



MANAGEMENT INFORMATION CIRCULAR

This management information circular (the "**Information Circular**") contains information as at August 8, 2019 unless otherwise stated.

PERSONS MAKING THIS SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation of proxies by the management of Zincore Metals Inc. (the "**Company**" or "**Zincore**") for use at the annual general and special meeting (the "**Meeting**") of the shareholders of the Company (the "**Shareholders**") to be held at the time and place and for the purposes set forth in the accompanying Notice of Meeting, and at any adjournment thereof. It is expected that the solicitation will be primarily by mail. Proxies may also be solicited personally by directors, officers, or employees of the Company who will not be remunerated for such solicitation. The cost of solicitation will be borne by the Company.

PROXY INSTRUCTIONS

1. APPOINTMENT OF PROXYHOLDER

Shareholders who are unable to attend the Meeting are requested to complete, sign, date and return the enclosed form of proxy ("**Proxy**") in accordance with the instructions set out therein and any accompanying information from your intermediary. The purpose of the Proxy is to designate persons who will vote on a Shareholder's behalf in accordance with the instructions given by the Shareholder in the Proxy. **The persons whose names are printed in the enclosed Proxy are officers or directors of Zincore (the "Management Proxyholders").**

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

2. VOTING BY PROXY

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

If a Shareholder does not specify a choice and the Shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholders will vote in favour of the matters to be acted on that are specified in the Notice of Meeting as set out in this Information Circular.

The enclosed Proxy also gives discretionary authority to the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of the Meeting and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management knows of no such amendments, variations or other matters to come before the Meeting.

3. COMPLETION AND RETURN OF PROXY

A completed Proxy must be received by Zincore's registrar and transfer agent, Computershare Investor Services Inc., in accordance with the instructions in the Proxy, not later than forty-eight (48) hours, excluding Saturdays, Sundays

and holidays, prior to the time of the Meeting, unless the Chair of the Meeting elects to exercise his discretion to accept proxies received subsequently.

4. NON-REGISTERED HOLDERS

Only Shareholders whose names appear on the records of Zincore as the registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most Shareholders of Zincore are non-registered Shareholders ("**Beneficial Shareholders**") because the Shares they own are not registered in their name but instead registered in the name of a nominee such as a brokerage firm through which they purchased the Shares; bank, trust company, trustee or administrator of self-administered RRSPs, RRIF's, RESP's and similar plans ("**Intermediary**"); or clearing agency such as The Canadian Depository for Securities Limited (a "**Nominee**"). If you purchased your Shares through a broker, you are likely a Beneficial Shareholder.

Beneficial Shareholders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Company are referred to as "**NOBOs**". Those Beneficial Shareholders who have objected to their Intermediary disclosing ownership information about themselves to the Company are referred to as "**OBOs**".

In accordance with securities regulatory policy, the Company is not sending the Notice of Meeting, this Information Circular and the Proxy (collectively, the "**Meeting Materials**") directly to Beneficial Shareholders in connection with the Meeting, but rather have distributed copies of the Meeting Materials, to the Intermediaries for distribution to Beneficial Shareholders, unless a Beneficial Shareholders has waived the right to receive them. The Intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to each OBO, unless the OBO has waived the right to receive them. Zincore will not be paying for delivery of materials to OBOs.

Nominees are required to forward the Meeting Materials to Beneficial Shareholders to seek their voting instructions in advance of the Meeting. Shares held by Nominees can only be voted in accordance with the instructions of the Beneficial Shareholder. The Nominees often have their own form of proxy, mailing procedures and provide their own return instructions. If you wish to vote by proxy, you should carefully follow the instructions from the Nominee in order that your shares are voted at the Meeting. If you, as a Beneficial Shareholder, wish to vote at the Meeting in person, you should appoint yourself as proxyholder by writing your name in the space provided on the request for voting instructions or proxy provided by the Nominee and return the form to the Nominee in the envelope provided. Do not complete the voting section of the form as your vote will be taken at the Meeting.

REVOCABILITY OF PROXY

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

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as disclosed elsewhere in this Information Circular, none of the directors or executive officers of the Company, nor any person who has held such a position since the beginning of the last completed financial year of the Company, nor any 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 shares or other securities in the Company or otherwise, in any matter to be acted on at the Meeting other than the election of directors, the Debt Settlement (as defined and described under "*Particulars of Matters to be Acted Upon at Meeting – Approval of Related Party Transaction – Benavides Debt Settlement*") and the approval of the Option Plan (as defined and described under "*Particulars of Matters to be Acted Upon at Meeting – Stock Option Plan*").

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of Shares without par value, of which 19,106,338 Shares are issued and outstanding as at the record date of July 30, 2019 (the "**Record Date**"). All issued Shares are entitled to be voted at meetings of Shareholders and each Share has one vote. Only those Shareholders of record on at the close of business on the Record Date will be entitled to vote at the Meeting or any adjournment thereof.

To the knowledge of the directors and executive officers of the Company, only the following persons or companies beneficially own, directly or indirectly, or exercise control or direction over shares carrying 10% or more of the voting rights attached to all outstanding shares of the Company which have the right to vote in all circumstances:

Name	Number of Shares	Percentage of Outstanding Shares
Jorge Benavides	2,980,539	15.6%

PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING

Financial Statements and Auditor's Reports

The audited consolidated financial statements of the Company (the "**Financial Statements**") for the years ended December 31, 2015, 2016, 2017 and 2018, and the auditors' reports thereon will be tabled before the Shareholders at the Meeting. The audited consolidated financial statements have been approved by the Audit Committee and the board of directors of the Company (the "**Board**"). The Financial Statements can also be found under the Company's profile on SEDAR at www.sedar.com. No vote by the Shareholders is required to be taken with respect to the Financial Statements.

Election of Company Directors

At the Meeting, Shareholders will be asked to elect Adam Ho, Jorge Benavides and Alan Williams (the "**Zincore Nominees**") as directors of the Company (the "**Zincore Director Resolution**"). The following table provides information concerning the nominees proposed by management for election to the Board. Included in this information is directors' committee memberships and number of Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, by each of them, the dates on which they became directors, and their principal occupations during the preceding five years. The persons in the enclosed Proxy intend to vote for the election of the nominees set forth in the table below. Management of the Company does not contemplate that any of the nominees below will be unable to serve as a director. All directors elected will hold office until the close of the first annual meeting of Shareholders following his election, or until his office is earlier vacated in accordance with the articles of the Company.

Name, Municipality of Residence, and Company Details	Principal Occupation During the Last Five Years
<p>Adam Ho⁽²⁾ Comox, British Columbia, Canada</p> <p>Director since October 2018 Shares⁽¹⁾: 77,416 Options: 560,000</p>	<p>Mr. Ho has held various positions within Zincore Metals Inc. since January 2010. He has been Vice President, Corporate Development of Zincore since September 2013 and CFO since November 2014. He is also a Director of RSI International Systems Inc. since July 2016 and CEO and President since February 2019.</p>
<p>Jorge Benavides⁽²⁾ Lima, Peru</p> <p>Director since 2009 Shares⁽¹⁾: 2,980,539 Options: 288,000</p>	<p>President, CEO and Director of the Company. Mr Benavides has thirty-five years' experience in the mining industry. He joined Hochschild Mining plc in 2001 and served as Head of Exploration and Geology for the Group until 2008, when he became Senior Advisor to the Chairman of Hochschild. Previously, he spent eight years working for the Phelps Dodge Mining Company in South America and Mexico, including as Exploration Manager for the Andean Region. Mr Benavides holds an MSc in Ore Deposits and Exploration from Stanford University and a BSc in Geological Engineering from the Colorado School of Mines.</p>

Name, Municipality of Residence, and Company Details	Principal Occupation During the Last Five Years
Alan Williams⁽²⁾ Langley, British Columbia, Canada	Director of the Company since January 2019. Mr. Williams has been an executive and director of numerous publicly-listed companies and is currently a director of Kapa Capital, since June 2018 and Xortx Therapeutics, since January 2018.
Director since 2019 Shares ⁽¹⁾ : Nil Options: Nil	

Notes:

- (1) *The number of voting shares of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised by each proposed director as at August 8, 2019.*
- (2) *Member of the Audit Committee*

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the executive officers and directors of the Company, no nominee for election as a director of the Company is, or has been in the last 10 years, a director, chief executive officer or chief financial officer of an issuer that, (a) while that person was acting in that capacity, was the subject of a cease trading order or similar order or an order that denied the issuer access to any exemptions under securities legislation, for a period of more than 30 consecutive days; or (b) was subject to, after that person ceased to be a director, chief executive officer or chief financial officer, in the issuer being the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under securities legislation, for a period of more than 30 consecutive days, and which resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer or chief financial officer.

In addition, no nominee for election as a director of the Company is, or within the ten years prior to the date of this Information Circular has been, a director, chief executive officer or chief financial officer of an issuer that: (a) was declared 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 the assets of that person; or (b) was a director or officer of a corporation that, while that person was acting in that capacity or within a year of the person ceasing to act as a director or officer of the corporation became bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, except as disclosed herein.

Penalties and Sanctions

No nominee for election as a director of the Company or any personal holding companies of any such person 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 likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director of the Company.

The Board unanimously recommends that Shareholders vote FOR the Zincore Director Resolution. Unless a Proxy contains instructions on how you would like your Shares voted at the Meeting, the persons named in the enclosed Proxy intend to vote FOR the approval of the Zincore Director Resolution and each of the Zincore Nominees.

Election Resulting Issuer Directors

The board of directors of the Resulting Issuer (as defined and described under "*Particulars of Matters to be Acted Upon at Meeting – Approval of Related Party Transaction – Benavides Debt Settlement*") will consist of the Zincore Nominees and the nominees proposed by Mines & Metals Trading (Peru) PLC, ("MMTP"). Shareholders will be asked at the Meeting to elect, conditional upon, and to be effective following the completion of the Transaction (as defined and described under "*Particulars of Matters to be Acted Upon at Meeting – Approval of Related Party Transaction – Benavides Debt Settlement*"), the director nominees proposed by MMTP (the "**MMTP Nominees**") for election to the board of directors of the Resulting Issuer (the "**MMTP Director Resolution**").

The persons in the enclosed Proxy will vote or withhold from voting the Shares in respect of which they are appointed by proxy in the election of the MMTP Nominees for director of the Resulting Issuer in accordance with the instructions of the Shareholders as indicated on the Proxy. In the absence of such instructions, such Shares will be voted FOR the election of the directors of the Resulting Issuer. Each director of the Resulting Issuer will hold office from and after the completion of the Transaction until the Resulting Issuer's next annual meeting or until his successor is elected or appointed.

The following table and notes set out the name of each of the proposed MMTP Nominees, their principal occupation and the number of Shares, currently beneficially owned, or controlled or directed, directly or indirectly, by each such individual as of the date hereof.

Name, Municipality of Residence, and Company Details	Principal Occupation During the Last Five Years
<p>John Gray Oxford, UK</p> <p>Director since: Nominee Shares⁽¹⁾: Nil Options: Nil</p>	<p>Mr. Gray is a mining professional with over 25 years management and exploration experience in Latin America, Africa and Europe. From November 2009 to present he has been an Executive Director of Verde Copper, a private company with copper assets in Peru. He is currently President of TSX-V listed Redstar Gold Corp and has been a Director of Recuperada SAC in Peru which is the principal asset of MMTP (Peru) PLC, since July 2018. Mr. Gray was previously CEO of African Aura Resources and COO of Tesoro Minerals Corp., both TSX-V-listed companies.</p>
<p>Jose Garcia Lima, Peru</p> <p>Director since: Nominee Shares⁽¹⁾: Nil Options: Nil</p>	<p>Mr. Garcia is a mining professional with over 15 years international mining operations, modeling and project development experience. He is currently Chief Executive Officer of Metals and Mines Trading (Peru) PLC. Previously, he has been employed as Senior Mining Engineer and Team Leader, GHD Australia, Mine superintendent, Yandi Iron Ore, Australia, Leighton Mining, Mining Engineer, Open Pit, Las Cruces Copper Project, Spain, Inmet Mining and Mine Operations Engineer, Los Bronces Copper Mine, Chile, Anglo American PLC. Mr Garcia has an M.Sc. in Mining Engineering from Madrid Polytechnic University, Spain, and a Master of Philosophy in Mineral Economics from the University of Queensland, Australia. He was also a Global Leadership Fellow for the World Economic Forum at Switzerland.</p>

Notes:

(1) *The number of voting shares of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised by each proposed director as at August 8, 2019.*

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the executive officers and directors of the Company, no nominee for election as a director of the Resulting Issuer is, or has been in the last 10 years, a director, chief executive officer or chief financial officer of an issuer that, (a) while that person was acting in that capacity, was the subject of a cease trading order or similar order or an order that denied the issuer access to any exemptions under securities legislation, for a period of more than 30 consecutive days; or (b) was subject to, after that person ceased to be a director, chief executive officer or chief financial officer, in the issuer being the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under securities legislation, for a period of more than 30 consecutive days, and which resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer or chief financial officer.

In addition, no nominee for election as a director of the Resulting Issuer is, or within the ten years prior to the date of this Information Circular has been, a director, chief executive officer or chief financial officer of an issuer that: (a) was declared 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 the assets of that person; or (b) was a director or officer of a corporation that, while that person was acting in that capacity or within a year of the person ceasing to act as a director or officer of the corporation became bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, except as disclosed herein.

Penalties and Sanctions

No nominee for election as a director of the Resulting Issuer or any personal holding companies of any such person 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 likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director of the Resulting Issuer.

THE MMTP DIRECTOR RESOLUTION WILL ONLY BE EFFECTIVE IN THE EVENT THAT THE TRANSACTION IS SUCCESSFULLY COMPLETED.

The Board unanimously recommends that Shareholders vote FOR the MMTP Director Resolution. Unless a Proxy contains instructions on how you would like your Shares voted at the Meeting, the persons named in the enclosed Proxy intend to vote FOR the approval of the MMTP Director Resolution and each of the MMTP Nominees.

Appointment of Auditors

MNP LLP, of 1021 W Hastings St #2200, Vancouver, BC V6E 0C3, is the auditor of the Company. At the Meeting, Shareholders will be asked to approve the re-appointment of MNP LLP as the Company's auditor for the ensuing year, and to authorize the directors to fix the auditor's remuneration (the "**Auditor Resolution**").

The Board unanimously recommends that Shareholders vote FOR the Auditor Resolution. Unless a proxy contains instructions on how you would like your Shares voted at the Meeting, the persons named in the enclosed proxy intend to vote FOR the approval of the Auditor Resolution.

Stock Option Plan

The TSX Venture Exchange (the "**TSXV**") requires all listed companies with a "rolling" stock option plan, such as the Company's option plan (the "**Option Plan**"), to obtain annual shareholder approval of such plan. Shareholders will be asked at the Meeting to vote on a resolution to re-approve, for the ensuing year, the Option Plan. The Option Plan has not been amended since it was first adopted in 2015.

The purpose of the Option Plan is to advance Zincore's interests by encouraging its directors, officers and key employees and consultants to acquire Shares, thereby: (i) increasing the proprietary interests of such persons in the Company; (ii) aligning the interests of such persons with the interests of the shareholders generally; (iii) encouraging such persons to remain associated with the Company and (iv) furnishing such persons with an additional incentive in their efforts on the Company's behalf.

The principal features and terms of the Option Plan are as follows:

1. The Option Plan is a "rolling" stock option plan, under which the aggregate number of Shares that may be subject to options granted under the Option Plan ("**Options**") may not exceed 10% of the issued and outstanding Shares on the grant date.
2. Under the Option Plan, the Board is authorized to designate persons to whom Options could be granted. Currently, employees, directors and officers of and service providers to the Company and its subsidiaries are eligible participants in the Option Plan (the "**Eligible Participants**").
3. As of August 8, 2019, 848,000 Options have been granted and are currently outstanding, representing 4.4% of the issued and outstanding Shares and 1,062,634 Options remain available to be granted.
4. No one participant may be granted Options to purchase more than 5% of the number of the issued and outstanding Shares and no more than 2% of the issued and outstanding Shares may be granted to any one consultant in any 12-month period. No more than an aggregate of 2% of the issued and outstanding Shares may be granted to an employee conducting investor relations activities in any 12-month period.
5. The price at which Shares may be acquired upon the exercise of an Option is determined by the Board at the time of grant, but may not be less than the price permitted under the rules of any stock exchange or exchanges on which the Shares are listed.

6. All Options granted have a vesting period as determined by the Board or pursuant to the policies of the TSXV.
7. Options may not be granted for a term exceeding 10 years.
8. Options granted under the Option Plan may not be assigned or transferred by the optionee other than by will or pursuant to the laws of succession, and to a trust, RESP or RRSP or similar legal entity established by and for the sole benefit of the optionee.
9. If the optionee ceases to be an Eligible Participant for any reason other than death, then the Option shall expire on the earlier of: (a) such date within a reasonable period of time, not to exceed one year, after the optionee ceases to be an Eligible Participant, and (b) the expiry of the Option Period. In the event of death of an optionee, Options held by such optionee may be exercised until the earlier of the expiry date of such Options or one year from the date of death.
10. The Option Plan requires disinterested shareholder approval for a reduction in the exercise price of Options granted to an insider of the Company.
11. Options will be adjusted in the event of any consolidation or subdivision of Shares or the declaration of a dividend. In the event of a take-over bid or a change of control, as defined in the Option Plan, the Options become vested and exercisable in accordance with the terms of the Option Plan.

A copy of the Option Plan will be available at the meeting.

At the Meeting, Shareholders will be asked to pass an ordinary resolution ratifying the Option Plan for the ensuing year, substantially in the following form:

"IT IS RESOLVED THAT the Option Plan is hereby approved and confirmed."

The Board believes the passing of the foregoing ordinary resolution is in the best interests of the Company and recommend that the Shareholders vote FOR the resolution. **In the absence of contrary instruction, the person(s) named in the enclosed form of proxy intended to vote FOR the resolution.**

Approval of Related Party Transaction – Benavides Debt Settlement

On January 21, 2019, the Company announced a proposed reverse take-over transaction with MMTP, whereby Zincore will acquire all of the issued and outstanding securities of MMTP by way of a share exchange, amalgamation or such other form of business combination as the parties may determine. Upon successful completion of the proposed acquisition of the securities of MMTP (the "**Transaction**"), it is anticipated that the Company (the "**Resulting Issuer**") will be listed as a Tier 2 Mining issuer on the TSXV and will carry on the business of the continued exploration and development of MMTP's Recuperada zinc-lead-silver project in Huancavelica, Peru. As of the date of this Information Circular, the Company has entered into a non-binding letter agreement with MMTP, but has not yet executed a formal agreement (a "**Business Combination Agreement**") providing for the Transaction.

In connection with the Transaction, Zincore will consolidate the Shares on a one (new) for four (old) basis (the "**Consolidation**"). This will result in there being approximately 4,776,585 Shares outstanding following the Consolidation.

The Transaction is conditional upon, among other things, MMTP or an affiliate of MMTP completing a brokered private placement of equity securities of MMTP, or securities convertible into equity securities of MMTP, for minimum gross proceeds of US\$5,000,000 (the "**Financing**"). The issue price per security (the "**Financing Price**") pursuant to the Financing has not yet been determined and will be agreed between MMTP, Zincore, and the agents for the Financing. Pursuant to the Transaction, all securities of MMTP issued in connection with the Financing will be exchanged for post-Consolidation Shares, or securities convertible into post-Consolidation Shares.

The Transaction is also conditional upon, among other things, the Company's settlement of its outstanding debt owed to Jorge Benavides in the aggregate amount of C\$636,858.00 (US\$482,234) (the "**Benavides Debt**").

The Company has entered into a debt settlement agreement dated August 8, 2019 with Jorge Benavides (the "**Debt Settlement Agreement**") providing that on the Closing Date, the Company will issue to Jorge Benavides, in full and

final settlement of the Benavides Debt (including all principal, interest, and costs), the number of post-Consolidation Shares (the "**Debt Settlement Shares**"), issued at a deemed issue price equal to the Settlement Price (as defined below), equal to the least of: (a) the number obtained by dividing the amount of the Benavides Debt by the Financing Price; (b) 3,184,290 post-Consolidation Shares; or (c) the maximum number of Shares approved for issuance by the TSXV in connection with the Debt Settlement, and for such purposes, the "**Settlement Price**" means the greater of: (i) the MMTP Financing Price, and (ii) C\$0.20 (the "**Debt Settlement**"). For greater certainty, the Financing Price will not be lower than an equivalent post-Consolidation Share price of C\$0.20, and, as a result, the maximum number of post-Consolidation Shares that may be issued to Jorge Benavides pursuant to the Debt Settlement is 3,184,290. If the Financing Price is greater than C\$0.20, then the total number of post-Consolidation Shares that will be issued pursuant to the Debt Settlement will be lower.

Subject to the satisfaction of certain conditions precedent that are typical for transaction of this nature, including the TSXV Approval (as defined below) and disinterested shareholder approval, and the satisfaction or waiver of the conditions to the completion of the Transaction as set out in the Business Combination Agreement to be entered into by MMTP and Zincore (other than completion of the Debt Settlement, or those conditions which, by their nature, will be completed at the closing of the Transaction), the Debt Settlement will close on the Closing Date.

The purpose of the Debt Settlement is to reduce the Company's current liabilities and to enable the Company to satisfy a condition precedent to the Transaction. If the TSXV Approval or the requisite disinterested Shareholder approval is not obtained. The Company will not be able to complete the Debt Settlement and will continue to owe the amounts due to Mr. Benavides and will have no cash with which to otherwise settle such amounts. The Company will accordingly be unable to complete the Transaction.

No formal valuations of the Company or the Benavides Debt have been completed in the last 24 months, to the knowledge of Company, the Board or its management.

The Debt Settlement is subject to TSXV approval (the "**TSXV Approval**"). If the TSXV Approval is not obtained, the Company will not proceed with the Debt Settlement. TSXV policies require disinterested shareholder approval for transactions such as the Debt Settlement that involve the issuance of listed securities to related parties before such approval is granted. Accordingly, the Company requires the approval of the Debt Settlement by the holders of a majority of the securities entitled to vote at the Meeting, excluding securities that, to the knowledge of the Company, and its directors and senior officers after reasonable inquiry, are beneficially owned or over which control or direction is exercised by non-arm's length parties to the Debt Settlement.

Mr. Benavides is the President, CEO, and a director of the Company, and is therefore a "related party" of the Company as such term is defined in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). Accordingly, the Debt Settlement constitutes a "related party transaction" as such term is defined in MI 61-101.

MI 61-101 requires that, unless exempted, a "related party transaction" is subject to certain formal valuation and minority shareholder approval requirements. The Company is relying on an exemption from the formal valuation requirement of MI 61-101 that is available because at the time the Debt Settlement was agreed to, no securities of the Company were listed or quoted on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., the New York Stock Exchange, the NASDAQ Stock Market, or a stock exchange outside of Canada and the United States other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc. There is no exemption from the minority approval requirements of MI 61-101 available in respect of the Debt Settlement. Accordingly, at the Meeting, the Company will seek approval of the Debt Settlement by a majority the votes attached to Shares that the knowledge of the Company or any "interested party" (as such term is defined in MI 61-101) in respect of the Debt Settlement or their respective directors and officers, after reasonable inquiry, are beneficially owned or over which control or direction is exercised by (a) the Company, (b) an interested party in respect of the Debt Settlement, (c) certain related parties of an interested party, or (d) a joint actor with a person referred to in (b) or (c) above in respect of the Debt Settlement.

Debt Settlement Resolution

The Shareholders will be asked at the Meeting to consider, and if deemed advisable, approve with or without variation the following resolution (the "**Debt Settlement Resolution**"):

WHEREAS the Company has entered into the Debt Settlement Agreement with Jorge Benavides;

AND WHEREAS the Debt Settlement constitutes a related party transaction for the purposes of MI 61-101;

"IT IS RESOLVED THAT:

- (a) the Debt Settlement Agreement, as the same may be amended, restated or supplemented, and all of the transactions contemplated thereby, are hereby approved; and
- (b) the directors of the Company be and are hereby authorized to execute and deliver such documents, and to do such acts, as may be necessary or advisable to effect the Debt Settlement."

The Debt Settlement Resolution must be approved by an ordinary resolution of the disinterested Shareholders, being the affirmative vote of a simple majority of the votes cast with respect thereto by disinterested Shareholders present in person or represented by proxy at the Meeting. The Company has determined that pursuant to the policies of the TSXV and MI 61-101, the votes of 2,980,539 Shares held directly by Mr. Benavides must be excluded in determining whether disinterested shareholder approval has been obtained.

The Board unanimously recommends that Shareholders vote FOR the Debt Settlement Resolution. In the absence of contrary instruction, the person(s) named in the enclosed form of proxy intended to vote FOR the resolution approving the Debt Settlement.

EXECUTIVE COMPENSATION DISCLOSURE

The following Statement of Executive Compensation is prepared in accordance with National Instrument Form 51-102F6. The purpose of this Statement of Executive Compensation is to provide disclosure of all compensation earned by directors and certain executive officers in connection with their position as a director or officer of, or consultant to, the Company.

For the purposes of this Information Circular, a Named Executive Officer ("NEO") of the Company means each of the following individuals:

- (a) the chief executive officer ("CEO") of the Company;
- (b) the chief financial officer ("CFO") of the Company;
- (c) each of the Company's three most highly compensated executive officers of the Company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at December 31, 2018 whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6, for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) above but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, at December 31, 2018.
- (e) During the year ended December 31, 2018, the Company had two NEOs: Jorge Benavides, the President and CEO of the Company and Adam Ho, the CFO of the Company.

1. SUMMARY COMPENSATION TABLE

Particulars of compensation earned by each NEO (including deferred compensation) in the financial years ended December 31, 2016, December 31, 2017 and December 31, 2018 are set out in the summary compensation table below:

Name & Principal Position	Year	Salary (\$)	Share-based award (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Jorge Benavides <i>President & CEO</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2017	US\$59,750	Nil	\$14,400	Nil	Nil	Nil	Nil	\$14,400
	2016	US\$71,700	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Name & Principal Position	Year	Salary (\$)	Share-based award (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Adam Ho CFO	2018	\$37,800	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2017	\$45,675	Nil	\$60,000	Nil	Nil	Nil	Nil	\$60,000
	2016	\$37,800	Nil	Nil	Nil	Nil	Nil	Nil	Nil

2. INCENTIVE PLAN AWARDS

Other than the Option Plan, the Company currently does not have any stock option plan, stock option agreement made outside of a stock option plan, plan providing for the grant of stock appreciation rights, deferred share units or restricted stock units or any other incentive plan or portion of a plan under which awards are granted. For a summary of the Option Plan, please see "Particulars of Matters to be Acted Upon at Meeting – Stock Option Plan".

Outstanding Option-based Awards to NEOs

The following table discloses the particulars of all Options that were outstanding at the end of the fiscal year ended December 31, 2018 for each NEO:

Name	Option-based Awards				
	Number of securities underlying unexercised options ⁽¹⁾ (#)	Option exercise price ⁽²⁾	Option expiration date	Value of unexercised in-the-money options ⁽³⁾	Share-based Awards
Jorge Benavides	288,000	\$0.15	November 13, 2022	Nil	N/A
Adam Ho	10,000	\$0.65	May 5, 2019	Nil	N/A
	160,000	\$0.25	Oct 20, 2020	Nil	
	400,000	\$0.15	Nov13, 2022	Nil	

(1) All Options granted are subject to a vesting schedule.

(2) The exercise price is set at the discretion of the Board and is not less than the Market Price as at the date of the grant.

(3) Calculated based on the difference between the market value of the securities underlying the Options at the end of the year, and the exercise price of the option. Zincore Shares closed at \$0.045 on December 31, 2018.

Incentive Plan Awards to NEOs – Value Vested or Earned During the Year

The following table discloses the particulars of Options granted by the Company to the NEOs that vested during the year, and non-equity incentives earned by the NEOs during the year ended December 31, 2018:

Name	Option-based awards – Value vested during the year ⁽¹⁾ (\$)	Share-based awards – Value vested during the year ⁽²⁾ (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Jorge Benavides	Nil	N/A	Nil
Adam Ho	Nil	N/A	Nil

(1) Aggregate value that would have been realized if the Options had been exercised on the vesting date, calculated as the difference between the market price of the underlying securities at exercise and the exercise price of the Options on the vesting date.

(2) Value was calculated using the 5 day weighted average price on the date of grant.

3. PENSION PLAN BENEFITS

The Company does not have any pension, retirement, defined benefit or actuarial plans.

4. DIRECTOR COMPENSATION

The following table discloses the amount of compensation paid to directors during the most recently completed financial year ended December 31, 2018:

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Jorge Benavides	Nil	N/A	Nil	N/A	N/A	Nil	Nil
Adam Ho	Nil	N/A	Nil	N/A	N/A	Nil	Nil
Alan Williams	Nil	N/A	Nil	N/A	N/A	Nil	Nil

Share-based awards, option-based awards and non-equity incentive plan compensation

The following table discloses the particulars of all granted by the Company to the directors that were outstanding at the end of the most recently completed financial year ended December 31, 2018.

Name	Option-based Awards				
	Number of securities underlying unexercised options ⁽¹⁾ (#)	Option exercise price ⁽²⁾	Option expiration date	Value of unexercised in-the-money options ⁽³⁾	Share-based Awards ⁽⁴⁾
Jorge Benavides ⁽⁵⁾	288,000	\$0.15	Nov 13, 2022	Nil	N/A
Adam Ho	10,000	\$0.65	May 5, 2019	Nil	N/A
	160,000	\$0.25	October 19, 2020	Nil	
	400,000	\$0.15	November 13, 2022	Nil	
Alan Williams	Nil	NA	NA	NA	N/A

(1) All Options granted are subject to a vesting schedule.

(2) The exercise price is the volume weighted average trading price for the last five trading days on which the Company's shares traded prior to the effective date of the grant of Options.

(3) Calculated based on the difference between the market value of the securities underlying the Options at the end of the year, and the exercise price of the Option.

(4) Means an award under an equity incentive plan of equity-based instruments that do not have option-like features, such as restricted or deferred share units or stock. The Company does not have any share-based awards.

(5) Jorge Benavides is an NEO and his compensation for service as a director is fully reflected in the Summary Compensation Table above.

Incentive Plan Awards to Directors – Vested During the Year

The following table discloses the particulars of stock options granted by the Company to the directors that vested during the year ended December 31, 2018:

Name	Option-based awards – Value vested during the year ⁽¹⁾ (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Jorge Benavides	Nil	N/A	N/A
Adam Ho	Nil	N/A	N/A
Alan Williams	Nil	N/A	N/A

(1) Aggregate value that would have been realized if the options had been exercised on the vesting date, calculated as the difference between the market price of the underlying securities at exercise and the exercise price of the options on the vesting date.

(2) Jorge Benavides is an NEO and his compensation for service as a director is fully reflected in the Summary Compensation Table above.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out certain information, as at the end of the Company's most recent financial year, regarding (1) stock options issued pursuant to all compensation plans previously approved by shareholders, being the Company's stock option plan, and (2) all compensation plans not previously approved by shareholders.

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 plan approved by security holders	1,693,333	\$0.18	217,300
Equity compensation plans not approved by security holders	Nil	N/A	N/A
Total	1,693,333	\$0.18	217,300

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the current or former directors, employees or executive officers of the Company, none of the proposed directors of the Company and none of the associates of such persons is or has been indebted to the Company at any time since the beginning of the Company's last completed financial year. Furthermore, none of such persons were indebted to a third party during such period where their indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person (as defined in National Instrument 51-102 - Continuous Disclosure) or proposed director of the Company and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect the Company or any of its subsidiaries.

MANAGEMENT CONTRACTS

Management services for the Company or its subsidiaries are not, to any substantial degree, performed by persons other than the executive officers of the Company pursuant to consulting agreements. The Company has entered into contracts with certain of the NEOs, or companies controlled by such NEOs, and the compensation paid pursuant to those contracts is disclosed under the section titled "Statement of Executive Compensation - Summary Compensation Table".

CORPORATE GOVERNANCE DISCLOSURE

The following Corporate Governance Disclosure meets the requirements of National Policy 58-201 Corporate Governance Guidelines as well as National Instrument 58-101, Disclosure of Corporate Governance Practices, applicable to venture issuers.

CORPORATE GOVERNANCE DISCLOSURE

Board of Directors

The following directors are independent of management and free from any interest and any business or other relationship which could, or could reasonably be perceived to materially interfere with the director's ability to act with the best interests of the Company, other than interests and relationships arising from shareholdings: Alan Williams. Jorge Benavides and Adam Ho are members of management and thus are not independent directors.

Directorships

Certain of the directors are presently a director of one or more other reporting issuers, as follows:

Director	Other Issuer
Jorge Benavides	N/A
Adam Ho	RSI International Systems Inc.
Alan Williams	Kapa Capital Xortx Therapeutics

Orientation and Continuing Education

The Board takes the following measures to ensure that all new directors receive a comprehensive orientation regarding (i) the role of the Board, its committees and its directors, and (ii) the nature and operation of the Company's business:

- Each new director is provided with a copy of the Board Manual, which contains the Company's policies and provides a comprehensive introduction to the Board and its committees; and
- Each new director brings a different skill set and professional background, and with this information, the Chair is able to determine what orientation to the nature and operation of the Company's business will be necessary and relevant to each new director.

Ethical Business Conduct

The Board has adopted a written Code of Business Conduct & Ethics for its directors, officers, employees and consultants (the "**Code**"), a copy of which is available on SEDAR:

- A copy of the Code was provided to each director, officer, employee and consultant and will be provided to each new director, officer, employee and consultant upon joining the Company. In addition, if the Code is amended or revised, then a new copy is distributed;
- In order to ensure compliance with the Code, the Board has established complaint procedures for financial concerns, and environment and safety concerns; and
- There has never been a material change report filed, and more particularly not within the preceding 12 months, that pertains to any conduct of a director or executive officer that constitutes a departure from the Code.

In addition to the Code, the Board has also implemented a Disclosure and Stock Trading Policy, and a Code of Employee Conduct to encourage and promote a culture of ethical business conduct.

Nomination of Directors

The Company does not have a stand-alone nomination committee. The full Board has responsibility for identifying potential Board candidates. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. Members of the Board and representatives of the industry are consulted for possible candidates.

Compensation

The Board determines the compensation for the Company's directors by comparison with publicly available information on other reporting issuers in the mineral industry.

Other Board Committees

The Company does not have any other committees other than the Audit Committee.

AUDIT COMMITTEE DISCLOSURE

As the Company's Board currently consists of only three Directors, all members of the Board form the Audit Committee. The Audit Committee is responsible for overseeing the Company's financial reporting process on behalf of the Board, including overseeing the work of the independent auditors who report directly to the Audit Committee.

The specific responsibilities of the Audit Committee, among others, include:

- (a) evaluating the performance and assessing the qualifications of the independent directors and recommending to the Board and the Shareholders the appointment of the Company's external auditor;
- (b) determining and approving the engagement of and compensation for audit and non-audit services of the Company's external auditor;
- (c) reviewing the Company's financial statements and management's discussion and analysis of financial condition and results of operations and recommending to the Board whether or not such financial statements and management's discussion and analysis of financial condition and results of operations should be approved by the Board;
- (d) conferring with the Company's external auditor and with management regarding the scope, adequacy and effectiveness of internal financial reporting controls;
- (e) establishing procedures for the receipt, retention and treatment of complaints received by the Company regarding its accounting controls, internal accounting controls or auditing matters and the confidential and anonymous submission by employees of concerns regarding questionable accounting and auditing matters; and
- (f) reviewing and discussing with management and the independent auditor, as appropriate, the Company's guidelines and policies with respect to risk assessment and risk management, including major financial risk exposure and investment and hedging policies and the steps taken by management to monitor and control the Company's exposure to such risks.

Audit Committee Charter

The Audit Committee Charter is attached to this Circular as Schedule "A".

Composition of Audit Committee and Independence

The following are the members of the Audit Committee:

Alan Williams (Chair)	Independent ⁽¹⁾	Financially literate ⁽¹⁾
Jorge Benavides	Non-Independent ⁽²⁾	Financially literate ⁽¹⁾
Adam Ho	Non-Independent ⁽³⁾	Financially literate ⁽¹⁾

(1) As defined under National Instrument 52-110 - *Audit Committees* ("**NI 52-110**").

(2) Mr. Benavides is not independent (as defined under NI 52-110) as he is an executive officer of the Company.

(3) Mr. Ho is not independent (as defined under NI 52-110) as he is an executive officer of the Company.

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

Since the commencement of the Company's most recently completed financial year, the Company has not relied on:

- (a) the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110; or

- (b) the exemption in subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*) of NI 52-110; or
- (c) the exemption in subsection 6.1.1(5) (*Events Outside Control of Member*) of NI 52-110; or
- (d) the exemption in subsection 6.1.1(6) (*Death, Incapacity or Resignation*) of NI 52-110; 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 has not adopted any specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

The following table sets out the aggregate fees billed by the Company's external auditors, MNP LLP, for the years ended December 31, 2017 and 2018:

Audit Service Fees	Year ended December 31, 2017 (CDNS)	Year ended December 31, 2018 (CDNS)
Audit Fees	\$12,000	\$12,000
Audit Related Fees	\$840	\$840
Tax Fees	nil	nil
All Other Fees	nil	nil
Total	\$12,840	\$12,840

ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR at www.sedar.com. Shareholders may contact the Company to request copies of the financial statements and Management's Discussion & Analysis. Copies of these documents may be obtained from the Company by making a request in writing to the Company at #202, 5626 Larch Street Vancouver, BC V6M 4E1, Attention: Adam Ho. Financial information is provided in the Company's consolidated financial statements and MD&A for its most recently completed financial year ended December 31, 2018. Copies of the annual financial statements and MD&A for the most recently completed financial year will also be available at the Meeting.

DIRECTORS' APPROVAL

The undersigned hereby certifies that the contents and the sending of this Information Circular to the Shareholders have been approved by the Board.

DATED at Vancouver, B.C.
August 8, 2019

/s/ "**Jorge Benavides**"
Jorge Benavides,
President and CEO

SCHEDULE A
AUDIT COMMITTEE CHARTER

SCHEDULE A - INFORMATION CONCERNING THE AUDIT COMMITTEE

AUDIT COMMITTEE CHARTER

The text of the Audit Committee's Charter is as follows:

Purpose

The primary function of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities by reviewing the financial information to be provided to the shareholders and others, the systems of internal controls and management information systems established by management and the Company's internal and external audit process and monitoring compliance with the Company's legal and regulatory requirements with respect to its financial statements.

The Audit Committee is accountable to the Board. In the course of fulfilling its specific responsibilities hereunder, the Audit Committee is expected to maintain an open communication between the Company's external auditors and the Board.

The responsibilities of a member of the Audit Committee are in addition to such member's duties as a member of the Board. Nothing in this Charter, however, is intended to or does confer on any member a higher standard of care or diligence than that which applies to the Directors as a whole.

The Audit Committee does not plan or perform audits or warrant the accuracy or completeness of the Company's financial statements or financial disclosure or compliance with generally accepted accounting procedures as these are the responsibility of management.

Procedural Matters

The Audit Committee:

- a. meets at least four times per year, either by telephone conference or in person;
- b. invites the Company's external auditors, the Chief Financial Officer, and such other persons as deemed appropriate by the Audit Committee to attend meetings of the Audit Committee;
- c. reports material decisions and actions of the Audit Committee to the Board, together with such recommendations as the Committee may deem appropriate;
- d. has the power to conduct or authorize investigations into any matter within the scope of its responsibilities;
- e. has the right to engage independent counsel and other advisors as it determines necessary to carry out its duties and the right to set the compensation for any advisors employed by the Audit Committee;
- f. has the right to communicate directly with the CFO and other members of management who have responsibility for the internal and external audit process, as well as to communicate directly with the internal and external auditors; and
- g. pre-approves non-audit services to be performed by the external auditors in accordance with the Committee's pre-approval policies and procedures, which pre-approval is subject to ratification by the Board. The Audit Committee may delegate certain pre-approval functions for non-audit services to one or more independent members of its Committee if it first adopts specific policies and procedures respecting same and provided such decisions are presented to the full Audit Committee for approval at its next meeting.

Responsibilities

External Auditors

The Audit Committee has primary responsibility for the selection, appointment, dismissal, compensation and oversight of the external auditors, subject to the overall approval of the Board. For this purpose, the Audit Committee may consult with management.

The external auditors shall report directly to the Audit Committee.

Also, the Audit Committee:

- a. recommends to the Board:
 - i. whether the current external auditors should be nominated for reappointment for the ensuing year and if the current external auditors are not to be reappointed, select and recommend a suitable alternative for nomination; and
 - ii. the amount of compensation payable to the external auditors;
- b. resolves disagreements, if any, between management and the external auditors regarding financial reporting;
- c. provides the Board with such recommendations and reports with respect to the financial statements of the Company as it deems advisable;
- d. takes reasonable steps to confirm the independence of the external auditors, including but not limited to pre-approving any non-audit related services provided by the external auditors to the Company or the Company's subsidiaries, if any;
- e. confirms that the external auditors are a 'participating audit' firm for the purpose of National Instrument 52-108 *Auditor Oversight* and are in compliance with governing regulations;
- f. reviews and evaluates the performance of the external auditors; and
- g. reviews and approves the Company's hiring policy regarding partners, employees and former partners and employees of the Company's external auditors.

Audit and Review Process and Results

The Audit Committee has a duty to receive, review and make any inquiry regarding the completeness, accuracy and presentation of the Company's financial statements to ensure that the financial statements fairly present the financial position and risks of the organization and that they are prepared in accordance with generally accepted accounting principles. To accomplish this, the Audit Committee:

- a. considers the scope and general extent of the external auditors' review, including their engagement letter and major changes to the Company's auditing and accounting principles and practices;
- b. consults with management regarding the sufficiency of the Company's internal system of audit and financial controls, internal audit procedures and results of such audits;
- c. ensures the external auditors have full, unrestricted access to required information and have the cooperation of management;
- d. reviews with the external auditors the audit process and standards, as well as regulatory or Company-initiated changes in accounting practices and policies and the financial impact thereof, and selection or application of appropriate accounting principles;
- e. reviews with the external auditors and, if necessary, legal counsel, any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the financial statements;
- f. reviews the appropriateness and disclosure of any off-balance sheet matters;
- g. reviews disclosure of related-party transactions;

- h. receives and reviews with the external auditors, the external auditors' audit report and the audited financial statements;
- i. makes recommendations to the Board respecting approval of the audited financial statements;
- j. meets with the external auditors separately from management to review the integrity of the Company's financial reporting, including the clarity of financial disclosure and the degree of conservatism or aggressiveness of the accounting policies and estimates, any significant disagreements or difficulties in obtaining information, adequacy of internal controls over financial reporting, adequacy of disclosure controls and procedures, and the degree of compliance by the Company with prior recommendations of the external auditors; and
- k. directs management to implement such changes as the Audit Committee considers appropriate, subject to any required approvals of the Board arising out of the review.

Interim Financial Statements

The Audit Committee:

- a. reviews on an annual basis the Company's practice with respect to review of interim financial statements by the external auditors;
- b. conducts all such reviews and discussions with the external auditors and management as it deems appropriate;
- c. reviews the interim financial statements with the external auditors as it deems appropriate; and
- d. makes recommendations to the Board respecting approval of the interim financial statements.

Involvement with Management

The Audit Committee has primary responsibility for overseeing the actions of management in all aspects of financial management and reporting. The Audit Committee:

- a. reviews the Company's annual and interim financial statements, Management's Discussion and Analysis and earnings press releases, if any, before the Company publicly discloses this information;
- b. reviews all of the Company's public disclosure of financial information extracted from the Company's financial statements, if such financial statements have not previously been reviewed by the Committee, prior to such information being made public by the Company and for such purpose, the CFO assumes responsibility for providing the information to the Audit Committee for its review;
- c. reviews material financial risks with management, the plan that management has implemented to monitor and deal with such risks and the success of management in following the plan;
- d. consults annually and otherwise as required with the Company's CEO and CFO respecting the adequacy of the internal controls over financial reporting and disclosure controls and procedures and reviews any breaches or deficiencies;
- e. obtains such certifications of annual and interim filings by the CEO and CFO attesting to internal controls over financial reporting and disclosure controls and procedures as deemed advisable;
- f. reviews management's response to significant written reports and recommendations issued by the external auditors and the extent to which such recommendations have been implemented by management;
- g. reviews as required with management the annual financial statements, the quarterly financial statements, Management's Discussion and Analysis, Annual Information Forms, future-oriented financial information or pro-forma information and other financial disclosure in continuous disclosure documents;
- h. reviews with management the Company's compliance with applicable laws and regulations respecting financial reporting matters;
- i. reviews with management proposed regulatory changes and their impact on the Company; and
- j. reviews as required with management and approves disclosure of the Audit Committee Charter, and Audit Committee disclosure required in the Company's Annual Information Form, Information Circular and on the Company's website.

COMPOSITION OF AUDIT COMMITTEE

The Audit Committee is composed of a minimum of three Directors, all of whom are Directors who are not officers or employees of the Company or any of its subsidiaries.

In addition, members of the Audit Committee meet the prescribed independence, financial literacy and experience requirements and have relevant skills and/or experience in the Committee's areas of responsibility as required by the securities laws applicable to the Company, including those of any stock exchange on which the Company's securities are traded.

Appointment of Committee Members

Members of the Committee are appointed or confirmed by the Board annually and hold office at the pleasure of the Board.

Vacancies

Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board. The Board fills any vacancy if the membership of the Committee is less than the minimum requirement number of Directors required for the Committee.

Committee Chair

The Board appoints a Chair for the Audit Committee.

Structure and Operations

Absence of Committee Chair

If the Chair of a Committee is not present at any meeting of the Committee, one of the other members of the Committee who is present at the meeting will be chosen by the Committee to preside at the meeting.

Secretary of Committee

At each meeting the Committee appoints a secretary who need not be a director of the Company.

Meetings

The Chair of the Committee or the Chair of the Board or any two of its members may call a meeting of the Committee.

Quorum

A majority of the members appointed to the Committee constitutes a quorum.

Notice of Meetings

The Chair of the Committee arranges to provide notice of the time and place of every meeting in writing (including by facsimile) to each member of a Committee at least 24 hours prior to the time fixed for such meeting, provided, however, that a member may in any manner waive a notice of a meeting. Attendance of a member at a meeting constitutes 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. The Chair also ensures that an agenda for the meeting and all required

materials for review by the members of the Committee are delivered to the members with sufficient time for their review, or that such requirement is waived.

Attendance of the Company's Officers at Meetings

The Chair of the Committee or any two members of the Committee may invite one or more officers of the Company to attend any meeting of the Committee.

Delegation

The Committee may, in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee, management or, to the extent otherwise permitted by applicable plans, laws or regulations, to any other body or individual.

Procedure and Records

Subject to any statute or constating documents of the Company, the Committee determines its own procedures at meetings and may conduct meetings by telephone and will keep records of its proceedings.

Complaints

The Audit Committee has established procedures for:

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

Complaints regarding accounting, internal accounting controls, or auditing matters may be submitted as outlined in the Company's Policy for the Submission of Confidential and Anonymous Complaints or Concerns Regarding Accounting and Financial Matters, Safety and Environmental Matters, Company and Regulatory Policies or Personal Conduct (the "Whistle Blower Policy"). Complaints may be made anonymously and, if not made anonymously, the identity of the person submitting the complaint is kept confidential.

Upon receipt of a complaint, the Chair conducts or designates a member of the Audit Committee to conduct an initial investigation. The results of that initial investigation are brought before the Audit Committee for a determination of further investigation and action.

Records of complaints made and the resulting action or determination with respect to the complaint are documented and kept in the records of the Audit Committee for a period of three years.

The Audit Committee reviews the Whistle Blower Policy annually.

Reporting and Assessment

The Audit Committee reports to the Board of Directors.

The Audit Committee reviews its Charter and conducts an assessment of its performance, and the performance of the Committee Chair, on an annual basis. The Committee reports to the Corporate Governance and Nominating Committee the results of such review and assessment, including any recommendations for change (the "Committee Annual Assessment Report").

