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## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of the shareholders of Great Quest Fertilizer Ltd. (the "Company") will be held at 10th Floor, 595 Howe Street, Vancouver, British Columbia V6C 2T5 on Thursday July 5, 2018 at 11.00 a.m. (Vancouver time) (the "Meeting") for the following purposes:

1. To receive and consider the report of the directors and the financial statements of the Company together with the auditor's report thereon for the financial year ended December 31, 2017;
2. To appoint Crowe MacKay LLP the auditors for the ensuing year and to authorize the directors to fix the remuneration of the auditors;
3. To fix the number of directors at five (5);
4. To elect directors for the ensuing year;
5. To consider and, if thought fit, to pass , with or without variation, an ordinary resolution to approve and ratify the Company's 2018 Stock Option Plan, subject to regulatory approvals as more fully described in the information circular accompanying this notice; and
6. To transact such other business as may properly come before the Meeting.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this notice.

If you are unable to attend the Meeting in person, please complete, sign and date the enclosed form of proxy and return the same in the enclosed return envelope provided for that purpose within the time and to the location set out in the form of proxy accompanying this notice.

DATED this 31<sup>st</sup> day of May, 2018.

**BY ORDER OF THE BOARD**

*"John A. Clarke"*

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John A. Clarke, Chairman



## INFORMATION CIRCULAR

(As at May 31, 2018, except as indicated)

**GREAT QUEST FERTILIZER LTD.** (the "**Company**") is providing this Information Circular and a form of proxy in connection with management's solicitation of proxies for use at the annual general meeting (the "**Meeting**") of the Company to be held on July 5, 2018 and at any adjournments. Unless the context otherwise requires, when we refer in this Information Circular to the Company, its subsidiaries are also included. The Company will conduct its solicitation by mail and officers and employees of the Company may, without receiving special compensation, also telephone or make other personal contact. The Company will pay the cost of solicitation.

### MAILING OF INFORMATION CIRCULAR

This Information Circular is being mailed together with a Notice of Meeting, Request Card and Proxy or Voting Instruction Form (collectively, the "**Meeting Materials**"), in accordance with applicable laws. If you are a shareholder and you wish to receive the Company's annual financial statements and/or interim financial statements and the accompanying management discussion and analysis thereon, please complete and return the Request Card included in the Meeting Materials. The Company is not sending the Meeting Materials using "notice-and-access" (as defined by National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*) ("**NI 54-101**").

### VOTING OPTIONS

Only registered shareholders are permitted to vote in person at the Meeting. However, in many cases, common shares beneficially owned by a person ("**Non-Registered Holder**") are registered either: (a) in the name of an intermediary (an "**Intermediary**") (including banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans) that the Non-Registered Holder deals with in respect of the shares; or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited) of which the Intermediary is a participant.

There are two kinds of Non-Registered Holders - those who have provided instructions to an Intermediary that such Non-Registered Holder does not object to the Intermediary disclosing ownership information about the beneficial owner ("**Non-Objecting Beneficial Owners, or "NOBOs"**") and those who have provided instructions to an Intermediary that the Non-Registered Holder objects to the Intermediary disclosing ownership information about the beneficial owner ("**Objecting Beneficial Owners, or "OBOs"**").

NI 54-101 permits the Company, or its agent, to directly deliver the Meeting Materials to the Company's NOBOs who have not waived the right to receive them.

As a result, NOBOs can expect to receive the Meeting Materials, including a Voting Instruction Form ("**VIF**") for completion and deposit with the Company's transfer agent, Computershare Trust Company of Canada ("**Computershare**").

***NOBOs should sign and date the enclosed VIF and deliver to Computershare Trust Company of Canada, Proxy Department, 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1 not less than 48 hours (excluding Saturdays, Sundays and holidays,) prior to the time of the Meeting. NOBOs can send their voting instructions by phone, by mail or through the internet.***

In accordance with the requirements of NI 54-101, the Company has distributed copies of the Meeting Materials to the Intermediaries for onward distribution to OBOs. The Company does not intend to pay for Intermediaries to deliver the Meeting Materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* to OBOs. As a result, OBOs will not receive the Meeting Materials unless their Intermediaries assume the costs of delivery. Intermediaries are required to forward the Meeting Materials to OBOs unless in the case of certain proxy-related materials, the OBO has waived the right to receive them. Very often, Intermediaries use service companies such as Broadridge Proxy Services to forward the Meeting Materials to OBOs. With those Meeting Materials, Intermediaries or their service companies should provide OBOs with a "request for voting instruction form" which, when properly completed and signed by the OBO and returned to the Intermediary or service company, will constitute voting instructions which the Intermediary must follow. The purpose of this procedure is to permit OBOs to direct the voting of the common shares of the Company that they beneficially own.

***OBOs should sign and date the voting instruction form that the Intermediary sends them and follow the instructions for returning the form. The Intermediary is then responsible for properly executing OBOs voting instructions.***

### **VOTING IN PERSON**

If you are a registered shareholder and you plan to attend the Meeting and vote in person, you DO NOT need to complete and return the form of proxy. Your vote will be taken and counted at the Meeting. A representative of Computershare will register you when you arrive at the Meeting.

If you are a NOBO and you plan to attend the Meeting, follow the instructions on the VIF provided by Computershare. A NOBO should insert the name of the NOBO (or such other person voting on behalf of the NOBO) in the blank space provided and return the VIF to Computershare. When you arrive at the Meeting, ensure that you register with the Computershare representative.

OBOs wishing to vote at the Meeting in person must follow the procedure in the request for voting instructions provided by or on behalf of the Intermediary and vote in person. 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.

### **VOTING BY PROXY**

If you are a registered shareholder and you do not wish to attend in person at the Meeting, you can appoint someone to attend and vote your shares as your proxy holder.

The individuals named in the accompanying form of proxy (the "**Proxy**") are Directors or officers of the Company.

***A registered shareholder wishing to appoint some other person or company (who need not be a shareholder) to attend and act for the registered shareholder and on the registered shareholder's behalf at the meeting has the right to do so, either by inserting such person's or company's name in the blank space provided in the proxy and striking out the two printed names, or by completing another proper form of proxy.***

**A Proxy will not be valid unless it is completed, dated and signed and delivered to Computershare Trust Company of Canada, Proxy Department, 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1 not less than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting. Proxies received after such time may be accepted or rejected by the chair of the Meeting in the chair's sole discretion. If you have sent in your Proxy, you MAY NOT vote in person at the Meeting unless you have properly revoked your Proxy.**

Complete the Proxy to appoint your proxy holder. The named persons on the Proxy will vote on your behalf at the Meeting. If you appoint a proxy holder other than the named persons, that proxy holder must attend and vote at the Meeting for your vote to be counted.

A Proxy will not be valid unless it is signed by the registered shareholder or by the registered shareholder's attorney duly authorized in writing. If you are the representative of a registered shareholder that is a corporation or association, the Proxy should bear the seal of the corporation or association, and must be executed by an officer or an attorney duly authorized in writing.

If the Proxy is executed by an attorney for an individual registered shareholder or by an officer or attorney of a registered shareholder that is a corporation or association, the instrument so empowering the officer or attorney, as the case may be, or a notarized copy thereof, must accompany the Proxy.

All common shares represented at the Meeting by properly executed Proxies will be voted (including on any ballot) or withheld from voting in accordance with your instructions as a registered shareholder. On the Proxy you can specify how you want your proxy holder to vote your shares, or you can allow the proxy holder to decide for you.

**If you, as a registered shareholder, specify a choice on the Proxy with respect to any matter to be acted upon, your shares will be voted in accordance with your instructions as specified in the Proxy you deposit.**

**If you appoint the officers or Directors set out in the Proxy (the management designees) and do not specify how you want your shares voted, your shares will be voted FOR all of the matters set out in the accompanying notice of meeting.**

**The enclosed Proxy, when properly signed and delivered and not revoked, confers discretionary authority upon the persons appointed proxy holders thereunder to vote with respect to any amendments or variations of matters identified in the notice of meeting and with respect to other matters which may properly come before the Meeting. At the time of the printing of this Information Circular, management of the Company knows of no such amendment, variation or other matter which may be presented to the Meeting. However, if any other matters which are not now known to management should properly come before the Meeting, then the management designees if named as your proxy holders intend to vote in accordance with the judgment of management.**

#### **REVOCABILITY OF PROXY**

In addition to revocation in any other manner permitted by law, a shareholder, his/her attorney authorized in writing or, if the shareholder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a Proxy by instrument in writing, including a Proxy bearing a later date. The instrument revoking the Proxy must be deposited at the registered office of the Company, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting.

***Only registered shareholders have the right to revoke a Proxy. NOBOs that wish to change their vote must, in sufficient time in advance of the Meeting, contact Computershare to arrange to change their vote. 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.***

## VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of common shares without par value, of which 53,717,267 shares were issued and outstanding as at May 31, 2018. Persons who are registered shareholders at the close of business on May 31, 2018 will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each share held. The Company has only one class of shares.

To the knowledge of the Directors and executive officers of the Company, no person beneficially owns, controls or directs, directly or indirectly, shares carrying 10% or more of the voting rights attached to all shares of the Company.

## ELECTION OF DIRECTORS

### *Set Number of Directors*

Shareholder approval will be sought to fix the number of Directors of the Company at five (5).

### *Election of Directors*

The Directors of the Company are elected at each Annual General Meeting and hold office until the next Annual General Meeting or until their successors are appointed. In the absence of instructions to the contrary, the enclosed Proxy will be voted for the nominees herein listed.

Pursuant to the Advance Notice Policy of the Company adopted by the shareholders on May 10, 2013, any additional director nominations for the Meeting must have been received by the Company in compliance with the Advance Notice Policy no later than the close of business on June 5, 2018.

The Company has an Audit Committee, a Nominating, Compensation and Governance Committee and an Environmental, Health & Safety and Social Responsibility Committee. Members of these committees are as set out below.

Management of the Company proposes to nominate each of the following persons for election as a Director. Information concerning such persons, as furnished by the individual nominees, is as follows:

<i>Name, Jurisdiction of Residence and Position</i>	<i>Principal Occupation or employment and, if not a previously elected Director, previous occupation(s)</i>	<i>Previous Service as a Director</i>	<i>Number of Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly<sup>(4)</sup></i>
<b>John A. Clarke</b> <sup>(1) (2) (3)</sup> Cardiff, United Kingdom <i>Chairman and Director</i>	Chairman of the Company; former Interim President & CEO of the Company; former President & CEO of Banro Corporation; Consultant	Since Jun. 16, 2009	1,421,000
<b>Gordon R. Peeling</b> <sup>(1) (2) (3)</sup> Ottawa, ON, Canada <i>Director</i>	Consultant; former President & CEO of the Mining Association of Canada	Since Jun. 10, 2011	266,667
<b>Jeddiah Richardson</b> Toronto, ON, Canada <i>President, CEO and Director</i>	President and CEO of the Company	Since Apr. 10, 2010	2,182,941 <sup>(5)</sup>

<i>Name, Jurisdiction of Residence and Position</i>	<i>Principal Occupation or employment and, if not a previously elected Director, previous occupation(s)</i>	<i>Previous Service as a Director</i>	<i>Number of Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly<sup>(4)</sup></i>
<b>Salma Seetaroo</b> London, United Kingdom	Former Managing Director of Gold and General Limited, and former investment banker at Société General (London). Currently non-executive director of Algold Resources.	-	-
<b>David A. Shaw</b> <sup>(1) (2)</sup> Vancouver, BC, Canada <i>Director</i>	Independent Resource Consultant	Since Dec. 16, 2010	500,666

(1) Member of the Audit Committee.

(2) Member of the Nominating, Compensation and Governance Committee

(3) Member of the Environmental, Health & Safety and Social Responsibility Committee

(4) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at May 31, 2018, based upon information furnished to the Company by individual Directors. Unless otherwise indicated, such shares are held directly.

(5) Of these shares, 1,020,000 are held indirectly in the name of J.A. Richardson Enterprises Inc., a private company controlled by Jeddiah Richardson

No proposed Director is to be elected under any arrangement or understanding between the proposed Director and any other person or company, except the Directors and executive officers of the Company acting solely in such capacity.

To the knowledge of the Company, no proposed Director:

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

- (d) has been 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) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed Director.

As of May 31, 2018, the following Directors of the Company hold Directorships in other reporting issuers as set out below:

Name of Director	Name of Other Reporting Issuer
David A. Shaw	First Majestic Silver Corp. <sup>(1)</sup> First Mining Finance Corp. <sup>(2)</sup> Medallion Resources Ltd. <sup>(3)</sup>

1. The shares are listed on the TSX and NYSE
2. The shares are listed on the TSX, OTC and Frankfurt Exchange
3. The shares are listed on the TSXV and OTC

## EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

The Company's compensation philosophy for its Named Executive Officers is designed to attract well qualified individuals in what is essentially an international market by paying competitive base management fees plus short and long term incentive compensation in the form of stock options or other suitable long term incentives.

The compensation program of the Company is designed to attract, motivate, reward and retain knowledgeable and skilled executives required to achieve the Company's corporate objectives and increase shareholder value. The main objective of the compensation program is to recognize the contribution of the NEOs to the overall success and strategic growth of the Company. The compensation program is designed to reward management performance by aligning a component of the compensation with the Company's business performance and share value. The philosophy of the Company is to pay management a total compensation amount that is competitive with other junior resource companies and is consistent with the experience and responsibility level of the management. The purpose of executive compensation is to reward the executives for their contributions to the achievements of the Company on both an annual and long term basis.

The Board of Directors meets to discuss and determine executive compensation without reference to formal objectives, criteria or analysis. In making its determinations regarding the various elements of executive compensation, the Board of Directors does not benchmark its executive compensation program, but from time to time does review compensation practices of companies of similar size and stage of development to ensure the compensation paid is competitive within the Company's industry and geographic location while taking into account the financial and other resources of the Company.

The duties and responsibilities of the President and CEO are typical of those of a business entity of the Company's size in a similar business and include direct reporting responsibility to the Board, overseeing the activities of all other executive and management consultants, representing the Company, providing leadership and responsibility for achieving corporate goals and implementing corporate policies and initiatives.

### *Elements of Compensation*

The Company's executive compensation policy consists of an annual base salary and long term incentives in the form of stock options granted under the Company's 2018 Stock Option Plan, as described below under the heading "Option-Based Awards".

The base salaries paid to officers of the Company are intended to provide fixed levels of competitive pay that reflect each officer's primary duties and responsibilities and the level of skill and experience required to successfully perform their role. The Company intends to pay base salaries to officers that are competitive with those for similar positions in the mining industry to attract and retain executive talent in the market in which the Company competes for talent. Base salaries of officers are reviewed annually by the Board of Directors.

### *Compensation Policies and Risk Management*

The Board of Directors considers the implications of the risks associated with the Company's compensation policies and practices when determining rewards for its officers. Commencing in 2012, the Board of Directors reviews at least once annually the risks, if any, associated with the Company's compensation policies and practices at such time.

Executive compensation is comprised of short-term compensation in the form of a base salary and long-term ownership through the Company's Stock 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 executive compensation (base salary) represents a relatively small part of the total compensation. As a result, it is unlikely 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.

The Company has a Nominating, Compensation and Governance Committee. In determining the appropriate base salary of an executive officer, the Nominating, Compensation and Governance Committee considers the responsibilities of the individual, comparable salaries in the industry, the experience level of the individual and overall performance. Once the base salary has been established, it will be reviewed by the Nominating, Compensation and Governance Committee on an annual basis.

Due to the small size of the Company and the current level of the Company's activity, the Board of Directors 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 Board meetings 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.

### *Hedging of Economic Risks in the Company's Securities*

The Company has not adopted a policy prohibiting Directors or officers from purchasing financial instruments that are designed to hedge or offset a decrease in market value of the Company's securities granted as compensation or held, directly or indirectly, by Directors or officers. However, the Company is not aware of any Directors or officers having entered into this type of transaction.

## Option-Based Awards

The Company has a rolling stock option (the "**2018 Stock Option Plan**" or "**Plan**") to allow the Company to grant options to Directors, officers, employees, and consultants, as additional compensation, and as an opportunity to participate in the success of the Company. The granting of such options is intended to align the interests of such persons with that of the shareholders.

The 2018 Stock Option Plan was approved by the Directors on May 15, 2018. The 2018 Stock Option Plan incorporates clerical amendments to the Company's prior rolling stock option plan that was most recently approved by shareholders at the Company's 2017 annual general meeting, which such amendments were solely prepared in order to align the provisions regarding the legending of shares issued pursuant to the exercise of options granted to an insider or at any discount to the market price of the Company's shares with current the policies of the TSX Venture Exchange (the "**TSXV**"). The 2018 Stock Option Plan is subject to approval by the shareholders at the Meeting (See "Particulars of Matters to be Acted Upon Approval and Ratification of 2018 Stock Option Plan.") Under the Plan, Options are exercisable over periods of up to ten (10) years as determined by the Board of Directors of the Company and are required to have an exercise price no less than the closing market price of the Company's shares prevailing on the day that the option is granted, less applicable discount, if any, permitted by the policies of the TSXV.

The Plan authorizes the Board to grant, in its absolute discretion, stock options to directors, officers, employees or consultants on such terms, limitations, conditions and restrictions as it deems necessary and advisable.

Additional material terms of the 2018 Stock Option Plan are as follows:

- (1) The number of Shares which may be issuable under the Plan and all of the Company's other previously established or proposed share compensation arrangements, within a one-year period, and included in the maximum mentioned above:
  - (a) subject to (b) and (c) below, to any one optionee, shall not exceed 5% of the total number of issued and outstanding Shares on the grant date on a non-diluted basis, unless the Company has obtained the requisite disinterested shareholder approval;
  - (b) to Insiders as a group shall not exceed 10% of the total number of issued and outstanding Shares on the grant date on a non-diluted basis;
  - (c) to any one consultant shall not exceed 2% of the total number of issued and outstanding Shares on the grant date on a non-diluted basis; and
  - (d) to all eligible persons who undertake investor relations activities, including consultants, employees or Directors whose role and duties primarily consist of investor relations activities, shall not exceed 2% in the aggregate of the total number of issued and outstanding Shares on the grant date on a non-diluted basis.
- (2) On the death or disability of an option holder, all vested options will expire at the earlier of one year after the date of death or disability and the expiry date of such options. Where an optionee is terminated for cause, any outstanding options (whether vested or unvested) are cancelled as of the date of termination. If an optionee retires or voluntarily resigns or is otherwise terminated by the Company other than for cause, then all vested options held by such optionee will expire at the earlier of: (i) the expiry date of such options and (ii) the date which is 90 days (30 days if the optionee was engaged in investor relations activities) after the optionee ceases to be an eligible person under the Plan. The Board of Directors may, in its sole discretion if it determines such is in the best interests of the Company, extend this 90 day termination date to a later date within a

reasonable period not exceeding one year.

- (3) Options are non-assignable and non-transferable (subject to options being exercisable by the optionee's heirs or administrator).
- (4) If, pursuant to the operation of the adjustment provisions in the Plan, an optionee receives options to purchase securities of another company (the "**New Company**") in respect of the optionee's options (the "**Subject Options**"), such new options shall expire on the earlier of: (i) the expiry date of the Subject Options; (ii) if the optionee does not become an eligible person in respect of the New Company, the date that the Subject Options expire pursuant to the applicable provisions of the New Plan relating to expiration of options in cases of death, disability or termination of employment discussed in the preceding paragraph above (the "**Termination Provisions**"); (iii) if the optionee becomes an eligible person in respect of the New Company, the date that such new options expire pursuant to the terms of the New Company's stock option plan that correspond to the Termination Provisions; and (iv) the date that is one year after the optionee ceases to be an eligible person in respect of the New Company or such shorter period as determined by the Board of Directors;
- (5) In accordance with good corporate governance practices and as recommended by National Policy 51-201 *Disclosure Standards*, the Company may impose black-out periods restricting the trading of its securities by Directors, officers, employees and consultants during periods surrounding the release of annual and interim financial statements and at other times when deemed necessary by management and the Board of Directors. In order to ensure that optionees are not prejudiced by the imposition of such black-out periods, the Plan includes a provision (the "**Black-Out Provision**") to the effect that any outstanding stock options with an expiry date that falls during a management imposed black-out period or within five trading days thereafter will be automatically extended to a date that is ten trading days following the end of the black-out period.
- (6) If a change of control (as defined therein) occurs, or if the Company is subject to a take-over bid, all Shares subject to stock options shall immediately become vested and may thereupon be exercised in whole or in part by the option holder. The Board of Directors of the Company may also accelerate the expiry date of outstanding stock options in connection with a take-over bid; and
- (7) Certain adjustment provisions apply with respect to outstanding options in cases of share reorganizations, special distributions and other corporation reorganizations including a consolidation, merger, amalgamation, an arrangement or other transaction under which the business or assets of the Company become, collectively, the business and assets of two or more companies with the same shareholder group upon the distribution to the Company's shareholders, or the exchange with the Company's shareholders, of securities of the Company or securities of another company, or a transaction whereby all or substantially all of the Company's undertaking and assets become the property of another corporation.

#### Compensation Governance

The Nominating, Compensation and Governance Committee reviews, on an annual basis, the cash compensation, option-based awards, performance and overall compensation package for each NEO. The Nominating, Compensation and Governance Committee then presents its findings and any recommendations to the Board for consideration and, if acceptable to the Board, for approval. The Nominating, Compensation and Governance Committee 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 of the NEOs.

Options are granted at the discretion of the Board of Directors, which considers factors such as how other junior exploration companies grant options and the potential value that each optionee is contributing to the Company. The number of options granted to an individual, as well as vesting periods, are based on such considerations.

### Summary Compensation Table

The following table (presented in accordance with National Instrument Form 51-102F6 *Statement of Executive Compensation*) sets forth all annual and long term compensation for services in all capacities to the Company for the most recently completed financial year of the Company ending on December 31, 2016 in respect of each of the individuals comprised of the CEO and the CFO who acted in such capacity for all or any portion of the most recently completed financial year, and 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 the CFO), as at December 31, 2017 whose total compensation was, individually, more than \$150,000 for the financial year and any individual who would have satisfied these criteria 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 (collectively, the "**Named Executive Officers**" or "**NEOs**").

NEO Name and Principal Position	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			
Jeddiah Richardson President, CEO & Director	2017	Nil	Nil	14,592 <sup>(1)</sup>	Nil	Nil	Nil	145,000 <sup>(3)</sup>	159,592
	2016	Nil	Nil	11,210 <sup>(2)</sup>	Nil	Nil	Nil	210,000 <sup>(3)</sup>	131,210
	2015	Nil	Nil	Nil	Nil	Nil	Nil	210,000 <sup>(3)</sup>	210,000
Jayram Hosanee CFO	2017	125,000	Nil	16,764 <sup>(1)</sup>	Nil	Nil	Nil	Nil	141,764
	2016	128,881	Nil	16,815 <sup>(2)</sup>	Nil	Nil	Nil	Nil	145,696
	2015	128,781	Nil	Nil	Nil	Nil	Nil	Nil	128,781
Mohammed Bouhsane Chief Operating Officer	2017	Nil	Nil	14,592	Nil	Nil	Nil	120,020 <sup>(4)</sup>	134,612
	2016	Nil	Nil	11,210 <sup>(1)</sup>	Nil	Nil	Nil	114,630 <sup>(4)</sup>	125,840
	2015	203,783	Nil	Nil	Nil	Nil	Nil	Nil	203,783

- (1) The Company used the Black-Scholes pricing model as the methodology to calculate the grant date fair value, and relied on the following key assumptions and estimates for each calculation: (i) risk free interest rate of 0.90%; (ii) expected dividend yield of nil; (iii) average expected volatility of 122%; and (iv) an expected term of five years. The Black-Scholes pricing model was used to estimate the fair value as it is the most accepted methodology.
- (2) The Company used the Black-Scholes pricing model as the methodology to calculate the grant date fair value, and relied on the following key assumptions and estimates for each calculation: (i) risk free interest rate of 0.62%; (ii) expected dividend yield of nil; (iii) average expected volatility of 118%; and (iv) an expected term of five years. The Black-Scholes pricing model was used to estimate the fair value as it is the most accepted methodology.
- (3) Consulting fees were paid to J.A. Richardson Enterprises Inc., a private company controlled by Mr. Jeddiah Richardson. See "Management Contracts"
- (4) Consulting fees were paid to Majilias Inc., a private company controlled by Mr. Mohammed Bouhsane. See "Management Contracts".

## Incentive Plan Awards

### Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information concerning all awards outstanding in relation to each of the Named Executive Officers, as at the end of the most recently completed financial year ended December 31, 2017, and including awards granted before the most recently completed financial year, under share-based incentive plans of the Company pursuant to which compensation depends on achieving certain performance goals or similar conditions within a specified period:

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options (\$) <sup>(1)</sup>	Number of Shares or Units of Shares That Have Not Vested (#)	Market or Payout Value of Share-Based Awards That Have Not Vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Jeddiah Richardson Director, President & CEO	250,000	0.60	May 10, 2018	Nil	Nil	Nil	Nil
	200,000	1.38	April 10, 2019	Nil	Nil	Nil	Nil
	100,000	0.30	June 6, 2021	Nil	Nil	Nil	Nil
	150,000	0.30	June 12, 2022	Nil	Nil	Nil	Nil
Jayram Hosanee CFO	75,000	0.60	May 10, 2018	Nil	Nil	Nil	Nil
	50,000	1.38	April 10, 2018	Nil	Nil	Nil	Nil
	150,000	0.30	June 6, 2021	Nil	Nil	Nil	Nil
	150,000	0.30	June 12, 2022	Nil	Nil	Nil	Nil
Mohammed Bouhsane Chief Operating Officer	250,000	0.60	May 10, 2018	Nil	Nil	Nil	Nil
	100,000	0.30	June 6, 2021	Nil	Nil	Nil	Nil
	150,000	0.30	June 12, 2022	Nil	Nil	Nil	Nil

<sup>(1)</sup> The value of unexercised in-the-money options is calculated based on the difference between the market value of the Company's common shares as at the last trading day of the most recently completed financial year, December 29, 2017 (closing price of \$0.15) and the exercise price of the options.

### Value Vested or Earned During the Year

The value vested or earned during the most recently completed financial year of incentive plan awards granted to Named Executive Officers are as follows:

NEO Name	Option-Based Awards - Value Vested During The Year (\$)	Share-Based Awards - Value Vested During The Year (\$)	Non-Equity Incentive Plan Compensation - Value Earned During The Year (\$)
Jeddiah Richardson Director, President & CEO	Nil	Nil	Nil
Jayram Hosanee CFO	Nil	Nil	Nil
Mohammed Bouhsane Chief Operating Officer	Nil	Nil	Nil

## Pension Plan Benefits

The Company does not have a pension plan that provides for payments or benefits to the Named Executive Officers at, following, or in connection with retirement.

## Termination and Change of Control Benefits

### Majilias Agreement

On January 1, 2016, the Company entered into a Consulting Agreement with Majilias Inc. (the "**Majilias Agreement**"), a private company controlled by Mohammed Bouhsane, the Chief Operating Officer which replaced a previous employment agreement between the Company and Mohammed Bouhsane. The Majilias Agreement which expires on December 31, 2018, provides that the Company may terminate this Majilias Agreement with cause (as therein defined) at any time upon written notice of termination. If the Majilias Agreement is terminated without cause, the Company shall pay to the Consultant (as therein defined), a lump sum equal to the fee for the remaining period of the contract or six months, whichever is lesser. The Consultant may terminate this Majilias Agreement upon 90 days written notice or less by mutual written agreement to the Company.

In the event of a Change of Control (as defined below), all unvested stock options granted to Mr. Bouhsane, shall immediately vest and Mr. Bouhsane shall have 90 days from the event of the Change of Control to exercise any options granted to him. If a Change of Control occurs, and within 12 months after the occurrence of a Change of Control, either the Consultant or the Company terminates the Majilias Agreement without Cause (as therein defined), the Consultant shall be entitled to receive a lump sum amount equal to the base compensation for the remaining term.

For the purposes of the Majilias Agreement, "Change of Control", means the acquisition by any person or by any person and a person "acting jointly or in concert with" such person, as defined in the Multilateral Instrument 62-104 *Take-Over Bids and Issuer Bids Instruments*, whether directly or indirectly, of voting securities which when added to all other voting securities of the Company at the time held by such person or by such person and a person "acting jointly or in concert with" another person, totals for the first time not less than 50% of the outstanding voting securities of the Company or the votes attached to those securities are sufficient, if exercised, to elect a majority of the Board of Directors of the Company.

Had the Majilias Agreement been terminated by the Company on December 29, 2017 (the last business day of the Company's most recently completed financial year), Majilias Inc. would have been entitled to be paid approximately Can\$100,000.

### Richardson Agreement

On February 1, 2013, the Company entered into a Consulting Contractor Agreement with J.A. Richardson Enterprises Inc. (the "**Richardson Agreement**"), a private company controlled by Jeddiah Richardson, the President and CEO of the Company. If the Richardson Agreement is terminated without Cause (as therein defined), the Company shall pay to the Consultant, a lump sum payment amount equal in fees based on a period of:

- (i) six months, if the notification of termination is given within two years from the effective date of the agreement;
- (ii) nine months, if the notification of termination is given after two years and before the end of four years of the effective date of the agreement; and

- (iii) twelve months if the notification of termination is given after four years of effective date of the agreement, plus

repayment of any accrued fees and reimbursement of any approved outstanding expense account amounts. The Consultant may terminate this Richardson Agreement upon 90 days written notice or less by mutual written agreement to the Company.

In the event of Change of Control (as defined below), all unvested stock options granted shall immediately vest and Mr. Jeddiah Richardson shall have 90 days from the Change of Control date to exercise any stock options granted to him. Furthermore, if a Change of Control occurs:

- (i) within four years of the effective date of the agreement, and within 12 months after the occurrence of a Change of Control, the Company terminates this Richardson Agreement without Cause, then the Consultant shall be entitled to receive a lump sum amount equal to the Fee for 12 months; and
- (ii) after more than four years of the effective date of the agreement, and within 12 months after the occurrence of a Change of Control, the Company terminates this Richardson Agreement without Cause, then the Consultant shall be entitled to receive a lump sum amount equal to the Fee for 24 months.

For the purposes of the Richardson Agreement, a Change of Control means the acquisition by any person or by any person and a person "acting jointly or in concert with" such person, as defined in the Multilateral Instrument 62-104 Take-Over Bids and Issuer Bids Instruments ("MI 62-104"), whether directly or indirectly, of voting securities which when added to all other voting securities of the Company at the time held by such person or by such person and a person "acting jointly or in concert with" another person, totals for the first time not less than 50% of the outstanding voting securities of the Company or the votes attached to those securities are sufficient, if exercised, to elect a majority of the Board of Directors of the Company.

Had the Richardson Agreement been terminated by the Company on December 29, 2017 (the last business day of the Company's most recently completed financial year), J.A. Richardson Enterprises Inc. would have been entitled to be paid approximately Can\$120,000.

#### Hosanee Agreement

Effective June 27, 2012, the Company entered into an employment agreement with Jayram Hosanee (the "**Hosanee Agreement**"). Mr. Hosanee may terminate his employment with the Company by giving not less than 30 days written notice of resignation to the Company.

The Company may terminate the Hosanee Agreement without Cause (as therein defined) at any time by providing Mr. Hosanee with written notice of termination equal to:

- (a) no notice if employment is terminated less than three months from the effective date;
- (b) four months' notice if employment is terminated more than three months from the effective date but less than 36 months from the effective date; or
- (c) six months' notice if employment is terminated more than 36 months from the effective date.

The Company may on written notice to Mr. Hosanee immediately terminate the Hosanee Agreement and his employment with the Company at any time for Cause, without notice or pay in lieu of notice or any other form of compensation, severance pay or damages.

Mr. Hosanee may elect, within three months of a Change of Control of the Company, to terminate the Hosanee Agreement upon providing written notice of termination to the Company. Upon receipt of such notice of termination, the Company shall pay the base salary then in effect:

- (a) three months if Mr. Hosanee has been employed less than 24 months from the Effective Date; or
- (b) six months if Mr. Hosanee has been employed more than 24 months from the Effective Date.

Had the Hosanee Agreement been terminated by the Company on December 29, 2017 (the last business day of the Company's most recently completed financial year), Mr. Hosanee would have been entitled to be paid approximately Can\$62,500.

Other than as disclosed herein, the Company and its subsidiaries have no compensatory plan, contract or arrangement where a NEO is entitled to receive more than \$100,000 to compensate such executive officer in the event of resignation, retirement or other termination, a change of control of the Company or its subsidiaries or a change in responsibilities following a change in control.

#### Director Compensation

The following table sets forth all amounts of compensation provided to the Directors, who are each not also a Named Executive Officer, for the Company's most recently completed financial year:

<i>Director Name</i>	<i>Fees Earned (\$)</i>	<i>Share-Based Awards (\$)</i>	<i>Option-Based Awards (\$)</i>	<i>Non-Equity Incentive Plan Compensation (\$)</i>	<i>Pension Value (\$)</i>	<i>All Other Compensation (\$)</i>	<i>Total (\$)</i>
John Clarke	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Gordon Peeling	Nil	Nil	Nil	Nil	Nil	Nil	Nil
David Shaw	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Other than the foregoing, the Company has no arrangements, standard or otherwise, pursuant to which Directors are compensated by the Company or its subsidiaries for their services in their capacity as Directors, or for committee participation, involvement in special assignments or for services as consultant or expert during the most recently completed financial year or subsequently, up to and including the date of this Information Circular.

The Company has a Stock Option Plan for the granting of incentive stock options to the officers, employees and Directors. 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 that of the shareholders.

#### Incentive Plan Awards - Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information concerning all awards outstanding in relation to each of the Directors who are not Named Executive Officers, as at the end of the most recently completed financial year ended December 31, 2017, and including awards granted before the most recently completed financial year, under incentive plans of the Company pursuant to which compensation depends on achieving certain performance goals or similar conditions within a specified period:

<i>Director Name</i>	<i>Option-Based Awards</i>				<i>Share-Based Awards</i>		
	<i>Number of Securities Underlying Unexercised Options (#)</i>	<i>Option Exercise Price (\$)</i>	<i>Option Expiration Date</i>	<i>Value of Unexercised In-The-Money Options (\$)<sup>(1)</sup></i>	<i>Number of Shares or Units of Shares That Have Not Vested (#)</i>	<i>Market or Payout Value of Share-Based Awards That Have Not Vested (\$)</i>	<i>Market or payout value of vested share-based awards not paid out or distributed (\$)</i>
John Clarke	200,000	0.60	May 10, 2018	Nil	Nil	Nil	Nil
	100,000	0.30	June 6, 2021	Nil	Nil	Nil	Nil
	200,000	0.30	June 12, 2022	Nil	Nil	Nil	Nil
Gordon Peeling	200,000	0.60	May 10, 2018	Nil	Nil	Nil	Nil
	400,000	0.30	June 6, 2021	Nil	Nil	Nil	Nil
	200,000	0.30	June 12, 2022	Nil	Nil	Nil	Nil
David Shaw	250,000	0.60	May 10, 2018	Nil	Nil	Nil	Nil
	100,000	0.30	June 6, 2021	Nil	Nil	Nil	Nil
	200,000	0.30	June 12, 2022	Nil	Nil	Nil	Nil

(1) The value of unexercised in-the-money options is calculated based on the difference between the market value of the Company's common shares as at the last trading day of the most recently completed financial year, December 29, 2017 (closing price of \$0.15) and the exercise price of the options.

#### Incentive Plan Awards - Value Vested or Earned During the Year

The value vested or earned during the most recently completed financial year of incentive plan awards granted to Directors who are not Named Executive Officers are as follows:

<i>Director Name</i>	<i>Option-Based Awards - Value Vested During The Year (\$)</i>	<i>Share-Based Awards - Value Vested During The Year (\$)</i>	<i>Non-Equity Incentive Plan Compensation - Value Earned During The Year (\$)</i>
John Clarke	Nil	Nil	Nil
Gordon Peeling	Nil	Nil	Nil
David Shaw	Nil	Nil	Nil

## Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets forth the Company's compensation plans under which equity securities are authorized for issuance as at the end of the Company's most recently completed financial year.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</b>
<i>Equity compensation plans approved by security holders</i>	4,530,000	\$0.49	841,726
<i>Equity compensation plans not approved by security holders</i>	Nil	N/A	N/A
<b>TOTAL</b>	4,530,000	-	841,726

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

As at May 31, 2018 there was no indebtedness outstanding of any current or former Director, executive officer or employee of the Company or its subsidiaries which is owing to the Company or its subsidiaries or to another entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries, entered into in connection with a purchase of securities or otherwise.

No individual who is, or at any time during the most recently completed financial year was, a Director or executive officer of the Company, no proposed nominee for election as a Director of the Company and no associate of such persons:

- (i) is or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or its subsidiaries; or
- (ii) whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries,

in relation to a securities purchase program or other program.

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

Except as set out herein, no person who has been a Director or executive officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee of management of the Company for election as a Director of the Company and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the election of Directors.

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

No informed person or proposed Director of the Company and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction

which in either such case has materially affected or would materially affect the Company or its subsidiaries.

### **APPOINTMENT OF AUDITORS**

Crowe Mackay LLP, Chartered Accountants, of Vancouver, British Columbia are the auditors of the Company. Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the re-appointment of Crowe Mackay LLP as the auditors of the Company to hold office for the ensuing year.

### **MANAGEMENT CONTRACTS**

No management functions of the Company or its subsidiaries are performed to any substantial degree by a person other than the Directors or executive officers of the Company or its subsidiaries.

### **CORPORATE GOVERNANCE DISCLOSURE**

National Policy 58-201 *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore certain guidelines have not been adopted. National Instrument 58-101 *Disclosure of Corporate Governance Practices* mandates disclosure of corporate governance practices, which is set out below.

#### **Independence of Members of Board**

The Company's Board currently consists of four Directors, two of whom are independent based upon the tests for independence set forth in National Instrument 52-110 *Audit Committees ("NI 52-110")*. The members who are independent are David Shaw and Gordon Peeling. These Directors are independent as they have no direct or indirect material relationship with the Company.

Mr. John Clarke is not independent as he is the Chairman of the Company. Mr. Jeddiah Richardson is not independent as he is President and CEO of the Company.

#### **Management Supervision by Board**

The operations of the Company do not support a large board of directors and the Board has determined that the constitution of the Board is appropriate for the Company's current stage of development. Independent supervision of management is accomplished through choosing management who demonstrate a high level of integrity and ability and having strong independent Board members. The independent Directors are, however, able to meet at any time without any members of management, including the non-independent Directors, being present. The independent Directors also have access to the Company's legal counsel and its officers.

#### **Risk Management**

The Board of Directors is responsible for adoption of a strategic planning process, identification of principal risks and implementing risk management systems, succession planning and the continuous disclosure requirements of the Company under applicable securities laws and regulations.

The Audit Committee is responsible for the risk management items set out in the Audit Committee charter, as described below under the heading "Audit Committee".

#### **Participation of Directors in Other Reporting Issuers**

The participation of the Directors in other reporting issuers is described in the table provided under "Election of Directors" in this Information Circular.

## **Orientation and Continuing Education**

While the Company does not have formal orientation and training programs, new Board members are provided with:

- information respecting the functioning of the Board of Directors, committees and copies of the Company's corporate governance policies;
- access to recent, publicly filed documents of the Company, internal documents and technical reports and the Company's internal financial information;
- access to management and technical experts and consultants; and
- a summary of significant corporate and securities responsibilities.

Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with Company operations, industry trends and developments and changes in legislation and the international business environment of the Company. With management's assistance, Board members are encouraged to attend related industry seminars and visit the Company's operations. Board members have full access to the Company's records.

## **Ethical Business Conduct**

The Board views good corporate governance as an integral component to the success of the Company and to meet responsibilities to shareholders. The Board has adopted a Code of Conduct and has instructed its management and employees to abide by the Code. The Company follows industry initiatives with respect to corporate social responsibility (CSR) and contributes to local endeavors in the regions in which it operates.

## **Nomination of Directors**

The Board has responsibility for identifying potential Board candidates. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. Members of the Board and representatives of the mineral exploration industry are consulted for recommendations on possible candidates.

## **Compensation of Directors and the CEO**

John Clarke and the independent Directors, Gordon Peeling and David Shaw, serve on the Nominating, Compensation and Governance Committee, which has prime responsibility for determining compensation for the Directors and senior management.

To determine compensation, the Nominating, Compensation and Governance Committee reviews compensation paid to executives and Directors of companies of similar size and stage of development in the mineral exploration industry and determines an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the Directors and senior management, while taking into account the financial and other resources of the Company. In setting the compensation, the Nominating, Compensation and Governance Committee annually reviews the performance of the President and CEO in light of the Company's objectives and considers other factors that may have impacted the success of the Company in achieving its objectives.

## **Board Committees**

Other than the Audit Committee, the Board has determined that the standing committees at this stage of the Company's development are:

<b>Committee</b>	<b>Members</b>
Nominating, Compensation and Governance	John Clarke(Chair) Gordon Peeling David Shaw
Environmental, Health & Safety and Social Responsibility	Gordon Peeling (Chair) John A. Clarke David Shaw

## **Assessments**

The Board does not consider that formal assessments would be useful at this stage of the Company's development. The Board conducts informal annual assessments of its effectiveness, the individual Directors and each of its committees. To assist in its review, the Board conducts informal surveys of its Directors, requests an annual report from the Nominating, Compensation and Governance Committee on its assessment of the functioning of the Board and reports from each committee respecting its own effectiveness. As part of the assessments, the Board or the individual committee may review their respective mandate or charter and conduct reviews of applicable corporate policies.

## **Nominating, Compensation and Governance Committee**

The Nominating, Compensation and Governance Committee has adopted a formal written mandate to provide its members with minimum guidelines to assist the Nominating, Compensation and Governance Committee with fulfilling its responsibilities. The main duties of the Nominating, Compensation and Governance Committee include:

- to annually evaluate the performance of the President and CEO of the Company;
- to annually review the compensation of the President and CEO of the Company, including annual, long-term and other compensation;
- to annually review the compensation of senior management, other executive officers and key employees of the Company, including annual, long-term and other compensation;
- to annually review the compensation of Directors in light of risks and responsibilities;
- to consider the implementation of short and long-term incentive plans proposed by management, to make recommendations to the Board with respect to the same and to annually review such plans after their implementation; and
- to annually review any other benefit plans proposed by management and to make recommendations to the Board with respect to their implementation.
- the Company's response to applicable rules, policies and guidelines respecting corporate governance matters;
- assessing the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual Directors on a periodic basis, which will include monitoring the quality of the relationship between management and the Board and recommending any improvements, if necessary;
- ensuring that, where necessary, appropriate structures and procedures are in place to ensure that the Board can function independently of management;
- preparing or reviewing any disclosure that must be made or approved by the Board that relates to corporate governance matters;
- periodically examining the size of the Board, with a view to determining the impact of the number of Directors upon effectiveness, and making recommendations where appropriate to the Board as to any programs the committee determines to be appropriate to reduce or increase the number of Directors to a number which facilitates more effective decision making;

- to conduct a periodic review of the Company's Directors' and officers' insurance and the adequacy of coverage and monetary limits thereof;
- developing, with the assistance of management, an orientation and education program for new recruits to the Board, where necessary;
- considering questions as to the appropriateness of a Director engaging an outside advisor at the expense of the Company in the circumstances required by applicable policies of the Board; and proposing new nominees, when deemed appropriate, for appointment or election to the Board, and for assessing Directors on an ongoing basis.

### **Environmental, Health & Safety and Social Responsibility Committee**

The Environmental, Health & Safety and Social Responsibility Committee is responsible for overseeing and directing the Company's approach to environmental objectives and targets and protecting the health and safety of its workers, and is responsible for the following specific matters:

- assist senior management to draft an environmental health and safety ("EHS") policy for approval by the Board of Directors, and to review the policy on an annual basis and recommend updates as necessary;
- to work with senior management to develop and approve specific EHS objectives and targets, and to monitor achievement thereof;
- to commission and review reports from management concerning compliance with governmental orders or conduct of litigation or other proceedings relating to environmental, health and safety matters;
- to commission and review reports from management concerning the nature of the Company's contingency plans and any tests to determine the effectiveness thereof;
- to meet with management to discuss EHS issues generally and to review with management the budgetary and personnel resources allocated to various aspects of EHS matters;
- to review with management, outside consultants and legal advisors, the environmental, health and safety implications of major corporate undertakings such as the exploration and development of its properties and the acquisition or expansion of facilities or the decommissioning of facilities on its properties;
- to conduct a periodic review of the Company's environmental and health and safety insurance and the adequacy of coverage and monetary limits thereof; and
- to monitor the relationship with regulatory authorities and others outside the Company (including neighboring property owners and shareholders) on environmental issues.

### **Audit Committee**

#### **The Audit Committee's Charter**

##### *Mandate*

The primary function of the Audit Committee (the "**Committee**") is to assist the Board of Directors 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 Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements.

- Review and appraise the performance of the Company's external auditors.
- Provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

### *Composition*

The Committee shall be comprised of three Directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the 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 Company'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 Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

### *Meetings*

The Committee shall meet a least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee meets, at least annually, with the CFO and the external auditors in separate sessions.

### *Responsibilities and Duties*

To fulfill its responsibilities and duties, the Committee shall:

#### *Documents/Reports Review*

- Review and update this Charter annually.
- 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.

#### *External Auditors*

- Review annually, the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company.
- Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
- 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 of Directors take, appropriate action to oversee the independence of the external auditors.
- (e) Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (f) At each meeting, 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.
- (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 revenues 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 Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.
- (j) Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the 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.

### *Risk Management*

The Committee shall meet:

1. To review, at least annually, and more frequently if necessary, the Company's policies for risk assessment and risk management (the identification, monitoring, and mitigation of risks).
2. To inquire of management and the independent auditor about significant business, political, financial and control risks or exposure to such risk.
3. To request the external auditor's opinion of management's assessment of significant risks facing the Company and how effectively they are being managed or controlled.
4. To assess the effectiveness of the over-all process for identifying principal business risks and report thereon to the Board.

### *Other*

Review any related-party transactions.

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

The following are the members of the Committee as at May 5, 2017:

David A. Shaw (Chair)	Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>
John Clarke	Not independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>
Gordon Peeling	Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>

<sup>(1)</sup>As defined by NI 52-110.

### **Audit Committee Member Education and Experience**

**David A. Shaw** - Since completing his doctorate 30 years ago, Mr. Shaw has worked both in the technical and financial communities within the resource industry. Seven years were spent with Chevron Resources in Calgary and Vancouver, employed initially as an in-house structural geology consultant on both metal and hydrocarbon exploration programs and then as a member of a hydrocarbon project financial evaluation team. Upon leaving Chevron, he initiated and developed the Resource Research Group at Charlton Securities Ltd., Calgary before assuming the position of Senior Mining Analyst, Corporate Finance, at Yorkton Securities Inc. in Vancouver. Throughout Mr. Shaw's career, he has built strong relationships with European financial institutions and the global mining community with valuable experience in West Africa.

**John Clarke** is a former President and CEO of Banro Corporation. He has considerable experience in mineral exploration, corporate acquisition and development in the gold mining sector in Africa. Mr. Clarke has held roles as President/CEO and Vice-Chairman of Nevsun Resources and, prior to joining Nevsun, he was Executive Director of Ashanti Goldfields Company Limited of Ghana. He has been the Director of

several companies which had exploration and development activities in Africa. Mr. Clarke holds a B.Sc. in metallurgy from University College Cardiff, a Ph.D. in metallurgy from Cambridge University and an MBA from Middlesex Polytechnic. Mr. Clarke is non-independent by reason of his position as chairman of the board of directors.

**Gordon Peeling** was the President of the Mining Association of Canada ("**MAC**") from 1997 to 2011 and brings more than 30 years of mining experience in both the public and private sectors. Prior to MAC, he served as Vice President at the International Council on Metals and the Environment and Director General at both the Mineral Commodities Branch and Mineral Strategy Branch at Natural Resources Canada. Gordon has a B.Sc. (Geology) degree from Queen's University and an M.Sc. (Geology) and a B.A. (Economics) from Carleton University.

#### **Audit Committee Oversight**

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

#### **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. The Company is relying upon the exemption in Section 6.1 of NI 52-110 from the requirements of Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*).

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

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

#### **External Auditors 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:

<i>Financial Year Ending</i>	<i>Audit Fees</i>	<i>Audit Related Fees</i>	<i>Tax Fees</i>	<i>All Other Fees</i>
December 31, 2017	\$25,000	Nil	\$2,500	Nil
December 31, 2016	\$25,000	Nil	\$2,500	Nil

#### **Expectations of Management**

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives.

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

### **1. Financial Statements and Auditors Report**

The Board has approved the audited financial statements for the fiscal year ended December 31, 2017, together with the auditor's report thereon, copies of which have been sent to those shareholders who have requested receipt of same. Copies of these materials are available on SEDAR at [www.sedar.com](http://www.sedar.com).

### **2. Re-Appointment of Auditors**

Shareholders will be asked to vote for the re-appointment of Crowe Mackay LLP, Chartered Accountants, as auditors of the Company to hold office until the next annual general meeting of the Company's shareholders.

### **3. Set Number of Directors**

Management of the Company intends to propose a resolution to set the number of Directors at five (5).

### **4. Election of Directors**

See "Election of Directors" for details of management's nominees for election as Directors of the Company for the ensuing year.

### **5. Approval and Ratification of 2018 Stock Option Plan**

Under the policies of the TSXV, a rolling stock option plan must be approved and ratified by shareholders on an annual basis.

As described above under "Option-Based Awards", the Board of Directors has approved the adoption of the 2018 Stock Option Plan, which is substantially the same as the 2017 Stock Option Plan and simply amends the 2017 Stock Option Plan to align the provisions regarding the legending of shares issued pursuant to the exercise of options granted to an insider or at any discount to the market price of the Company's shares with current the policies of the TSXV.

As a result of the aforementioned amendments, the 2018 Stock Option Plan provides that shares issued pursuant to the exercise of options granted to an insider or at any discount to the market price of the Company's shares shall be legended with the hold period required by the TSXV's policies (which is currently a 4-month resale restriction), commencing on the date the stock options are granted, if such shares are issued prior to the expiry of the 4-month hold period. The applicable hold period and the wording of the legend shall follow the TSXV's policies.

A description of the material terms of the 2018 Stock Option Plan is provided above under the heading "Option-Based Awards". Further details with regard to stock options in relation to the NEOs as at the most recently completed financial year is provided under the heading "Outstanding Share-Based Awards and Option-Based Awards".

All existing and outstanding options will count against the number of shares reserved for issuance under the 2018 Stock Option Plan as long as such options remain outstanding and will continue to be governed by the 2018 Stock Option Plan following shareholder approval at the Meeting.

The full text of the 2018 Stock Option Plan is available for viewing during normal business hours up to the date of Meeting at the Company's registered office at 10<sup>th</sup> Floor, 595 Howe Street, Vancouver, BC, V6C 2T5.

At the Meeting, shareholders will be asked to pass an ordinary resolution to approve and ratify the 2018 Stock Option Plan. All shareholders present at the Meeting, whether in person or by proxy, will be entitled to vote on the following resolution:

“UPON MOTION IT WAS RESOLVED that:

- (1) the Company approve and ratify, subject to regulatory approval, the 2018 Stock Option Plan pursuant to which the Directors may, from time to time, authorize the issuance of options to Directors, officers, employees and consultants of the Company and its subsidiaries to a maximum of 10% of the issued and outstanding common shares at the time of the grant, with a maximum of 5% of the Company's issued and outstanding shares being reserved to any one person on a yearly basis; and
- (2) any one officer or director of the Company is hereby authorized to execute and deliver all such documents and do all such acts and things as may be deemed advisable in such individual's discretion for the purpose of giving effect to this resolution.”

**The Board of Directors believes the approval and ratification of the 2018 Stock Option Plan as described above is in the best interests of the Company and recommends that shareholders vote in favour of the ordinary resolution approving and ratifying the 2018 Stock Option Plan. In order to be passed, a majority of the votes cast at the Meeting or in person or by proxy must be voted in favour of the resolution. Unless such authority is withheld, the persons named in the enclosed Proxy intend to vote for the approval of the 2018 Stock Option Plan.**

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Company at 10th Floor, 595 Howe Street, Vancouver, British Columbia V6C 2T5, to request copies of the Company's financial statements and MD&A.

Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year which are filed on SEDAR.

#### **OTHER MATTERS**

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

DATED this 31<sup>st</sup> day of May, 2018.

#### **APPROVED BY THE BOARD OF DIRECTORS**

*Signed “John Clarke”*

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John Clarke, Chairman