

## STUHINI EXPLORATION LTD.

### 2019 ANNUAL GENERAL MEETING OF SHAREHOLDERS

#### INFORMATION CIRCULAR

#### GENERAL INFORMATION

This Information Circular is furnished to the holders (“shareholders”) of common shares (“Common Shares”) of Stuhini Exploration Ltd. (the “Company”) by management of the Company in connection with the solicitation of proxies to be voted at the annual general meeting (the “Meeting”) of the shareholders to be held at 11:00 a.m. (Pacific Time) on Thursday, November 28, 2019 and at any adjournment thereof, for the purposes set forth in the accompanying Notice of Meeting.

#### PROXIES

##### Solicitation of Proxies

The enclosed proxy (“Proxy”) is solicited by and on behalf of management of the Company. The persons named in the enclosed Proxy form are management-designated proxyholders. A registered shareholder desiring to appoint some other person (who need not be a shareholder) to represent the shareholder at the Meeting may do so either by inserting such other person’s name in the blank space provided in the Proxy form or by completing another form of proxy. To be used at the Meeting, proxies must be received by TSX Trust Company, 301 – 100 Adelaide Street West, Toronto, Ontario, M5H 4H1 no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting, or, if the Meeting is adjourned, no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the reconvened meeting, or may be accepted by the chairman of the Meeting prior to the commencement of the Meeting. Solicitation will be primarily by mail, but some proxies may be solicited personally or by telephone by regular employees or directors of the Company at a nominal cost. The cost of solicitation by management of the Company will be borne by the Company.

##### Voting by Non-Registered Holders

Only registered holders of Common Shares or the persons they appoint as their proxyholders are permitted to vote at the Meeting. In many cases, however, Common Shares beneficially owned by a holder (a “Non-Registered Holder”) are registered either:

- (a) in the name of an Intermediary (an “Intermediary”) that the Non-Registered Holder deals with in respect of the Common Shares. Intermediaries include banks, trust companies, securities dealers or brokers, and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans, or
- (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited (“CDS”)) of which the Intermediary is a participant.

Non-Registered Holders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Company are referred to as “NOBOs”. Those Non-Registered Holders who have objected to their Intermediary disclosing ownership information about themselves to the Company are referred to as “OBOs”.

Pursuant to National Instrument 54-101 (“NI 54-101”) of the Canadian Securities Administrators, the Company is distributing copies of proxy-related materials in connection with this Meeting (including this Information Circular) indirectly to Non-Registered Holders.

The Company is not relying on the notice and access delivery procedures outlined in NI 54-101 to distribute copies of proxy-related materials in connection with the Meeting.

Intermediaries which receive the proxy-related materials are required to forward the proxy-related materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Intermediaries often use service companies to forward the proxy-related materials to Non-Registered Holders.

The Company will not be paying for Intermediaries to deliver to OBOs (who have not otherwise waived their right to receive proxy-related materials) copies of the proxy-related materials and related documents. Accordingly, an OBO will not receive copies of the proxy-related materials and related documents unless the OBO’s Intermediary assumes the costs of delivery.

Generally, Non-Registered Holders who have not waived the right to receive proxy-related materials (including OBOs who have made the necessary arrangements with their Intermediary for the payment of delivery and receipt of such proxy-related materials) will be sent a voting instruction form which must be completed, signed and returned by the Non-Registered Holder in accordance with the Intermediary’s directions on the voting instruction form. In some cases, such Non-Registered Holders will instead be given a proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. This form of proxy does not need to be signed by the Non-Registered Holder, but, to be used at the Meeting, needs to be properly completed and deposited with TSX Trust Company as described under “Solicitation of Proxies”.

The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Common Shares that they beneficially own. Should a Non-Registered Holder wish to attend and vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should insert the Non-Registered Holder’s (or such other person’s) name in the blank space provided or, in the case of a voting instruction form, follow the corresponding instructions on the form.

**Non-Registered Holders should carefully follow the instructions of their Intermediaries and their service companies, including instructions regarding when and where the voting instruction form or Proxy form is to be delivered.**

### **Revocability of Proxies**

A registered shareholder who has given a Proxy may revoke it by an instrument in writing that is:

- (a) received at the registered office of the Company, 105-1245 West Broadway, Vancouver, BC Canada, V6H 1G7 at any time up to and including the last business day before the day set for the holding of the Meeting or reconvened meeting, if the Meeting is adjourned, at which the Proxy is to be used, or
- (b) provided to the chair of the meeting, at the meeting of shareholders, before any vote in respect of which the Proxy is to be used shall have been taken,

or in any other manner provided by law.

Non-Registered Holders who wish to revoke a voting instruction form or a waiver of the right to receive proxy-related materials should contact their Intermediaries for instructions.

## Voting of Proxies

Common Shares represented by a shareholder's Proxy form will be voted or withheld from voting in accordance with the shareholder's instructions on any ballot that may be called for at the Meeting and, if the shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. **In the absence of any instructions, the management-designated proxyholder named on the Proxy form will cast the shareholder's votes in favour of the passage of the resolutions set forth herein and in the Notice of Meeting.**

The enclosed Proxy form confers discretionary authority upon the persons named therein with respect to (a) amendments or variations to matters identified in the Notice of Meeting and (b) other matters which may properly come before the Meeting or any adjournment thereof. At the time of printing of this Information Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice of Meeting.

## VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

Only Common Shares carry voting rights at the Meeting with each Common Share carrying the right to one vote. The Board of Directors has fixed October 23, 2019 as the record date ("Record Date") for the determination of shareholders entitled to receive notice of and to vote at the Meeting and, if adjourned, any reconvened meeting, and only shareholders of record at the close of business on that date are entitled to receive such notice and to vote at the Meeting. As of the Record Date, 12,693,000 Common Shares were issued and outstanding as fully paid and non-assessable.

To the knowledge of the directors and executive officers of the Company, as at the Record Date, no person beneficially owned, directly or indirectly, or exercised control or direction over, shares carrying 10% or more of the voting rights attached to the Company's issued and outstanding Common Shares, except for the following:

Name	Number of Common Shares	Percentage of Outstanding Common Shares
David Bruce O'Brien	1,550,000 <sup>(1)</sup>	12.21%

<sup>(1)</sup> Of these Common Shares, 200,000 Common Shares are held by a company controlled by Mr. O'Brien.

## VOTES NECESSARY TO PASS RESOLUTIONS AT THE MEETING

Under the Company's Articles, the quorum for the transaction of business at the Meeting consists of two shareholders, whether present in person or represented by proxy, holding in the aggregate at least 5% of the Company's issued Common Shares. A simple majority of the votes cast at the Meeting (in person or by proxy) is required in order to pass the resolutions referred to in the accompanying Notice of Meeting, with the exception of item 5. With respect to item 5, the resolution requires approval by more than 50% of the votes cast in respect of the resolution by or on behalf of disinterested shareholders (in other words, with the exception of Barry Hanslit). See "Particulars of Other Matters to be Acted Upon - Approval of Ruby Creek Agreement".

## APPOINTMENT OF AUDITOR

The persons named in the enclosed Proxy form intend to vote for the appointment of Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, as the auditor of the Company to hold office until the next annual general meeting of shareholders of the Company. Dale Matheson Carr-Hilton Labonte LLP has been the auditor of the Company since March 15, 2018.

## ELECTION OF DIRECTORS

At the Meeting, shareholders will be asked to fix the number of directors at five and to elect five directors. The persons named below are the five nominees of management for election as directors, all of whom are current directors of the Company. Each director elected will hold office until the next annual general meeting or until the director's successor is elected or appointed unless the director's office is earlier vacated under any of the relevant provisions of the Articles of the Company or the Business Corporations Act (British Columbia). It is the intention of the persons named as proxyholders in the enclosed Proxy form to vote for the election to the Board of Directors of those persons hereinafter designated as nominees for election as directors. The Board of Directors does not contemplate that any of such nominees will be unable to serve as a director; however, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, **proxies in favour of management designees will be voted for another nominee in their discretion unless the shareholder has specified in such shareholder's Proxy that such shareholder's shares are to be withheld from voting in the election of directors.**

The following table sets out the name of each of the persons proposed to be nominated for election as a director; all positions and offices in the Company presently held by him; his principal occupation, business or employment for the last five years; the period during which he has served as a director; and the number of Common Shares that he has advised are beneficially owned, or controlled or directed, directly or indirectly, as at the Record Date.

<u>Name, place of residence and positions with the Company</u>	<u>Present principal occupation, business or employment</u>	<u>Period served as a director</u>	<u>Common Shares beneficially owned or controlled</u>
DAVID BRUCE O'BRIEN <sup>(1)</sup> British Columbia, Canada Director, Chief Executive Officer and President	President and Director since July 2017 and CEO since February 5, 2018, Stuhini Exploration Ltd.; Owner, President and Director since 1990, Michael & Young Fly Shop	Since July 7, 2017	1,550,000 <sup>(3)</sup>
ANTHONY (TONY) FOGARASSY <sup>(1)(2)(4)</sup> British Columbia, Canada Director and Non-Executive Chair	Principal Dunbar Law Corporation since 1999	Since June 28, 2018	Nil
FIORAVANTE (FIORE) ALIPERTI <sup>(2)</sup> British Columbia, Canada Director	CEO and President since 2013 and Director since 2012 Metallis Resources Inc., President Avanti Consulting Ltd since 2009	Since June 28, 2018	Nil
GARY THOMPSON British Columbia, Canada Director	Director and Chairman since 2009 and CEO since 2011, Brixton Metals Corporation	Since June 28, 2018	Nil

<b>Name, place of residence and positions with the Company</b>	<b>Present principal occupation, business or employment</b>	<b>Period served as a director</b>	<b>Common Shares beneficially owned or controlled</b>
KAZUKI NOHDOMI <sup>(1)(2)(5)</sup> British Columbia, Canada Director	Portfolio Manager, Nicola Wealth Management since 2012	Since June 28, 2018	230,000

- (1) Member of the Audit Committee.  
(2) Member of the Corporate Governance and Compensation Committee.  
(3) Of these Common Shares, 200,000 Common Shares are held by Michael & Young Fly Fishing Supplies Inc., a company controlled by Mr. O'Brien.  
(4) Audit Committee Chair.  
(5) Corporate Governance and Compensation Committee Chair.

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

Except as set forth below, no proposed director is, as at the date of this Information Circular, or has been, within the ten years preceding the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:

- (a) was subject to a cease trade or similar 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 (collectively, an "Order"), when such Order was issued while the person was acting in the capacity of a director, chief executive officer or chief financial officer of the relevant company; or
- (b) was subject to an Order that was issued after such person ceased to be a director, chief executive officer or chief financial officer of the relevant company, and which resulted from an event that occurred while the person was acting in the capacity of a director, chief executive officer or chief financial officer of the relevant company.

Fiore Aliperti was a director of Metallis Resources, Inc. (formerly Coltstar Ventures Inc.) when it became subject to a cease trade order ("CTO") issued by the British Columbia Securities Commission on May 9, 2012 for failure to file interim and annual financial statements in a timely manner. A CTO was issued by the Ontario Securities Commission on May 30, 2012 and subsequently by the Alberta Securities Commission on August 10, 2012. Metallis Resources Inc. filed its annual and interim period filings and addressed all issues raised by the respective securities commissions and the TSX Venture Exchange (the "Exchange"). As such, the CTO's were revoked on June 14, 2013.

Tony Fogarassy was a director of Deer Horn Capital Inc. when a CTO was issued by the British Columbia Securities Commission, the Ontario Securities Commission and the Alberta Securities Commission on January 30, 2017 for failure to file Management's Discussion and Analysis and financial statements. The cease trade orders were revoked on January 25, 2018 after Deer Horn Capital Inc. filed the necessary continuous disclosure documents.

No proposed director is, as at the date of this Information Circular, or has been, within the ten years preceding 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.

No proposed director has, within the ten years preceding 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 that person.

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 likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

## **CORPORATE GOVERNANCE DISCLOSURE**

The following description of the corporate governance practices of the Company is provided further to National Instrument 58-101 on “Disclosure of Corporate Governance Practices” (“NI 58-101”) and the disclosure prescribed for “Venture Issuers” such as the Company.

### **Board of Directors**

The Board of Directors is currently comprised of five members. The rules of the Exchange require the Company to have at least two independent directors. An “independent” director is a director who has no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Board of Directors, be reasonably expected to interfere with the exercise of a director’s independent judgment. Messrs. Tony Fogarassy, Gary Thompson, Fiore Aliperti and Kazuki Nohdomi are independent directors of the Company, as aside from Common Shares or options, if any, held by them they have no ongoing interest or relationship with the Company other than serving as directors, and in the case of Mr. Fogarassy, as non-Executive Chair. Mr. David O’Brien is a non-independent director because of his positions as Chief Executive Officer and President of the Company. To aid in the management of the Company, the Board of Directors adopted a Board Mandate.

### **Directorships**

The current directors of the Company who are presently directors of other reporting issuers in Canada or elsewhere are set out below:

<b>Director</b>	<b>Reporting Issuer</b>
Gary Thompson	Brixton Metals Corporation
Fiore Aliperti	Metallis Resources, Inc. Etruscus Resources Corp.
Tony Fogarassy	Deer Horn Capital Inc.

### **Orientation and Continuing Education**

The Board of Directors provides an overview of the Company’s business activities, systems and business plan to all new directors. New director candidates have free access to any of the Company’s records, employees or senior management in order to conduct their own due diligence and will be briefed on the strategic plans, short, medium and long-term corporate objectives, business risks and mitigation strategies, corporate governance

guidelines and existing policies of the Company. The Directors are encouraged to update their skills and knowledge by taking courses and attending professional seminars.

### **Ethical Business Conduct**

The Board of Directors believes good corporate governance is an integral component to the success of the Company and to meet responsibilities to shareholders. Generally, the Board of Directors 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 of Directors in which the director has an interest have been sufficient to ensure that the Board of Directors operates independently of management and in the best interests of the Company.

In order to more fully delineate lines of communication and expectations regarding conduct of activities, on the recommendation of the Corporate Governance and Compensation Committee, the Board of Directors adopted a Share Trading Policy, Disclosure Policy, and a Code of Business Conduct and Ethics all of which are applicable not only to the members of the Board of Directors, but also any officers, consultants, employees, or advisors.

The Board of Directors is also responsible for applying governance principles and practices, and tracking development in corporate governance, and adapting "best practices" to suit the needs of the Company.

### **Nomination of Directors**

The Board of Directors has not formed a nominating committee or similar committee to assist the Board of Directors with the nomination of directors for the Company. The Board of Directors considers itself too small to warrant the creation of such a committee, and each of the directors has contacts he can draw upon to identify new members of the Board of Directors as needed from time to time.

The Board of Directors will continually assess its size, structure and composition, taking into consideration its current strengths, skills and experience, proposed retirements and the requirements and strategic direction of the Company. As required, directors will recommend suitable candidates for consideration as members of the Board of Directors.

### **Compensation**

The Board of Directors, upon the advice and recommendations of its Corporate Governance and Compensation Committee, reviews the compensation of its directors and executive officers annually. The Directors will determine the compensation of directors and executive officers taking into account the Company's business ventures and the Company's financial position.

### **Other Board Committees**

The Board has no standing committees besides the Audit Committee and the Corporate Governance and Compensation Committee.

### **Assessments**

The Board of Directors has not implemented a process for assessing its effectiveness. As a result of the Company's small size and the Company's stage of development, the Board of Directors considers a formal assessment process to be inappropriate at this time. The Board of Directors plans to continue evaluating its own effectiveness on an ad hoc basis.

The Board of Directors does not formally assess the performance or contribution of individual Board members or committee members.

## AUDIT COMMITTEE DISCLOSURE

Pursuant to the Business Corporations Act (British Columbia) and the Canadian Securities Administrators' National Instrument 52-110 ("NI 52-110"), the Company is required to have an audit committee.

### Audit Committee Charter

Pursuant to NI 52-110, the Company's audit committee is required to have a charter. A copy of the Company's Audit Committee Charter is set out in Appendix A to this Information Circular.

### Composition of the Audit Committee

As at the date of this Information Circular, the following is information on the members of the Company's Audit Committee:

Name	Independent	Financial Literacy
David Bruce O'Brien	No	Yes
Anthony (Tony) Fogarassy	Yes	Yes
Kazuki Nohdomi	Yes	Yes

### Relevant Education and Experience

All members of the Audit Committee have the ability to read, analyze and understand the complexities surrounding the issuance of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements, and have an understanding of internal controls. The members of the Audit Committee intend to maintain their currency by periodically taking continuing education courses.

The education and experience of each Audit Committee member that is relevant to the performance of his/her responsibilities as an Audit Committee member is as follows:

**David Bruce O'Brien** – Mr. O'Brien has a BSc. (Math) and is Director and President of a private company where he is primarily responsible for financial management and through his investments in the markets has the requisite experience and education.

**Anthony (Tony) Fogarassy** – Mr. Fogarassy has a BSc (Hon Geo) and MSc (Geo), an LLB and LLM in Law and is a member of the British Columbia Bar and has the requisite experience and education. Mr. Fogarassy is chair of the Audit Committee.

**Kazuki Nohdomi** – Mr. Nohdomi is a CFA and holds a BComm and an MBA and, through his work as a Portfolio Manager at a major wealth management company, has the requisite experience and education.

### Audit Committee Oversight

At no time since March 1, 2018 was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Company's Board of Directors.

## Reliance on Certain Exemptions

At no time since March 1, 2018 has the Company relied on the exemption in section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), subsection 6.1.1(4) of NI 52-110 (*Circumstances Affecting the Business or Operations of the Venture Issuer*), subsection 6.1.1(5) of NI 52-110 (*Events Outside Control of Member*), subsection 6.1.1(6) of NI 52-110 (*Death, Incapacity or Resignation*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemption*) of NI 52-110 by a securities regulatory authority or regulator.

## Pre-approval Policies and Procedures for Non-Audit Services

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. However, the Company's Audit Committee Charter states that the Audit Committee must pre-approve all non-audit services, including the fees and terms thereof, to be performed for the Company by the Auditor.

## External Auditor Service Fees (By Category)

The aggregate fees billed by the Company's auditor in the last two financial years of the Company for services in each of the categories indicated are as follows:

Financial Year Ended	Audit Fees	Audit Related Fees <sup>(1)</sup>	Tax Fees <sup>(2)</sup>	All Other Fees <sup>(3)</sup>
February 28, 2019	\$19,028	Nil	\$840	Nil
February 28, 2018	\$7,140	Nil	Nil	Nil

- (1) Pertains to assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and that are not reported under "Audit Fees".
- (2) Pertains to professional services for tax compliance, tax advice, and tax planning. The nature of services comprising the fees disclosed under this category relates to the preparation of corporate tax returns.
- (3) Pertains to products and services other than services reported under the other categories.

## Venture Issuers Exemption

The Company is relying upon the exemption in section 6.1 of NI 52-110 which exempts "venture issuers" from the requirements of Part 3 (*Composition of Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

## DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

### Director and Named Executive Officer Compensation Excluding Compensation Securities

#### Named Executive Officers

Set out below are particulars of compensation paid to the following persons (the "Named Executive Officers" or "NEOs"):

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer ("CEO");
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer ("CFO");

- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer (other than the CEO and CFO) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with applicable securities rules, for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and not acting in a similar capacity, at the end of that financial year.

During the financial year ended February 28, 2019, the Company had two Named Executive Officers, namely David O'Brien (Chief Executive Officer and President) and Yanika Silina (Chief Financial Officer). No other individuals in the Company received total compensation in excess of \$150,000 during the most recently completed financial year.

**Table of Compensation Excluding Compensation Securities**

The following table sets out compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company or a subsidiary of the Company, to each NEO and director, in any capacity, for each of the Company's financial years ended February 28, 2019 and 2018.

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 (\$)
DAVID O'BRIEN <sup>(1)</sup> President, CEO and Director	2019	Nil	Nil	Nil	<sup>(6)</sup>	Nil	Nil
	2018	Nil	Nil	Nil	<sup>(6)</sup>	Nil	Nil
YANIKA SILINA CFO	2019	\$6,000	Nil	Nil	<sup>(6)</sup>	Nil	\$6,000
	2018	Nil	Nil	Nil	<sup>(6)</sup>	Nil	Nil
ANTHONY (TONY) FOGARASSY <sup>(2)</sup> Director and Non-Executive Chair	2019	Nil	Nil	Nil	<sup>(6)</sup>	Nil	Nil
FIORAVANTE (FIORE) ALIPERTI <sup>(3)</sup> Director	2019	Nil	Nil	Nil	<sup>(6)</sup>	Nil	Nil
GARY THOMPSON <sup>(4)</sup> Director	2019	Nil	Nil	Nil	<sup>(6)</sup>	Nil	Nil
KAZUKI NOHDOMI <sup>(5)</sup> Director	2019	Nil	Nil	Nil	<sup>(6)</sup>	Nil	Nil

- (1) Mr. O'Brien was not paid any compensation for his role as director of the Company.
- (2) Mr. Fogarassy became a director of the Company on June 28, 2018.
- (3) Mr. Aliperti became a director of the Company on June 28, 2018.
- (4) Mr. Thompson became a director of the Company on June 28, 2018.
- (5) Mr. Nohdomi became a director of the Company on June 28, 2018.
- (6) Perquisites that are not generally available to all employees did not exceed \$15,000.

## External Management Companies

None of the NEOs or directors of the Company have been retained or employed by an external management company which has entered into an understanding, arrangement or agreement with the Company to provide executive management services to the Company, directly or indirectly.

## Stock Options and Other Compensation Securities

The following tables disclose all compensation securities granted or issued to each NEO and director by the Company or one of its subsidiaries in the financial year ended February 28, 2019 for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries and the total amount of compensation securities held as at the Company's financial year end of February 28, 2019.

Compensation Securities								
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class <sup>(1)(2)</sup>	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date	Total amount of compensation securities held as at February 28, 2019
DAVID O'BRIEN President, CEO and Director	Option	70,000	June 15, 2018	0.20	0.10 <sup>(4)</sup>	0.10 <sup>(4)</sup>	May 21, 2021	70,000 options
YANIKA SILINA CFO	Option	80,000 20,000	April 15, 2018 June 15, 2018	0.10 <sup>(4)</sup> 0.20	0.10 <sup>(4)</sup> 0.10 <sup>(4)</sup>	0.10 <sup>(4)</sup>	July 15, 2019 May 21, 2021	100,000 options
ANTHONY (TONY) FOGARASSY Director and Non-Executive Chair	Option	80,000 20,000	April 15, 2018 June 15, 2018	0.10 0.20	0.10 <sup>(4)</sup> 0.10 <sup>(4)</sup>	0.10 <sup>(4)</sup>	July 15, 2019 May 21, 2021	100,000 options
FIORAVANTE (FIORE) ALIPERTI Director	Option	100,000	June 15, 2018	0.20	0.10 <sup>(4)</sup>	0.10 <sup>(4)</sup>	May 21, 2021	100,000 options
GARY THOMPSON <sup>(3)</sup> Director	Option	100,000	June 15, 2018	0.20	0.10 <sup>(4)</sup>	0.10 <sup>(4)</sup>	May 21, 2021	100,000 options
KAZUKI NOHDOMI Director	Option	80,000 20,000	April 15, 2018 June 15, 2018	0.10 0.20	0.10 <sup>(4)</sup> 0.10 <sup>(4)</sup>	0.10 <sup>(4)</sup>	July 15, 2019 May 21, 2021	100,000 options

(1) The numbers indicated represent the number of options and the same number of Common Shares underlying the related options.

(2) Options are fully vested immediately upon grant.

(3) Options were granted to XT88 Holdings Inc., a company owned and controlled by Mr. Thompson.

(4) Closing price of Common Shares is based on the Company's most recently completed private placement prior to issuance of Options (being the March 2018 private placement).

No compensation security has been re-priced, cancelled and replaced, had its term extended, or otherwise been materially modified, in the most recently completed financial year, including the original and modified terms.

Except for the vesting schedules noted in the above table, there are no other restrictions or conditions for converting, exercising or exchanging of the above listed compensation securities.

No NEO or director of the Company exercised any compensation security during the financial year ended February 28, 2019.

### **Stock Option Plans and Other Incentive Plans**

The directors of the Company adopted a stock option plan on November 10, 2017 (the "Option Plan") and such plan was confirmed by the unanimous written consent of the shareholders on November 10, 2017. The purpose of the Option Plan is to advance the interests of the Company by encouraging the directors, officers, employees, management company employees and consultants of the Company, and of its subsidiaries and affiliates, if any, to acquire Common Shares in the share capital of the Company, thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its affairs.

Options may be granted to purchase Common Shares on terms that the Board of Directors may determine, subject to the limitations of the Option Plan and the requirements of applicable regulatory authorities. The Corporate Governance and Compensation Committee is mandated to review and make recommendations to the Board regarding the remuneration of executive officers, including the granting of stock options to directors, executive officers, employees and consultants of the Company and the remuneration and compensation policies, including the Option Plan.

Individual grants are determined by an assessment of the individual's current and expected future performance, level of responsibilities, the importance of his or her position and contribution to the Company, and previous option grants and exercise prices.

The Option Plan includes the following provisions:

- The Option Plan is administered by the Company's Board of Directors, which has full and final authority with respect to the granting of all options thereunder;
- Options may be granted under the Option Plan to such directors, officers, employees, management or consultants of the Company and its affiliates, if any, as the Board of Directors may from time to time designate.
- The number of Common Shares to be reserved and authorized for issuance pursuant to options granted under the Option Plan is 10% of the issued and outstanding Common Shares from time to time;
- The aggregate number of optioned Common Shares granted within a 12-month period to any one optionee must not exceed 5% of the issued and outstanding Common Shares, unless the Company has obtained disinterested shareholder approval;
- The aggregate number of optioned Common Shares granted within a 12-month period to any one consultant must not exceed 2% of the issued and outstanding Common Shares;
- The aggregate number of optioned Common Shares granted within a 12-month period to optionees who are providing investor relations activities must not exceed 2% of the issued and outstanding Common Shares of the Company;
- The aggregate number of optioned Common Shares granted within a 12-month period to insiders of the Company must not exceed 10% of the issued and outstanding Common Shares, unless the Company has obtained disinterested shareholder approval;

- The exercise price for options granted under the Option Plan will not be less than the market price of the Common Shares less applicable discounts permitted by the Exchange;
- Options may be exercisable for a term of up to ten years, subject to earlier termination as follows: (i) immediately in the event of dismissal with cause; (ii) immediately upon an option holder committing an act of bankruptcy or any proceeding being commenced against an option holder under the *Bankruptcy and Insolvency Act* (Canada) or other applicable bankruptcy or insolvency legislation in force at the time of such bankruptcy and such proceeding remains un-dismissed for a period of 30 days; (iii) 90 days from the date of termination other than for cause; or (iv) one year from the date of death or disability.
- Options may be subject to extension if the expiry date is within a trading blackout period imposed by the Company to that date which is 10 business days after the trading blackout;
- Options granted under the Option Plan are non-assignable and non-transferable, except by will or the laws of descent and distribution;
- The vesting schedule for each option shall be determined by the Board; and
- If there is a transaction that results in a change of control in the Company, unless otherwise determined by the Board, all Options shall immediately vest and be exercisable and all Options that are not exercised upon completion of the transaction will immediately expire.

The Option Plan must be re-approved on an annual basis by the shareholders at each annual general meeting of the Company as required by the policies of the Exchange. See “Particulars of Other Matters to be Acted Upon — Approval of Stock Option Plan”.

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

The Company entered into a management consulting agreement with David O’Brien, its Chief Executive Officer and President, dated March 30, 2018 (the “CEO Agreement”). Pursuant to the terms of the CEO Agreement, the Company has agreed to pay \$2,000 per month for the services of David O’Brien as President and Chief Executive Officer. The agreement contemplates that Mr. O’Brien spend up to 20% of his time, not including time preparing for and attending Board and committee meetings, providing services to the Company as President and CEO. The consulting agreement contains non-compete provisions which restrict Mr. O’Brien’s ability to provide services or products similar to those of the Company for a period of one year following the date he ceases to act for the Company. The CEO Agreement by its terms automatically renewed for an additional year on March 30, 2019, and the CEO Agreement shall automatically renew for an additional 1 year period on March 30, 2020 unless otherwise terminated by the parties. Either party may terminate the CEO Agreement on thirty days’ written notice, or the Company may terminate the CEO Agreement immediately for cause provided that the Company has delivered written notice to Mr. O’Brien and such cause has not been remedied within 10 days of receipt of the notice.

The Company has also entered into a management consulting agreement with Yanika Silina, its Chief Financial Officer, dated March 30, 2018 (the “CFO Agreement”). Under the terms of the CFO Agreement, the Company has agreed to pay \$50 per hour for the services of Ms. Silina as Chief Financial Officer. The CFO Agreement contains non-compete provisions which restrict Ms. Silina’s ability to provide services or products similar to those of the Company for a period of one year following the date she ceases to act for the Company. The CFO Agreement also contains provisions which prohibit the disclosure of confidential information. The CFO Agreement by its terms automatically renewed for an additional year on March 30, 2019 and the CFO Agreement shall automatically renew for an additional 1 year period on March 30, 2020 unless otherwise terminated by the parties. Either party may terminate the CFO Agreement on thirty days’ written notice, or the

Company may terminate the CFO Agreement immediately for cause provided that the Company has delivered written notice to Ms. Silina and such cause has not been remedied within 10 days of receipt of the notice.

### **Directors**

The Company has no standard arrangement pursuant to which the non-executive directors of the Company are paid cash compensation by the Company for their services in their capacity as directors or committee members.

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

The Company's executive compensation program during the most recently completed financial year ended February 28, 2019 was administered by the Board of Directors based on recommendations made by the Corporate Governance and Compensation Committee. The Board of Directors is responsible for determining the compensation to be paid to the Company's executive officers and evaluating their performance. The Board of Directors has not adopted any specific policies, goals or objective for determining the amount or extent of compensation for directors or officers.

The significant elements of compensation for the Company's NEOs include a cash salary and stock options. There is no policy or target regarding allocation between cash and non-cash elements of the Company's compensation program. The Board of Directors annually reviews the total compensation package of each of the Company's executives on an individual basis.

The Company's compensation payable to NEOs is based upon, among other things, the responsibility, skills and experience required to carry out the functions of each position held by each NEO and varies with the amount of time spent by each NEO in carrying out his or her functions on behalf of the Company.

In particular, the President and CEO compensation is determined by time spent on: (i) coordinating the operations of the Company with the rest of the executive and consulting teams; (ii) the Company's current mineral property; (iii) reviewing potential mineral properties that the Company may acquire and negotiating, on behalf of the Company; and (iv) raising capital and investor awareness of the Company. David O'Brien, the President and CEO of the Company, agreed not to take any salary until the completion of the Company's initial public offering and listing on the Exchange, and \$2000 a month as a consultant to the Company thereafter. Ms. Silina, CFO, is an independent contractor and her compensation is primarily determined by time spent in preparing and reviewing the Company's financial statements. Ms. Silina's current negotiated fee is \$50 per hour.

The Company's Option Plan is intended to emphasize management's commitment to the growth of the Company. The grant of stock options, as a key component of the executive compensation package, enables the Company to attract and retain qualified executives. In granting stock options, the Board of Directors reviews the total of stock options available under the Option Plan and recommends grants to newly retained executive officers at the time of their appointment, and considers recommending further grants to executive officers from time to time thereafter. The amount and terms of outstanding options held by an executive are taken into account when determining whether and how new option grants should be made to the executive. For further details regarding the Company's Option Plan, see "Director and Named Executive Officer Compensation – Stock Option Plans and Other Incentive Plans".

### **Pension Disclosure**

The Company does not provide a pension to any director or NEO.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information on the Company's equity compensation plans under which Common Shares are authorized for issuance as at February 28, 2019.

### EQUITY COMPENSATION PLAN INFORMATION

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	490,000	\$0.10	80,000 <sup>(1)</sup>
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
<b>Total</b>	<b>490,000</b>	<b>\$0.10</b>	<b>80,000</b>

- (1) The total number of Common Shares that may be reserved and authorized for issuance pursuant to options granted under the Company's stock option plan in effect as at February 28, 2019 was 10% of the issued and outstanding Common Shares (being 5,700,000 Common Shares as at February 28, 2019).

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date hereof, no director or executive officer of the Company, no proposed nominee for election as a director of the Company, no associate of any such director, executive officer or proposed nominee (including companies controlled by them), no employee of the Company or any of its subsidiaries, and no former executive officer, director or employee of the Company or any of its subsidiaries, is indebted to the Company or any of its subsidiaries (other than for "routine indebtedness" as defined under applicable securities legislation) or is indebted to another entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

### INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed in this Information Circular, no informed person (i.e. insider) of the Company, no proposed director of the Company, and no associate or affiliate of any informed person or proposed director has had any material interest, direct or indirect, in any transaction since March 1, 2018 or in any proposed transaction which has materially affected or would materially affect the Company.

### Bridge Loans

On September 14, 2018, David O'Brien (Co-Founder, CEO and Director) provided the Company with an unsecured \$50,000 demand bridge loan (the "First Bridge Loan") for working capital purposes. The First Bridge Loan accrued interest at 0.5% per month payable when the First Bridge Loan became due. The First Bridge Loan was not convertible and no securities were granted to Mr. O'Brien in connection with providing the First Bridge Loan.

On January 23, 2019, Charles Kamimura (Corporate Secretary) provided the Company with an unsecured \$60,000 bridge loan (the “Second Bridge Loan”) for working capital purposes. The Second Bridge Loan accrued interest at 0.5% per month payable when the Second Bridge Loan became due. The Second Bridge Loan was not convertible and no securities were granted to Mr. Kamimura in connection with providing the Second Bridge Loan.

Both the First Bridge Loan and the Second Bridge Loan were repaid by the Company with interest accrued thereon on June 12, 2019.

### Private Placement

On September 18, 2019, the Company completed a non-brokered private placement (the “Private Placement”) of an aggregate of 2,500,000 common shares for gross proceeds of \$470,000. Certain officers of the Company (the “Insider Placees”) purchased or acquired direction and control over a total of 250,000 common shares under the Private Placement, as follows:

Insider	Number of Shares Purchased	Aggregate Purchase Price	Percentage of Common Shares owned or controlled following completion of the Private Placement
Michael & Young Fly Fishing Supplies, Inc. (controlled by David O’Brien)	200,000	\$40,000	12.21% <sup>(1)</sup>
Charles Kamimura (Corporate Secretary)	50,000	\$10,000	3.10% <sup>(2)</sup>

(1) Percentage calculation includes 1,350,000 Common Shares directly owned by Mr. O’Brien.

(2) Percentage calculation includes 79,000 Common Shares under Mr. Kamimura’s control or direction.

The Insider Placees participated in the Private Placement in order to assist the Company in raising the required funds to pursue its business objectives and for investment purposes. The subscriptions of the Insider Placees contributed \$50,000 of gross proceeds to the Company’s treasury. The participation of each Insider Placee in the Private Placement received disinterested director’s approval.

### Ruby Creek Option Agreement

On July 29, 2019, the Company entered into an option agreement (the “Ruby Creek Agreement”) with Global Drilling Solutions Inc. (“Global Drilling”) whereby the Company can acquire a 100% interest in Global Drilling’s Ruby Creek Property (the “Property”), located in north western British Columbia, Canada (the “Option”). In order to exercise the Option and acquire a 100% interest in the Property, the Company must issue up to 7,300,000 Common Shares and make cash payments of up to \$1,060,000 over a four year term, as follows:

Date for Completion	Shares	Cash Payment
Approval Date	800,000	Nil
1st anniversary of Approval Date	1,250,000	Nil
2nd anniversary of Approval Date	1,750,000	\$120,000
3rd anniversary of Approval Date	1,750,000	\$300,000
4th anniversary of Approval Date	1,750,000	\$640,000
<b>TOTAL</b>	<b>7,300,000</b>	<b>\$1,060,000</b>

The only committed payment is the issuance of 800,000 shares at the approval date, being the date of acceptance of the Ruby Creek Agreement by the Exchange. The balance of the share issuances and the cash payments are all at the Company's election should it wish to maintain the Option after year 1. Upon exercise of the Option, Global Drilling will be entitled to a 1% net smelter returns royalty on the Property.

The Technical Report on the Ruby Creek Project within the Atlin Gold Camp British Columbia, Canada (the "Technical Report") dated October 22, 2019 was prepared for the Company by Nicholas Clive Aspinall, M. Sc., P.Eng., who is a "qualified person" and "independent", as such terms are defined in National Instrument 43-101—Standards of Disclosure for Mineral Projects ("NI 43-101"). Attached as Appendix B to this Circular is a summary from the Technical Report. The Technical Report is incorporated by reference herein and, for full technical details, reference should be made to the complete text of the Technical Report available on SEDAR at [www.sedar.com](http://www.sedar.com).

The summary of the Technical Report set out in Appendix B to this Circular does not purport to be a complete summary of the Property and is subject to all the assumptions, qualifications and procedures set out in the Technical Report and is qualified in its entirety with reference to the full text of the Technical Report. Readers should read the summary in conjunction with the Technical Report.

A summary of expenditures for work done by Global Drilling on the Property in 2017, totalling \$479,047, is set out in the BC Geological Assessment Report filed by Global Drilling in December 2017. The work performed by Global Drilling was comprised of geological (ground mapping and photo interpretation), ground and airborne geophysics, geochemical sampling, core and non-core drilling, and related technical work including assays, petrographic, mineralogic and metallurgic work. Historical expenditures on the Property prior to 2010 based on filed assessment reports comprised the following:

- Access Road and Boulder Bridge built at a cost of \$12 million to \$15 million; and
- Drilling costs incurred by Adanac Moly Corp. totalled \$5,680,535 with related exploration costs in the order of two times drilling costs

The expenditures by Global Drilling in 2017 and the access road and Boulder bridge are of direct benefit to the Company in its proposed work programs. For a summary of the proposed work programs, see Appendix B to this Circular.

These expenditures are more than sufficient to support the initial issuance of 800,000 Common Shares, which, under the terms of the Ruby Creek Agreement, are to be issued when Exchange approval is granted. At the date of the Ruby Creek Agreement, the Company's share price was approximately \$0.20 per Common Share, which provides for initial consideration payable for the Property of about \$160,000.

Global Drilling is a private BC company wholly owned by Mr. Barry Hanslit, who was an insider of the Company at the time the Company entered into the Agreement due to Mr. Hanslit holding more than 10% of the outstanding shares of the Company at that time. Mr. Hanslit currently holds 1,250,000 Common Shares of the Company, representing 9.85% of the outstanding shares of the Company, as of the date of this Circular. In the event that the Company exercises the Option, Mr. Hanslit, through his wholly owned company Global Drilling, is expected to beneficially own and control more than 20% of the Common Shares of the Company, resulting in the creation of a new Control Person (as such term is defined in the Exchange policies). Pursuant to the Exchange's Policy 5.3 entitled "Acquisitions and Dispositions of Non-Cash Assets", the Agreement and the creation of a new Control Person must be approved by the disinterested shareholders of the Company.

The Agreement has received conditional Exchange approval, with final Exchange approval subject to disinterested shareholder approval of the Agreement at the Meeting. See "Particulars of Other Matters to be Acted Upon – Approval of Ruby Creek Agreement and Creation of a New Control Person".

The Agreement provides that if the Company has not received Exchange approval within 120 days of the date of execution of the Agreement (which date has been extended to December 31, 2019), Global Drilling is entitled to terminate the Agreement, in which event the Company is obligated to pay Global Drilling a fee of \$60,000.

## **MANAGEMENT CONTRACTS**

Except as otherwise disclosed herein, no management functions of the Company are to any substantial degree performed by a person other than the directors or executive officers of the Company.

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

### **Approval of Stock Option Plan**

Pursuant to the Exchange's Policy 4.4 entitled "Incentive Stock Options", the Company's Option Plan has to be approved by the shareholders of the Company yearly in that it is a "rolling 10%" plan (i.e. up to 10% of the outstanding Common Shares from time to time may be reserved for issuance for options granted under the Option Plan). The Option Plan was first approved by the shareholders of the Company on November 10, 2017 by unanimous consent resolution. A copy of the Option Plan may be obtained by sending a written request to the President of the Company at the Company's head office located at 105-1245 West Broadway, Vancouver, BC Canada, V6H 1G7. See "Director and Named Executive Officer Compensation – Stock Option Plans and Other Incentive Plans" for a summary of the terms of the Option Plan.

The text of the proposed resolution to approve and confirm the Option Plan (the "Stock Option Plan Resolution") is as follows:

"BE IT RESOLVED THAT the Company's Stock Option Plan, previously approved by the shareholders of the Company, is hereby approved and confirmed and that the Board of Directors of the Company be authorized to make any changes thereto as may be required by the TSX Venture Exchange."

A simple majority of the votes cast at the Meeting (in person or by proxy) is required in order to pass the Stock Option Plan Resolution.

**The directors of the Company recommend that the shareholders vote FOR the Stock Option Plan Resolution.**

### **Approval of Ruby Creek Agreement and Creation of a New Control Person**

Pursuant to the Exchange's Policy 5.3 entitled "Acquisitions and Dispositions of Non-Cash Assets", the Agreement which may result in the creation of a new Control Person must be approved by the majority of shareholders (other than such new Control Person). A Control Person for the purposes of Policy 5.3 includes any shareholder holding 20% or more of the Common Shares of the Company, except where there is evidence showing that such shareholder does not materially affect control of the Company. Upon exercise of the Option by the Company to acquire a 100% interest in the Property, Mr. Hanslit would beneficially acquire up to 7,300,000 Common Shares of the Company and would beneficially own and control in total 8,550,000 Common Shares, representing approximately 42.76% of the outstanding Common Shares on an undiluted basis as at the date hereof.

Mr. Hanslit is the sole shareholder of Global Drilling. As of the Record Date, Mr. Hanslit holds 1,250,000 Common Shares of the Company, representing 9.85% of the outstanding Common Shares of the Company. At the date of the Ruby Creek Agreement (July 29, 2019), Mr. Hanslit was an insider of the Company, holding 1,250,000 Common Shares of the Company which represented 12.26% of the outstanding Common Shares of the Company. Accordingly, on July 29, 2019, the Ruby Creek Agreement was a non-arm's length transaction.

In accordance with applicable securities laws, only the votes of disinterested shareholders eligible to vote will be counted towards the approval of the Control Person Resolution (as defined below), and therefore the 1,250,000 Common Shares currently held by Mr. Hanslit will be excluded from the vote on the Control Person Resolution.

At the Meeting, disinterested shareholders will be asked to approve the following ordinary resolution approving the Ruby Creek Agreement which may result in the creation of a new Control Person (the "Control Person Resolution") as follows:

"BE IT RESOLVED THAT, AS AN ORDINARY RESOLUTION, THAT:

1. the option agreement dated July 29, 2019 (the "Option Agreement") between the Company and Global Drilling Solutions Inc. ("Global Drilling"), whereby the Company can acquire a 100% interest in Global Drilling's Ruby Creek Property, is hereby approved, ratified and confirmed;
2. the creation of Mr. Barry Hanslit, pursuant to the Option Agreement, as a control person of the Company in accordance with Policy 5.3 of the TSX Venture Exchange is hereby approved; and
3. any officer or director of the Company is authorized and directed to execute and deliver all such documents and instruments and to do all such acts, in the opinion of such officer or director, as may be necessary to give effect to this resolution."

**The directors of the Company recommend that the shareholders vote FOR the Control Person Resolution.**

## **OTHER MATTERS**

Management of the Company is not aware of any other matters to come before the Meeting other than as set forth in the Notice of the Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed Proxy form to vote the shares represented thereby in accordance with their best judgment on such matter.

## ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com).

Financial information relating to the Company is provided in the Company's comparative financial statements and management's discussion and analysis for its financial year ended February 28, 2019 which are available on SEDAR and may also be obtained by sending a written request to the President of the Company at the Company's head office located at 105-1245 West Broadway, Vancouver, BC Canada, V6H 1G7.

DATED as of the 23rd day of October, 2019.

BY ORDER OF THE BOARD

*"David O'Brien"*

David O'Brien  
President and CEO

## APPENDIX A

### STUHINI EXPLORATION LTD. (the “Company”)

#### Audit Committee Charter

##### **Mandate**

The primary function of the audit committee (the “Committee”) is to assist the Board of Directors (“Board”) in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company’s systems of internal controls regarding finance and accounting and the Company’s auditing, accounting and financial reporting processes. The Committee’s primary duties and responsibilities are to:

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

##### **Composition**

The Committee shall be comprised of at least three directors as determined by the Board, all of whom shall be “independent” directors except as permitted by applicable securities regulatory guidelines (including applicable exemptions while the Company is a “venture issuer” within the meaning of applicable securities legislation). A quorum of the Committee shall be a majority of the members. Each member of the Committee will be a member of the Board. In the event of an equality of votes, the Chair of the Committee shall not have a second casting vote.

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

## MEETINGS

The Committee shall meet at least once annually, or more frequently as circumstances dictate or as may be prescribed by securities regulatory requirements. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditor in separate sessions.

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

To fulfill its responsibilities and duties, the Committee shall:

#### **1. DOCUMENTS/REPORTS**

- (a) review and update, if applicable or necessary, this Audit Committee Charter annually;

- (b) review with management and the independent auditor the Company's annual and interim financial statements, management's discussion and analysis, any annual and interim earnings press releases and any reports or other financial information to be submitted to any governmental and/or regulatory body, or the public, including any certification, report, opinion, or review rendered by the external auditor for the purpose of recommending their approval to the Board prior to their filing, issue or publication. The Chair of the Committee may represent the entire Committee for purposes of this review in circumstances where time does not allow the full Committee to be available;
- (c) review analyses prepared by management and/or the external auditor setting forth significant financial reporting issues and judgements made in connection with the preparation of the financial statements, including analyses of the effects of alternative IFRS methods on the financial statements;
- (d) review the effect of regulatory and accounting initiatives, as well as off balance sheet structures, on the financial statements of the Company;
- (e) review policies and procedures with respect to directors' and officers' expense accounts and management perquisites and benefits, including their use of corporate assets and expenditures related to executive travel and entertainment, and review the results of the procedures performed in these areas by the external auditor, based on the terms of reference agreed upon by the external auditor and the Committee;
- (f) review expenses of the Board Chair, President, Chief Executive Officer and Chief Financial Officer annually; and
- (g) ensure that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, as well as review any financial information and earnings guidance provided to analysts and rating agencies, and periodically assess the adequacy of those procedures.

## **2. EXTERNAL AUDITOR**

- (a) review annually, the performance of the external auditor who shall be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Company;
- (b) obtain annually, a formal written statement of external auditor setting forth all relationships between the external auditor and the Company;
- (c) review and discuss with the external auditor any disclosed relationships or services that may have an impact on the objectivity and independence of the external auditor;
- (d) take, or recommend that the Board take, appropriate action to oversee the independence of the external auditor, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- (e) recommend to the Board the selection and, where applicable, the replacement of the external auditor nominated annually for shareholder approval;
- (f) recommend to the Board the compensation to be paid to the external auditor;
- (g) at each meeting, where desired, consult with the external auditor, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements;

- (h) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company;
- (i) review with management and the external auditor the audit plan for the year-end financial statements; and
- (j) review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditor. The authority to pre-approve non-audit services may be delegated by the Committee to one or more independent members of the Committee, provided that such pre-approval must be presented to the Committee's first scheduled meeting following such pre-approval. Pre-approval of non-audit services is satisfied if:
  - (i) the aggregate amount of all the non-audit services that were not pre-approved is reasonably expected to constitute no more than 5% of the total amount of fees paid by the Company and subsidiaries to the Company's external auditor during the fiscal year in which the services are provided;
  - (ii) the Company or a subsidiary did not recognize the services as non-audit services at the time of the engagement; and
  - (iii) the services are promptly brought to the attention of the Committee and approved, prior to completion of the audit, by the Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee.

### **3. FINANCIAL REPORTING PROCESSES**

- (a) in consultation with the external auditor, review with management the integrity of the Company's financial reporting process, both internal and external;
- (b) consider the external auditor's judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting;
- (c) consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditor and management;
- (d) review significant judgments made by management in the preparation of the financial statements and the view of the external auditor as to appropriateness of such judgments;
- (e) following completion of the annual audit, review separately with management and the external auditor any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;
- (f) review any significant disagreement among management and the external auditor in connection with the preparation of the financial statements;
- (g) review with the external auditor and management the extent to which changes and improvements in financial or accounting practices have been implemented;
- (h) review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters;
- (i) review certification process;
- (j) establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and

- (k) establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

**4. OTHER**

- (a) review any material related party transactions;
- (b) engage independent counsel and other advisors as it determines necessary to carry out its duties; and
- (c) to set and pay compensation for any independent counsel and other advisors employed by the Committee.

## APPENDIX B

### **Summary of “Technical Report on the Ruby Creek Project Within the Atlin Gold Camp British Columbia, Canada” dated October 22, 2019**

#### **Ruby Creek Property**

The Company retained Nicholas Clive Aspinall, M. Sc, P. Eng, to prepare a technical report on the Ruby Creek Property in accordance with NI 43-101. Mr. Aspinall’s technical report dated October 22, 2019, (the “Technical Report”) entitled “Technical Report on the Ruby Creek Project Within the Atlin Gold Camp British Columbia, Canada” provides the basis for the information on the Ruby Creek Property (the “Property”) described below. A copy of the Technical Report may be accessed on SEDAR ([www.sedar.com](http://www.sedar.com)), as well as on the Company’s website <https://www.stuhini.com/>.

#### ***Property Description and Location***

##### *Location*

The Property consists of approximately 26,989.64 hectare (ha) and is located at Latitude 59° 42.941’N, Longitude 133° 24.068’ W. The Property lies within the Atlin Mining Division, accessible by road and located 24 kilometres from the community of Atlin in northwestern BC. The community of Atlin is located 180 kilometres southeast of Whitehorse, Yukon Territory by sealed road. The Property is not subject to any mineral title encumbrance or environmental liability except for over-staking by Global Drilling of mineral claims over 28 Crown granted mineral leases (DL) comprising 254.90 ha of partly contiguous leases in the Atlin Ruffner Silver Mine area in the extreme northwest of the Property. With the exception of the Crown mineral leases, the remaining 26,734.74 ha of the Property (equivalent to approximately 99.6% of the Property) is unencumbered. See Figure 1 (Property Location Map) and Figure 2 (Mineral Claims Area Overview).

##### *Description*

Mineral Titles Online, which is an electronic mineral titles administration system, indicates that 23 mineral claims and one mining lease equivalent to 9,299.857 ha, or 34.45% of the Property, was acquired by Global Drilling on March 17, 2016. Following the acquisition, Global Drilling electronically staked an additional 25 contiguous mineral claims, equal to 17,689.783 ha, or 65.55% of the Property, making one mineral claim block of unencumbered 26,734.74 ha. As noted above, there are 28 Crown granted mineral leases in the Ruffner Silver Mine area according to Mineral Titles office, Vancouver, BC which were valid on October 5, 2019 as of the last Mineral Title Online update, which were over-staked.

Mineral claim holders are required to perform ongoing assessment work and must document this work in order to maintain title to mineral claims pursuant to the BC Ministry of Energy, Mines and Petroleum Resources. The amount of work required is \$5.00 per ha for the first two years, \$10.00 per hectare for the third and fourth years, \$15.00 per hectare for the fifth and sixth, and \$20.00 per hectare thereafter. Alternatively, the claim holder may pay twice the equivalent amount to the British Columbia Government as “cash in lieu” to maintain title to the claims. Failure to record work or pay cash in lieu of work before the expiry date of tenure will result in immediate forfeiture of that tenure. Preliminary exploration activities that do not disturb the surface with mechanical equipment do not require permitting, but certain mechanical work performed on the Property, such as drilling, trenching, blasting, cut lines, and excavating may require a permit, which can be obtained by filing a Notice of Work, (NOW) with the BC Ministry of Energy, Mines and Petroleum Resources. A Mine or Mineral Lease in British Columbia requires an annual rental payment to government and not onsite assessment work, writing of assessment reports, or “cash in lieu” payments.

## *Permitting*

It is reported the Property is diamond drill ready. There is a current non-expiring Mines Act Permit (M-231) for the Adanac Moly Deposit area including the mining lease (555153) within the Project area, and a five-year Notice of Work, (NOW) Permit MX-1-595 for surface drilling over the mineral tenures which expires on 31st March 2022. There is a reported security reclamation bond associated with the Mines Act Permit put in place by Global Drilling with the Province of BC.

## *Option Agreement*

Pursuant to the option agreement dated July 29, 2019 between Global Drilling and the Company (the "Agreement"), the Company has the right to acquire a 100% interest in the Property. In order to exercise the Option, the Company must deliver to Global Drilling 7,300,000 shares and cash payments of \$1,060,000 spread over four years (the "Option Term"), commencing on the date that the Agreement is accepted by the TSX Venture Exchange (the "Approval Date"), as follows:

1. Approval Date – 800,000 Common Shares
2. 1st Anniversary of Approval Date – 1,250,000 Common Shares
3. 2nd Anniversary of Approval Date – 1,750,000 Common Shares and \$120,000
4. 3rd anniversary of Approval Date – 1,750,000 Common Shares and \$300,000
5. 4th anniversary of Approval Date – 1,750,000 Common Shares and \$640,000

During the Option Term, the Company has the exclusive right to enter the Property to conduct mining work, build mining facilities and conduct bulk sampling. In the event that the Option is exercised, Global Drilling is entitled to a 1% net smelter returns royalty (NSR). Both parties have the right to terminate the Agreement in writing if the terms of the Option are not met.

It is reported by Global Drilling that there are no underlying royalties, back-in rights, payments, or other agreements to which the Property is subject apart from those in the Agreement which include a 1% NSR.

## ***Accessibility, Climate, Local Resources, Infrastructure and Physiography***

### *Accessibility*

The Property is easily accessed by the 24 km Atlin-Surprise Lake road from Atlin.

### *Climate*

The Ruby Creek Project area lies east of the Coast Range Mountains which is the lee side and within a zone described as having an interior climate. In general, the winters are unpredictable during current climate changes, but can be severe, with summer months cool. Summer is enhanced by long hours of daylight; during June and July, daylight lasts up to 20 hours. The ideal exploration and mining operating season in the Atlin region ranges from early March to late October and this period also generally makes up the placer mining season.

### *Local Resources*

The community of Atlin, located 24 km southwest of the Property, is a source for labour, fuel, accommodation, charter aircraft services and grocery stores. Atlin has a BC Government Agent's office, Royal Canadian Mounted Police office, a Taku River Tlingit First Nations office, and a health clinic. Atlin is accessible by a two-hour 180 km drive by sealed road from Whitehorse, Yukon, the territorial capital and major supply centre for the region. Whitehorse is serviced by daily commercial flights to Vancouver and other Canadian cities. Atlin has a winter population of approximately 450-500 people, and an experienced placer mining work force of 30 miners. During the summer 2016, an estimated total of 90 placer miners were operating in the Atlin placer camp. Approximately 60 miners came from the Yukon, Southern BC and Alberta. Currently the community of

Atlin receives electrical power generated by a 2.1 megawatt Pelton twin turbine generator that draws water from Surprise Lake 16 kilometers up-stream from Atlin town-site. This hydro-electric plant was installed in 2009-2010, and there are now plans to increase the electrical out-put to serve parts of the Southern Yukon, about 80 km. distance. Atlin has an abundance of fresh water from Atlin Lake and other sources. The Property has an abundance of fresh water in Surprise Lake, Molly Lake, Ruby Creek, Boulder Creek, Cracker Creek, Birch Creek and Horse Creek. Caribou, moose, sheep, wolf, black bear, ground squirrels, whistlers and ptarmigan have been observed on the Property.

### *Infrastructure*

The unencumbered 26,734.74 ha contiguous land package gives sufficient size to allow mining operations to be carried out. Other than road and trail access, there are no buildings or mine plants in place as of the date of the Technical Report.

### *Physiography*

The Ruby Creek Project area is located immediately north of Surprise Lake, and drained by Ruby Creek, Boulder, Birch Creek and Cracker Creek, all which flow into Surprise Lake, with the exception of Birch Creek which flows into Pine Creek. The higher reaches of the creek valleys have an elevation of approximately 1,500 m with the highest peak at 2,081 m (Mount Barham). For the most part, the Property is mainly located in wide glaciated valleys where alpine terrain prevails above tree-line. Sections below tree line show mixed conifer and poplar, with dense willow. Pine is present but rare. At tree line, shrub birch, dense willow, underlain by lichen on outcrop, and moss adjacent to creek channels is present. Above tree line, alpine terrain prevails, featuring scattered willow, scattered shrub birch, and a matt of cushion plants with variable wild flowers for short summer periods. In the higher alpine, lichens on felsenmeer and talus slopes prevail. Mountain summits are felsenmeer and rocky outcrop.

### *History*

#### *Placer History Atlin Placer Camp*

Atlin became known as a productive Canadian placer gold camp in 1898, after the discovery by two prospectors, Miller and McLaren (who were probably informed where to find placer gold by a source in Juneau, Alaska). They confirmed paying gold on Pine Creek in January 1898. As news spread, other gold seekers found impressive amounts of gold on Spruce, McKee, Otter, Ruby, Boulder, Birch, Otter and Wright Creeks.

Atlin Creek placer gold production from 1898 to 1946 was 634,147 ounces. Today, Atlin has more than 163 km of accumulated known placer creeks, including O'Donnel River.

The following summarizes the four placer creeks that drain the Ruby Creek Project.

1. **Boulder Creek** flows south into the west end of Surprise Lake about 17 km northeast of Atlin. The stream is about 6 km long and braids into a delta near where it empties into the west end of Surprise Lake. Almost all of the placer mining has been done up-stream from the delta. Existing records show from 1898 to 1945, 67,811 ounces of gold were taken from the creek. The creek was extensively hydraulically mined at the lower end and received a resurgence of work in the 1980s. It is the third largest placer producer in Atlin. The headwaters of the creek are located within a fine grained alaskite-granite, a plutonic body of the Late Cretaceous Mount Leonard stock, an extension of the Surprise Lake batholith. The creek then flows out of the stock and over Upper Paleozoic ultramafic rocks of the Atlin Ophiolitic assemblage and volcanic and sedimentary rocks of the Atlin Accretionary complex. Most of the placer gold has been taken from the lower end of the creek and very little at the upper end where it flows over the Mount Leonard stock. There is significant placer wolframite in Boulder Creek and several wolframite showings in areas surrounding the headwaters of the creek. Placer mining was active on the creek in 2019.

2. **Ruby Creek** flows south into the west end of Surprise Lake about 22 km northeast of Atlin. The creek is about 10 km long and braids into several streams at its mouth. Most of the gold was removed from the creek between 1898 and 1948 with both hydraulic and underground operations. The creek is underlain by Cretaceous plutonic rocks of Mount Leonard stock and Atlin Ophiolitic assemblage rocks in its upper reaches, and downstream is underlain by Quaternary columnar basalt flows, (estimated 30 m thick) which have covered over older Quaternary auriferous gravels. Surface and underground placer mining has been carried out on this creek, the latest mining by open pit excavating through the basalt to underlying auriferous gravels. Hydraulic mining is also reported to have occurred at the lower end of the creek. Between the years 1898 and 1945, it is reported a total of 55,272 ounces gold were recovered making Ruby Creek the fourth highest producer in Atlin at that time. Placer mining was last seen to be active on the creek in 2016.
  
3. **Birch Creek** flows south into Pine Creek less than 2 km west of Surprise Lake and about 15 km northeast of Atlin. The creek is about 9 km long and was worked for about a 3.5 to 4 km length starting from about 1 km above its junction with Pine Creek. The creek drains Atlin Ophiolitic assemblage ultramafic rocks and Atlin Accretionary complex volcanic-sedimentary rocks. Historically, hydraulic methods were used a great deal on Birch Creek and 12,898 ounces gold were recovered on the creek from 1898 to 1945. It was known for its unusually coarse gold. During that time, Birch Creek was the 8th largest producer of placer gold in the Atlin camp. Placer mining was last seen to be active in 2016.
  
4. **Cracker Creek** is about 10 km long and flows east-northeast with a steep descent for the final 3 km into the north end of Surprise Lake. The main workings are just above the lower "canyon" and are about 32 km northeast of Atlin. The creek is located entirely within the Mount Leonard Stock and therefore of most interest to prospecting for a low- grade gold-bulk tonnage deposit. Work on Cracker Creek began in 1909 with cursory prospecting until 1916. Underground development in search of old channels took place in 1917, 1932, and in 1933 when a pay streak was hit overlying bedrock. A total of 808.7 grams of gold were recovered from the property between 1916-1945. Small scale operations on Cracker Creek may have been active in recent years.
  
5. **Horse Creek** is only about 5 km long and flows west into the north end of Surprise Lake, approximately 35 km northeast of Atlin. The creek received relatively minor prospecting from 1909 to 1916. The creek is located well within the Late Cretaceous Surprise Lake batholith (Surprise Lake Plutonic suite) which covers about 1100 square km northeast of Atlin. The batholith is composed primarily of a leucocratic granite with abundant microcline and orthoclase with subordinate quartz. It may or may not contain plagioclase and mafic minerals, most commonly biotite. This body has intruded into Upper Paleozoic volcanic and sedimentary rocks of the Cache Creek complex. The creek only received cursory prospecting and development work between 1909 and 1920 and around 373 grams of gold were recovered from the creek between 1916 and 1918. Present times it may be worked casually by individuals.

#### *Atlin Ruffner Silver Mine History*

The Atlin Ruffner Silver Mine is about 23 road km northeast of Atlin. The mine was an intermittent producer from 1916 to 1981, being operated by numerous companies, viz:

- 1918, M.J. Ruffner optioned and staked the Atlin Ruffner Crown grants, and underground work began in 1921.
- 1928, C.V. Bob Group acquired control and continued underground development.
- 1934, Bobjo Mines Ltd. acquired the property and continued underground work.
- 1951, Atlin Ruffner Silver Mine reopened the workings and produced a shipment of 44 tons of ore grossing 7 ounces gold, 5343 ounces silver, 36,197 pounds lead, and 5824 pounds of zinc.
- 1966, Interprovincial Silver Mines Ltd. optioned the Vulcan Property and drilled 2779 metres using a small sized core barrel (AX) on the veins that parallel the mineralized structures on the Atlin-Ruffner

claims.

- 1988, Homestake Mineral Development Co. Ltd. acquired the property through the 1988 exploration season completed programs of airborne and ground geophysics, detailed and reconnaissance scale geological mapping, litho-geochemical sampling, soil geochemical sampling, and trenching over various portions of the property. The results of the airborne geophysical (total field magnetics, calculated vertical gradient magnetics, VLF-EM) surveys over the property were inconclusive.
- The dikes usually host the mineralization, which includes varying amounts of sphalerite, galena, arsenopyrite, pyrite, pyrrhotite, chalcopyrite, pyrrargyrite with trace amounts of tetrahedrite, molybdenite, scheelite, and cassiterite in a quartz-calcite gangue.

When the mine site was visited by Mr. Aspinall in 2016, the mine site, buildings and plant had been reclaimed, and road to the site had been trenched over and unserviceable for vehicle access.

The Atlin Ruffner Silver Mine is located in the far northwest of the Ruby Creek Project and covered by 28 historic partly contiguous Crown Grant leases titled to others. The gaps between these leases and adjacent areas are held by Ruby Creek Project. Given these facts, the Atlin Ruffner Silver Mine area, constituting 28 Crown grants making up 0.94% of the total Ruby Creek Project land package is of low priority at this time, but could become more important in the future.

It is reported the mine lies completely within the Middle Jurassic Fourth of July batholith and is composed of both monzonitic and quartz diorite phases. The batholith has intruded into Carboniferous-Jurassic Cache Creek complex rocks.

It is reported mineralization on the property is associated with dark green, pyroxene-bearing lamprophyre dikes which strike 070 degrees and dip 85 degrees to the northwest. The dikes are abundant, parallel and from 2 to 10 metres thick. They follow older fracture zones and have been the host for younger fracturing, shearing and veining. The dikes are not commonly seen outside the batholith and have also been crosscut by the younger, Late Cretaceous Surprise Lake batholith rocks.

It is reported the dikes usually host the mineralization, which includes varying amounts of sphalerite, galena, arsenopyrite, pyrite, pyrrhotite, chalcopyrite, pyrrargyrite with trace amounts of tetrahedrite, molybdenite, scheelite, and cassiterite in a quartz-calcite gangue.

### *Adanac Moly Project History*

The Adanac Moly Project, (also referred to as Adanac/Ruby Creek deposit, Adanac porphyry molybdenum deposit, Adanac, and others) is centered at (Lat. 59° 42.5' N, Long. 133° 24' W; NTS 104N/11) and is at the head of Ruby Creek, northeast of Atlin in northwest British Columbia, Atlin Mining Division. It underlies the floor of the Ruby Creek valley at approximately 1,500 m elevation. The deposit is readily accessible by a 24 km road from Atlin. The first 19 km from Atlin to the Pine Creek bridge at Surprise Lake are fully maintained. From there to site, the road is serviced by the Company and by local placer miners.

It is reported molybdenum was found in 1905, but saw limited exploration prior to 1966, when it was staked by Adanac Mining and Exploration Limited (AME) and by Mr. Aspinall for Canadian John's Manville Company Limited (CJM) and independently diamond drilled by both companies. In 1972 both adjacent properties were optioned independently to Kerr Addison (KA).

KA diamond-drilled 47 holes for a total depth of 5,626 m and drove 589 m of drift, 246 m of cross-cut, and 281 m of raise in the higher-grade core of the deposit, which underlies the floor of the valley. It extracted 9,545 tonnes of ore from the cross-cut and six raises and processed them on site to evaluate the nugget effect caused by coarse-grained molybdenite. Chapman, Wood and Griswold Limited completed a feasibility study in 1972 and deemed the deposit to be uneconomic. As a result, KA relinquished ownership of the property.

The following year, 1973, Climax Development Corporation of British Columbia Limited (CL) diamond-drilled seven new holes and deepened two others, for an aggregate depth of 2,672 m. CL later released its option. The property then remained dormant until metal prices improved in the late 1970s.

In 1978, Placer Development Corporation (PD) re-evaluated KA's feasibility study, optioned the property and started a full-scale technical and socio-economic review. In 1979, PD drilled a further 6,028 m in 49 diamond holes in-and-around KA's proposed initial pit, and the following year it drilled a further 27 holes with an aggregate depth of 4,858 m, in-and-around the margins of its ultimate pit. Although PD nearly finished all the work required for a formal bankable feasibility study, it was never completed. The price of molybdenum which had been rising in the 1970s dropped sharply in 1982 to 1983. PD held on to the option for a few years, but eventually returned the property to its owners. The claims lapsed in the late 1990s. Geologist Andris Kikauka staked the deposit for AMC in 2002. The following year, AMC compiled a considerable amount of existing drill-data. In 2004 that work led the company to a new program which had three objectives:

- 1) to assess the quality of the old assay data,
- 2) to fill gaps in its distribution, and
- 3) to improve the company understanding of the extent of the deposit.

AMC drilled 36 holes for an aggregate depth of 8,983 m. In 2005, AMC drilled a further 19 holes for an aggregate depth of 4,984 m.

In 2006, AMC concentrated its drilling in the main pit area, in the vicinity of the underground workings, where previous work by KA and PD had established the presence of a significant volume of relatively higher-grade mineralization. In total, AMC diamond-drilled sixteen holes for an aggregate depth of 3,920.7 m. They were drilled in a westerly direction at a dip angle of approximately -50 degrees. The remaining three were exploration holes. In 2007, AMC focused its attention on the north zone, a down-faulted block of mineralization adjacent to the northwest margin of the proposed pit. AMC also completed a condemnation drilling program at lower elevation, further down the valley. Between the start of the 2007 program and the completion of the condemnation drilling in 2008, E. Caron Diamond Drilling Ltd. and Foraco (Connors) Drilling Limited completed 22 diamond-drill holes for an aggregate depth of 6,550 m. In the spring of 2008, AMC returned to the north zone and the main deposit area and completed its previously planned program. Foraco (Connors) Drilling Limited diamond-drilled 38 holes for an aggregate depth of 14,700 m. Total drilling between 2004-2008 by AMC 71,809.45 m of core.

During this period AMC also improved the access road from Surprise Lake to the property, including a bridge over Boulder Creek, and the BC government completed a concrete bridge across the headwaters of Pine Creek, at the west end of Surprise Lake to support access.

In 2016, the Adanac Moly Project titled to AMC and consisting then of 9,299.857 ha. was purchased by Global Drilling, with no underlying encumbrances, net smelter royalties or other royalties.

During 2016-2018, Global Drilling completed additional staking of mineral claims amounting to 17,689.783 ha, bringing total contiguous land package of the Ruby Creek Project to unencumbered 26,734.74 ha.

According to GDS data and MTO data on 28 Crown Grant leases, (titled to others) the total land package now consists of an unencumbered 26,734.74 ha., which is now the Ruby Creek Project.

The results of the April 2009 Historical Mineral Resource Estimate for the Adanac Moly Project based on 0.02 to 0.10% Mo cut-off grades for the Historical Measured, Indicated and Inferred Mineral Resource Categories. The pounds of Mo are In situ pounds and have not had mill recovery factors applied to them.

The total Historical Measured Mineral Resource Estimate using a 0.04% Mo cut-off grade is 43.642 million tonnes, 0.078% Mo and 75.361 million lbs Mo. The total Historical Indicated Mineral Resource Estimate at the same cut-off grade is 231.712 million tonnes, 0.065% Mo and 332.550 million lbs Mo. The total Historical Inferred Mineral Resource Estimate using a 0.04% Mo cut-off grade is 39.076 million tonnes, 0.062% Mo and

53.719million lbs Mo. The source of this Historical Mineral Resource Estimate, originally reported by Golder Associate Ltd on 28<sup>th</sup> May 2009, in report titled “Mineral Resource Update, Ruby Creek Molybdenum Project in Northern British Columbia.” This historical mineral resources estimate is reported as completed on 28<sup>th</sup> April 2009 and based on latest drilling data completed during the 2007 and 2008 field programs, including historical drilling and underground sample data collected on the property from 1966 to 1980, and three field seasons completed by AMC between 2004 and 2006 (71,809.45 m of core). The historical mineral resource estimate is based on the ordinary Kriged interpolation method and Mo capped assay values. This historical mineral resource estimate update is completed in conformance with the CIM Mineral Resource and Mineral Reserve definitions referred to in National Instrument NI 43-101, Standards of Disclosure for Mineral Projects effective on 28<sup>th</sup> May 2009.

A qualified person has not done sufficient work to classify this historical estimate as current mineral resources or mineral reserves, therefore the issuer is not treating the historical estimate as current mineral resources or mineral reserves and the historical estimate should not be relied upon.

## **Geology Setting**

### *Regional Geology*

Atlin regional geology is dominated by two distinct litho-tectonic elements referred collectively in the Technical Report as Cache Creek terrane. A structurally higher, imbricated sequence of oceanic crustal and upper mantle lithology's termed the 'Atlin Ophiolitic assemblage', which is tectonically superimposed over a lower and lithological diverse sequence of steeply to moderately dipping, tectonically intercalated slices of pelagic meta-sedimentary rocks with tectonized pods and slivers of meta-basalt, including basalt-andesites, dacites, and diorites, limestone, and greywacke termed the Atlin Accretionary complex. Within the Ruby Creek Project, there are several roof pendant slices of the Atlin Ophiolitic assemblage. Locally these rocks are intruded by the Middle Jurassic calc-alkaline Fourth of July batholith and related quartz-feldspar porphyritic and melanocratic dike rocks. During the Cretaceous Period, the Surprise Lake batholith (including the Mount Leonard stock) intruded these same units. Almost all of the Atlin placer creeks or their headwaters within the Property and elsewhere in the Atlin gold camp are underlain by the Surprise Lake batholith or its thermal metamorphic halo.

Quaternary olivine basalt cones, and basalt lava flows outcrop at Volcanic Creek immediately north of Atlin Ruffner Silver Mine just outside the Property, and at the headwaters of Cracker Creek and west side of Ruby Creek within the Property.

Atlin placer creeks generally are in broad valleys originally cut deep into bedrock during pre-Wisconsin glacial times, which are now fluviially modified and filled by glacial and glaciofluvial deposits. Some of the placer deposits may be interglacial in age but most are probably pre-glacial. Post-glacial placers are reworked, mostly deeply buried, and glacial fluvial placers and are usually less productive. The original pre-Wisconsin gravels rich in gold are characteristically oxidized and red in colour, deposited locally on altered bedrock or on a boulder till and paleo-stream bedrock, indicating high energy stream flow including flash flooding.

### *Property Geology*

The Atlin Ophiolitic assemblage comprises an imbricated sequence of thrusts of obducted oceanic crustal and upper mantle rocks. Mantle lithologies are dominated by harzburgite tectonite containing subordinate dunite and they are similar in composition to basalts of normal ocean and lesser pyroxene dikes.

The Atlin Accretionary complex units within the Property comprise a series of variably dipping lenses and slices of structurally intercalated meta- sedimentary and meta-volcanic rocks at scattered locations. Pelagic meta-sedimentary rocks dominate these rock units and consist of argillite, cherty argillites, black argillites, graphitic argillites, argillaceous cherts, and cherts with lesser limestone and greywacke. Contact relationships between many individual units of the complex have not been established due to lack of exposure; most are inferred as tectonic. Internal bedding within the individual lenses in places is parallel to the external contacts, but is more commonly strongly discordant.

In the northwestern part of the project area, the Fourth of July batholith rocks of Jurassic age are invariably in contact with units of the Atlin Accretionary complex. These batholithic rocks consist of megacrystic quartz feldspar monzonites, quartz monzonite and granodiorite. The quartz monzonite can be recognized in the field by an abundance of smoky quartz, small hornblende euhedra and crystals of brown sphene that catch the eye. Some outcrops are more alkalic, the potash feldspar appearing as coarse pink phenocrysts. The Fourth of July batholith is also host to dark green lamprophyre dikes.

The Mount Leonard stock and Surprise Lake batholith are of Cretaceous age underlie the Atlin Ophiolitic assemblage and the Atlin Accretionary complex units within Project and abundantly exposed in the region of Surprise Lake. The batholith comprises coarse to fine grained highly differentiated peraluminous granite with quartz-eye aplite derivative dikes. The batholith and stock rocks are collectively named alaskite-granites by Mr. Aspinall. These rocks and derivatives, depending on location, may exhibit high background contents of gold (and silver), 0.1 ppm and higher.

There are two Quaternary volcanic basalt vents in the mid-section area of Ruby Creek which have resulted in columnar basalt flows 30 m thick that flowed down stream and southwards, covering auriferous gravels. It is estimated that the main columnar joint flow occurred prior to the on-set of the Wisconsin glacial event, while second and weaker venting occurred during glaciation, causing scoria basalt flows and local undulating geomorphological effects as these later flows settled on melting glacial ice.

The oldest unconsolidated deposits are decomposed pre-Wisconsin gravels lying deeply on weathered bedrock, and exposed in some of the placer gold deposits. Fluvial deposits are locally present as variable stratigraphic lenses. Pre-Wisconsin gravels are variably overlain by grey compacted clays from the last glaciation. Talus and coarse felsenmeer cover a large percentage on mountain ridges and slopes at 1000 m elevation and above.

### ***Mineralization***

There are 36 significant localities of known mineralization that fall within the Ruby Creek Project land package.

Salient points are as follows:

- Five of the mineral localities are historic placer gold producing creeks, Ruby, Boulder, Cracker, Birch and Horse Creeks, and still being worked on an off and on basis as small one man to 10 men operations.
- Cracker and Horse Creeks are significant as they are located totally within plutonic rocks of the Surprise Lake batholith and Mount Leonard stock.
- Eleven are polymetallic showings of various sulphide and oxides where gold is present, the most significant being the quartz vein associated with the Lakeview and White Star showings.
- Twenty showings fall within the Project area consist polymetallic sulphides and/or oxides.
- Adanac is a developed molybdenum prospect and Ruffner Silver Mine is a past silver producer.

### ***Exploration***

In September 2016, Mr. Aspinall was commissioned by Global Drilling to investigate potential gold source within alaskite-granite plutonic rocks in upper Ruby Creek adjacent to and southwards of the Molly Lake near the head waters Ruby Creek, over a 4-day period. Analysis on rock and soil samples were completed for Ag, Au, Cu, Pb, Zn, As, Mo, and W. Analytical gold returns were all low, ranging from 1.2 ppb to 10.5 ppb for gold, except for one boulder sample which returned 28.375 ppm gold.

During June 2017, Global Drilling initiated a rock and soil geochemical program across its land package supported by a field crew of 4 personnel. This program was continued in 2018 with other personnel. Global

Drilling records show a total of 306 soils were collected, of which 30 are deemed as anomalous based on Mr. Aspinall's experience. Global Drilling records show 475 rock samples were collected from east to west across the Property and, according to Mr. Aspinall, 53 rocks collected are anomalous in gold.

In the field all sample locations were recorded using GPS-UTM coordinates, elevations, and times collected. In the laboratory samples were analyzed for economic minerals Ag, Au, Cu, Pb, Zn, Mo, and W.

All other rock samples and soil samples appear to be representative, were collected by experienced samplers while being supervised by an experienced geologist, kept under the control of GDS personnel until delivered to the laboratory, and analyzed according to Canadian industry standards.

The soil distribution is limited, yet curiously show an anomalous zone north east of Molly Lake, within a volcanic unit of the Atlin Accretionary Complex.

The rock distribution is more widespread, and gold anomalous samples appear to be influenced by the geology and proximity to the Adera Fault, and other potential faults.

## ***Drilling***

### *Adanac Moly Project Drilling, Re-evaluated, 2016-2018*

Research to date on AMC and GDS drill cores hosting gold mineralization in Mount Leonard stock alaskite-granites within the Property are so far only preliminary, consequently length, depth, continuity of gold mineralization has not been established. AMP Drilling data show mineralized drill sections ranging from 3.05 m thick to 39.65 m thick, with respective mean grade of 0.214 g/t Au and 0.4 g/t Au,

During 2007 and 2008, Mr. Aspinall assisted logging AMC core. The drilling operations, core sampling, sample registration, sawing core were being carried out in a professionally supervised and methodical manner. Core recovery was excellent.

### *Ruby Creek Project Diamond Drilling, (2016-2017)*

During 2016-2017, Zinex Mining Corp for Global Drilling completed 14 exploratory diamond drill holes within the Property, and noted analytical trace gold over short sections from 3 diamond drill holes.

## ***Sampling, Analysis and Security***

### *Global Drilling Sampling Method and Approach*

Global Drilling field crews delivered soil and rock samples, in separate polyethylene bags and special soil and silt packets respectively, all pre-numbered, to the Global Drilling core facility in Atlin. The gate to the facility is locked at all times when facility is not supervised. Samples were then amalgamated into rice bags, numbered, sealed and hand-delivered to Bureau Veritas Labs (ISO certified) at Mount Sima Road, Whitehorse, Yukon (Bureau Veritas), for processing.

Diamond drill core was delivered from the field to the Global Drilling core facility in Atlin, with the gate to the facility locked at all times when the facility is not supervised. The core was not logged for geology, but sampled only. Representative samples were taken from the core for analysis. In 2017, each approximately 1.5 m section was flagged by the geologist and that section was split with a core saw. Best efforts were made to not cross lithologic boundaries. One half of the split was bagged, tagged and sent to Bureau Veritas, for analysis. The remaining core was labeled in core boxes and stored for future reference.

## *Global Drilling Sample Preparation, Analyses and Security*

All Global Drilling core, rock, and soil samples for the periods covered by the Technical Report were kept under Global Drilling control until delivered to Bureau Veritas for analysis. GDS reports they keep duplicates of the majority of the rock samples and split drill core in 2017 to maintain a sample for reference, but no other QA/QC. It is reported AMC did extensive QA/QC for drill core with blanks and standards.

Bureau Veritas is an accredited laboratory under the ISO 9001:2015 registration. Their in-house quality control program includes the traceability of samples through the use of barcode tracking. Sample duplicates are created and analyzed for all rock samples submitted. The laboratory inserts reference materials, replicates and blanks into randomly assigned positions within each analytical rack, providing in-house quality control protocols for verification of the analytical process.

### Global Drilling Soil and Rock Preparation and Analysis

#### 1. Soil Sample Preparation

-SS80 – Soils, Silts - Dry at 60°C, sieve up to 100 g to -180 µm (80 mesh) up to 1 kg sample (discard plus fraction), The sub sample is rolled and homogenized and bagged in a pre-numbered bag.

#### 2. Rock Sample Preparation

-PRP70-25- Samples are 2 stage crushed to ≥70% passing 2mm - Pulverize 250 g ≥85% 75µm, The sub sample is rolled and homogenized and bagged in a pre-numbered bag.

-PRP90-250 -Samples are 2 stage crushed to ≥90% passing 2mm - Pulverize 250 g ≥85% 75µm, The sub sample is rolled and homogenized and bagged in a pre-numbered bag.

#### 3. Analytical methods - Fire Assay

Lead collection fire assay fusion is a classic method for total sample decomposition. Total Au content is determined by digesting an Ag dore bead and then analysing by AAS, ICP-ES, or ICP-MS.

-FA450: - AAS analysis, wherein Au>10 ppm is automatically analyzed by gravimetric method.

-FA550: - Gravimetric analysis.

#### 4. ICP (Inductively Coupled Plasma) Spectroscopy Methods

-MA370 - For high grade rock and drill core samples it reports percent level concentrations as determined by ICP-ES using multi-acid digestion for sulphide and silicate ores. This method was used to determine any over limit assays on economic minerals from the following preliminary analysis.

-AQ202 -30 g sample is digested using a modified aqua regia digestion (1:1:1 HNO<sub>3</sub>:HCl:H<sub>2</sub>O) with analysis by ICP-ES/MS for 36 elements.

-AQ252-EXT – is an ICP-MS analysis of a 30 g sample after modified aqua regia digestion (1:1:1 HNO<sub>3</sub>:HCl:H<sub>2</sub>O) for low to ultra-low determination on soils, sediments and lean rocks and includes Pt/Pd for a total analysis of 53 elements.

## Global Drilling Diamond Drill Core Preparation and Analysis

Samples of core were prepared, analyzed and assayed for gold using many of the same procedures described above. Again, all analytical procedures including preparation techniques are written on the assay certificates from the lab.

### 1. Sample Preparation

-PRP70-250 and PRP90-250

### 2. Analytical

Diamond drill core was analyzed variously by fire assay FA450 and FA550 above as well as by ICP using a combination of AQ202 and AQ252-EXT with over limit assays of economic minerals further analyzed by MA370.

## ***Mineral Resource Estimates***

There has not been sufficient sampling, diamond drilling, bulk sampling for gold or other minerals other than molybdenum on the Property to undertake a resource calculation

## **Recommended Work Program**

It is concluded the Ruby Creek Project is a project of merit for potential hidden low-grade lode gold bulk tonnage deposits hosted in alaskite-granite plutonic rocks of the Mount Leonard stock and/or gold in quartz vein orogenic type deposit(s) within Cache Creek terrane rocks. The following recommendations summarize Stage 1 requirements for 2020 and Stage 2 requirements for 2021 exploration programs. Stage 2 is wholly dependent on Stage 1 results. Expenditures are calculated at \$250,000 for Stage 1 and \$500,000 for Stage 2.

### Stage 1

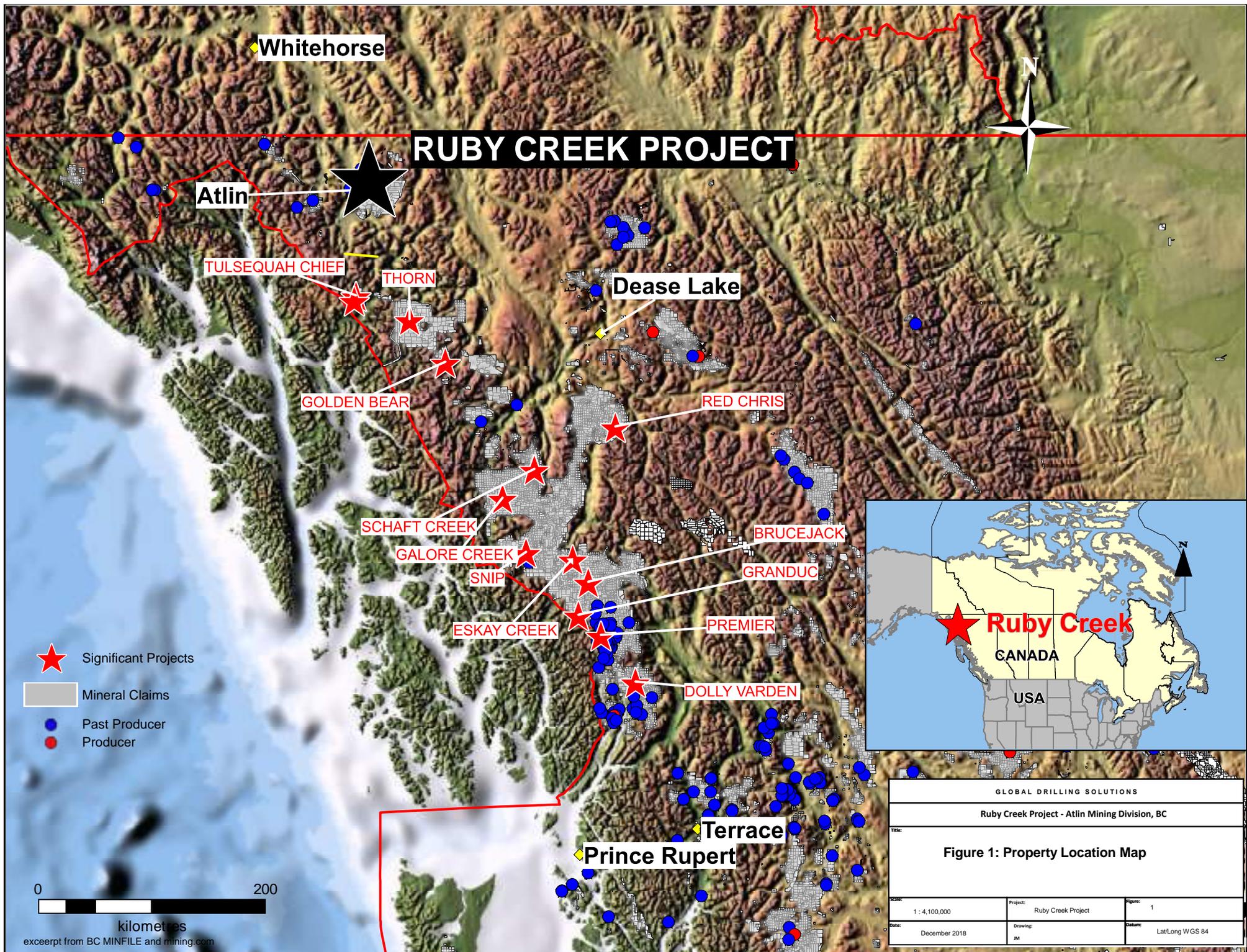
- 1) Follow-up investigation on AMP drill core data, re-log and re-sample selected diamond drill hole cores stored at Global Drilling's Atlin storage facility. For instance, rocks and derivatives of the alaskitegranite Mount Leonard stock, depending on location, may exhibit high background to low grade contents of gold and silver.
- 2) Prospect and sample soils and rocks adjacent zone northwest of Adera fault. Including track and sample rocks along contact between Fourth of July batholith and Mount Leonard stock.
- 3) Build up data base on Atlin Ruffner Silver Mines and investigate potential faulting and diking extending eastward to beyond Molly Lake.
- 4) Carry out soil, rock sampling interface horizons between Ultramafic roof pendants, (Atlin Ophiolitic assemblage) and underlying Cache Creek rocks, (Atlin Accretionary complex) for listwanite alteration and gold in associated orogenic quartz veins.
- 5) Investigate by rock sampling potential faulting following Boulder, Ruby and Birch Creeks.
- 6) Build a geological model based on data compiled in sections 1) to 5) for an exploration drilling program for Stage 2.

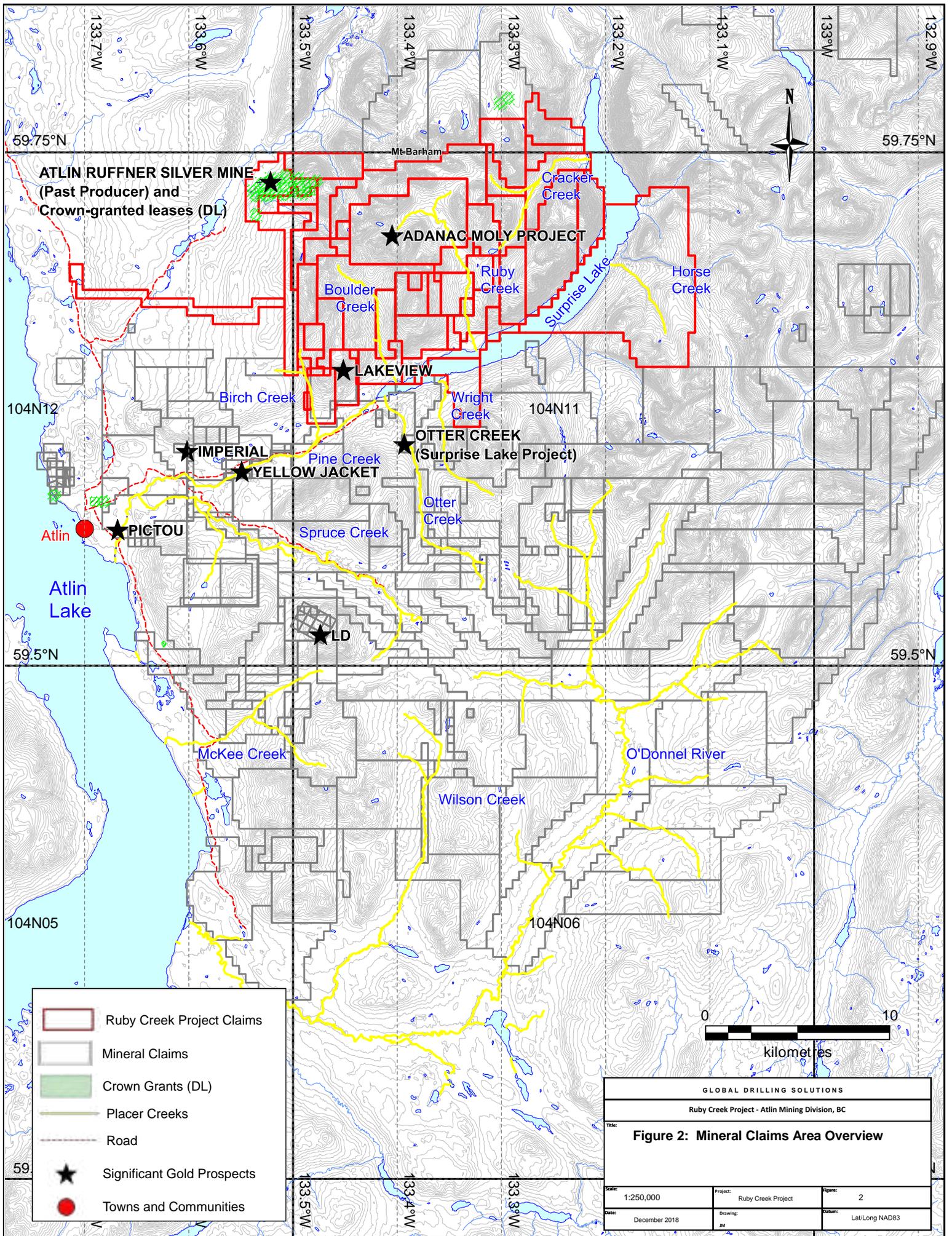
### Stage 2

- 1) 4000 m drill program based on selected geological model targets. It is also highly recommended the Taku River Tlingit First Nation be kept informed of all stages of Ruby Creek Project, and included independently on environmental studies.

**Qualified Person**

Qualified Person Nicholas Clive Aspinall, M. Sc., P. Eng., an independent Qualified Person within the meaning of NI 43-101, has approved the scientific and technical disclosure in this Information Circular relating to the Ruby Creek property.





- Ruby Creek Project Claims
- Mineral Claims
- Crown Grants (DL)
- Placer Creeks
- Road
- Significant Gold Prospects
- Towns and Communities

GLOBAL DRILLING SOLUTIONS		
Ruby Creek Project - Atlin Mining Division, BC		
<b>Figure 2: Mineral Claims Area Overview</b>		
Scale:	Project:	Figure:
1:250,000	Ruby Creek Project	2
Date:	Drawing:	Datum:
December 2018	JM	Lat/Long NAD83