



## INFORMATION CIRCULAR

### FOR THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON DECEMBER 17, 2020

This information is given as of November 10, 2020 unless otherwise noted.

#### PERSONS MAKING THE SOLICITATION

This Information Circular is furnished in connection with the solicitation of proxies by the management of AZINCOURT ENERGY CORP. (the "Company") for use at the Annual and Special Meeting (the "Meeting") of the shareholders of the Company, to be held on **Thursday, December 17, 2020**, at the time and location and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof.

Except as noted below, the Company has distributed or made available for distribution, copies of the Notice, the Information Circular and form of proxy or voting instruction form ("VIF") (if applicable) (the "Meeting Materials") to clearing agencies, securities dealers, banks and trust companies or their nominees (collectively, the "Intermediaries") for distribution to Beneficial Shareholders (as defined below) whose common shares are held by or in custody of such Intermediaries. Such Intermediaries are required to forward such documents to Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them. The Company is sending proxy-related materials directly to NOBOs (as defined below), through the services of its transfer agent and registrar, Computershare Investor Services Inc. The solicitation of proxies from Beneficial Shareholders will be carried out by the Intermediaries or by the Company if the names and addresses of the Beneficial Shareholders are provided by Intermediaries. The Company will pay the permitted fees and costs of Intermediaries incurred in connection with the distribution of the Meeting Materials. The Company is not relying on the notice-and-access provisions of securities laws for delivery of the Meeting Materials to registered shareholders or Beneficial Shareholders.

#### APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are directors and/or officers of the Company. **A shareholder has the right to appoint a person (who need not be a shareholder) to attend and act for such shareholder and on his, her or its behalf at the Meeting other than the persons designated in the enclosed form of proxy.** Such right may be exercised by inserting in the blank space provided for that purpose the name of the desired person or by completing another proper form of proxy and, in either case, delivering the completed and executed proxy to the Company's transfer agent and registrar, TSX Trust Company, Proxy Department, 100 Adelaide Street West, Suite 301, Toronto, ON M5H 4H1, or by fax at 416-595-9593, not later than forty-eight (48) hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting or any adjournment thereof, or delivering it to the chairman of the Meeting on the day of the Meeting or any adjournment thereof prior to the time of voting. A proxy must be executed by the registered shareholder or his, her or its attorney duly authorized in writing or, if the shareholder is a corporation, by an officer or attorney thereof duly authorized.

Proxies given by shareholders for use at the Meeting may be revoked prior to their use:

- (a) by depositing an instrument in writing executed by the shareholder or by such shareholder's attorney duly authorized in writing or, if the shareholder is a corporation, by an officer or attorney thereof duly authorized indicating the capacity under which such officer or attorney is signing:
  - (i) at the registered office, Suite 2900 – 595 Burrard Street, Vancouver, BC, V7X 1J5, at any time up to and including the last business day preceding the day of the Meeting, or if adjourned, any reconvening thereof; or
  - (ii) with the chairman of the Meeting on the day of the Meeting or any adjournment thereof; or

- (b) in any other manner permitted by law.

### EXERCISE OF DISCRETION BY PROXIES

The persons named in the accompanying form of proxy will vote the common shares in respect of which they are appointed in accordance with the direction of the shareholders appointing them. The common shares represented by the proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any ballot that may be called for and, if the shareholder specifies a choice with respect to any matter to be acted on, the common shares will be voted accordingly. **In the absence of such direction, where the management nominees are appointed as proxyholder, such common shares will be voted in favour of the passing of the matters set out in the Notice. The form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice and with respect to other matters which may properly come before the Meeting or any adjournment thereof.** At the time of the printing of this Information Circular, the 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. **However, if any other matters which at present are not known to the management of the Company should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the named proxies.**

### ADVICE TO BENEFICIAL SHAREHOLDERS

Shareholders should note that only proxies deposited by shareholders whose names appear on the records of the Company as the registered holders of common shares, or non-objecting beneficial owners (“NOBOs”) whose names has been provided to the Company’s registrar and transfer agent, can be recognized and acted upon at the Meeting. The information set forth in this section is therefore of significant importance to a substantial number of shareholders who do not hold their common shares in their own name (referred to in this section as “Beneficial Shareholders”). If common shares are listed in an account statement provided to a shareholder by an Intermediary, then in almost all cases those common shares will not be registered in such shareholder’s name on the records of the Company. Such common shares will more likely be registered under the name of the shareholder’s Intermediary or an agent of that Intermediary. In Canada, the vast majority of such common shares are registered under the name of CDS & Co., as nominee for CDS Clearing and Depository Services Inc., which acts as a depository for many Canadian Intermediaries. Common shares held by Intermediaries or their nominees can only be voted for or against resolutions upon the instructions of the Beneficial Shareholder. Without specific instructions, Intermediaries are prohibited from voting common shares for their clients.

Applicable regulatory policy requires Intermediaries 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, which should be carefully followed by Beneficial Shareholders in order to ensure that their common shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its Intermediary is identical to the form of proxy provided by the Company to the Intermediaries. However, its purpose is limited to instructing the Intermediary how to vote on behalf of the Beneficial Shareholder. The majority of Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“Broadridge”). Broadridge typically mails the VIFs or proxy forms to the Beneficial Shareholders and asks the Beneficial Shareholders to return the VIFs or proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of common shares to be represented at the Meeting. A Beneficial Shareholder receiving a proxy or VIF from Broadridge cannot use that proxy to vote common shares directly at the Meeting - the proxy must be returned to Broadridge well in advance of the Meeting in order to have the common shares voted.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of their Intermediary, a Beneficial Shareholder may attend the Meeting as proxyholder for the Intermediary and vote their common shares in that capacity.

Should a NOBO wish to attend and vote at the Meeting in person, the NOBO must insert his or her name (or the name of the person that the NOBO wants to attend and vote on the NOBO’s behalf) in the space provided on the VIF and return it to the Company or its transfer agent. If the Company receives a written request that the NOBO or its nominee be appointed as proxyholder, if management is holding a proxy with respect to common shares beneficially owned by such NOBO, the Company will arrange, without expense to the NOBO, to appoint the NOBO

or its nominee as proxyholder in respect of those common shares. Under NI 54-101, unless corporate law does not allow it, if the NOBO or its nominee is appointed as proxyholder by the Company in this manner, the NOBO or its nominee, as applicable, must be given the authority to attend, vote and otherwise act for and on behalf of management in respect of all matters that come before the meeting and any adjournment or postponement of the meeting. If the Company receives such instructions at least one business day before the deadline for submission of proxies, it is required to deposit the proxy within that deadline, in order to appoint the NOBO or its nominee as proxyholder. **If a NOBO requests that the NOBO or its nominee be appointed as proxyholder, the NOBO or its appointed nominee, as applicable, will need to attend the meeting in person in order for the NOBOs vote to be counted.**

**NOBOs that wish to change their vote must in sufficient time in advance of the Meeting contact their Intermediary to arrange to change their vote. NOBOs should carefully follow the instructions of their Intermediaries, including those regarding when and where to complete the VIF's that are to be returned to their Intermediaries.**

Should an objecting beneficial owner (an "OBO") wish to attend and vote at the Meeting in person, the OBO should insert his or her name (or the name of the person the OBO wants to attend and vote on the OBO's behalf) in the space provided for that purpose on the request for voting instructions form and return it to the OBO's Intermediary or send the Intermediary another written request that the OBO or its nominee be appointed as proxyholder. The Intermediary is required under NI 54-101 to arrange, without expense to the OBO, to appoint the OBO or its nominee as proxyholder in respect of the OBO's common shares. Under NI 54-101, unless corporate law does not allow it, if the Intermediary makes an appointment in this manner, the OBO or its nominee, as applicable, must be given authority to attend, vote and otherwise act for and on behalf of the Intermediary (who is the registered shareholder) in respect of all matters that come before the meeting and any adjournment or postponement of the meeting. An Intermediary who receives such instructions at least one business day before the deadline for submission of proxies is required to deposit the proxy within that deadline, in order to appoint the OBO or its nominee as proxyholder. **If an OBO requests that an Intermediary appoint the OBO or its nominee as proxyholder, the OBO or its appointed nominee, as applicable, will need to attend the meeting in person in order for the OBOs vote to be counted.**

**OBOs should carefully follow the instructions of their Intermediary, including those regarding when and where the completed request for voting instructions is to be delivered. Only registered shareholders have the right to revoke a proxy. OBOs 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.**

Shareholders with questions respecting the voting of shares held through an Intermediary should contact that Intermediary for assistance.

All references to shareholders in this Information Circular and the accompanying form of proxy and Notice are to shareholders of record unless specifically stated otherwise.

#### **NOTE TO NON-OBJECTING BENEFICIAL OWNERS**

The Meeting Materials are being sent to both registered and NOBOs. If you are a NOBO, and the Company or its agent has sent the Meeting Materials directly to you, your name and address and information about your holdings of common shares, have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf. By choosing to send the Meeting Materials to you directly, the Company (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering the Meeting Materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

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

The authorized capital of the Company consists of an unlimited number of common shares without par value. As at November 10, 2020, 199,532,750 common shares were issued and outstanding.

The Company has fixed the close of business on November 10, 2020 as the record date (the “Record Date”) for the purposes of determining shareholders entitled to receive the Notice and vote at the Meeting. At a general meeting of the Company, on a show of hands, every shareholder present in person shall have one vote and, on a poll, every shareholder shall have one vote for each common share of which he, she or it is the holder. The Company has no other classes of voting securities.

In accordance with the provisions of the *Business Corporations Act* (British Columbia), the Company will prepare a list of the holders of common shares on the Record Date. Each holder of common shares named on the list will be entitled to vote the common shares shown opposite his, her or its name on the list at the Meeting.

To the knowledge of the directors and senior officers of the Company, no person or company beneficially owns, directly or indirectly or exercises control or direction over, shares carrying more than 10% of the voting rights attached to all outstanding common shares of the Company.

The above information was provided by management of the Company and the Company’s registrar and transfer agent as of the Record Date.

### **VOTES NECESSARY TO PASS RESOLUTIONS**

Under the Company’s Articles, the quorum for the transaction of business at a meeting of shareholders is one person who is, or who represents by proxy, one or more shareholders who, in the aggregate, hold at least 5% of the issued common shares entitled to be voted at the Meeting. A simple majority of the votes of those shareholders who are present and vote either in person or by proxy at the Meeting is required in order to pass an ordinary resolution. A majority of two-thirds of the votes of those shareholders who are present and vote either in person or by proxy at the Meeting is required to pass a special resolution. There are no special resolutions proposed at this Meeting.

### **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

Other than as disclosed elsewhere in this Information Circular, none of the current directors or executive officers, no proposed nominee for election as a director, none of the persons who have been directors or executive officers since the commencement of the last completed financial year and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, save and except for those matters pertaining to the election of directors and the Company’s stock option plan.

### **STATEMENT OF EXECUTIVE COMPENSATION**

For the purpose of this Information Circular:

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

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

“**Named Executive Officer**” or “**NEO**” means: (a) a CEO; (b) a CFO; (c) the Company’s most highly compensated executive officers, including any of the Company’s subsidiaries, or the 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 and whose total compensation was, individually, more than \$150,000 as determined in accordance with subsection 1.3(5) of Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*, for that financial year; and (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity at the end of the most recently completed financial year.

During the years ended September 30, 2020 and September 30, 2019, the Company had two Named Executive Officers, namely Alex Klenman, the CEO, and Vivien Wei Li Chuang, the CFO.

*All dollar amounts referenced herein are Canadian Dollars unless otherwise specified.*

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

The Company's board of directors (the "Board") did not have a compensation committee of its Board. Any compensation paid by the Company to its NEOs is determined by the Board. The Board evaluates the performance of the NEOs, establishes executive and senior officer compensation and determines the general compensation structure, policies and programs of the Company. The Board recognizes the need to provide a total compensation package that will attract and retain qualified and experienced executives, as well as align the compensation level of each executive to that executive's level of responsibility. In general, a NEO's compensation is comprised of (i) base salary; (ii) option based awards; and (iii) bonus.

The directors and NEOs are not permitted to purchase financial instruments, including for greater certainty, 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 director or NEO.

### Director Compensation

The current directors do not receive any fees for acting as directors or audit committee members. The Company will reimburse directors for their out-of-pocket costs incurred if attending Board or Board committee meetings. The Company will also grant incentive stock options from time to time in accordance with the terms of the Company's Stock Option Plan and the policies of the TSX Venture Exchange (the "TSXV"). The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the directors of the Company and to closely align the personal interests of such persons to those of the shareholders.

### Director and Named Executive Officer Compensation

The following table (presented in accordance with National Instrument Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers*) sets forth all annual and long term compensation for services paid to or earned by each NEO and director for the two most recently completed financial years ended September 30, 2020 and 2019.

**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 (\$) |
|---|------|---|------------|--------------------------------|---------------------------|--------------------------------------|-------------------------|
| <b>Alex Klenman</b><br><i>CEO &amp; Director</i> <sup>1,2</sup> | 2020 | \$142,500   | nil        | nil                            | nil                       | nil                                  | \$142,500               |
|   | 2019 | \$142,500   | nil        | nil                            | nil                       | nil                                  | \$142,500               |
| <b>Paul S. Reynolds</b><br><i>Director</i> <sup>3</sup>         | 2020 | \$30,000  | nil        | nil                            | nil                       | nil                                  | \$30,000                |
|   | 2019 | \$30,000  | nil        | nil                            | nil                       | nil                                  | \$30,000                |
| <b>Terrence K. O'Connor</b><br><i>Director</i> <sup>4</sup>     | 2020 | nil   | nil        | nil                            | nil                       | nil                                  | nil                     |
|   | 2019 | \$18,000  | nil        | nil                            | nil                       | nil                                  | \$18,000                |
| <b>Vivien Chuang</b><br><i>CFO</i> <sup>5</sup>                 | 2020 | \$18,000  | nil        | nil                            | nil                       | nil                                  | \$18,000                |
|   | 2019 | \$18,000  | nil        | nil                            | nil                       | nil                                  | \$18,000                |

- Alex Klenman was appointed CEO on July 10, 2017, Corporate Secretary on August 1, 2017, and a director of the Company on January 22, 2018.
- Paid to 0949570 B.C. Ltd., a private company controlled by Alex Klenman, for providing Mr. Klenman's services as CEO of the Company.
- Paid to Westview Consulting Ltd., a private company controlled by Paul S. Reynolds, for providing Mr. Reynolds' services as director of the Company.
- Paid to TKLD Geological Inc., a private company controlled by Terrence K. O'Connor, for providing Mr. O'Connor's services as geological consultant of the Company.
- Paid to VC Consulting Corp., a private company controlled by Vivien Chuang, for providing Ms. Chuang's services as CFO of the Company.

### **Stock Options and Other Compensation Securities**

The only compensation securities available to be issued or granted by the Company to its directors and NEOs during the financial years ended September 30, 2020 and 2019 were incentive stock options under the Company's stock option plan. During those two financial years, the Company did not grant any stock options to its directors or NEOs for services provided or to be provided, directly or indirectly, to the Company.

During the financial years ended September 30, 2020 and 2019, no incentive stock options were exercised by any director or NEO.

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

The only stock option plan or other incentive plan the Company currently has in place is a 10% "rolling" stock option plan (the "Plan"), which authorizes the Board to grant options to directors, officers, employees and consultants to acquire up to 10% of the issued and outstanding common shares of the Company, from time to time. The underlying purpose of the Plan is to attract and motivate the directors, officers, employees and consultants of the Company and to advance the interests of the Company by affording such persons with the opportunity to acquire an equity interest in the Company through rights granted under the Plan.

The Plan was accepted for filing by the TSXV subsequent to its initial adoption and has been subsequently accepted following each yearly re-approval by the shareholders, as required under the policies of the TSXV. For details of the Plan, see "Particulars of Matters to be Acted Upon – Annual Approval of Stock Option Plan" below.

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

There were no agreements or arrangements in place under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the company that were:

- (a) performed by a director or named executive officer, or
- (b) performed by any other party but are services typically provided by a director or a named executive officer,

other than the grant of options under the Plan, and the reimbursement of expenses any director or NEO may have incurred on behalf of the Company.

In particular, there were no agreements or arrangement containing provisions with respect to change of control, severance, termination or constructive dismissal.

### **Pension disclosure**

The Company does not provide any form of pension to any of its directors or Named Executive Officers.

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

The following table provides information regarding the number of Common Shares to be issued upon the exercise of outstanding options and the weighted-average exercise price of the outstanding options in connection with the Stock Option Plan as at September 30, 2020:

| Plan Category  | Number of Common Shares to be issued upon exercise of outstanding options # | Weighted-average exercise price of outstanding options \$ | Number of Common Shares remaining available for future issuance under equity compensation plans # |
|--|---|---|---|
| Equity compensation plans approved by security holders     | 6,890,000   | 0.06  | 13,063,275  |
| Equity compensation plans not approved by security holders | nil   | nil   | nil   |
| <b>Total</b>   | <b>6,890,000</b>  | <b>0.06</b>   | <b>13,063,275</b>   |

1. Based on 199,532,750 shares outstanding as of September 30, 2020.

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

At no time during the last completed financial year was any current director, executive officer or employee or any former director, executive officer or employee of the Company, or any proposed nominee for election as a director of the Company:

- (a) indebted to the Company; or
- (b) 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,

other than routine indebtedness.

### INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

The term “informed person” as defined in National Instrument 51-102 *Continuous Disclosure Obligations* means a director or executive officer of the Company, or any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company, other than voting securities held by the person or company as underwriter in the course of a distribution.

To the knowledge of management of the Company, no informed person or nominee for election as a director of the Company, or any associate or affiliate of an informed person or proposed director, has or had any material interest, direct or indirect, in any transaction or in any proposed transaction during the 2020 financial year which has materially affected or will materially affect the Company or any of its subsidiaries, other than as set out below.

#### Private Placement

On January 3, 2019, the TSXV approved the Company’s non-brokered private placement of 3,983,333 flow-through units at a price of \$0.06 per unit. Each unit consisted of one flow-through common share (“FT Share”) and one-half of common share purchase warrant, of which one whole warrant entitles the holder to purchase one common share at an exercise price of \$0.10 for a period of one year from the date of issue. The following informed person participated in the private placement upon terms and conditions identical to those upon which arm’s length third parties participated:

| Name of Informed Person | Units Purchased | Subscription Proceeds |
|-------------------------|-----------------|-----------------------|
| Paul Reynolds           | 250,000         | \$15,000              |

## AUDIT COMMITTEE

Pursuant to the provisions of applicable corporate and securities law, and the policies of the TSXV, the Company is required to have an Audit Committee comprised of at least three directors, the majority of which must not be officers or employees of the Company.

The Company must also, pursuant to the provisions of National Instrument 52-110 *Audit Committees* (“NI 52-110”), have a written charter, which sets out the duties and responsibilities of its audit committee. In providing the following disclosure, the Company is relying on the exemption provided under NI 52-110, which allows for the short form disclosure of the audit committee procedures of venture issuers.

### **Audit Committee’s Charter**

#### *Mandate*

The primary function of the audit committee (the “Audit Committee”) is to assist the board of directors (the “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. Consistent with this function, the Audit Committee will encourage continuous improvement of, and should foster adherence to, the Company’s policies, procedures and practices at all levels. The Audit 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 systems and review the Company’s financial statements;
- review and appraise the performance of the Company’s external auditors; and
- provide an open avenue of communication among the Company’s auditors, financial and senior management and the Board.

#### *Composition*

The Audit Committee shall be comprised of three directors as determined by the Board, the majority of whom shall be free from any relationship that, in the opinion of the Board, would reasonably interfere with the exercise of his or her independent judgment as a member of the Audit Committee. At least one member of the Audit Committee shall have accounting or related financial management expertise. All members of the Audit Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Audit Committee’s Charter, the definition of “financially literate” is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company’s financial statements. The members of the Audit Committee shall be elected by the Board at its first meeting following the annual shareholders’ meeting.

#### *Meetings*

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

#### *Responsibilities and Duties*

To fulfill its responsibilities and duties, the Audit Committee shall:

#### Documents/Reports Review

- (a) Review and update this Charter as required.

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

#### External Auditors

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

#### *Financial Reporting Processes*

- (a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- (b) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.

- (c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- (i) Review certification process.
- (j) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

*Other*

Review any related-party transactions.

**Composition of the Audit Committee**

The Audit Committee is currently comprised of the following members:

|                          |                              |                                   |
|--------------------------|------------------------------|-----------------------------------|
| Paul S. Reynolds (Chair) | Independent <sup>1</sup>     | Financially literate <sup>1</sup> |
| Alex Klenman             | Not Independent <sup>1</sup> | Financially literate <sup>1</sup> |
| Terrence K. O'Connor     | Independent <sup>1</sup>     | Financially literate <sup>1</sup> |

1. As defined by NI 52-110.

**Relevant Education and Experience**

In addition to each member's general business experience, each of the Audit Committee members has the ability to read and understand financial statements and held director and/or officer positions with other reporting issuers in the mineral exploration and mining sector where he has been actively involved in financing and fundraising activities.

Each of the Company's Audit Committee members has been a director or officer of several public companies in the natural resource sector and as a director has been responsible for approving financial statements. See "Directorships" below.

**Audit Committee Oversight**

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

**Reliance on Certain Exemptions**

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

## Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described above under the heading “External Auditors”.

## External Auditor Service Fees (By Category)

The aggregate fees billed by the Company’s external auditors in each of the last two fiscal years for audit fees are as follows:

| Financial Year Ending | Audit Fees | Audit Related Fees <sup>1</sup> | Tax Fees <sup>2</sup> | All Other Fees <sup>3</sup> |
|-----------------------|------------|---------------------------------|-----------------------|-----------------------------|
| 2020                  | \$24,293   | nil                             | \$2,650               | nil                         |
| 2019                  | \$22,440   | nil                             | \$2,750               | nil                         |

1. Fees charged for assurance and related services reasonably related to the performance of an audit, and not included under “Audit Fees”.
2. Fees charged for tax compliance, tax advice and tax planning services.
3. Fees for services other than disclosed in any other column.

## CORPORATE GOVERNANCE

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company. National Policy 58-201 *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices. The Board is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“NI 58-101”) the Company is required to disclose its corporate governance practices, as summarized below. The Board will continue to monitor such practices on an ongoing basis and when necessary implement such additional practices as it deems appropriate.

### Board of Directors

The Board is currently composed of three directors: Alex Klenman (CEO), Paul S. Reynolds and Terrence O’Connor, all of whom will be standing for re-election as directors at the Meeting.

NI 58-101 suggests that the board of directors of a public company should be constituted with a majority of individuals who qualify as “independent” directors. An “independent” director is a director who is independent of management and is free from any interest and any business or other relationship which could, or could reasonably be perceived to materially interfere with the director’s ability to act with a view to the best interests of the Company, other than interests and relationships arising from shareholding. In addition, where a company has a significant shareholder, NP 58-101 suggests that the board of directors should include a number of directors who do not have interests in either the company or the significant shareholder. Of the proposed nominees of the Company, Paul S. Reynolds and Terrence O’Connor are considered by the Board to be “independent” within the meaning of NI 58-101, and Alex Klenman (CEO) is considered to be “non-independent”.

Each member of the Board understands that he is entitled, at the cost of the Company, to seek the advice of an independent expert if he reasonably considers it warranted under the circumstances. No director found it necessary to do so during the financial years ended September 30, 2020 or 2019.

## Directorships

The current directors of the Company are also directors of the following other reporting issuers:

| Director             | Other Reporting Issuer(s)   | Exchange  |
|----------------------|---|---|
| Terrence K. O'Connor | Plateau Energy Metals Inc.  | TSX Venture   |
| Paul S. Reynolds     | Cairo Resources Inc.<br>Eagle Plains Resources Ltd.<br>Taiga Gold Corp.   | TSX Venture<br>TSX Venture<br>Canadian Securities   |
| Alex Klenman         | Nexus Gold Corp.<br>Blackhawk Growth Corp.<br>Manning Ventures Inc.<br>Tisdale Resources Corp.<br>Cross River Ventures Corp.<br>West Mining Corp.<br>Ord Mountain Resources Corp.<br>Leocor Gold Inc.<br>Arbor Metals Corp. | TSX Venture<br>Canadian Securities<br>Canadian Securities<br>TSX Venture<br>Canadian Securities<br>TSX Venture<br>TSX Venture<br>Canadian Securities<br>TSX Venture |

## Orientation and Continuing Education

New directors are briefed on the Company's current property holdings, ongoing exploration programs, overall strategic plans, short, medium and long term corporate objectives, financials status, general business risks and mitigation strategies, and existing company policies. There is no formal orientation for new members of the Board. This is considered to be appropriate, given the Company's size and current level of operations, the ongoing interaction amongst the directors and the low director turn-over. However, if the growth of the Company's operations warrants it, it is possible that a formal orientation process would be implemented.

The skills and knowledge of the Board as a whole is such that no formal continuing education process is currently deemed required. The Board is comprised of individuals with varying backgrounds, who have, both collectively and individually, extensive experience in running and managing public companies, particularly in the natural resource sector. Board members are encouraged to communicate with management, auditors and technical consultants to keep themselves current with industry trends and developments and changes in legislation, with management's assistance. The directors are advised that, if a director believes that it would be appropriate to attend any continuing education event for corporate directors, the Company will pay for the cost thereof. Board members have full access to the Company's records. Reference is made to the table under the heading "Election of Directors" for a description of the current principal occupations of the members of the Board.

## Ethical Business Conduct

The Board has adopted a written Code of Ethical Conduct (the "Code") for its directors, officers and employees. A copy of the Code is available free of charge to any person upon request to the Company at Suite 1430 – 800 West Pender Street, Vancouver, British Columbia, V6C 2V6 (Telephone: 604.638.8063) and may be found on [www.sedar.com](http://www.sedar.com).

In addition, as some of the directors of the Company also serve as directors and officers of other companies engaged in similar business activities, the Board must comply with the conflict of interest provisions of the British Columbia *Business Corporations Act*, as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors which evoke any such conflict.

## Nomination of Directors and Assessment

The Board determines new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members. The Board monitors but does not formally assess the performance of individual Board members or committee members or their contributions. The Company conducts the due diligence, reference and background checks on any suitable candidate. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required and a willingness to serve.

## Board Committees

The Company currently has one committee, the *Audit Committee*, comprising of Paul S. Reynolds (Chair), Alex Klenman and Terrence K. O'Connor. All Board decisions are made by full board of director meetings or consent resolutions.

## Assessments

Neither the Company nor the Board has determined formal means or methods to regularly assess the Board, its committees or the individual directors with respect to their effectiveness and contributions. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of an individual director is informally monitored by the other Board members, having in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

## MANAGEMENT CONTRACTS

Management functions of the Company are generally performed by directors and senior officers of the Company and not, to any substantial degree, by any other person to whom the Company has contracted.

## FINANCIAL STATEMENTS

The audited financial statements of the Company for the years ended September 30, 2020 and 2019, reports of the auditor and related management discussions and analysis (together, the "financial statements") will be placed before the Meeting. No formal action will be taken at the Meeting to approve the financial statements.

## PARTICULARS OF MATTERS TO BE ACTED UPON

### A. Election of Directors

The Board presently consists of three directors. The Board has determined that the number of directors to be elected to the Board at the Meeting be set at three, subject to such increases as may be permitted by the articles of the Company.

The directors of the Company are elected annually and hold office until the next annual general meeting of the Shareholders or until their successors are elected or appointed. Management proposes to nominate the persons listed below for election as directors of the Company to serve until their successors are elected or appointed. In the absence of instructions to the contrary, Proxies given pursuant to the solicitation by Management will be voted for the nominees listed in this Information Circular. **Management does not contemplate that any of the nominees will be unable to serve as a director.**

The following table sets out the names of the persons to be nominated for election as directors, the positions and offices which they presently hold with the Company, their respective principal occupations or employments during the past five years if such nominee is not presently an elected director and the number of shares of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of this Information Circular:

| <b>Name, Province/State and Country of Residence and Other Positions, if any, held with the Company</b> | <b>Date First Became a Director</b> | <b>Principal Occupation</b>   | <b>Number of Shares<sup>1</sup></b> |
|---|-------------------------------------|---|-------------------------------------|
| <b>ALEX KLENMAN<sup>2</sup></b><br>British Columbia, Canada<br><i>CEO, Director, Secretary</i>          | January 22, 2018                    | CEO of the Company since July 10, 2017 and Corporate Secretary of the Company since August 1, 2017; President and CEO of Nexus Gold Corp. | 925,000 <sup>3</sup>                |
| <b>PAUL S. REYNOLDS<sup>2</sup></b><br>British Columbia, Canada<br><i>Director</i>                      | September 14, 2011                  | CEO of the Company from September 21, 2015 to July 10, 2017; President of Westview Consulting Ltd. since October 2008.                    | 1,459,375 <sup>4</sup>              |
| <b>TERRENCE K. O'CONNOR<sup>2</sup></b><br>Saskatchewan, Canada<br><i>Director</i>                      | May 14, 2013                        | Director of Plateau Energy Metals Inc. since September 2014. Professional Geoscientist.   | 925,577 <sup>5</sup>                |

1. Information as to voting shares beneficially owned, not being within the knowledge of the Company, has been furnished by the respective nominees individually.
2. Member of Audit Committee.
3. 100,000 of the share are held in the name of 0949570 B.C. Ltd, a private company controlled by Mr. Klenman.
4. 1,200,000 of the shares are held in name of Westview Consulting Ltd., a private company controlled by Mr. Reynolds.
5. 840,000 of the shares are held in the name of TKLD Geological Inc., a private company controlled by Mr. O'Connor.

The Company does not have an executive committee of its Board.

No proposed director is being elected under any arrangement or understanding between the proposed director and any other person or company.

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

No proposed director is, as at the date of this Information Circular, or has been within 10 years before 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 an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

For the purposes hereof, the term "order" means:

- (a) a cease trade order;
- (b) an order similar to a cease trade order; or
- (c) 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.

Except as disclosed herein, no proposed director:

- (a) is, as at the date of this Information Circular, or has been within the 10 years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while such person was acting in such capacity, or within a year of that person ceasing to act in that capacity,

became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold its assets; or

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

Mr. Alex Klenman, the CEO and a director of the Company, filed a consumer proposal to pay off personal debt in March 2010; and as of September, 2013, it was completed and paid out in full.

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 investor in deciding whether to vote for a proposed director.

## **B. Appointment of Auditor**

Management proposes to nominate Davidson & Company LLP, Chartered Professional Accountants, as the Company's auditors for the ensuing year. Davidson & Company LLP has been the auditors of the Company since September 13, 2016. Accordingly, unless such authority is withheld, the persons named in the accompanying proxy intend to vote for the appointment of Davidson & Company LLP as auditors of the Company for the financial year ending September 30, 2018 and to authorize the directors to fix the auditors' remuneration.

## **C. Consolidation of Share Capital**

In preparation for certain initiatives being considered by the Company to enhance shareholder liquidity and to attract equity financing in order for the Company to meet its working capital requirements and to fund further acquisitions, Management of the Company considers it advisable to consolidate the Company's authorized share capital. It is Management's further opinion that a consolidation of the Company's share capital on the basis of up to ten (10) existing common shares for one (1) new common share (the "Consolidation Ratio") is required in order to attract new equity investment in the Company whether it be through private or public markets.

The following discussion is prepared based on a 10:1 Consolidation Ratio. If a lesser Consolidation Ratio is implemented, the number of post-consolidated shares will increase proportionately.

The directors will be reviewing the circumstances associated with implementing a consolidation, and may determine to consolidate on a basis of less than 10:1, or not at all. **Granting the directors the right to consolidate the Company's share capital does not mean the same will occur.** Rather it allows the directors the flexibility to undertake the same should the circumstances warrant, and at the appropriate ratio, without the expense of calling another shareholder meeting to specifically approve a share consolidation.

### ***Effect of Share Consolidation***

If the share consolidation resolution is approved at the Meeting and is implemented by the Company:

- (1) each holder of issued pre-consolidation common shares will become entitled to receive such number of post-consolidation common shares as is equal to the number of pre-consolidation common shares held divided by the Consolidation Ratio; and
- (2) each option, warrant or other securities of the Company convertible into pre-consolidation common shares ("Pre-consolidation Convertible Securities") that have not been exercised or cancelled prior to the effective date of the implementation of the share consolidation resolution will be adjusted pursuant to the terms thereof on the same Consolidation Ratio described above and each holder of Pre-consolidation Convertible

Securities will become entitled to receive post-consolidation common shares pursuant to such adjusted terms.

If the share consolidation resolution is approved at the Meeting and the Board has determined that it is appropriate to implement such resolution, the share consolidation will become effective upon the filing by the Company of a certified copy of the share consolidation resolution with the office of the Registrar of Companies in British Columbia. Upon such filing, each person who becomes entitled to receive post-consolidation common shares on the terms described above will be immediately recorded as such on the share register of the Company. Each holder of Pre-consolidation Convertible Securities will be advised of the adjustments made to such securities pursuant to the terms thereof.

### *Exchange of Shares*

The specific procedures for the deposit of certificates representing pre-consolidation common shares and the delivery of post-consolidation common shares will be set out in a Notice of Share Consolidation and Letter of Transmittal to be delivered to shareholders following the Company's determination to implement the share consolidation resolution. It is recommended that shareholders complete and return their Letter of Transmittal to the Company's registrar and transfer agent at its principal office in Vancouver, BC, as soon as possible following receipt of same. Upon return of a properly completed Letter of Transmittal, along with certificates representing pre-consolidation common shares, certificates for the appropriate number of post-consolidation common shares will be distributed without charge.

No fractional post-consolidation common shares will be issued and no cash will be paid in lieu of fractional post-consolidation common shares. Any fractions resulting will be rounded to the nearest whole number, with fractions of one-half or more being rounded to the next whole number.

### *Income Tax Considerations*

There are no material Canadian or U.S. income tax considerations to either the Company or its shareholders with respect to the share consolidation.

### *Resolutions*

The share consolidation resolutions (the "Consolidation Resolutions") are ordinary resolutions and, as such, are passed by the shareholders of the Company by a simple majority of the votes cast in person or by proxy.

Accordingly, shareholders will be asked to approve the following resolutions:

**"RESOLVED**, by ordinary resolution, that the 199,532,750 issued and fully paid common shares without par value of the Company be consolidated into 19,953,275 issued and fully paid common shares without par value, every ten (10) common shares before consolidation being consolidated into one (1) new common share.

**RESOLVED FURTHER**, by ordinary resolution, that in the event the aggregate number of shares held by a shareholder results in a fractional share being held as a result of the consolidation: (a) such fractional share being equal to greater than one-half of a share, be rounded up to the next whole share; and (b) such fraction being less than one-half of a share, be rounded down to the next whole share.

**RESOLVED FURTHER**, by ordinary resolution, that the directors be authorized to implement a consolidation of the Company's issued and outstanding common shares using a ratio of less than ten (10) old common shares for one (1) new common share."

In the event shareholders do not approve the Consolidation Resolutions, the Company will not proceed with the consolidation of its share capital. **Management of the Company recommends that shareholders approve the Consolidation Resolutions.**

## C. Annual Approval of Stock Option Plan

### *Background*

Pursuant to Policy 4.4 of the TSXV, all TSXV listed companies are required to adopt a stock option plan prior to granting incentive stock options. Accordingly, the Company adopted, and has had in place since December 2011, a “rolling” stock option plan reserving, for the issuance pursuant to incentive stock options, that number of common shares as is equal to 10% of the issued common shares outstanding from time to time (calculated at the time of any particular grant). Shareholders most recently approved the Company’s stock option plan (the “Stock Option Plan”) at the AGM held July 17, 2019.

The TSXV requires listed companies who have “rolling” stock option plans in place to receive shareholder approval to such plan on a yearly basis at the Company’s annual general meeting. Accordingly, the directors of the Company wish to have shareholders ratify and approve the Stock Option Plan.

The Stock Option Plan has been established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. The Stock Option Plan is administered by the Board and provides that options will be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company.

### *Material Terms of the Stock Option Plan*

The Stock Option Plan provides that the terms of the options and the option price may be fixed by the Board subject to the price restrictions and other requirements of the TSXV. The Stock Option Plan also provides that no option may be granted to any person except upon the recommendation of the Board, and only directors, officers, employees, consultants and other key personnel of the Company or any subsidiary may receive options. Options granted under the Stock Option Plan may not be exercisable for a period longer than ten years and the exercise price must be paid in full upon exercise of the option.

The Stock Option Plan is subject to the additional following restrictions:

- (a) the Company shall not grant options to any one person in any 12 month period which could, when exercised, result in the issuance of common shares exceeding 5% of the issued and outstanding common shares of the Company;
- (b) the Company shall not grant options to any one consultant in any 12 month period which could, when exercised, result in the issuance of common shares exceeding 2% of the issued and outstanding common shares of the Company;
- (c) the Company shall not grant options in any 12 month period, to persons employed or engaged by the Company to perform investor relations activities which could, when exercised, result in the issuance of common shares exceeding, in the aggregate, 2% of the issued and outstanding common shares of the Company;
- (d) if any option expires or otherwise terminates for any reason without having been exercised in full, the number of common shares in respect of which the option expired or terminated shall again be available for the purposes of the Stock Option Plan;
- (e) if an option holder dies, any vested option held by him or her at the date of death will become exercisable by the optionee’s lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such optionee and the date of expiration of the term otherwise applicable to such option;
- (f) if an option holder ceases to be a director, officer or employed by or provide services to the Company, other than by reason of death, the options granted will expire on the 90th day following the date the option holder ceases to be affiliated with the Company, subject to any regulatory requirements;
- (g) all options granted to consultants performing investor relations activities will vest in stages over 12 months with no more than one-quarter of the options vesting in any three month period; and

- (h) the Board reserves the right in its absolute discretion to amend, suspend, terminate or discontinue the Stock Option Plan with respect to all common shares under the Stock Option Plan in respect of options which have not yet been granted under the Stock Option Plan, subject to regulatory approval.

A four month hold period (commencing on the date the stock options are granted) is required for options granted to insiders of the Company or granted at any discount to the Market Price (as defined in TSXV Policy 1.1). Notice of options granted under the Stock Option Plan must be given to the TSXV at the end of each calendar month in which stock options are granted. Any amendments to the Stock Option Plan must also be approved by the TSXV and, if necessary, by the shareholders of the Company prior to becoming effective.

A copy of the Stock Option Plan may be inspected at the offices of Owen Bird Law Corporation, 29th Floor, 595 Burrard Street, Vancouver, British Columbia, until the business day immediately preceding the date of the Meeting.

### *Outstanding Options*

As at the date of this Information Circular, the Company has options outstanding under the Stock Option Plan to purchase 6,890,000 common shares, representing 34% of the available options, and 3% of the 199,532,750 issued common shares. Accordingly, 13,063,275 options remain available for grant under the Stock Option Plan.

### *Annual Shareholder Approval of the Stock Option Plan*

Shareholders will be asked at the Meeting to consider and, if thought fit, pass an ordinary resolution in substantially the following form:

“RESOLVED, as an ordinary resolution, that the Company’s Stock Option Plan, as described in the Company’s Information Circular dated November 10, 2020, and the grant of options thereunder in accordance therewith, be approved.”

An ordinary resolution is a resolution passed by the Shareholders of the Company at a general meeting by a simple majority of the votes cast in person or by proxy.

Disinterested shareholder approval of the foregoing resolution is not required because the Stock Option Plan cannot result at any time in: (i) the number of common shares reserved for issuance under stock options granted to insiders exceeding 10% of the issued common shares; (ii) the grant to insiders, within a 12 month period, of a number of options exceeding 10% of the issued common shares; or (iii) the issuance to any one optionee, within a 12 month period, of a number of common shares exceeding 5% of the issued common shares.

The Board considers that the ability to grant incentive stock options is an important component of its compensation strategy and is necessary to enable the Company to attract and retain qualified directors, officers, employees and consultants. **The Board therefore recommends that Shareholders vote “For” the resolution re-approving the Company’s Stock Option Plan.** Unless otherwise instructed, the persons named in the enclosed form of Proxy will vote “IN FAVOUR” of the above resolution. If the Stock Option Plan is not re-approved by the Shareholders, existing options will not be affected, but new options granted by the Company will be required to be approved by the shareholders before they can be exercised by the holders thereof.

### **OTHER MATTERS**

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

**ADDITIONAL INFORMATION**

Additional information regarding the Company and its business activities is available on the SEDAR website located at [www.sedar.com](http://www.sedar.com) under “Company Profiles – Azincourt Energy Corp.”. The Company’s audited financial statements and management discussion and analysis (“MD&A”) for the financial year end September 30, 2019 are available for review under the Company’s profile on SEDAR. The Company’s audited financial statements and MD&A for the financial year ended September 30, 2020 will be available for review under the Company’s profile on SEDAR prior to the Meeting. Shareholders may contact the Company to request copies of the financial statements and MD&A by: (i) mail to Suite 1430 – 800 West Pender Street, Vancouver, BC, V6C 2T6; or (ii) fax to (604) 648-8105.

**BOARD APPROVAL**

The contents of this Information Circular have been approved and its mailing authorized by the directors of the Company.

DATED at Vancouver, British Columbia, the 10th day of November, 2020.

**ON BEHALF OF THE BOARD  
OF AZINCOURT ENERGY CORP.**

*“Alex Klenman”*

Chief Executive Officer