

Electric Royalties Ltd.

(Formerly Rebel Capital Inc.)

**15th Floor, 1040 West Georgia Street
Vancouver, B.C. V6E 4H1
Telephone No. (604) 639-9200/ Fax No. (604) 684-8092**

INFORMATION CIRCULAR

as at August 4, 2020 *(except as otherwise indicated)*

This information circular ("Information Circular") is furnished in connection with the solicitation of proxies by the management of Electric Royalties Ltd. (the "Company") (Formerly Rebel Capital Inc.) for use at the annual general meeting (the "Meeting") of its shareholders to be held on September 8, 2020 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.

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

NOTE OF CAUTION Concerning COVID-19 Outbreak

At the date of publication of this Notice and Information Circular, it is the intention of the Company to hold the Meeting at the location stated above in the Notice of Meeting. We are continuously monitoring development of current coronavirus (COVID-19) outbreak ("COVID-19"). In light of the rapidly evolving public health guidelines related to COVID-19, we ask shareholders to consider voting their shares by proxy and not attend the meeting in person. Those shareholders who do wish to attend the Meeting in person, should carefully consider and follow the instructions of the federal Public Health Agency of Canada: (<https://www.canada.ca/en/public-health/services/diseases/coronavirus-disease-covid-19.html>). We ask that shareholders also review and follow the instructions of any regional health authorities of the Province of British Columbia, including the Vancouver Coastal Health Authority, the Fraser Health Authority and any other health authority holding jurisdiction over the areas you must travel through to attend the Meeting. Please do not attend the Meeting in person if you are experiencing any cold or flu-like symptoms, or if you or someone with whom you have been in close contact has travelled to/from outside of Canada within the 14 days immediately prior to the Meeting. All shareholders are strongly encouraged to vote by submitting their completed form of proxy (or voting instruction form) prior to the Meeting by one of the means described in the following sections of this Information Circular.

The Company reserves the right to take any additional pre-cautionary measures deemed to be appropriate, necessary or advisable in relation to the Meeting in response to further developments in the COVID-19 outbreak, including: (i) holding the Meeting virtually or by providing a webcast of the Meeting; (ii) hosting the Meeting solely by means of remote communication; (iii) changing the Meeting date and/or changing the means of holding the Meeting; (iv) denying access to persons who exhibit cold or flu-like symptoms, or who have, or have been in close contact with someone who has, travelled to/from outside of Canada within the 14 days immediately prior to the Meeting; and (v) such other measures as may be recommended by public health authorities in connection with gatherings of persons such as the Meeting. Should any such changes to the Meeting format occur, the Company will announce any and all of these changes by way of news release, which will be filed under the Company's profile on SEDAR as well as on our Company website at www.electricroyalties.com. We strongly recommend you check the Company's website prior to the Meeting for the most current information. In the event of any changes to the Meeting format due to the COVID-19 outbreak, the Company will not prepare or mail amended Meeting Proxy Materials.

GENERAL PROXY INFORMATION

SOLICITATION OF PROXIES

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

APPOINTMENT OF PROXYHOLDERS

The individuals named in the accompanying form of proxy (the "**Proxy**") are directors or officers of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act on your behalf at the Meeting. You may do so either by inserting the name of that other person, and that person may be you, in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy. If your Common Shares are actually registered in your name, then you are a registered shareholder. However, if like most shareholders you keep your Common Shares in a brokerage account, then you are a beneficial shareholder and the manner for voting is different for registered and beneficial shareholders. Please read the instructions below carefully.**

VOTING BY PROXYHOLDER

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

- (a) each matter or group of matters identified therein for which a choice is not specified,
- (b) any amendment to or variation of any matter identified therein, and
- (c) any other matter that may properly come before the Meeting.

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

REGISTERED SHAREHOLDERS

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a proxy may do so by:

- (a) completing, dating and signing the enclosed form of proxy and returning it to the Company's transfer agent, TSX Trust Company of Canada ("**TSX Trust**"), by fax at 1-866-600-5869, or by mail to the suite 301, 100 Adelaide Street West, Toronto, Ontario M5H 4H1 Canada; or
- (b) using a touch-tone phone to transmit voting choices to a toll free number. Registered shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll free number, the holder's account number and the proxy access number; or
- (c) using the internet via the website voting page of TSX Trust at following website address: www.voteproxyonline.com/pxlogin?lang=en. Registered Shareholders must follow the instructions provided at the voting page and refer to the enclosed proxy form for the holder's account number and the proxy access number.

In all cases a Registered Shareholder must ensure that the completed proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the proxy is to be used.

BENEFICIAL SHAREHOLDERS

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

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

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

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

The Company is taking advantage of provisions of National Instrument 54-101, which allow it to deliver proxy-related materials directly to its NOBOs. As a result NOBOs can expect to receive a scanable Voting Instruction Form ("**VIF**") from TSX Trust, our transfer agent. VIFs are to be completed and returned to TSX Trust following the instructions using one of the methods detailed on the VIF. TSX Trust tabulates results of VIFs received from NOBOs and provides appropriate instructions at the Meeting concerning Common Shares represented by VIFs they received prior to the Meeting.

Securityholder materials are sent to both registered and non-registered owners of the Company's securities. If you are a non-registered owner, and the Company or its agent sent these materials directly to you, your name, address and information about your holdings of securities, were obtained in accordance with applicable securities regulatory requirements from the intermediary holding securities on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary holding securities on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your VIF as specified in your request for voting instructions.

Management of the Company does not intend to pay for intermediaries to forward proxy-related materials to OBOs. If you are an OBO you will not receive the proxy-related materials unless your intermediary assumes the cost of delivery. If you are an OBO please follow the instructions of your intermediary carefully to ensure your Common Shares are voted at the Meeting.

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

Common Shares voted as per your instructions, or (b) to have an alternate representative you have chosen, if any, duly appointed to attend and vote your Common Shares on your behalf at the Meeting.

NOTICE TO SHAREHOLDERS IN THE UNITED STATES

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

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

REVOCAION OF PROXIES

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

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder's authorized attorney in writing or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to TSX Trust at the address shown on the preceding page or at the address of the registered office of the Company at Suite 2400, 745 Thurlow Street Vancouver BC V6E 0C5 Canada, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or
- (b) personally attending the Meeting and voting the registered shareholder's Common Shares.

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

Beneficial Shareholders who wish to change their vote must, in sufficient time in advance of the Meeting, arrange for their respective Intermediaries to change their vote and if necessary, revoke their proxy in accordance with the revocation procedures set out above.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

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

RECORD DATE AND QUORUM

The Board of Directors (the "**Board**") of the Company has fixed August 4, 2020, as the record date (the "**Record Date**") for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

Under the Articles of the Company, the quorum for the transaction of business at a meeting of Shareholders is one or more Shareholders who are, or who represent by proxy, one or more Shareholders who, in the aggregate, hold at least 10% of the issued Common Shares entitled to be voted at the meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company was incorporated under the Business Corporations Act (British Columbia) on September 16, 2016. The Company began trading its shares on the TSX Venture Exchange ("TSX-V") as a capital pool company ("CPC") (as defined in the TSX-V Policy 2.4 – Capital Pool Companies (the "CPC Policy")) on November 3, 2017.

On June 24, 2020, the Company announced that, pursuant to a business combination agreement dated January 28, 2020 between the Company, 1238383 B.C. Ltd. (the "**Subco**") and a private company then named as Electric Royalties Ltd. (the "**Legal Acquiree**" or the "**Operating Entity**"), it had completed its qualifying transaction (the "**Qualifying Transaction**"), whereby following the consolidation (the "**Consolidation**") of the Company's shares on a 2:1 basis, the Qualifying Transaction was effected by way of a "three-cornered" amalgamation, in which: (a) the Subco was amalgamated with the Legal Acquiree to form an amalgamated company ("**Amalco**"); (b) all issued and outstanding shares of the Legal Acquiree were exchanged for post-Consolidation shares of the Company on a 1:1 basis; and (c) Amalco became a wholly-owned subsidiary of the Company. The Qualifying Transaction was a reverse-takeover of the Company and upon completion thereof, the Company changed its name to "Electric Royalties Ltd." and carried on the business previously carried on by the Legal Acquiree.

The Company is authorized to issue an unlimited number of Common Shares. The Common Shares are listed for trading on the TSX Venture Exchange (the "**TSXV**"). As of the Record Date, there were 48,255,101 Common Shares issued and outstanding, each carrying the right to one vote. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

To the knowledge of the directors and executive officers of the Company, there is currently no shareholder of the Company that beneficially owns, directly or indirectly, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company.

FINANCIAL STATEMENTS

The audited financial statements of the Company for the fiscal year ended December 31, 2019, the report of the auditor and the related management's discussion and analysis will be placed before the Meeting. Copies of the documents may be obtained by a Shareholder upon request without charge from Investor Relations, Electric Royalties Ltd., 15th Floor, 1040 West Georgia Street, Vancouver, British Columbia, V6E 4H1, telephone: (604) 639-9200 or investorrelations@electricroyalties.com. These documents are also available under the Company's SEDAR profile at www.sedar.com.

VOTES NECESSARY TO PASS RESOLUTIONS

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

ELECTION OF DIRECTORS

The Company currently has four (4) directors. Shareholders will be asked to approve an ordinary resolution that the number of directors to be elected be fixed at four (4).

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

Management's Director Nominees

The Board has determined that four (4) directors be elected to the Board at the Meeting. The following disclosure and accompanying biographical information sets out the names of management's four (4) nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment for the five preceding years, the period of time during which each has been a director of the Company, and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction. The information as to Common Shares and options beneficially owned or controlled is based on insider reports filed on www.sedi.ca as at the date of this Information Circular:

Name of Nominee; Current Position with the Company, and Province or State and Country of Residence	Period as a Director of the Company	Common Shares Beneficially Owned or Controlled
Marchand Snyman ^{1, 2, 3} Chairman and Director British Columbia, Canada	Since June 24, 2020	425,100 Shares 500,000 Options
Brendan Yurik President, CEO and Director British Columbia, Canada	Since June 24, 2020	3,125,000 Shares 800,000 Options
Craig Lindsay ^{1, 2, 3, 4} Director British Columbia, Canada	Since September 16, 2016	360,000 Shares ⁴ 300,000 Options
Robert Schafer ^{1, 2, 3} Director Utah, USA	Since June 24, 2020	850,000 Shares 150,000 Options

Notes:

1. Member of the Audit and Risk Committee. Mr. Lindsay serves as Chair.
2. Member of the Nominating and Governance Committee. Mr. Snyman serves as Chair.
3. Member of the Compensation Committee. Mr. Schafer serves as Chair.
4. Mr. Lindsay's Common Shares are indirectly held by Arbutus Grove Capital Corp., a private company controlled by Mr. Lindsay.

Biographical Information of Nominees for Director

The following information as to principal occupation, business or employment is not within the knowledge of the management of the Company and has been furnished by the respective nominees. Where stated, "CEO" stands for "Chief Executive Officer" and "CFO" stands for Chief Financial Officer.

Marchand Snyman. – Director and Chairman of the Board

Mr. Snyman is a co-founder of the Company and RE Royalties Ltd. (a company providing royalty financing for renewable energy projects). Mr. Snyman has over 20 years of senior executive experience in global corporate finance, M&A, financing and divestiture activities. He also currently serves as a director on a number of publicly traded companies. Mr. Snyman is currently a Director and the Chief Operating Officer of Hunter Dickinson Inc. Mr. Snyman is a Chartered Accountant (Australia and New Zealand) and a Chartered Accountant (South Africa).

Mr. Snyman is, or was within the past five years, an officer and/or director of the following public companies:

Company	Market	Positions Held	From	To
Electric Royalties Ltd.	TSX-V	Chairman, Director	June 2020	Present
Northcliff Resources Ltd.	TSX	Chairman, Director	January 2013	Present
Northern Dynasty Minerals Ltd.	TSX, NYSE American	CFO	August 2008	April 2019
Northern Dynasty Minerals Ltd.	TSX, NYSE American	Director	August 2008	February 2016
RE Royalties Ltd	TSX-V	Chairman, Director	November 2018	Present

Brendan Yurik – President, Chief Executive Officer and Director

Founder and CEO of Evenor Investments Ltd., a financial advisory group to junior mining companies for alternative financing, debt, equity and M&A with experience on over \$2 billion in mining financing transactions throughout his career. Prior global experience as a research analyst as well as in business development and mining financial advisory roles with Endeavour Financial, Cambrian Mining Finance Ltd., Northern Vertex Mining Corp. and King & Bay West Management Corp.

Mr. Yurik is, or was within the past five years, an officer and/or director of the following public companies:

Company	Market	Positions Held	From	To
Electric Royalties Ltd	TSXV	President, CEO and Director	June 2020	Present

Craig Lindsay, MBA, CFA – Director

Mr. Lindsay is Managing Director of Arbutus Grove Capital Inc. He was the Founder and CEO of Otis Gold Corp. (TSXV: 000) until its merger with Excellon Resources Inc. in April 2020. Prior to Otis, he was Founder and CEO of Magnum Uranium Corp. and led its sale to Energy Fuels Inc. He is a current director of Excellon Resources Inc. (TSX: EXN), VR Resources Ltd. (TSXV: VRR), Alianza Minerals Ltd. (TSXV: ANZ) AND Philippine Metals Inc. (TSXV: PHI). Mr. Lindsay has in excess of 25 years of experience in corporate finance, venture capital and public company management.

Mr. Lindsay is, or was within the past five years, an officer and/or director of the following public companies:

Company	Market	Positions Held	From	To
Electric Royalties Ltd. (formerly Rebel Capital Inc.)	TSX-V	Director	September 2016	Present
Otis Gold Corp.	TSX-V	CEO and Director	April 2007	April 2020
Alianza Minerals Ltd.	TSX-V	Director	November 2008	Present
Philippine Metals Inc.	TSX-V	CEO and Director	June 2011	Present
VR Resources Ltd.	TSX-V	Director	March 2017	Present
Excellon Resources Inc.	TSX	Director	April 2020	Present

Robert Schafer – Director

Mr. Schafer was a director of International Royalty Corp. (sold for \$800 million to Royal Gold) and has more than 30 years of experience working internationally in business development roles with major and junior mining companies as well as Past-President of the Prospectors and Developers Association of Canada (PDAC) and the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) and Past Chairman of the Canadian Mining Hall of Fame. Serves as a director of a number of public resource companies.

Mr. Schafer is, or was within the past five years, an officer and/or director of the following public companies:

Company	Market	Positions Held	From	To
Electric Royalties Ltd.	TSX-V	Director	June 2020	Present
Amur Minerals Company	AIM	Director	April 2004	Present
Volcanic Gold Inc.	TSX-V	Director	March 2017	Present
Trigon Metals Inc.	TSX-V	Director	April 2017	August 2019
Orosur Mining Inc.	TSX	Director	July 2018	April 2020
Renaissance Gold Inc.	TSX-V	Director	March 2020	Present

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

Bankruptcies, Penalties, Sanctions or Cease-Trade Orders

Except as disclosed below, within the 10 years preceding the date of this Information Circular no proposed nominee for election as a director of the Company was a director or executive officer of any company (including the Company in respect of which this Information Circular is prepared) or acted in that capacity for a company that was:

- (a) subject to a cease trade or similar order or an order denying the relevant company access to any exemptions under securities legislation, for more than 30 consecutive days;
- (b) subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under the securities legislation, for a period of more than 30 consecutive days;
- (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director;
- (d) subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) subject to any other penalties or sanctions imposed by a court or a regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Multiple Directorships

Other than Mr. Yurik, the directors of the Company also serve as directors of other companies in the mining and resource sector. It may occur from time to time that, as a consequence of a particular director's activity in the mineral industry and serving on such other boards, a director may become aware of potential resource property opportunities which are of interest to more than one of the companies on whose boards that person serves. Furthermore, it is possible that the directors of the Company and the directors of one or more such other companies (many of which are described herein) may also agree to allow joint participation on the properties on which the Company holds royalties-or the properties of that other company. Accordingly, situations may arise in the ordinary course, which involve a director in an actual or potential conflict of interest as well as issues in connection with the general obligation of a director to make corporate opportunities available to the company whose board the director serves. In all such events, any director is required to disclose a financial interest in a contract or transaction by virtue of office, employment or security holdings or other such interest in another company or in a property interest under consideration by the Board, and is obliged to abstain from voting as a director of the Company in respect of any transaction involving that other company or in respect of any property in which an interest is held by him. The directors will use their best business judgment to help avoid situations where conflicts or corporate opportunity issues might arise and they must at all times fulfil their duties to act honestly and in the best interests of the Company as required by law.

APPOINTMENT OF AUDITOR

Deloitte LLP ("**Deloitte**"), Chartered Professional Accountants, and Independent Registered Public Accounting Firm, 939 Granville St, Vancouver, British Columbia V6Z 1L3, will be nominated at the Meeting for appointment as auditor of the Company. Deloitte was first appointed as auditor of the Company upon completion of the Qualifying Transaction.

AUDIT AND RISK COMMITTEE AND RELATIONSHIP WITH AUDITOR

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

THE AUDIT AND RISK COMMITTEE'S CHARTER

The Audit and Risk Committee has adopted a charter setting out its mandate and responsibilities. The Charter is contained in the Company's Corporate Governance Policies and Procedures Manual (the "Manual") at Appendix 6, which is available for viewing under Corporate Governance of the Company's website www.electricroyalties.com.

COMPOSITION OF THE AUDIT AND RISK COMMITTEE

Members of the Audit and Risk Committee are Craig Lindsay (Chair), Marchand Snyman and Robert Schafer. Each member of the Audit and Risk Committee is financially literate and an independent director.

RELEVANT EDUCATION AND EXPERIENCE

See disclosure under heading "*Election of Directors*".

As a result of their education and experience, each member of the Audit and Risk Committee has familiarity with, an understanding of, or experience in:

- the accounting principles used by the Company to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- reviewing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, and
- an understanding of internal controls and procedures for financial reporting.

AUDIT AND RISK COMMITTEE OVERSIGHT

The Audit and Risk Committee has not made any recommendations to the Board to nominate or compensate any external auditor that was not adopted by the Board.

RELIANCE ON CERTAIN EXEMPTIONS

The Company's external auditor, Deloitte LLP, has not provided any material non-audit related services.

PRE-APPROVAL POLICIES AND PROCEDURES

Section 1(a)(iv) of the Audit and Risk Committee Charter states that the Audit and Risk Committee must review and approve in advance all permitted non-audit services with Company's auditors and the Audit and Risk Committee may delegate the ability to pre-approve such services to a subcommittee, provides such subcommittee shall present its decision to the full Audit and Risk Committee at the following Audit and Risk

Committee meeting. Other than the foregoing, the Audit and Risk Committee has not adopted specific policies and procedures for the engagement of non-audit services.

EXTERNAL AUDITOR SERVICE FEES

Prior to the completion of the Qualifying Transaction, KPMG LLP was the external auditor and was paid audit fees of \$6,000 for the fiscal year ended December 31, 2019 (Fiscal year ended March 31, 2017: \$5,000) while the Company was listed as a Capital Pool Company (CPC) on the TSX Venture Exchange.

After the completion of the Qualifying Transaction, Deloitte LLP were appointed as the auditors of the Company. Fees incurred with respect to the annual audit by Deloitte LLP for professional services in the last three fiscal years was \$20,000. Audit fees includes fees necessary to perform the annual audit and quarterly reviews of the Company's financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits. No other services from Deloitte LLP were received by the Company in the last three completed fiscal years.

EXEMPTION

The Company is a venture issuer as defined by NI 52-110 and is relying upon the exemption in section 6.2 of NI 52-110 in respect of Part 5 – *Reporting Obligations*.

CORPORATE GOVERNANCE

GENERAL

Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The Board is committed to sound corporate governance practices; as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

BOARD OF DIRECTORS

Applicable governance policies require that a listed issuer's board of directors determine the status of each director as independent or not, based on each director's interest in or other relationship with, the Company. Applicable governance policies recommend that a board of directors be constituted with a majority of directors who qualify as independent directors (as defined below). A board of directors should also examine its size with a view of determining the impact of the number of directors upon the effectiveness of the board of directors, and the board of directors should implement a system which enables an individual director to engage an outside advisor at the expense of the Company in appropriate circumstances. The Company's policies allow for retention of independent advisors for members of the board of directors when they consider it advisable.

Under the policies, an "independent" director is one who "has no direct or indirect material relationship" with the Company. Generally, a director is independent if he or she is free from any employment, business or other relationship that could, or could reasonably be expected to, materially interfere with the exercise of the director's independent judgment. A material relationship includes having been (or having a family member who has been), within the last three years, an employee or executive of the Company or having been employed by the Company's external auditor. Any individual (or whose family members or partners) received directly or indirectly, any consulting, advisory, accounting, legal fee or investment banking compensation from the Company (other than compensation for acting as a director) is deemed to have a material relationship with the Company.

The independent members of the Board are Craig Lindsay, Marchand Snyman, and Robert Schafer.

Brendan Yurik, a current director and Chief Executive Officer, is considered non-independent due to his executive management functions with the Company.

The Board monitors the activities of senior management through regular meetings and discussions amongst the Board members and between the Board and senior management. Communication between the independent directors also occur on an ongoing basis and as needs arise from regularly scheduled meetings of the Board. The Board also facilitates its independent supervision in a number of other ways including: by holding meetings without the presence of management; by retaining independent consultants; by relying on experience and understanding the obligations and expectations of directors and officers; and by reviewing corporate developments with larger shareholders, analysts and potential industry partners, where it deems necessary. The Board encourages independent directors to bring up and discuss any issues or concerns and the Board is advised of and addresses any issues or concerns raised thereby. The Board is of the view that its communication policy between senior management, members of the Board and shareholders is good. The Board believes that adequate structures and processes are in place to facilitate the functioning of the Board with a sufficient level of independence from the Company's management. The Board is satisfied with the integrity of the Company's internal controls and financial management information systems.

OTHER DIRECTORSHIPS

The section entitled "*Election of Directors*" above gives details of other reporting issuers of which each director is a director and/or officer where applicable.

ORIENTATION AND CONTINUING EDUCATION

When new directors are appointed, they receive an orientation commensurate with their previous experience on the Company's investments, business, and industry and on the responsibilities of the directors. The Company will focus on retaining experienced candidates as directors, and hence, the orientation needed should be minimized. Board meetings generally include presentations by the Company's senior management in order to give the directors full insight into the Company's operations.

ETHICAL BUSINESS CONDUCT

The Board has adopted a Code of Ethics and Trading Restrictions policy, which deals with issues concerning ethical conduct and insists that all members of management of the Company, and all employees adhere to this code. The Code of Ethics and Trading Restrictions Policy can be found in Appendix 4 to the Manual and is available for viewing on the Company's website, under Corporate Governance (www.electricroyalties.com). The Board also understands that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

NOMINATION OF DIRECTORS

The Nominating and Governance Committee will consider the size of the Board each year when it considers the number of directors to recommend to the Board and shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience. The specific duties of the Nominating and Governance Committee Charter, which is set out as Appendix 8 of the Corporate Governance Manual and available on the Company's website (www.electricroyalties.com).

The current members of the Nominating and Governance Committee are Marchand Snyman (Chair), Craig Lindsay and Robert Schafer.

COMPENSATION

The Compensation Committee reviews and recommends to the Board the compensation for the directors and executive officers, including the CEO, and its specific duties are prescribed in the Compensation Committee Charter, which is set out as Appendix 7 to the Manual and is available for viewing on the Company's website under Corporate Governance at www.electricroyalties.com.

The current members of the Compensation Committee are Robert Schafer (Chair), Marchand Snyman and Craig Lindsay.

OTHER BOARD COMMITTEES

The Board has no committees other than the Audit and Risk Committee, the Compensation Committee and the Nominating and Governance Committee.

ASSESSMENTS

The Board and the Nominating and Governance Committee monitor the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and its committees. Under its charter, the Nominating and Governance Committee oversees an annual formal assessment of the Board and all its committees. The Board is satisfied with the overall corporate achievements of the Company and believes this reflects well on the Board and its practices.

STATEMENT OF EXECUTIVE COMPENSATION

BASIS OF PRESENTATION

Prior to the completion of the Qualifying Transaction, due to its CPC status, the Company did not pay any cash compensation to its officers and directors. As the Qualifying Transaction was a reverse takeover of the Company, the resulting issuer was a continuation of the business of the Operating Entity, which also did not pay any compensation to its officers and directors since its inception to December 31, 2019. This Information Circular includes the executive compensation discussions relating to the Operating Entity.

NAMED EXECUTIVE OFFICERS

In this section "Named Executive Officer" (or "**NEO**") means each of the following individuals:

- a) the Chief Executive Officer ("**CEO**");
- b) the Chief Financial Officer ("**CFO**");
- c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and
- d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company, nor acting in a similar capacity, at December 31, 2019.

The NEOs of the Operating Entity as at December 31, 2019 are as follows:

- Brendan Yurik – CEO of the Company; and
- Luqman Khan – CFO of the Company

SUMMARY COMPENSATION TABLE

Compensation paid to the NEOs during the Company's three most recently completed financial years ended December 31, 2019, 2018 and 2017 is set out below and expressed in Canadian dollars unless otherwise noted:

Name and principal position	Fiscal Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans (\$)	Long-term incentive plans (\$)			
Brendan Yurik ⁽¹⁾ CEO	2019	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2018	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2017	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Luqman Khan ⁽²⁾ CFO	2019	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2018	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2017	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) Mr. Yurik was appointed as a CEO of the Company in July 2019. Mr. Yurik was not entitled to receive any remuneration from the Company during the year ended December 31, 2019. Effective January 1, 2020, Mr. Yurik entered into an employment agreement with the Company whereby he is entitled to receive a base salary of \$150,000 per year.
- (2) Mr. Khan was appointed as a CFO of the Company in July 2019. Mr. Khan provide services through a private consulting firm. Services of Mr. Khan are not received on a full-time basis; instead, his services are received on an as-needed basis.

INCENTIVE PLAN AWARDS

Outstanding Share-based Awards and Option-based Awards

The Company currently has an option-based awards plan. The following table sets out the option-based awards outstanding as at December 31, 2019, for each NEO:

Name	Option-based Awards			
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date m-d-y	Value of unexercised in-the-money options (\$)
Brendan Yurik	Nil	Nil	N/A	Nil
Luqman Khan	Nil	Nil	N/A	Nil

Incentive Plan Awards – Value Vested or Earned

The following table sets out all incentive plans (value vested or earned) during the year ended December 31, 2019, for each NEO:

Name	Option-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Brendan Yurik	Nil	Nil
Luqman Khan	Nil	Nil

PENSION PLAN BENEFITS

The Company has no pension or deferred compensation plans for its directors, officers or employees.

TERMINATION AND CHANGE OF CONTROL BENEFITS

Except as otherwise outlined herein and in accordance with the Employment Standards Act (British Columbia), there are no compensatory plan(s) or arrangement(s), with respect to any NEO resulting from the resignation, retirement or any other termination of employment of the officer's employment or from a change of the NEO's responsibilities following a change in control.

DIRECTOR COMPENSATION

Philosophy and Objectives

The main objective of director compensation is to attract and retain directors with the relevant skills, knowledge and abilities to carry out the Board's mandate.

Director Compensation

No compensation was provided to the directors for the financial year of December 31, 2019.

COMPENSATION ACTIONS, DECISIONS OR POLICIES MADE AFTER DECEMBER 31, 2019.

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

In July 2020, the Company granted to its directors and officers 2,050,000 share purchase options with a 5-year term and an exercise price of \$0.29 per share. One-third of the options vested immediately on the grant date and remaining two-thirds will vest in two equal tranches after 6 and 12 months, respectively, from the grant date.

In July 2020, the Board approved the executive compensation for 12 months commencing July 1, 2020, whereby non-management directors of the Company will receive an annual retainer fee of \$15,000 in their capacity as directors. Additionally, the Chair of the each Board Committee will receive \$5,000 annually, and each member will receive \$2,000 annually for each Committee served.

COMPENSATION COMMITTEE AND GOVERNANCE

After the completion of the Qualifying transaction, in July 2020, the Compensation Committee of the Board was constituted to assist the Board in carrying out its responsibilities relating to executive and director compensation, including: reviewing and recommending director compensation, overseeing the Company's base compensation structure and equity-based compensation program, recommending compensation of the Company's officers and employees, evaluating performance of officers generally and in light of annual goals and objectives. The charter for the Compensation Committee is included in the Corporate Governance Policies and Procedures Governance Manual and is available for viewing from the Company's website under Corporate Governance.

The current members of the Compensation Committee of the Company as stated above are Robert Schafer (Chair), Marchand Snyman and Craig Lindsay, all of whom are independent directors. The Compensation Committee assists the Board in carrying out its responsibilities relating to executive and director compensation.

The members of the Compensation Committee possess the skills and experience that enable the committee to make decisions on the suitability of the Company's compensation policies and practices.

As a result of their education and experience, each member of the Compensation Committee has familiarity with, an understanding of, or experience in:

- (a) reviewing compensation philosophy including base compensation structures & incentive programs;
- (b) reviewing specific executive and director compensation;
- (c) administering of share options and other equity based compensation plans and the determination of share option grants; and
- (d) reviewing performance goals and the assessments of corporate officers.

All members of the Compensation Committee serve on other boards of publicly traded companies and have experience in the area of compensation and related issues. See disclosure under "*Election of Directors*" for relevant education and experience of policies of the Compensation Committee.

The Compensation Committee has, among other things, the following duties, responsibilities and authority:

- (a) to recommend to the Board the form and amount of compensation to be paid by the Company to directors for service on the Board and on its committees. The Compensation Committee shall review director compensation at least annually.
- (b) to annually review the Company's base compensation structure and the Company's incentive compensation, share option and other equity-based compensation programs and recommend changes in or additions to such structure and plans to the Board as needed.
- (c) to recommend to the Board the annual base compensation of the Company's executive officers and senior managers (collectively the "Officers").
- (d) to recommend to the Board annual corporate goals and objectives under any incentive compensation plan adopted by the Company for Officers, and recommend incentive compensation participation levels for Officers under any such incentive compensation plan. In determining the incentive component of compensation, the Compensation Committee will consider the Company's performance and relative shareholder return, the values of similar incentives at comparable companies and the awards given in past years.
- (e) to evaluate the performance of Officers generally and in light of annual corporate goals and objectives under any incentive compensation plan.

- (f) to periodically review with the Chairman and CEO their assessments of corporate officers and senior managers and succession plans and make recommendations to the Board regarding appointment of officers and senior managers.
- (g) to administer the Company's share option and other equity based compensation plans and determine the annual grants of share options and other equity based compensation.
- (h) to recommend to the Nominating and Governance Committee the qualifications and criteria for membership on the Compensation Committee.

Due to the small size of the Company and the current level of the Company's activities, the Compensation Committee is able to closely monitor and consider any risks which may be associated with the Company's compensation policies and practices. Risks, if any, may be identified and mitigated through regular meetings of the Board during which financial and other information of the Company are reviewed. No risks have been identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

Executive compensation is comprised of short-term compensation in the form of a base salary and long-term ownership through the Company's share option plan. This structure ensures that a significant portion of executive compensation (stock options) is both long-term and "at risk" and, accordingly, is directly linked to the achievement of business results and the creation of long-term shareholder value. As the benefits of such compensation, if any, are not realized by officers until a significant period of time has passed, the ability of officers to take inappropriate or excessive risks that are beneficial to their compensation at the expense of the Company and the shareholders is extremely limited. Furthermore, the short-term component of the executive compensation (base salary) represents a relatively small part of the total compensation. As a result, it is unlikely that an officer would take inappropriate or excessive risks at the expense of the Company or the shareholders that would be beneficial to their short-term compensation when their long-term compensation might be put at risk from their actions.

Report on Executive Compensation

This report on executive compensation has been authorized by the Compensation Committee. The Board assumes responsibility for reviewing and monitoring the long-range compensation strategy for the Company's senior management, although the Compensation Committee guides it in this role. As part of its mandate, the Board determines the type and amount of compensation for the Company's executive officers. In addition, the Board reviews the methodology utilized by the Company for setting salaries of employees throughout the organization.

The Company's compensation policies and programs are designed to be competitive with similar companies and to recognize and reward executive performance consistent with the success of the Company's business.

Philosophy and Objectives

The Company's senior management compensation program is designed to ensure that the level and form of compensation achieves certain objectives, including:

- (a) attracting and retaining talented, qualified and effective executives;
- (b) motivating the short and long-term performance of these executives; and
- (c) better aligning their interests with those of the Company's Shareholders.

In compensating its senior management, the Company employs a combination of base salary, bonus compensation and equity participation through its share option plan and other equity participation plans.

Base Salary

In the Board's view, paying base salaries that are competitive in the markets in which the Company operates is a first step to attracting and retaining talented, qualified and effective executives. The NEOs are paid a salary in

order to ensure that the compensation package offered by the Company is in line with that offered by other companies in our industry, and as an immediate means of rewarding the NEO for efforts expended on behalf of the company.

The salary to be paid to a particular NEO is determined by gathering competitive salary information on comparable companies within the industry from a variety of sources, including surveys conducted by independent consultants and national and international publications. Payment of a cash salary fits within the objective of the compensation program since it rewards each NEO for performance of his duties and responsibilities.

Bonus Compensation

The Board considers performance, shareholder benefits achieved, competitive factors and other matters in awarding bonuses, including if sufficient cash resources are available for the granting of bonuses.

All Other Fees

There were no other fees paid to any consultants or advisors relating to executive compensation.

Executive Compensation-Related Fees

No compensation was paid to any compensation consultants in respect of executive compensation studies for the Company's two most recently completed financial years.

Equity Participation – Option Based Awards

The Company has a share option plan (the "Option Plan"). The Option Plan was established to provide incentive to qualified parties to increase their proprietary interest in the Company, encourage the alignment of interests with its shareholders, and foster their continued association with the Company.

Long term incentives are comprised of share options. The Compensation Committee is delegated the authority to grant share options. The Compensation Committee reviews the grants of share options to directors, management, employees and consultants. Share options are generally granted annually, and at other times of the year to individuals commencing employment with the Company. Share option exercise prices are set in accordance with policies of the TSX Venture Exchange ("TSXV rules") and are based on the closing trading price prior to the date of grant.

The Company believes that encouraging its executives, employees and directors to become shareholders is the best way of aligning their interests with those of its Shareholders. Equity participation is accomplished through the Option Plan. Share options are granted taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses, and competitive factors. Share options vest on terms established by the Compensation Committee.

The Company's long term incentives are designed to foster and promote the long-term financial success of the Company by strengthening the ability of the Company to attract and retain highly competent employees, motivating performance through incentive compensation, promoting greater alignment of interests between employees and shareholders in creating long-term shareholder value, and enabling employees to participate in the long-term growth and financial success of the Company. Share options provide employees with the opportunity to participate in the growth of the Company's share price as well as benefit from the favourable tax treatment applicable to this form of compensation.

See disclosure under "*Particular of Matters to be Acted Upon*" for material terms of the Option Plan.

General

The Compensation Committee considered the implications of the risks associated with the Company's compensation policies and practices and concluded that, given the nature of the Company's business and the role of the Compensation Committee in overseeing the Company's executive compensation practices, the

compensation policies and practices do not serve to encourage any non executive officer NEO or individual at a principal business unit or division to take inappropriate or excessive risks, and no risks were identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

The Company has adopted a policy restricting its NEOs and directors from purchasing financial instruments including prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director. For the years ended December 31, 2019 and 2018, no NEO or director, directly or indirectly, employed a strategy to hedge or offset a decrease in market value of equity securities granted as compensation or held.

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

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out equity compensation plan information as at the December 31, 2019 and is retroactively adjusted to reflect the Consolidation pursuant to the Qualifying Transaction as described herein in section entitled "Voting Securities and Principal Holders of Voting Securities":

	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders	100,000	\$0.20	2,230,000
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	100,000	\$0.20	2,230,000

In July 2020, the Company granted 3,898,500 share purchase options with exercise price of \$0.29 to its directors, officers, employees and consultants. As of the date of this Information Circular, there were 48,255,101 common shares of the Company outstanding and there were 3,998,500 share purchase options outstanding under the Company's Share Option Plan with weighted average exercise price of \$0.29 leaving 827,010 securities remaining available for future issuance under the Option Plan.

See "Particulars of Matters to be Acted Upon" for a description of the material terms of the Company's Share Option Plan.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

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

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of management of the Company, no informed person (a director, officer or holder of 10% or more of the Common Shares) or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected

or could materially affect the Company or any of its subsidiaries during the fiscal year ended December 31, 2019, or has any interest in any material transaction in the current year other than as set out herein.

MANAGEMENT CONTRACTS

There are no management contracts.

PARTICULARS OF MATTERS TO BE ACTED UPON

PARTICULARS OF MATTERS TO BE ACTED UPON

1. SHARE OPTION PLAN

Approval of Stock Option Plan

At the Meeting, Shareholders of the Company will be asked to re-approve the continuation of the Company's stock option plan (the "Plan"). The purpose of the Plan is to provide an incentive to directors, employees and consultants to acquire a proprietary interest in the Company, to continue their participation in the affairs of the Company and to increase their efforts on behalf of the Company.

The following summary of the Plan does not purport to be complete and is qualified in its entirety by reference to the Plan. A full copy of the Plan will be available at the Meeting for review by Shareholders. Shareholders may also obtain copies of the Plan from the Company prior to the Meeting on written request.

The Board may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Company non-transferable options to purchase Common Shares, provided that the number of Common Shares reserved for issuance under the Plan shall not exceed ten percent (10%) of the issued and outstanding Common Shares exercisable for a period of up to ten (10) years. In addition, the number of Common Shares reserved for issuance to any one person shall not exceed five percent (5%) of the issued and outstanding Common Shares, the number of Common Shares reserved for issuance to any one consultant will not exceed two percent (2%) of the issued and outstanding Common Shares in any twelve (12) month period and the number of Common Shares reserved for issuance to all consultants and employees conducting Investor Relations Activities (as such term is defined by TSXV) will not exceed two percent (2%) of the issued and outstanding Common Shares in any twelve (12) month period. The Board determines the price per Common Share and the number of Common Shares which may be allotted to each director, officer, employee and consultant and all other terms and conditions of the option, subject to the rules of TSXV. The price per Common Share set by the Board shall not be less than the last closing price of the Common Shares on the TSXV prior to the date on which such option is granted, less the applicable discount permitted (if any) by the TSXV. No option may be exercised after an optionee has left his or her employ/office or has been advised by the Company that his services are no longer required or his service contract has expired, except as set forth in the Plan.

If the holder of an option ceases to be a director, officer, employee or consultant of the Company upon or after the completion of the Qualifying Transaction (as defined in the CPC Policy), such holder's options must be exercised within the later of: (i) twelve (12) months after the completion of the Qualifying Transaction; and (ii) ninety (90) days from the date of termination of employment or cessation of position with the Company.

Shareholders will be asked at the Meeting to approve, with or without variation, the following ordinary resolution:

“BE IT RESOLVED THAT:

(a) the Company’s stock option plan be ratified, confirmed and approved, and that a maximum of 10% of the issued and outstanding Common Shares at the time of each grant be approved for granting as options; and

(b) any one director or officer of the Company be authorized and directed to do all acts and things and to execute and deliver all documents required, as in the opinion of such director or officer may be necessary or appropriate in order to give effect to this resolution.”

A copy of the Plan is available at the records office of the Company at 745 Thurlow Street, Suite 2400 Vancouver, British Columbia, V6E 0C5 until the business day immediately preceding the date of the Meeting, and a copy will also be made available at the Meeting.

ADDITIONAL INFORMATION

Additional information relating to the Company is included in the Company’s Audited Financial Statements for the years ended December 31, 2019 and 2018, Report of Independent Accounting Firm, and related Management Discussion and Analysis filed under the Company’s profile on SEDAR at www.sedar.com. Copies of the Company’s most recent interim financial statements and related management discussion and analysis, and additional information, may also be obtained from SEDAR and upon request from the Company at telephone no. (604) 639-9200 or Fax no. (604) 684-8092.

OTHER MATTERS

The Board of Directors is not aware of any other matters which it anticipates will come before the Meeting as of the date of this Information Circular.

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

DATED at Vancouver, British Columbia, August 10, 2020.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ Brendan Yurik

Brendan Yurik

President and Chief Executive Officer

