Adrian Rothwell, James Hynes and Alan Ahlgren were appointed as CEO, COO and CFO respectively and Michael D. Sweatman and Brent Petterson resigned as CEO and CFO respectively. There were no other executive officers of the Company who individually earned more than \$150,000 in total compensation.

The following table sets out all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company to each current and former NEO and director, in any capacity, for the period from November 1, 2017 to December 31, 2018 and the year ended October 31, 2017.

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 (\$)
Adrian Rothwell <sup>(5)</sup> Director and former President, CEO	2018	41,667	Nil	Nil	Nil	Nil	41,667
	2017	Nil	Nil	Nil	Nil	Nil	Nil
James Hynes <sup>(4)</sup> COO, Chairman and a Director	2018	41,667	Nil	Nil	Nil	Nil	41,667
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Alan Ahlgren <sup>(3)</sup> Former CFO	2018	Nil	Nil	Nil	Nil	52,042 <sup>(3)</sup>	52,042
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Michael D. Sweatman <sup>(1)</sup> Former President, CEO and a Director	2018	44,000	Nil	Nil	Nil	Nil	44,000
	2017	43,500	5,000	Nil	Nil	Nil	48,000
Brent Petterson <sup>(2)</sup> Former CFO	2018	33,450	Nil	Nil	Nil	Nil	33,450
	2017	34,500	2,500	Nil	Nil	Nil	37,000
Warren Stanyer Former Director	2018	4,000	Nil	Nil	Nil	Nil	4,000
	2017	Nil	Nil	Nil	Nil	Nil	Nil
John Kerr Former Director	2018	1,000	Nil	Nil	Nil	Nil	1,000
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Gary Vivian Former Director	2018	1,000	Nil	Nil	Nil	Nil	1,000
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Harry Pokrandt Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Robert J ("Don") MacDonald Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Brendan Cahill Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Professional fees paid to MDS Management Ltd., a company controlled by Mr. Sweatman
- (2) Professional fees paid MBP Management Ltd., a company controlled by Mr. Petterson.
- (3) Accounting fees of \$52,042 were paid to Seatrend Strategy Group, a company in which Mr. Ahlgren is an employee.
- (4) Management fees paid to 1081646 BC Ltd., a company controlled by Mr. Hynes. 1081646 BC Ltd. receives \$250,000 per year pursuant to a consulting agreement dated July 1, 2016. Amounts shown in the table above reflect fees paid since the completion of the transaction with Eureka Resources Inc. on October 30, 2018, whereupon the Company became a publicly reporting entity.
- (5) Mr. Rothwell received \$250,000 per year pursuant to a consulting agreement dated July 1, 2016. Amounts shown in the table above reflect fees paid since the completion of the transaction with Eureka Resources Inc. on October 30, 2018, whereupon the Company became a publicly reporting entity.
- (6) Messrs Sweatman, Petterson resigned as CEO and CFO respectively on October 30, 2018. Messrs Rothwell, Hynes and Ahlgren were appointed as CEO, COO and CFO respectively on October 30, 2018.
- (7) Messrs Sweatman, Stanyer, Kerr and Vivian resigned as directors on October 30, 2018. On October 30, 2018, Messrs. Rothwell, Hynes, Pokrandt, MacDonald and Cahill were appointed as directors.

### Stock Options and Other Compensation Securities

Particulars of the compensation securities granted or issued to each director and named executive officer by the Company during the year ended October 31, 2017 and the period from November 1, 2017 to December 31, 2018, for services provided or to be provided, directly or indirectly, to the Company are set out below:

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 <sup>(1)</sup> (\$)	Expiry date
Adrian Rothwell Director and former President, CEO	Options	250,000 <sup>(2)</sup>	November 2, 2018	\$ 0.50	\$ 0.35	\$ 0.09	November 2, 2023
James Hynes COO, Chairman and a Director	Options	250,000 <sup>(2)</sup>	November 2, 2018	\$ 0.50	\$ 0.35	\$ 0.09	November 2, 2023
Robert J. (Don) MacDonald Director	Options	250,000 <sup>(2)</sup>	November 2, 2018	\$ 0.50	\$ 0.35	\$ 0.09	November 2, 2023
Harry Pokrandt Director	Options	250,000 <sup>(2)</sup>	November 2, 2018	\$ 0.50	\$ 0.35	\$ 0.09	November 2, 2023
Brendan Cahill Director	Options	250,000 <sup>(2)</sup>	November 2, 2018	\$ 0.50	\$ 0.35	\$ 0.09	November 2, 2023
Alan Ahlgren Former CFO	Options	125,000 <sup>(2)</sup>	November 2, 2018	\$ 0.50	\$ 0.35	\$ 0.09	May 1, 2019 <sup>(3)</sup>

Notes:

- (1) Reflects the closing price of the common shares of the Company on the TSX Venture Exchange on December 31, 2018 as the common shares of the Company did not trade on December 31 or 30, 2017.
- (2) Each option entitles the holder to acquire one common share of the Company upon exercise. All options vest on the date of grant.
- (3) Subsequent to the year ended December 31, 2018, effective February 1, 2019, Mr. Ahlgren resigned as CFO of the Company, resulting in accelerated expiry of his stock options to May 1, 2019, which expired unexercised.

### Exercise of Compensation Securities

During the period from November 1, 2017 to December 31, 2018, none of the directors or Named Executive Officers of the Company exercised any compensation securities of KORE Mining Ltd. (formerly Eureka Resources Inc.). In April 2018, when 1184938 BC Ltd. (formerly KORE Mining Ltd.) was a private entity, Mr. Rothwell and Mr. Hynes exercised 800,000 options of 1184938 BC Ltd. (formerly KORE Mining Ltd.) at an exercise price of US\$0.35 per option.

### Stock Option Plan and Other Incentive Plans

The Company has in effect a “rolling” stock option plan (the “**Stock Option Plan**”) which sets the number of options available for grant by the Company at an amount equal to up to a maximum of 10% of the Company's issued and outstanding common shares from time to time, less any common shares reserved for issuance under other share compensation arrangements. Under the policies of the TSX Venture Exchange a rolling stock option plan must be re-approved on a yearly basis by shareholders. The Stock Option Plan was re-approved at the July 23, 2018 special general meeting of the Company's shareholders.

The purpose of the Stock Option Plan is to provide effective incentives to directors, officers, senior management personnel and employees of the Company and to enable the Company to attract and retain experienced and qualified individuals in those positions by permitting such individuals to directly participate in an increase in per share value created for the Company's Shareholders. The Company has no equity compensation plans other than the Stock Option Plan. Some of the key provisions of the Stock Option Plan are as follows:

- the Stock Option Plan reserves, for issue pursuant to stock options, a maximum number of common shares equal to 10% of the outstanding common shares of the Company from time to time;
- the number of common shares reserved for issue to any one person in any 12 month period under the Stock Option Plan may not exceed 5% of the outstanding common shares at the time of grant without Disinterested Shareholder Approval (as defined in Policy 4.4 of the Exchange);
- the number of common shares reserved for issue to any persons performing Investor Relations Activities on behalf of the Company in any 12 month period under the Stock Option Plan may not exceed 2% of the outstanding common shares at the time of grant;
- stock options granted to Consultants performing Investor Relations Activities must vest (and not otherwise be exercisable) in stages over a minimum of 12 months with no more than ¼ of the options vesting in any 3 month period;
- the grant to Insiders within a 12 month period, of a number of options may not exceed 10% of the outstanding common shares at the time of exercise without Disinterested Shareholder Approval;
- the issuance to any one optionee within a 12 month period, of a number of shares exceeding 5% of the outstanding common shares at the time of granting the options without Disinterested Shareholder Approval;
- the exercise price per common share for a stock option may not be less than the Discounted Market Price (as calculated pursuant to the policies of the Exchange), subject to a minimum price of \$0.10;
- stock options may have a term not exceeding five years;
- if an optionee dies prior to the expiry of his option, his heirs, administrators or legal representatives may, by the earlier of (a) one year from the date of the optionee's death (or such lesser period as may be specified by the Board at the time of granting the option); and (b) the expiry date of the option, exercise any portion of such option;
- if an optionee ceases to be a Director, Officer, Employee or Consultant for any reason other than death, such optionee's option will terminate within a reasonable period;
- stock options are non-assignable and non-transferable; and
- the Stock Option Plan contains provisions for adjustment in the number of common shares or other property issuable on exercise of stock options in the event of a share consolidation or subdivision of the Company's common shares, or if the Company is a party to a reorganization, merger, dissolution or its common shares are exchanged or reclassified in any way.

As of the date hereof, the Company does not have any incentive plans other than the Stock Option Plan.

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

Pursuant to a consulting agreement dated July 1, 2016 between 1184938 BC Ltd. (formerly KORE Mining Ltd.) and Mr. Adrian Rothwell, 1184938 BC Ltd. has agreed to pay Mr. Rothwell a consulting fee of \$20,833 per month for a term of two years, and may be extended for a further two years. The agreement may be terminated at any time by the company with 60 days' notice. In the event the agreement is terminated in the 12 month period following a Change of Control, the company must pay Mr. Rothwell a lump sum payment equal to 24 months Fees and all unexercised and unvested stock options shall immediately vest and be exercisable by the earlier of a) the expiry date of the options or b) 12 months after the date on which

the Agreement is terminated. In July 2019, Scott Trebilcock replaced Adrian Rothwell as CEO and President of the Company.

Pursuant to a consulting agreement dated July 1, 2016 between 1184938 BC Ltd. (formerly KORE Mining Ltd.) and 1081646 BC Ltd., a company controlled by Mr. Hynes, 1184938 BC Ltd. has agreed to pay 1081646 BC Ltd. a consulting fee of \$20,833 per month for a term of two years, and may be extended for a further two years. The agreement may be terminated at any time by the company with 60 days' notice. In the event the agreement is terminated in the 12 month period following a Change of Control, the company must pay 1081646 BC Ltd. a lump sum payment equal to 24 months Fees and all unexercised and unvested stock options shall immediately vest and be exercisable by the earlier of a) the expiry date of the options or b) 12 months after the date on which the Agreement is terminated.

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

The Company has no formal processes in place for determining NEO or director compensation. The Company relies solely on board discussion and analysis on an ad hoc basis without any formal objectives, or criteria.

Other than the consulting agreements described above, the Company does not currently pay any base salary compensation to its Named Executive Officers for their services in their capacity as Named Executive Officers. Compensation to Named Executive Officers currently consists solely of the granting of stock options. In determining executive compensation, the Company relies solely on the experience and knowledge of the Board of Directors in terms of appropriate compensation for executive officers with similar abilities and experience.

The Board of Directors has not conducted a formal evaluation of the implications of the risks associated with the Company's compensation policies. Risk management is a consideration of the Board of Directors when implementing its compensation policies and the Board of Directors do not believe that the Corporation's compensation policies result in unnecessary or inappropriate risk taking including risks that are likely to have a material adverse effect on the Corporation.

### Pension disclosure

The Company does not have a pension plan, retirement plan, deferred compensation plan or similar plan.

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The only equity compensation plan of the Company is the Stock Option Plan, described above under "Executive Compensation".

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	7,300,000	\$0.27	1,584,191
Equity compensation plans not approved by securityholders	NA	NA	NA
Total	7,300,000		1,584,191

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

No executive officers or directors, or former executive officers or directors, nor any associate of such individuals, is as at the date hereof, or has been since the beginning of the financial year ended December 31, 2018, indebted to the Company or any of its subsidiaries in connection with a purchase of securities or otherwise. In addition, no indebtedness of these individuals to another entity has been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding of the Company or any of its subsidiaries.

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

Other than as disclosed herein, no informed person of the Company, any proposed director of the Company, or any associate or affiliate of any informed person or proposed director, has had 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 has materially affected or would materially affect the Company or any of its subsidiaries.

An "informed person" means a director or executive officer of a reporting issuer; a director or executive officer of a person or company that is itself an informed person or subsidiary of a reporting issuer; any person or company who beneficially owns, or controls or directs, directly or indirectly, voting shares of a reporting issuer or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the reporting issuer; and a reporting issuer that has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

## **ADDITIONAL INFORMATION**

Financial information is provided in the audited consolidated financial statements of the Company for the year ended December 31, 2018 and in the related management discussion and analysis, which will be placed before shareholders at the Meeting. Additional information relating to the Company can be found under the Company's issuer profile at [www.sedar.com](http://www.sedar.com). Copies of the Company's audited consolidated financial statements and management's discussion and analysis for the year ended December 31, 2018 will be available upon request from the Company's CFO at PO Box 48681 Stn Bentall Centre, Vancouver BC, V7X 1AJ and 1-888-407-5450. Copies of these 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.

## **OTHER MATTERS**

As of the date of this Information Circular, the Board is not aware of any other matters which may come before the Meeting other than as set forth in the Notice of Meeting that accompanies this Information Circular. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed Proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

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

DATED at Vancouver, British Columbia this 4<sup>th</sup> day of September, 2019

BY ORDER OF THE BOARD

***"Scott Trebilcock"***

Scott Trebilcock  
Chief Executive Officer

## **Schedule A**

### **Audit Committee Charter**

#### **A. OVERVIEW AND PURPOSE**

The Audit Committee of KORE Mining Ltd. (“Kore”) has been formed to enable the Board of Directors of Kore to perform its obligations with respect to compliance with applicable securities laws and the rules of the Exchange.

The Audit Committee is responsible to the Board of Directors of Kore. The primary objective of the Audit Committee is to assist the Board of Directors in fulfilling its responsibilities with respect to:

- (a) disclosure of financial and related information;
- (b) the relationship with and expectations of the external auditors of Kore, including the establishment of the independence of the external auditors;
- (c) the oversight of Kore’s internal controls; and
- (d) any other matters that the Audit Committee feels are important to its mandate or that the Board of Directors of Kore chooses to delegate to it.

The Audit Committee will approve, monitor, evaluate, advise or make recommendations in accordance with this Charter, with respect to the matters set out above.

#### **B. ORGANIZATION**

##### **1. Size and Membership Criteria**

The Audit Committee will consist of three or more Directors of Kore. A majority of the members of the Audit Committee must be independent of management and free from any interest, business or other relationship, other than interests and relationships arising from holding Shares of Kore or other securities which are exchangeable into Shares of Kore, which could, or could reasonably be perceived to, materially interfere with the director’s ability to act in the best interests of Kore.

All members of the Audit Committee should be financially literate and be able to read and understand basic financial statements, or should strive to become financially literate within a reasonable period of time after being appointed as a member of the Audit Committee. At least one member of the Audit Committee must have accounting or related financial expertise and should be able to analyze and interpret a full set of financial statements, including notes, in accordance with generally accepted accounting principles.

##### **2. Appointment and Vacancies**

The members of the Audit Committee are appointed or reappointed by the Board of Directors following each annual meeting of the shareholders of Kore. Each member of the Audit Committee will continue to be a member of the Audit Committee until his or her successor is appointed unless he or she resigns or is removed by the Board of Directors of Kore or ceases to be a Director of Kore. Where a vacancy occurs at any time in the membership of the Audit Committee the Board of Directors of Kore may appoint a qualified individual to fill such vacancy and must appoint a qualified individual if the membership of the Audit Committee is less than three Directors as a result of any such vacancy.

#### **C. MEETINGS**

##### **1. Frequency**

The Audit Committee will meet at least four times per year on a quarterly basis, or more frequently as circumstances require. In addition, the Audit Committee may also meet at least once per year with management and the external auditors of Kore in separate executive sessions to discuss any matters that the Audit Committee or each of these groups believes should be discussed privately.

##### **2. Chair**

The Board of Directors of Kore or, in the event of its failure to do so, the members of the Audit Committee, will appoint a Chair from amongst their number. If the Chair of the Audit Committee is not present at any

meeting of the Audit Committee, the Chair of the meeting will be chosen by the Audit Committee from among the members present. The Audit Committee will also appoint a secretary who need not be a Director of Kore.

### **3. Time and Place of Meetings**

The time and place of meetings of the Audit Committee and the procedure at such meeting will be determined from time to time by the members of the Audit Committee, provided that:

- (a) a quorum for meetings of the Audit Committee will be two members present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and hear each other, and
- (b) notice of the time and place of every meeting will be given in writing or facsimile to each member of the Audit Committee, the internal auditors, the external auditors and the corporate secretary of Kore at least 24 hours prior to the time fixed for such meeting.

Any person entitled to notice of a meeting of the Audit Committee may waive such notice (an attendance at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called). A meeting of the Audit Committee may be called by the corporate secretary of Kore on the direction of the President of Kore, by any member of the Audit Committee or the external auditors. Notwithstanding the foregoing, the Audit Committee will at all times have the right to determine who will and will not be present at any part of the meeting of the Audit Committee.

### **4. Agenda**

The Chairman will ensure that the agenda for each upcoming meeting of the Audit Committee is circulated to each member of the Audit Committee as well as each of the external auditors and corporate secretary of Kore in advance of the meeting of the Audit Committee not later than three business days prior to each meeting.

### **5. Resources**

The Audit Committee will have the authority to retain independent legal, accounting and other consultants to advise the Audit Committee, and to set the pay and compensation for such consultants. The Audit Committee may request any officer or employee of Kore or its subsidiaries or the legal counsel to Kore or the external auditors of Kore to attend any meeting of the Audit Committee or to meet with any members of, or consultants to, the Audit Committee.

## **D. DUTIES AND RESPONSIBILITIES**

The Board of Directors of Kore has delegated the following duties and responsibilities to the Audit Committee and the Audit Committee shall have the sole authority and responsibility to carry out these duties and responsibilities.

### **1. Review and Reporting Procedures**

The Audit Committee will make regular reports to the Board of Directors of Kore. The Audit Committee will review and re-assess the Audit Committee Charter on an annual basis and make recommendations for changes to this Charter. The Audit Committee will also periodically perform a self- assessment of its performance against its mandate.

### **2. Financial Reporting**

The Audit Committee will review and discuss with management, the internal auditors (as applicable) and the external auditors of Kore the following financial statements and related information prior to filing or public dissemination:

- (a) annual audited financial statements of Kore, including notes;
- (b) interim financial statements of Kore;

- (c) management discussion and analysis (“MD&A”) relating to each of the annual audited financial statements and the interim financial statements of Kore;
- (d) news releases and material change reports announcing annual or interim financial results or otherwise disclosing the financial performance of Kore, including the use of non-GAAP earnings measures;
- (e) the annual report of Kore;
- (f) all financial-related disclosure to be included in management proxy circulars of Kore in connection with meetings of shareholders; and
- (g) all financial-related disclosure to be included in or incorporated by reference into any prospectus or other offering documents that may be prepared by Kore.

As part of this review process, the Audit Committee will meet with the external auditors without management present to receive input from the external auditors with respect to the acceptability and quality of the relevant financial information.

The Audit Committee will also review the following items in relation to the above listed documents:

- (a) significant accounting and reporting issues or plans to change accounting practices or policies and the financial impact thereof;
- (b) any significant or unusual transactions;
- (c) significant management estimates and judgments; and
- (d) monthly financial statements.

Following the review by the Audit Committee of the documents set out above, the Audit Committee will recommend to the Board of Directors that such documents be approved by the Board of Directors and filed with all applicable securities regulatory bodies and/or be sent to shareholders.

### **3. External Auditors**

The Audit Committee is directly responsible for the appointment, compensation and oversight of the work of the external auditors of Kore (including resolution of disagreements between management and the external auditors regarding financial reporting) for the purpose of preparing or issuing its audit report or performing other audit, review or attest services. As a result, the Audit Committee will review and recommend the appointment of the external auditors and the remuneration of the external auditors.

The Audit Committee will review on an annual basis the performance of the external auditors of Kore. The Audit Committee will discuss with the external auditors any disclosed relationships or non-audit services that the external auditors propose to provide to Kore or any of its subsidiaries that may impact the objectivity and independence of the external auditors in order to satisfy itself of the independence of the external auditors.

In addition, the Audit Committee will review on an annual basis the scope and plan of the work to be done by the external auditors of Kore for the coming financial year.

Prior to the release of the annual financial statements of Kore, the Audit Committee will discuss certain matters required to be communicated to the Audit Committee by the external auditors in accordance with the standards established by the Canadian Institute of Chartered Accountants. The Committee will also consider the external auditors’ judgment about the quality and appropriateness of Kore’s accounting principles as applied in the Kore’s financial reporting.

#### **4. Legal and Compliance**

The Audit Committee is responsible for reviewing with management of Kore the following:

- (a) any off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships of Kore and its subsidiaries which would have a material current or future effect on the financial condition of Kore;
- (b) major risk exposures facing Kore and the steps that management has taken to monitor, control and manage such exposures, including Kore's risk assessment and risk management guidelines and policies;
- (c) any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of Kore and its subsidiaries and the manner in which these matters have been disclosed in the financial statements; and
- (d) the quarterly and annual certificates of the CEO and the CFO of Kore certifying Kore's quarterly and annual financial filings in compliance with Multilateral Instrument 52-109 of the Canadian Securities Administrators.

#### **5. Internal Controls**

The Audit Committee is responsible for reviewing the adequacy of Kore's internal control structures and procedures designed to ensure compliance with applicable laws and regulations. The Audit Committee is responsible for establishing procedures for the following:

- (a) the receipt, retention and treatment of complaints received by Kore regarding accounting, internal accounting controls, or auditing matters; and
- (b) the confidential, anonymous submission by employees or consultants of Kore of concerns regarding questionable accounting or auditing matters.

The Audit Committee will review and approve Kore's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors. The Audit Committee will also review the letters from the external auditors of Kore outlining the material weaknesses in internal controls noted from their audit, including relevant drafts of such letters.

## Schedule B

### Stock Option Plan

#### 1. PURPOSE

The purpose of this stock option plan (the "Plan") is to authorize the grant to Eligible Persons (as defined herein) of KORE Mining Ltd. (the "Corporation") of options to purchase common shares ("Shares") of the Corporation's capital and thus benefit the Corporation by enabling it to attract, retain and motivate Eligible Persons by providing them with the opportunity, through share options, to acquire an increased proprietary interest in the Corporation.

#### 2. ADMINISTRATION

The Plan shall be administered by the board of directors of the Corporation (the "Board") or a committee established by the Board for that purpose (the "Committee"). Subject to approval of the granting of options by the Board or Committee, as applicable, the Corporation shall grant options under the Plan.

#### 3. SHARES SUBJECT TO PLAN

Subject to adjustment under the provisions of paragraph 12 hereof, the aggregate number of Shares which may be issued and sold under the Plan will not exceed such number of Shares as is equal to 10% of the aggregate number of Shares issued and outstanding at the time of any stock option grant. The total number of Shares which may be issued or reserved for issuance to any one individual under the Plan within any one year period shall not exceed 5% of the outstanding Shares, unless the approval of disinterested shareholders of the Corporation has been obtained. The Corporation shall not, upon the exercise of any option, be required to issue or deliver any Shares prior to: (a) the admission of such Shares to listing on any stock exchange on which the Shares may then be listed, and (b) the completion of such registration or other qualification of such Shares under any law, rules or regulation as the Corporation shall determine to be necessary or advisable. If any Shares cannot be issued to any option holder (each, an "Optionee") for whatever reason, the obligation of the Corporation to issue such Shares shall terminate and any option exercise price paid to the Corporation shall be returned to the Optionee.

#### 4. LIMITS WITH RESPECT TO INSIDERS

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

#### 5. ELIGIBILITY

Options shall be granted only to Eligible Persons, any registered savings plan established by an Eligible Person or any corporation wholly-owned by an Eligible Person. The term "Eligible Person" means:

- (a) a senior officer or director of the Corporation or any of its subsidiaries;
- (b) either:
  - (i) an individual who is considered an employee under the *Income Tax Act*,
  - (ii) an individual who works full-time for the Corporation providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source, or
  - (iii) an individual who works for the Corporation on a continuing and regular basis for a minimum amount of time per week (the number of hours should be disclosed in

the submission) providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source

(in any case, an “Employee”);

- (c) an individual employed by a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual (a “Company”), which individual is providing management services to the Corporation through such Company, or an individual (together with a Company, a “Person”) providing management services directly to the Corporation, which management services are required for the ongoing successful operation of the business enterprise of the Corporation, but excluding a Person engaged in Investor Relations Activities (as hereafter defined) (a “Management Company Employee”);
- (d) an individual (or a company or partnership of which the individual is an employee, shareholder or partner), other than an Employee, Management Company Employee, director or senior officer, who:
  - (i) provides ongoing consulting services to the Corporation or an Affiliate of the Corporation under a written contract other than services provided in relation to a Distribution (as defined in the policies of the TSX Venture Exchange (the “TSX-V”));
  - (ii) possesses technical, business or management expertise of value to the Corporation or an Affiliate of the Corporation; spends a significant amount of time and attention on the business and affairs of the Corporation or an Affiliate of the Corporation;
  - (iii) has a relationship with the Corporation or an Affiliate of the Corporation that enables the individual to be knowledgeable about the business and affairs of the Corporation; and
  - (iv) does not engage in Investor Relations Activities (as hereafter defined) any such individual, a “Consultant”;
- (e) an individual (or a company or partnership of which the individual is an employee, shareholder or partner), other than an Employee, Management Company Employee, director or senior officer, that falls within the definition of Consultant contained in subsections 5(d)(i) through (iv) which provides Investor Relations Activities (an “Investor Relations Consultant”); or
- (f) a person that falls within the definition of Eligible Person contained in any of subsections 5(a), (b) or (d) which provides Investor Relations Activities (an “Investor Relations Person”).

For purposes of the foregoing, a Company is an “Affiliate” of another Company if: (a) one of them is the subsidiary of the other; or (b) each of them is controlled by the same person.

The term “Investor Relations Activities” means any activities or oral or written communications, by or on behalf of the Corporation or a shareholder of the Corporation, that promote or reasonably could be expected to promote the purchase or sale of securities of the Corporation, but does not include:

- (a) the dissemination of information provided, or records prepared, in the ordinary course of business of the Corporation:
  - (i) to promote the sale of products or services of the Corporation,
  - (ii) to raise public awareness of the Corporation, or
  - (iii) that cannot reasonably be considered to promote the purchase or sale of securities of the Corporation;

- (b) activities or communications necessary to comply with the requirements of
  - (i) applicable securities laws, policies or regulations,
  - (ii) the rules, and regulations of the TSX-V or the by-laws, rules or other regulatory instruments of any other self-regulatory body or exchange having jurisdiction over the Corporation; or
- (c) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if:
  - (i) the communication is only through the newspaper, magazine or publication, and
  - (ii) the publisher or writer received no commission or other consideration other than for acting in the capacity of publisher or writer; or
- (d) activities or communications that may be otherwise specified by the TSX-V.

For stock options to be granted to Employees, Consultants, Management Company Employees or Investor Relations Persons, the Corporation and the Optionee must each represent that the Optionee is a *bona fide* Employee, Consultant, Management Company Employee or Investor Relations Person as the case may be. The terms “insider”, “controlled” and “subsidiary” shall have the meanings ascribed thereto in the *Securities Act* (British Columbia) from time to time. Subject to the foregoing, the Board or Committee, as applicable, shall have full and final authority to determine the persons who are to be granted options under the Plan and the number of Shares subject to each option.

#### 6. LIMITS WITH RESPECT TO CONSULTANTS AND INVESTOR RELATIONS PERSONS

- (a) The maximum number of stock options which may be granted to any one Consultant under the Plan, any other stock option plans of the Corporation or other options for services granted by the Corporation, within any 12 month period, must not exceed 2% of the Shares issued and outstanding at the time of the grant (on a non-diluted basis), without the prior consent of the TSX-V.
- (b) The maximum number of stock options which may be granted to Investor Relations Persons under the Plan, any other stock option plans of the Corporation or other options granted for services by the Corporation, within any 12 month period must not exceed, in the aggregate, 2% of the Shares issued and outstanding at the time of the grant (on a non-diluted basis), without the prior consent of the TSX-V.

#### 7. PRICE

The purchase price (the “Price”) for the Shares under each option shall be determined by the Board or Committee, as applicable, on the basis of the market price of the Shares, where “market price” shall mean the prior trading day closing price of the Shares on any stock exchange on which the Shares are listed or the last trading price on the prior trading day on any dealing network where the Shares trade, and where there is no such closing price or trade on the prior trading day, “market price” shall mean the average of the daily high and low board lot trading prices of the Shares on any stock exchange on which the Shares are listed or dealing network on which the Shares trade for the five (5) immediately preceding trading days. In the event the Shares are listed on the TSX-V, the price may be the market price less any discounts from the market price allowed by the TSX-V, subject to a minimum price of \$0.10. In the event the Shares are not listed on any exchange and do not trade on any dealing network, the market price will be determined by the Board. The approval of disinterested shareholders will be required for any reduction in the Price of a previously granted option to an insider of the Corporation.

#### 8. PERIOD OF OPTION AND RIGHTS TO EXERCISE

Subject to the provisions of this paragraph 8 and paragraphs 9, 10 and 17 below, options will be exercisable in whole or in part, and from time to time, during the currency thereof. Options shall not be granted for a

term exceeding five years. The Shares to be purchased upon each exercise of any option (the "Optioned Shares") shall be paid for in full at the time of such exercise. Except as provided in paragraphs 9, 10 and 17 below, no option which is held by a service provider may be exercised unless the Optionee is then a service provider for the Corporation.

#### 9. CESSATION OF PROVISION OF SERVICES

Subject to paragraph 10 below, if any Optionee who is a service provider shall cease to be an Eligible Person of the Corporation for any reason (whether or not for cause), the Optionee may, but only within the period of ninety days (unless such period is extended by the Board or the Committee, as applicable, to a maximum of one year next succeeding such cessation, and approval is obtained from the stock exchange on which the Shares trade where required), or thirty days if the Eligible Person is an Investor Relations Person (unless such period is extended by the Board or the Committee, as applicable, to a maximum of one year next succeeding such cessation, and approval is obtained from the stock exchange on which the Shares trade where required), next succeeding such cessation and in no event after the expiry date of the Optionee's options, exercise the Optionee's options unless such period is extended as provided in paragraph 10 below.

#### 10. DEATH OF OPTIONEE

In the event of the death of an Optionee during the currency of the Optionee's option, the options theretofore granted to the Optionee shall be exercisable within, but only within, the period of one year next succeeding the Optionee's death. Before expiry of any options under this paragraph 10, the Board or Committee, as applicable, shall notify the Optionee's representative in writing of such expiry.

#### 11. NON-ASSIGNABILITY AND NON-TRANSFERABILITY OF OPTION

Any option granted under the Plan shall be non-assignable and non-transferable by an Optionee otherwise than by will or by the laws of descent and distribution, and options shall be exercisable, during an Optionee's lifetime, only by the Optionee.

#### 12. ADJUSTMENTS IN SHARES SUBJECT TO PLAN

The aggregate number and kind of shares available under the Plan shall be appropriately adjusted in the event of a reorganization, recapitalization, stock split, stock dividend, combination of shares, merger, consolidation, rights offering or any other change in the corporate structure or shares of the Corporation. The options granted under the Plan may contain such provisions as the Board or Committee, as applicable, may determine with respect to adjustments to be made in the number and kind of shares covered by such options and in the option price in the event of any such change. If there is a reduction in the exercise price of the options of an insider of the Corporation, the Corporation will be required to obtain approval from disinterested shareholders.

#### 13. AMENDMENT AND TERMINATION OF THE PLAN

The Board or Committee, as applicable, may at any time amend or terminate the Plan, but any such amendment shall be subject to regulatory approval, if required.

#### 14. EFFECTIVE DATE OF THE PLAN

The Plan becomes effective on the date of its approval by the Board.

#### 15. EVIDENCE OF OPTIONS

Each option granted under the Plan shall be embodied in a written option agreement between the Corporation and the applicable Optionee which shall give effect to the provisions of the Plan.

#### 16. EXERCISE OF OPTION

Subject to the provisions of the Plan and the particular option, an option may be exercised from time to time by an Optionee delivering to the Corporation, at its registered office, a written notice of exercise specifying the number of Shares with respect to which the option is being exercised and accompanied by payment in cash or certified cheque for the full amount of the purchase price of the Shares then being purchased.

Upon receipt of a certificate of an authorized officer directing the issue of Shares purchased under the Plan, the transfer agent is authorized and directed to issue and countersign share certificates for the Optioned Shares in the name of such Optionee or the Optionee's legal personal representative or as may be directed in writing by the Optionee's legal personal representative.

#### 17. VESTING RESTRICTIONS

Options issued under the Plan may vest at the discretion of the Board or Committee, as applicable, provided that if required by any stock exchange on which the Shares then trade, options issued to Investor Relations Consultants must vest in stages over not less than 12 months with no more than one quarter (1/4) of the options vesting in any three month period.

#### 18. NOTICE OF SALE OF ALL OR SUBSTANTIALLY ALL SHARES OR ASSETS

If at any time when an option granted under this Plan remains unexercised with respect to any Optioned Shares:

- (a) the Corporation seeks approval from its shareholders for a transaction which, if completed, would constitute an Acceleration Event; or
- (b) a third party makes a bona fide formal offer or proposal to the Corporation or its shareholders which, if accepted, would constitute an Acceleration Event,

the Corporation shall notify the Optionees in writing of such transaction, offer or proposal as soon as practicable and, provided that the Board or Committee, as applicable, has determined that no adjustment shall be made pursuant to section 12 hereof, (i) the Board or Committee, as applicable, may permit any Optionee to exercise their options granted under this Plan, as to all or any of the Optioned Shares in respect of which such option has not previously been exercised (regardless of any vesting restrictions), during the period specified in the notice (but in no event later than the expiry date of the option), so that the Optionee may participate in such transaction, offer or proposal; and (ii) the Board or Committee, as applicable, may require the acceleration of the time for the exercise of the said option and of the time for the fulfilment of any conditions or restrictions on such exercise. For these purposes, an "Acceleration Event" means:

- (a) the acquisition by any "offeror" (as defined National Instrument 62-104 - *Take Over Bids and Issuer Bids* of the Canadian Securities Administrators) of beneficial ownership of more than 50% of the outstanding voting securities of the Corporation, by means of a take-over bid or otherwise;
- (b) any consolidation or merger of the Corporation in which the Corporation is not the continuing or surviving corporation or pursuant to which shares of the Corporation would be converted into cash, securities or other property, other than a merger of the Corporation in which shareholders immediately prior to the merger have the same proportionate ownership of stock of the surviving corporation immediately after the merger;
- (c) any sale, lease exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Corporation; or
- (d) the approval by the shareholders of the Corporation of any plan of liquidation or dissolution of the Corporation.

#### 19. RIGHTS PRIOR TO EXERCISE

An Optionee shall have no rights whatsoever as a shareholder in respect of any of the Optioned Shares (including any right to receive dividends or other distributions therefrom or thereon) other than in respect of Optioned Shares in respect of which the Optionee shall have exercised the option to purchase hereunder and which the Optionee shall have actually taken up and paid for.

#### 20. EXPIRY OF OPTION

- (a) On the expiry date of any option granted under the Plan, and subject to any extension of such expiry date permitted in accordance with the Plan, such option shall forthwith expire

and terminate and be of no further force or effect whatsoever as to such of the Optioned shares in respect of which the option has not been exercised.

- (b) Notwithstanding anything else contained in this Plan, and subject to the applicable provisions in the TSX-V Corporate Finance Manual, if an option expires during a Blackout Period (as defined herein) applicable to an applicable Optionee, then the expiration date for that option shall be the date that is the tenth business day after the expiry date of such Blackout Period, unless, at the applicable time, the applicable Optionee or the Corporation is subject to a cease trade order (or similar order under applicable securities laws) in respect of the Corporation's securities. This section applies to all options outstanding under this Plan. For the purposes of this Plan, "Blackout Period" means a period of time during which an Optionee cannot exercise an option or sell Optioned Shares due to the Corporation's insider trading policy or any other applicable policy of the Corporation.

## 21. TAX MATTERS

The Corporation shall have the power and the right to deduct or withhold, or require an Optionee to remit to the Corporation, the required amount to satisfy federal, provincial and local taxes, domestic or foreign, required by law or regulation to be withheld with respect to any taxable event arising as a result of the Plan, including the grant or exercise of any stock option granted under the Plan. With respect to any required withholding, the Corporation shall have the irrevocable right to, and the Optionee consents to, the Corporation setting off any amounts required to be withheld, in whole or in part, against amounts otherwise owing by the Corporation to the Optionee (whether arising pursuant to the Optionee's relationship as a director, officer, employee or consultant of the Corporation or otherwise), or may make such other arrangements that are satisfactory to the Optionee and the Corporation. In addition, the Corporation may elect, in its sole discretion, to satisfy the withholding requirement, in whole or in part, by withholding such number of Shares issuable upon exercise of the stock options as it determines are required to be sold by the Corporation, as trustee, to satisfy any withholding obligations net of selling costs. The Optionee consents to such sale and grants to the Corporation an irrevocable power of attorney to effect the sale of such Shares issuable upon exercise of the stock options and acknowledges and agrees that the Corporation does not accept responsibility for the price obtained on the sale of such Shares issuable upon exercise of the stock options.

## 22. GOVERNING LAW

This Plan, and all matters related hereto or arising hereunder, shall be construed in accordance with and be governed by the laws of the Province of British Columbia and shall be deemed to have been made in said Province, and shall be in accordance with all applicable securities laws.