

INFORMATION CIRCULAR
as at May 28, 2019
(except as otherwise indicated)

This Information Circular is furnished in connection with the solicitation of proxies by the management of ANFIELD ENERGY INC. (the “Company”) for use at the annual general and special meeting (the “Meeting”) of its shareholders to be held on July 2, 2019 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.

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

GENERAL PROXY INFORMATION

Solicitation of Proxies

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

Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the “**Proxy**”) are officers and/or directors of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

Voting by Proxyholder

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

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors,
- (b) any amendment to or variation of any matter identified therein, and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the Proxy, the management appointee acting as a proxyholder will vote in favour of each matter identified on the Proxy and, if applicable, for the nominees of management for directors and auditors as identified in the Proxy.

Registered Shareholders

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

- (a) completing, dating and signing the enclosed form of proxy and returning it to the Company’s transfer agent, Computershare Trust Company of Canada, by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail to the 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1;
- (b) using a touch-tone phone to transmit voting choices to a tollfree number. Registered Shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the tollfree number, the holder’s account number and the proxy access number; or
- (c) using the internet through the website of the Company’s transfer agent at www.investorvote.com. Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder’s account number and the proxy access number;

in all cases ensuring that the proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the proxy is to be used.

Beneficial Shareholders

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

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

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

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

The Company is taking advantage of the provisions of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) that permit it to directly deliver proxy-related materials to its NOBOs. As a result, NOBOs can expect to receive a scannable Voting Instruction Form (“**VIF**”) from our transfer agent, Computershare. These VIFs are to be completed and returned to Computershare in the envelope provided or by facsimile. In addition, Computershare provides both telephone voting and internet voting as described on the VIF itself which contain complete instructions. Computershare will tabulate

the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

These securityholder materials are being sent to both Registered Shareholders and Beneficial Shareholders of the securities of the Company. If you are a Beneficial Shareholder, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

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

The Company has not adopted the notice and access procedure described in NI 54-101 and National Instrument 51-102 – *Continuous Disclosure Obligations* to distribute its proxy-related materials to the Registered Shareholders and the Beneficial Shareholders. In addition, the Company has not agreed to pay to distribute the proxy-related materials to the OBOs and, unless the intermediaries acting for such OBOs agree to assume the cost of such delivery, OBOs will not receive the proxy-related materials for the Meeting.

Beneficial Shareholders who are OBOs should follow the instructions of their intermediary carefully to ensure that their Common Shares are voted at the Meeting.

The form of proxy supplied to you by your broker will be similar to the proxy provided to Registered Shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in the United States and in Canada. Broadridge mails a VIF in lieu of a proxy provided by the Company. The VIF will name the same persons as the Company’s Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than any of the persons designated in the VIF, to represent your Common Shares at the Meeting and that person may be you. To exercise this right, you should insert the name of the desired representative (which may be yourself) in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the Internet, in accordance with Broadridge’s instructions. 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 and the appointment of any shareholder’s representative. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Common Shares voted or to have an alternate representative duly appointed to attend and to vote your Common Shares at the Meeting.**

Notice to Shareholders in the United States

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

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

company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

Revocation of Proxies

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

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder’s authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare Trust Company of Canada, or
- (b) executing an instrument in writing that is received at the registered office of the Company (at 550 Burrard Street, Suite 2300, Bentall 5, Vancouver, B.C. V6C 1B5,) at any time up to and including the last business day before the day set for the holding of the Meeting or if adjourned meeting, at any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or
- (c) personally attending the Meeting and voting the registered shareholder’s Common Shares.

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

**INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS
TO BE ACTED UPON**

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

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors (the “**Board**”) of the Company has fixed May 28, 2019 as the record date (the “**Record Date**”) for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Common Shares of the Company are listed for trading on the TSX Venture Exchange (the “**TSXV**”). The authorized capital of the Company consists of an unlimited number of Common Shares. As of May 28, 2019, there are 74,652,826 Common Shares issued and outstanding, each carrying the right to one vote. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

To the knowledge of the directors and executive officers of the Company, the following individual or corporation beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common of the Company as at May 28, 2019, as follows:

Shareholder Name	Number of Common Shares Held	Percentage of Issued Common Shares
CDS Inc. ⁽¹⁾	29,137,131 ⁽²⁾	39.03%
Cotter Corporation	11,051,775	15.77%
Radio Fuels Corporation	8,880,000 ⁽²⁾	11.8%

- ⁽¹⁾ Management is unaware of the beneficial owners.
- ⁽²⁾ Five million shares (5,000,000) were included in CDS Inc. and have been deducted from CDS Inc. total provided by transfer agent.

The audited financial statements of the Company for its fiscal year ended December 31, 2017, the report of the auditor and related management discussion and analysis were filed on SEDAR at www.sedar.com on May 3, 2019, and with the securities commissions or similar regulatory authority in Alberta and British Columbia.

VOTES NECESSARY TO PASS RESOLUTIONS

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

Advance Notice Policy

On August 7, 2013, the Board adopted, and on September 11, 2013 the Shareholders approved, an advance notice policy for the purpose of providing shareholders, directors and management of the Company with a clear framework for nominating directors of the Company in connection with any annual or special meeting of shareholders.

The purpose of the advance notice policy is to (i) ensure that all shareholders receive adequate notice of director nominations and sufficient time and information with respect to all nominees to make appropriate deliberations and register an informed vote; and (ii) facilitate an orderly and efficient process for annual or, where the need arises, special meetings of shareholders of the Company. The advance notice policy fixes the deadlines by which shareholders of the Company must submit director nominations to the Company prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in a written notice to the Company for any director nominee to be eligible for election at such annual or special meeting of shareholders.

The following is a brief summary of certain provisions of the advance notice policy, and the full text of the policy is available for review on SEDAR at www.sedar.com.

- Other than pursuant to (i) a proposal made in accordance with the *Business Corporations Act* (British Columbia) (the “**Act**”), or (ii) a requisition of the shareholders made in accordance with the provisions of the Act, shareholders of the Company must give advance written notice to the Company of any nominees for election to the board of directors.
- The advance notice policy fixes a deadline by which shareholders of the Company must submit, in writing, nominations for directors to the Corporate Secretary of the Company prior to any annual or special meeting of shareholders, and sets forth the specific information that such shareholders must include with their nominations in order to be effective. Only persons who are nominated in accordance with the advance notice policy are eligible for election as directors of the Company.
- For an annual meeting of shareholders, notice to the Company must be not less than 30 days and not more than 65 days prior to the date of the annual meeting; provided, however, that in the event that the annual meeting is to be held on a date less than

40 days after the date on which the first public announcement of the date of such annual meeting was made, notice may be given not later than the close of business on the 10th day following such public announcement.

- 4. For a special meeting of shareholders (that is not also annual meeting), notice to the Company must be given not later than the close of business on the 15th day following the day on which the first public announcement of the date of such special meeting was made.
- 5. The time periods for giving notice set forth above shall in all cases be determined based on the original date of the applicable annual meeting and/or special meeting of shareholders, and in no event shall any adjournment or postponement of a meeting of shareholders, or the reconvening of any adjourned or postponed meeting of shareholders, or the announcement thereof, commence a new time period for the giving of notice as described above.

For the purposes of the advance notice policy, “public announcement” means disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Company under its profile on SEDAR at www.sedar.com.

The Board may, in its sole discretion, waive any provision or requirement of the advance notice policy.

ELECTION OF DIRECTORS

The size of the Board of the Company is currently determined at six. Shareholders will therefore be asked to approve an ordinary resolution that the number of directors elected be determined at six.

The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director’s office is earlier vacated in accordance with the provisions of the Act, each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

The following table sets out the names of management’s nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, the period of time during which each has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at May 28, 2019.

Name of Nominee; Current Position with the Company and Province or State and Country of Residence	Period as a Director of the Company	Common Shares Beneficially Owned or Controlled ⁽¹⁾
Joshua D. Bleak ⁽²⁾ Director Arizona, U.S.A.	Since December 15, 2010	974,208
Corey Dias ⁽²⁾ Chief Executive Officer and Director Ontario, Canada	Since November 5, 2012	873,020
Donald Falconer Director Ontario, Canada	Since June 11, 2014	25,000
Leonard M. Wright III, Director Colorado U.S.A.	Since February 2, 2015	60,000

Name of Nominee; Current Position with the Company and Province or State and Country of Residence	Period as a Director of the Company	Common Shares Beneficially Owned or Controlled ⁽¹⁾
Stephen Lunsford Director Wyoming, U.S.A.	Since May 23, 2018	100,000

Notes:

- ⁽¹⁾ The information as to position and principal business and Common Shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees.
- ⁽²⁾ Member of the audit committee.

Occupation, Business or Employment of Director Nominees

The disclosure sets out each nominee’s principal occupation, business or employment within the five preceding years. The information as to principal occupation, business or employment is not within the knowledge of management of the Company and has been furnished by the respective nominees.

Joshua D. Bleak is a director of the Company and was President of the Company from December 15, 2010 to August 30, 2012 and was Chief Executive Officer of the Company from August 30, 2012 to February 21, 2013. Mr. Bleak is a fourth-generation miner from an Arizona mining family that has developed gold, silver, copper and uranium properties throughout the southwestern U.S. He was the Chief Executive Officer of Passport Potash Inc. (“Passport Potash”), a reporting issuer on the TSXV. Mr. Bleak was previously President of American Energy Fields, Inc., a U.S. publicly-traded uranium company. Currently he serves as a director for a number of Canadian junior mining exploration companies and is President of North American Environmental Corp., a consulting company specializing in mining project management, permitting, lobbying and land tenure.

Corey Dias is Chief Executive Office and a director of the Company. Mr. Dias has over nine years of experience in capital markets and has many years of experience in strategic consulting with a major U.S. management consulting firm. Mr. Dias began his capital markets career in institutional equity research at CIBC in the Canadian Telecommunications sector and has gained further equity research and equity sales experience in other sectors including mining and at other boutique investment firms. Mr. Dias was Vice President at Fortress Investment Group, a major U.S. based hedge fund, where he was involved in the management of a \$400 million investment portfolio. Mr. Dias was also a management consultant in the Stockholm office of The Monitor Group., a U.S. based strategy-consulting firm. Mr. Dias holds a Master of Business Administration from the Richard Ivey School of Business at the University of Western Ontario.

Donald Falconer is a Director of the Company and has over 35 years of experience in the uranium and nuclear utility sectors. He holds a Master in Environmental Studies from York University. His experience in the private sector includes positions with a number of prominent uranium companies, including Southern Cross Resources (the predecessor of Uranium One), Uranium One and Aurora Energy Resources, where he focused primarily on uranium marketing and sales. In addition, Mr. Falconer has over 16 years of Board experience with publicly traded companies in various roles, including Energy Fuels (Director), Southern Cross Resources (Director and Corporate Secretary) and AusAmerican Mining (Chairman and Director). Finally, Mr. Falconer spent 7 of his 20 years with Ontario Hydro in its Nuclear Division.

Leonard M. Wright III is a Director of the Company. He is a registered geologist, has over 20 years of environmental consulting experience, along with experience in project and program management for mining-related environmental and regulatory programs. In 1994, he served as lead hydrogeologist for Western Nuclear Inc.’s Split Rock uranium mill reclamation project. Since then, Mr. Wright’s experience included his role as the U.S. Department of Energy’s Technical Assistance Contract Manager for the Moab UMTRA project and his position as Environmental Manager for the Conventional Mining Group of Uranium One Americas. In 2010,

Mr. Wright formed Wright Environmental Services Inc. to service mining clients throughout the western U.S. in the area of applied hydrology related to mining and milling projects. Mr. Wright holds a Master of Geotechnical Engineering from Colorado State University.

Stephen Lunsford Mr. has 40+ years working as a geologist in the uranium industry. His experience includes working as field geologist, senior geologist, chief geologist, and evaluation geologist in both exploration and production settings. His specialties have included database design and maintenance, sandstone uranium deposit mapping, reserve and resource estimation, ISR wellfield design, production modeling and reporting of actual production. His labors as a registered professional geologist (PG-1344 WY) have mostly involved Wyoming projects (ex: the Charlie Project) however, projects were also located in neighboring states as well as Kazakhstan and Turkey. While performing as chief geologist at the Smith Ranch-Highland uranium mine located in Converse County Wyoming, and later as evaluation geologist, he was the NI 43-101/JORC Qualified Person for Cameco Resources.

Cease Trade Orders and Bankruptcy

No proposed director is, as at the date of this Information Circular, or has been, within ten (10) years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company in respect of which the information circular is being prepared) that:

- (a) was subject to a cease trade or similar 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 a cease trade or similar 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;

No proposed director is, as at the date of this Information Circular, or has been within ten (10) years before the date of this Information Circular, a director or executive officer of any company (including the Company in respect of which the information circular is being prepared) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

No proposed director has, within the past ten years, 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.

Penalties and Sanctions

No proposed director of the Company 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 has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

APPOINTMENT OF AUDITOR

Dale Matheson Carr-Hilton LaBonte LLP, Chartered Accountants, Suite 1500 – 1140 West Pender Street, Vancouver, British Columbia V6E 4G1 will be nominated at the Meeting for reappointment as auditor of the Company at a remuneration to be fixed by the directors.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

National Instrument 52-110 – *Audit Committees (“NI 52-110”)* requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth in the following:

The Audit Committee’s Charter

The audit committee has a charter. A copy of the Audit Committee Charter is attached as Schedule “A” to the information circular filed on www.sedar.com on May 16, 2011 is incorporated herein by reference.

Composition of the Audit Committee

The members of the audit committee are Corey Dias (Chairman), Joshua Bleak and Stephen Lunsford. Mr. Lunsford is the independent member of the audit committee. Mr. Bleak is not an independent member of the audit committee as he is the former President and Chief Executive Officer of the Company. All members are considered to be financially literate.

Relevant Education and Experience of the Audit Committee

The current members of the audit committee either have university, college level education or extensive business and financial experience. See disclosure under “*Occupation, Business or Employment of Nominees*”.

Each of the members of the audit committee has:

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

Audit Committee Oversight

The audit committee has not made any recommendations to the Board to nominate or compensate any auditor other than Dale Matheson Carr-Hilton LaBonte LLP.

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

Reliance on Certain Exemptions

The Company’s auditor, Dale Matheson Carr-Hilton LaBonte LLP has not provided any material non-audit services.

At no time since the commencement of the Company’s most recently completed financial year has the Company relied on exemptions in relation to “De Minimis Non-audit Services” or any exemption provided by Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

See the Audit Committee Charter for the adoption of specific policies and procedures for the engagement of non-audit services.

Pursuant to the terms of the Audit Committee Charter, the Audit Committee shall pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the Company’s external auditor.

External Auditor Service Fees

The audit committee has reviewed the nature and amount of the non-audited services provided by Dale Matheson Carr-Hilton LaBonte LLP to the Company to ensure auditor independence. Fees incurred with Dale Matheson Carr-Hilton LaBonte LLP for audit and non-audit services in the last two fiscal years for audit fees are outlined in the following table:

Nature of Services	Estimated Fees Paid to Auditor in Year Ended December 31, 2017	Fees Paid to Auditor in Year Ended December 31, 2017
Audit Fees ⁽¹⁾	\$36,500	\$42,500
Audit-Related Fees ⁽²⁾	\$Nil	\$Nil
Tax Fees ⁽³⁾	\$5,750	\$5,750
All Other Fees ⁽⁴⁾	\$Nil	\$Nil
Total	\$45,250	\$48,250

Notes:

- ⁽¹⁾ “Audit Fees” include fees necessary to perform the annual audit and quarterly reviews of the Company’s consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- ⁽²⁾ “Audit-Related Fees” include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- ⁽³⁾ “Tax Fees” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- ⁽⁴⁾ “All Other Fees” include all other non-audit services.

Exemption

The Company is relying upon the exemption in section 6.1 of NI 52-110 in respect of the composition of its audit committee and in respect of its reporting obligations under NI 52-110 for the year ended December 31, 2018. This exemption exempts a “venture issuer” from the requirement to have 100% of the members of its audit committee independent, as would otherwise be required by NI 52-110.

CORPORATE GOVERNANCE

General

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

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of the Company’s Board of Directors, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The Board facilitates its independent supervision over management in several ways, including retaining independent consultants where it deems necessary, and by reviewing corporate developments with larger shareholders, analysts and potential industry partners.

The independent members of the Board are Don Falconer, Leonard M. Wright III and Stephen Lunsford. A majority of the Board is independent.

Directorships

The none of the directors currently serve on boards of other reporting companies (or equivalent).

Orientation and Continuing Education

When new directors are appointed, they receive an orientation, commensurate with their previous experience, on the Company’s properties and business and on the responsibilities of directors.

Board meetings may also include presentations by the Company’s management and employees to give the directors additional insight into the Company’s business.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company’s governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual directors’ participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board’s duties effectively and to maintain a diversity of views and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

The Company does have an Advance Notice Policy for the nomination of directors which policy can be viewed at www.sedar.com

Compensation

The Board as a whole determines compensation for the directors and CEO.

Other Board Committees

The Board has no other committees other than the audit committee.

Assessments

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committees.

STATEMENT OF EXECUTIVE COMPENSATION

Named Executive Officer

In this section “Named Executive Officer” (an “**NEO**”) means the Chief Executive Officer (“**CEO**”) and Chief Financial Officer (“**CFO**”) of the Company and each of the three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at December 31, 2017 and whose total compensation was in excess of \$150,000 as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an executive officer of the Company at December 31, 2018.

Corey Dias, CEO, Joshua Bleak and Laara Shaffer, CFO, are the NEOs of the Company for the purposes of the following disclosure.

Compensation Discussion and Analysis

The overall objective of the Company’s compensation strategy is to offer medium-term and long-term compensation components to ensure that the Company has in place programs to attract, retain and develop management of the highest caliber and has in place a process to provide for the orderly succession of management, including receipt on an annual basis of any recommendations of the CEO, if any, in this regard. The Company currently has medium-term and long-term compensation components in place, and intends to further develop these compensation components. The objectives of the Company’s compensation policies and procedures are to align the interests of the Company’s employees with the interests of the Company’s shareholders. Therefore, a significant portion of the total compensation is based upon overall corporate performance.

The Company does not have in place a compensation committee or a nominating committee. All tasks related to developing and monitoring the Company’s approach to the compensation of officers of the Company and to developing and monitoring the Company’s approach to the nomination of directors to the Board are performed by the members of the Board. The compensation of the NEOs and the Company’s employees is reviewed, recommended and approved by the independent directors of the Company.

The Company chooses to grant stock options to NEOs to satisfy the long-term compensation component. The Board may consider, on an annual basis, an award of bonuses to key executives and senior management. The amount and award of such bonuses is discretionary, depending on, among other factors, the financial performance of the Company and the position of a participant. The Board considers that the payment of such discretionary annual cash bonuses satisfies the medium term compensation component. In the future, the Board may also consider the grant of options to purchase common shares of the Company with longer future vesting dates to satisfy the long term compensation component.

The Board has assessed the Company’s compensation plans and programs for its executive officers to ensure alignment with the Company’s business plan and to evaluate the potential risks associated with those plans and programs. The Board has concluded that the compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Company. The Board considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

The Company has not adopted a policy restricting its executive officers or directors from purchasing financial instruments that are designated to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its executive officers or directors. To the knowledge of the Company, none of the executive officers or directors have purchased such financial instruments.

Actions, Decisions or Policies Made After December 31, 2013

Option-based Awards

In accordance with Policy 4.4 of the TSXV, the directors of the Company have adopted a Share Option Plan dated for reference May 26, 2014 (the “**Plan**”), subject to shareholder and Exchange approval. The Plan complies with the requirements of Exchange Policy 4.4 for Tier 2 issuers. Under the Plan, a maximum of 10% of the issued and outstanding Common Shares of the Company are to be reserved at any time for issuance on the exercise of stock options. As the number of Common Shares reserved for issuance under the Plan increases with the issue of additional Common Shares by the Company, the Plan is considered to be a “rolling” share option plan.

Summary Compensation Table

Particulars of compensation paid to each NEO during the three most recently completed financial years ended December 31, 2017, 2016 and 2015 is set out in the summary compensation table below and expressed in Canadian dollars, unless otherwise noted:

Name and Principal Position	Year	Salary ⁽²⁾ (\$)	Share-based Awards ⁽³⁾ (\$)	Option-based Awards ⁽⁴⁾ (\$)	Non-equity Incentive Plan Compensation ⁽¹⁾		Pension Value (\$)	All Other Compensation ⁽⁵⁾ (\$)	Total Compensation (\$)
					Annual Incentive Plans (\$)	Long-term Incentive Plans (\$)			
Corey Dias CEO	2018	197,500	Nil	77,732	Nil	Nil	Nil	Nil	275,232
	2017	180,000	Nil	Nil	Nil	Nil	Nil	220,000	400,000
	2016	120,000	Nil	71,356	Nil	Nil	Nil	Nil	191,356
Joshua Bleak, Director	2018	153,000	Nil	77,732	Nil	Nil	Nil	Nil	230,732
	2017	155,580	Nil	Nil	Nil	Nil	Nil	120,000	275,580
	2016	98,902	Nil	71,356	Nil	Nil	Nil	Nil	170,258
Laara Shaffer CFO	2018	56,900	Nil	77,732	Nil	Nil	Nil	Nil	134,632
	2017	36,210	Nil	Nil	Nil	Nil	Nil	Nil	36,210
	2016	11,835	Nil	32,110	Nil	Nil	Nil	1,000	44,945

Notes:

⁽¹⁾ “Non-equity Incentive Plan Compensation” includes all compensation under an incentive plan or portion of an incentive plan that is not an equity incentive plan.

⁽²⁾ The value of perquisites including property or other personal benefits provided to an NEO that are generally available to all employees, and that in the aggregate are worth less than \$50,000, or are worth less than 10% of an NEO’s total salary for the financial year are not reported herein.

⁽³⁾ “Share-based Awards” means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock.

⁽⁴⁾ “Option-based Awards” means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features. The grant date value of the option-based award was determined using the Black-Scholes option-pricing model, with the following assumptions: Expected dividend yield 0%; Volatility 144%-148%; risk free interest rate 1.56%-1.63% and Expected life 5 years.

⁽⁵⁾ Represents bonuses paid.

For compensation related to previous years, please refer to the Company’s information circulars available at www.sedar.com.

Outstanding Share-based Awards and Option-based Awards

The following table sets forth the share-based awards and option-based awards outstanding as of December 31, 2018, for each NEO:

	Option-based Awards			
Name	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date (M/D/Y)	Value of unexercised in-the-money options ⁽¹⁾ (\$)
Corey Dias	160,000	\$0.55	August 8, 2023	N/A
Laara Shaffer	160,000	\$0.55	August 8, 2023	N/A

Notes:

- ⁽¹⁾ The value of unexercised “in-the-money options” at the financial year-end is the difference between the option exercise price and the market value of the underlying common shares on the Exchange on December 31, 2017. The closing price of the common shares on December 31, 2018 year end was \$0.35.
- ⁽²⁾ These options are registered in the name of Timeline Filing Services Ltd., a company controlled by Ms. Shaffer.

Incentive Plan Awards – Value Vested or Earned During the Year

An “incentive plan” is any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period. An “incentive plan award” means compensation awarded, earned paid, or payable under an incentive plan.

The following table sets out the value vested or earned under incentive plans during the year ended December 31, 2018, for each NEO:

Name	Option-based awards – Value vested during the year ⁽¹⁾ (\$)	Share-based awards – Value vested during the year ⁽²⁾ (\$)	Non-equity incentive plan compensation – Value earned during the year ⁽³⁾ (\$)
Corey Dias	Nil	Nil	Nil
Laara Shaffer	Nil	Nil	Nil

Notes:

- ⁽¹⁾ Value vested during the year is calculated by subtracting the market price of the Company’s Common Shares on the date the option vesting (being the closing price of the Company’s Common Shares on the TSXV on the last trading day prior to the vesting date. Options vest on the date of grant. Accordingly, the in-the money value of the stock options at the time of vesting was \$nil.
- ⁽²⁾ The Company did not issue any share-based awards to its NEOs during the fiscal year ended December 31, 2017.
- ⁽³⁾ The Company does not provide a non-equity incentive plan to its NEOs.

For more information about option-based awards, see “*Particular of Matters to be Acted Upon – Share Option Plan*”.

Pension Plan Benefits

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

Termination and Change of Control Benefits

The Company has no contract, agreement, plan or arrangement that provides for payments to an NEO, at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or a change in the NEO’s responsibilities.

Director Summary Compensation Table

The following table sets forth the details of compensation provided to the directors of the Company who are not NEOs during the Company’s most recently completed financial year of December 31, 2018:

Name	Fees Earned (\$)	Share-based Awards (\$)	Option-based Awards ⁽¹⁾ (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Joshua D. Bleak	\$153,000	Nil	77,732	Nil	Nil	Nil	230,732
Don Falconer	Nil	Nil	77,732	Nil	Nil	Nil	77,732
Leonard Wright III ⁽²⁾	Nil	Nil	77,732	Nil	Nil	Nil	77,732
Stephen Lunsford	\$20,000		77,732				97,732

- Notes:
- ⁽¹⁾ The value of the option-based award was determined using the Black-Scholes option-pricing model using the following assumptions: Expected dividend yield 0%; Volatility 144%-148%; risk free interest rate 1.56%-1.63% and Expected life 5 years.

⁽²⁾ Fees paid to Wright Environmental Services Inc. in the amount of CAD\$49,698.

Commented [LN1]: The amount recorded to exploration for Wright Environmental Services in 2018 was US\$38,353 translated to CAD \$49,698 at average fx for 2018. Unable to determine if these fees were for expenses or fees earned. For the purpose of audited financials they were not consulting fees.

Commented [LS2R1]: Wright’s firm performed work on the properties.

Outstanding Share-based Awards and Option-based Awards

During the year ended December 31, 2018 options were granted to directors or officers.

Name	Option-based Awards			
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date (M/D/Y)	Value of unexercised in-the-money options ⁽¹⁾ (\$)
Joshua D. Bleak	160,000	\$0.55	August 8, 2023	Nil
Don Falconer	160,000	\$0.55	August 8, 2023	Nil
Leonard Wright III	160,000	\$0.55	August 8, 2023	Nil
Stephen Lunsford	160,000	\$0.55	August 8, 2023	Nil

- Notes:
- ⁽¹⁾ The value of unexercised “in-the-money options” at the financial year-end is the difference between the option exercise price and the market value of the underlying common shares on the Exchange on December 31, 2017. The closing price of the common shares on December 31, 2018 year end was \$0.35.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets out the value vested or earned under incentive plans during the year ended December 31, 2018, for each director:

Name	Option-based awards – Value vested during the year ⁽¹⁾ (\$)	Share-based awards – Value vested during the year ⁽²⁾ (\$)	Non-equity incentive plan compensation – Value earned during the year ⁽³⁾ (\$)
Joshua Bleak	N/A	N/A	N/A
Don Falconer	N/A	N/A	N/A
Leonard Wright III	N/A	N/A	N/A
Stephen Lunsford	N/A	N/A	N/A

- Notes:
- ⁽¹⁾ All stock options granted by the Company to its directors during the most recent completed fiscal year and in prior years and currently outstanding were fully vested and exercisable on the date of grant and exercise price represented the market price of the underlying common shares as at that date. As such, no dollar value of options vested (being, the difference between the market price of the underlying common shares and the option exercise price on the vesting date) was realized by any of the Company’s directors during the fiscal year ended December 31, 2017.

⁽²⁾ The Company did not issue share-base awards to its directors during the fiscal year ended December 31, 2017.

- The Company does not provide a non-equity incentive plan to its directors.

⁽¹⁾ For more information about option-based awards, see “Particular of Matters to be Acted Upon – Share Option Plan”.

Pension Plan Benefits

The Company does not have a pension plan that provides for payments or benefits to the non-executive directors at, following, or in connection with retirement.

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

The only equity compensation plan which the Company has in place is the Plan dated for reference May 28, 2019. See disclosure under heading “*Option-Based Awards*”.

Equity Compensation Plan Information

The following table sets forth details of the Company’s compensation plans under which equity securities of the Company are authorized at the end of the Company’s most recently completed financial year:

Plan Category	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders – the Plan	4,335,700	0.64	140,278
Equity compensation plans not approved by security holders	-	-	-
Total	4,335,700	0.64	140,278

A copy of the Company’s Plan is available for review at the office of the Company at Cassals Brock LLP, the registered offices of the Company, at Suite 2200, 885 West Georgia Street, Vancouver, B.C. V6C 3E8 during normal business hours up to and including the date of the Meeting. For more information regarding the Plan, see “*Particular of Matters to be Acted Upon – Share Option Plan*”.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

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

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

This Information Circular briefly describes (and, where practicable, states the approximate amount) of any material interest, direct or indirect, of any informed person of the Company, any proposed director of the Company, or any associate or affiliate of any informed person or proposed director, in any transaction since the commencement of the Company’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

As at December 31, 2018, the Company owed \$397,069 (2017 - \$106,435) to related parties. These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

The Company paid \$350,500 (2017 - \$385,000) in management fees and \$56,900 (2017 - 36,210) in administration fees.

MANAGEMENT CONTRACTS

There are no management functions of the Company, which are to any substantial degree performed by a person or company other than the directors or executive officers of the Company.

PARTICULARS OF MATTERS TO BE ACTED UPON

A. SHARE OPTION PLAN

A number of Common Shares equal to ten (10%) percent of the issued and outstanding Common Shares in the capital stock of the Company from time to time are reserved for the issuance of stock options pursuant to the Plan dated for reference May 26, 2014. The Plan is administered by the CFO of the Company. The Plan provides that options will be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company. The Plan also provides that the number of Common Shares issuable under the Plan, together with all of the Company's other previously established or proposed share compensation arrangements, may not exceed 10% of the total number of issued and outstanding Common Shares. Pursuant to the Plan all options expire on a date not later than 10 years after the date of grant of an option. As at December 31, 2018, there were options outstanding to purchase an aggregate of 4,312,750 Common Shares in the Company.

Under TSXV policy, the continuation of the Plan requires annual shareholder approval at each annual meeting of the Company by ordinary resolution. The Company is of the view that the Plan provides the Company with the flexibility to attract and maintain the services of executives, employees and other service providers in competition with other companies in the industry.

The following is a summary of the material terms of the Plan:

- (a) all options granted under the Plan are non-assignable, non-transferable and exercisable except in the case of a death of an Optionee, the Optionee ceases to be an employed or provide services to the Company, or an Optionee is dismissed from employment or service for cause;
- (b) for stock options granted to employees or service providers (inclusive of management company employees), the Company must ensure that the proposed Optionee is a bona fide employee or service provider (inclusive of management company employees), as the case may be, of the Company or any subsidiary;
- (c) an option granted to any Optionee will expire 90 days (or such other time as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any times prior to the expiry of the Option) after the date the Optionee ceases to be employed by or provide services to the Company, but only to the extent that such option has vested at the date the Optionee ceased to be so employed by or to provide services to the Company;
- (d) the minimum exercise price of an option granted under the Plan must not be less than the Discounted Market Price (as defined in the policies of the Exchange);
- (e) no Optionee can be granted an option or options to purchase more than 5% of the outstanding listed shares of the Company in any one year period unless the Company has received disinterested approval to the grant of the options;
- (f) no more than 2% of the issued shares of the Company may be granted to any one consultant in any 12-month period;
- (g) no more than an aggregate of 2% of the issued shares of the Company may be granted to all employees conducting investor relations activities in any 12 month period;

- (h) in the case of any Optionee's death, the Optionee's heirs or administrators can exercise any part of the outstanding option for up to one year from the Optionee's death;
- (i) options issued to consultants performing investor relations activities must vest in stages over 12 months with no more than one-quarter of the options vesting in any three month period or such longer vesting period as the Board may determine;
- (j) the Company must obtain disinterested shareholder approval of any decrease in the exercise price of stock options previously granted to insiders;
- (k) the exercise price of any incentive stock option must be paid by a certified cheque, wire transfer or bank draft;
- (l) the Company must obtain disinterested shareholder approval for share options if the Plan, together with all of the Company's previously established and outstanding option plans or grants, results, at any time in, the number of shares reserved for issuance under stock options granted to insiders exceeding 10% of the issued shares, the grant to insiders, within a 12-month period, of a number of options exceeding 10% of the issued shares or the issuance to any one Optionee, within a 12-month period, of a number of shares exceeding 5% of the issued shares, of the Company; and
- (m) options granted under any existing plan will be deemed to have been granted under the Plan and will be subject to the terms and conditions of the Plan.

Shareholder Approval

At the Meeting, shareholders will be asked to vote on the following ordinary resolution:

"RESOLVED that the Company's share option plan dated for reference May 28, 2019, be ratified and approved until the next annual general meeting of the Company."

The Board of Directors recommends that shareholders vote in favour of the continuation of the Plan.

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.

A copy of the Plan will be available for inspection at the Meeting. A shareholder may also obtain a copy of the Plan by contacting the Company at Telephone No.: (604) 669-5762 or at Fax No.: (604) 608-4804.

ADDITIONAL INFORMATION

Additional information relating to the Company is filed on SEDAR at www.sedar.com and upon request from the Company at phone number (604) 669-5762 or fax number (604) 608-4804. Copies of documents will be provided free of charge to security holders of the Company. The Company may require the payment of a reasonable charge from any person or company who is not a security holder of the Company, who requests a copy of any such document. The Company's financial information is provided in the Company's audited consolidated financial statements and related management discussion and analysis for its most recently completed financial year and may be viewed on the SEDAR website at the location noted above.

OTHER MATTERS

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

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

DATED at Vancouver, British Columbia, effective May 28, 2019.

BY ORDER OF THE BOARD

“Corey Dias”

Corey Dias

Chief Executive Officer