

**GETTY COPPER INC.**

1000 Austin Avenue  
Coquitlam, BC V3K 3P1

Telephone: (604) 931-3231  
Facsimile: (604) 931-2814

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the “**Meeting**”) of shareholders of **GETTY COPPER INC.** (the “**Company**”) will be held at 20<sup>th</sup> Floor, 250 Howe Street, Vancouver, British Columbia, Canada, on Thursday, June 21, 2018 at 10:00 a.m., Vancouver time, for the following purposes:

1. To receive the report of the directors of the Company.
2. To receive and consider the audited financial statements of the Company for the financial year ended December 31, 2017, together with the auditors’ report thereon.
4. To elect directors of the Company for the ensuing year.
5. To appoint auditors of the Company for the ensuing year.
6. To authorize the directors to fix the auditors’ remuneration for the ensuing year.
7. To consider, and, if thought advisable, to re-approve the incentive stock option plan of the Company, as more particularly described in the information circular.
8. To act on such other matters, including amendments to any of the foregoing, as may properly come before the Meeting or any adjournment thereof.

An Information Circular accompanies this Notice of Meeting. The Information Circular contains details of matters to be considered at the Meeting. A copy of the audited annual consolidated financial statements of the Company for its financial year ended December 31, 2017, together with the auditors’ report thereon and the corresponding management discussion and analysis may be obtained on SEDAR at [www.sedar.com](http://www.sedar.com).

The board of directors of the Company has fixed May 16, 2018 as the record date for determining the shareholders who are entitled to vote at the Meeting. Only holders of common shares of the Company at the close of business on May 16, 2018 will be entitled to receive notice of and to vote at the Meeting.

Shareholders are requested to date, sign and return the accompanying form of proxy for use at the Meeting if they are not able to attend the Meeting personally. To be effective, forms of proxy must be received by the Company’s registrar and transfer agent, Computershare Investor Services Inc., no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting (namely, by 10:00 a.m., Vancouver time, on Tuesday, June 19, 2018) or any adjournment thereof at which the proxy is to be used. Proxies delivered by regular mail should be addressed to Computershare Investor Services Inc., Attention: Proxy Department, 9<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1. Proxies delivered by facsimile should be sent to Computershare Investor Services Inc., Attention: Proxy Department, at toll free 1-866-249-7775 in North America and 416-263-9524 internationally.

DATED at Vancouver, British Columbia, this 16<sup>th</sup> day of May 2018.

**BY ORDER OF THE BOARD OF DIRECTORS**

**“Dennis Milburn”**  
**President, Chairman of the Board**  
**and a Director**

## GETTY COPPER INC.

1000 Austin Avenue  
Coquitlam, BC V3K 3P1

Telephone: (604) 931-3231  
Facsimile: (604) 931-2814

### INFORMATION CIRCULAR

(information as at 16<sup>th</sup> day of May 2018, unless otherwise indicated)

**This Information Circular is furnished in connection with the solicitation of proxies by the management of GETTY COPPER INC. (the "Company") for use at the annual general meeting (the "Meeting") of its shareholders to be held on Thursday, June 21, 2018 at the time and place and for the purposes set forth in the accompanying Notice of Meeting.**

### 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. All costs of this solicitation will be borne by the Company. These officers and employees will receive no compensation other than their regular salaries but will be reimbursed for their reasonable expenses, which it is expected will not exceed \$3,000 in the aggregate.

### APPOINTMENT AND REVOCATION OF PROXIES

The individuals named in the accompanying form of proxy are - John B. Lepinski, Chief Executive Officer, Chief Operating Officer and Managing Director of the Company and Donald R. Willoughby, Chief Financial Officer, Vice President Finance and director of the Company. **A shareholder eligible to vote at the Meeting has the right to appoint a person, who need not be a shareholder, to attend and act for the shareholder and on the shareholder's behalf at the Meeting other than either of the persons designated in the accompanying form of proxy, and may do so either by inserting the name of that other person in the blank space provided in the accompanying form of proxy or by completing another suitable form of proxy.**

Shareholders are requested to date, sign and return the accompanying form of proxy for use at the Meeting if they are not able to attend the Meeting personally. To be effective, forms of proxy must be received by the Company's registrar and transfer agent, Computershare Investor Services Inc., no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting (namely, by 10:00 a.m., Vancouver time, on Tuesday June 19, 2018) or any adjournment thereof at which the proxy is to be used. Proxies delivered by regular mail should be addressed to Computershare Investor Services Inc., Attention: Proxy Department, 9<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1. Proxies delivered by facsimile should be sent to Computershare Investor Services Inc., Attention: Proxy Department, at toll free 1-866-249-7775 in North America and 416-263-9524 internationally.

A shareholder who has given a proxy may revoke it by an instrument in writing duly executed and delivered either to Computershare Investor Services Inc. or to the registered office of the Company at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or of any reconvening thereof, or in any other manner provided by law. A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

## NON-REGISTERED HOLDERS

These securityholder materials are being sent to both registered and non-registered owners of common shares of the Company (the “**Common Shares**”). If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding Common Shares on your behalf.

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are “non-registered” shareholders because the Common Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Common Shares. More particularly, a person is not a registered shareholder in respect of Common Shares which are held on behalf of that person (the “**Non-Registered Holder**”) but which are registered either: (a) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Holder deals with in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and directors or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited (“**CDS**”)) of which the Intermediary is a participant. In accordance with the requirements of National Instrument 54-101 (“**NI 54-101**”) of the Canadian Securities Administrators, the Company has distributed copies of the Notice of Meeting, Information Circular and form of proxy (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders. The Company does not intend to pay for delivery of the Meeting Materials to objecting beneficial holders (as defined in NI 54-101), and as a result objecting beneficial holders will not receive the Meeting Materials unless their intermediary assumes the cost of delivery.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either receive a voting instruction form or, less frequently, a form of proxy. Non-Registered Holders should follow the procedures set out below, depending on which type of form they receive.

- (a) **Voting Instruction Form.** In most cases, a Non-Registered Holder will receive, as part of the Meeting Materials, a voting instruction form which is not signed by the Intermediary, and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions (often called a “proxy authorization form”) which the Intermediary must follow. Typically, the proxy authorization form will consist of a one page pre-printed form. Sometimes, instead of the one page pre-printed form, the proxy authorization form will consist of a regular printed proxy form accompanied by a page of instructions which contains a removable label containing a bar-code and other information. In order for the form of proxy to validly constitute a proxy authorization form, the Non-Registered Holder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.
- (b) **Form of Proxy.** Less frequently, a Non-Registered Holder will receive, as part of the Meeting Materials, a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Holder when submitting the proxy. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and deposit it with Computershare Investor Services Inc. as provided above.

In either case, the purpose of this procedure is to permit Non-Registered Holders to direct the voting of the Common Shares which they beneficially own. Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the management proxy nominees named in the form and insert the Non-Registered Holder's name in the blank space provided. **In either case, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or proxy authorization form is to be delivered.**

#### **EXERCISE OF DISCRETION**

On a poll the nominees named in the accompanying form of proxy will vote or withhold from voting the Common Shares represented thereby in accordance with the instructions of the Shareholder on any ballot that may be called for. If a Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. The proxy will confer discretionary authority on the nominees named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified; and
- (b) any other matter, including amendments to any of the foregoing, as may properly come before the Meeting or any adjournment thereof.

**In respect of a matter for which a choice is not specified in the proxy, or unless otherwise provided for in the proxy, the nominees named in the accompanying form of proxy will vote Common Shares represented by the proxy for the approval of such matter.**

As of the date of this Information Circular, management of the Company knows of no amendment, variation or other matter that may come before the Meeting, but if any amendment, variation or other matter properly comes before the Meeting each nominee intends to vote thereon in accordance with the nominee's best judgment.

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

To the knowledge of management of the Company, other than as described herein, no director or executive officer of the Company at any time since the beginning of the last completed financial year of the Company, no proposed nominee for election as a director of the Company and no associate or affiliate of any of the foregoing has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors or the appointment of auditors.

In August 2016, the directors of the Company approved the borrowing of up to \$175,000 at an interest rate of 6% per annum from Freeway Properties Inc. of 1000 Austin Avenue, Coquitlam, British Columbia, which is a company controlled by John B. Lepinski, the CEO and a director of the Company. During 2017, \$120,000 was advanced to the Company and \$3,694 in accrued interest was recorded for the year ended December 31, 2017.

During November 2016, the Company executed a \$900,000 debenture with Robak Industries Ltd., a company controlled by John Lepinski, the Chief Executive officer of Getty Copper Inc. The debenture bears interest at 6% per annum calculated yearly, not in advance. The principal balance plus all unpaid interest is due and payable at the earlier of:

- March 1, 2019 ( On January 26, 2017, the date of repayment was extended from January 2, 2018);
- three days after the Company has completed, and received proceeds from, one or more securities offering(s) where the aggregate proceeds are at least \$2 million;
- the date on which the Company sells all or substantially all of its assets; and
- the date on which there is a transfer of the Company's shares which results in more than 50% of the shares being beneficially owned, directly or indirectly, by persons other than the CEO of the Company and any related party.

The debenture is secured by:

- a fixed and specific first mortgage, pledge and charge to and in favour of Robak Industries Ltd. over: (i) all Crown grants, lands and other real and immovable property owned by the Company together with all appurtenances, buildings and fixtures located thereon; and (ii) all furniture, machinery equipment, vehicles and accessories and other goods and chattels of the Company; and
- a security interest by way of a floating charge on the whole of the Company's undertaking and all of its mineral claims, agreement rights, property and assets, but excluding the property subject to the mortgage.

The Company has the right to prepay, in whole or in part and subject to a \$10,000 minimum payment, the debenture together with any accrued and unpaid interest without notice, penalty or bonus.

The debenture proceeds were used to repay \$824,625 in liabilities as follows:

- \$581,647 (indemnity of \$450,000 plus \$131,647 in accrued interest) payable to the CEO of the Company;
- \$2,109 (expense reimbursement) payable to the CEO of the Company;
- \$176,119 (loan proceeds of \$171,000) plus \$5,119 in accrued interest) payable to a company with a common director;
- \$56,350 (management fees of \$52,500 plus \$3,850 in taxes) payable to a company with a common director; and
- \$8,400 (rent of \$8,000 plus \$400 in taxes) payable to a company with a common director.

At December 31, 2017, the fair value of the debenture was approximately \$955,000. Fair value was determined using an income approach. An income approach is a present value technique that takes into account the future cash flows that would be expected to be received from holding the debenture as an asset. Present value was calculated using the following attributes – future lump sum of \$900,000, 14 months to maturity, future interest payments of \$122,000 and a discount rate of 6% discounted annually.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized share capital of the Company consists of an unlimited number of Common Shares. As of May 16, 2018, the Company had outstanding 108,427,205 Common Shares, each carrying the right to one vote. Only shareholders of record at the close of business on May 16, 2018, who either attend the Meeting personally or complete 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. To the knowledge of the directors and executive officers of the Company, as May 16, 2018, the following persons or entities beneficially owned, controlled or directed, directly or indirectly, Common Shares carrying 10% or more of the voting rights:

Name	Number of Common Shares	Percentage of Issued Capital
John B. Lepinski	38,490,666 <sup>(1)</sup>	35.5%
Ralph Berezan	19,533,410	18.02%

<sup>(1)</sup> Of these Common Shares, 18,992,314 are held in the name of John Lepinski, 194,735 are held in the name of Deborah Resources Ltd., 850,000 are held in the name of Freeway Properties Inc., 11,445,526 are held in the name of John B Pub Ltd., 1,890,046 are held in the name of Masco Capital Inc. and 5,118,045 are held in the name of Robak Industries Ltd.

## EXECUTIVE COMPENSATION

### *Statement of Executive Compensation*

The following information regarding executive compensation is presented in accordance with National Instrument Form 51-102F6V – *Statement of Executive Compensation*, and sets forth compensation for the directors and named executive officers as at fiscal year ended December 31, 2017, namely John B. Lepinski, the Chief Executive Officer (“**CEO**”), Donald R. Willoughby, the Chief Financial Officer (“**CFO**”),

(together, the “NEOs”) and Dennis W. Milburn, Larry W. Reaugh, Edward G. Robinson and Thomas Hamaoka (together, the “Directors”).

### Director and NEO Compensation, Excluding Compensation Securities

The following table sets forth information concerning the annual and long term compensation for services rendered to the Company for the financial period of the Company ended December 31, 2016 and 2017 in respect of the individuals who were (or who acted in a similar capacity as) as at December 31, 2016 and 2017 or at any time during the financial years, as NEOs and directors. There were no NEOs, directors or consultants of the Company whose total compensation during such period exceeded \$150,000.

Table of compensation excluding compensation securities							
Name and Position	Year	Salary, consulting fee, retainer, commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
<b>John B. Lepinski</b> <sup>(1)</sup> CEO, Chief Operating Officer, Managing Director and Director	2017 2016	Nil Nil	Nil Nil	Nil Nil	Nil Nil	6,000 <sup>(2)</sup> 6,000 <sup>(2)</sup>	6,000 6,000
<b>Donald R. Willoughby</b> <sup>(3)</sup> CFO, Vice President Finance and Director	2017 2016	Nil Nil	Nil Nil	Nil Nil	Nil Nil	10,521 <sup>(4)</sup> 16,954 <sup>(4)</sup>	10,521 16,954
<b>Dennis W. Milburn</b> <sup>(5)</sup> Director	2017 2016	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
<b>Joseph H. Montgomery</b> <sup>(6)</sup> Director	2017 2016	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
<b>Edward G. Robinson</b> <sup>(7)</sup> Director	2017 2016	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
<b>Thomas Hamaoka</b> <sup>(8)</sup> Director	2017 2016	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
<b>Larry W. Reaugh</b> <sup>(9)</sup> Director	2017 2016	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

<sup>(1)</sup> John B. Lepinski was appointed as a director of the Company effective June 30, 1992 and CEO and Chief Operating Officer effective June 18, 2015.

<sup>(2)</sup> This amount represents \$500 a month billed by Deborah Resources Ltd., a company controlled by John B. Lepinski for office rental.

<sup>(3)</sup> Donald R. Willoughby was appointed as a director of the Company effective June 30, 1992 and CFO February 7, 1996 and Vice President Finance June 18, 2015.

<sup>(4)</sup> This amount represents fees for accounting services billed by Cinnamon Jang Willoughby, an accounting firm Donald R. Willoughby is affiliated with.

<sup>(5)</sup> Dennis W. Milburn was appointed as a director of the Company effective May 16, 2008.

<sup>(6)</sup> Joseph H. Montgomery was appointed as a director of the Company effective May 13, 2015. He resigned as a director of the Company effective as of April 7, 2017.

<sup>(7)</sup> Edward G. Robinson was appointed as a director of the Company effective June 1, 2016.

<sup>(8)</sup> Thomas Hamaoka was appointed as a director of the Company effective June 1, 2016.

<sup>(9)</sup> Larry W. Reaugh was appointed as a director of the Company effective April 18, 2017.

## Stock Options and Other Compensation Securities and Instruments

Compensation Securities							
Name and Position	Type of compensation on security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Larry W. Reaugh Director	Stock options	500,000 common shares	April 18, 2017	\$0.05	\$0.03	\$0.02	August 15, 2019

No NEO or director of the Company exercised compensation securities in the most recently completed financial year.

### Stock Option Plans and Other Incentive Plans

The Company has adopted a stock option plan (the “**Option Plan**”) pursuant to which the board of directors of the Company may grant options (the “**Options**”) to purchase Common Shares of the Company to NEOs, directors and employees of the Company or affiliated companies and to consultants retained by the Company.

The Option Plan is a 10% “rolling” plan whereby the aggregate number of Common Shares that may be reserved for issuance pursuant to options shall not exceed 10% of the issued and outstanding Common Shares of the Company at the time of the granting of options. The board of directors is of the view that the Option Plan is required in order to provide incentive to the directors, management, employees and consultants of the Company to act in the best interest of the Company and contribute to the future growth and success of the Company.

Under the Option Plan, the board of directors may, from time to time, at its discretion, grant to directors, officers, employees, management company employees or consultants of the Company options to acquire Common Shares of the Company, provided that the number of options granted does not exceed a maximum of 10% of the aggregate number of Common Shares of the Company issued and outstanding.

Consequently, the number of Common Shares that are reserved under the Option Plan is automatically increased or decreased as the number of issued and outstanding Common Shares of the Company increases or decreases.

### Employment, Consulting and Management Agreements

Management functions of the Company are not, to any substantial degree, performed other than by directors or NEOs of the Company. There are no agreement or arrangements that provide for compensation to NEOs or directors of the Company, or that provide for payments to a NEO or director at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, severance, a change of control in the Company or a change in the NEO or director’s responsibilities other than (i) the grant of Options under the Option Plan; (ii) the reimbursement of expenses that any director or NEO may have incurred on behalf of the Company; and (iii) the management agreement with Freeway Properties Inc., a company controlled by John B. Lepinski, as described under the heading “Management Contracts” below.

## **Oversight and Description of Director and NEO Compensation**

### *Compensation Discussion and Analysis*

The purpose of this Compensation Discussion and Analysis is to provide information about the Company's executive compensation objectives and processes and to discuss compensation decisions relating to its Directors and NEOs.

The Company is a development stage company engaged in the acquisition and exploration of natural resource properties. The Company has, as of yet, no significant revenues from operations and often operates with limited financial resources to ensure that funds are available to complete scheduled programs. As a result, the board of directors has to consider not only the financial situation of the Company at the time of the determination of executive compensation of its' Directors and NEO's, but also the estimated financial situation of the Company in the mid and long term. The Company recognizes that there may be risks associated with its current processes; however, the Company does not believe the risks to be significant. Executive compensation consists solely of stock options, which do not require cash disbursement by the Company.

### *Compensation Objectives and Principles*

The primary goal of the Company's executive compensation program is to attract and retain the key executives necessary for the Company's long term success and to motivate and encourage executives to further the development of the Company and its operations. Executive compensation consists of incentive stock options.

### *Compensation Process*

The Company relies solely on its board of directors in determining the compensation of its executive officers. The board of directors is responsible for determining compensation in the form of stock options to be granted to the NEOs, as well as to its directors.

### *Option-Based Awards*

The Option Plan has been established to provide incentives to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. Pursuant to the Company's Option Plan, the board of directors of the Company, at its sole discretion, determines all grants of stock options to NEOs. Such grants are considered incentives intended to align the NEOs' and shareholders' interests in the long term. The Company emphasizes stock options in executive compensation as they allow the NEOs to share in corporate results in a manner that is relatively cost-effective despite the effects of treating stock options as a compensation expense. The grant of stock options is not influenced by the number of options outstanding or in-the-money value of outstanding options.

### **Pension Plan Benefits**

The Company does not have a defined benefit plan, defined contribution plan or deferred compensation plan.

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

The following table sets forth details of the Option Plan, as of December 31, 2017. The Company has no other equity compensation plans.

**Table of Equity Compensation Plan Information as of December 31, 2017**

<b>Plan Category</b>	<b>Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights</b>	<b>Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights</b>	<b>Number of Securities Remaining Available for Future Issuance Under the Equity Compensation Plans</b>
Equity Compensation Plans Approved by Securityholders	6,975,000	\$0.05	3,867,720 Common Shares
Equity Compensation Plans Not Approved By Securityholders	N/A	N/A	N/A
<b>Total</b>	<b>6,975,000</b>	<b>\$0.05</b>	<b>3,867,720 Common Shares</b>

**INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

**Aggregate Indebtedness**

The Company is not aware of any individual who is, or who at any time during the financial year ended December 31, 2017 was, a director, executive officer or employee of the Company, or a former director, executive officer, or employee of the Company is, as of May 16, 2018, indebted to the Company, and none of these individuals indebted to another entity which indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Company.

## **Indebtedness of Directors and Executive Officers under (1) Securities Purchase and (2) Other Programs**

The Company is not aware of any individual who is, or at any time during the financial year ended December 31, 2017 was, a director or executive officer of the company, each proposed nominee for election as a director of the Company, or was an associate of any such director, executive officer or proposed nominee, who is, or at any time since the beginning of the financial year ended December 31, 2017 has been, indebted to the Company, or whose indebtedness to another entity is, or at any time since the financial year ended December 31, 2017 has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

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

To the knowledge of management of the Company, except as described herein, no director or executive officer of the Company, no person who beneficially owns, directly or indirectly, Common Shares carrying 10% or more of the voting rights attached to all outstanding Common Shares of the Company, other than John B. Lepinski, the Company's CEO, (each of the foregoing being an **"Informed Person"**), no director or executive officer of an entity that is itself an Informed Person or a subsidiary of the Company, no proposed nominee for election as a director of the Company and no associate or affiliate of any of the foregoing has any material interest, direct or indirect, in any transaction since the beginning of the Company's last completed financial year or in any proposed transaction which, in either case, has materially affected or would materially affect the Company, other than the debenture described on page's 3 and 4 of this information circular under the heading "Interest of Certain Persons in Matters to be Acted Upon".

## **APPOINTMENT OF AUDITOR**

DeVisser Gray LLP (**"DeVisser Grey"**), Chartered Accountants, of Vancouver, British Columbia, is the Company's auditor and was first appointed as the Company's auditor on February 28, 2005. Management is recommending the re-appointment of DeVisser Grey as auditors for the Company, to hold office until the next annual general meeting of the shareholders at a remuneration to be fixed by the board of directors of the Company. The persons named in the enclosed form of Proxy intend to vote in favour of such appointment.

## **MANAGEMENT CONTRACTS**

The management functions of the Company are not performed to any substantial degree by any person or company other than the directors and executive officers of the Company with the exception of a management agreement dated July 1, 1995 (the **"Management Agreement"**) with Freeway Properties Inc., of 1000 Austin Avenue, Coquitlam, British Columbia, which is a company controlled by John B. Lepinski, the CEO and a director of the Company. Pursuant to the Management Agreement, Freeway Properties Inc. receives \$2,500 per month for providing management services to the Company. Due to limited funds, Freeway Properties (a company controlled by a director of the Company) elected not to charge the Company management fees commencing May 1, 2014. Other than as described under the heading "Interest of Informed Persons in Material Transactions" and certain mineral interests described in the Company's audited annual consolidated financial statements for the year ended December 31, 2016 and audited annual consolidated financial statements for the year ended December 31, 2017, neither Freeway Properties Inc., Mr. Lepinski nor his associates or affiliates has been indebted to the Company or been involved in any transaction or arrangement with the Company at any time since the commencement of this agreement.

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

### **Presentation of Financial Statements**

The audited financial statements of the Company for the financial year ended December 31, 2017 (the **"Financial Statements"**) and the auditor's report thereon (the **"Auditor's Report"**), will be presented to Shareholders at the Meeting.

The Financial Statements, Auditor's Report, and management discussion and analysis ("MD&A") for the financial year ended December 31, 2017 are available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com). The Notice of Annual General Meeting of Shareholders, Information Circular, Request for Financial Statements (NI 51-102) and form of Proxy will be available from Computershare, at 100 University Avenue, 9<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1 or from the office of the Company's counsel, which is located at the 20<sup>th</sup> Floor, 250 Howe Street, Vancouver, British Columbia, V6C 3R8.

### Appointment and Remuneration of Auditors

Management of the Company recommends that shareholders vote FOR the appointment of DeVisser Gray as the auditor of the Company and vote FOR the authorization of the board of directors to fix the remuneration.

It is intended that all proxies received will be voted in favour of the appointment of DeVisser Gray as auditor of the Company unless a proxy contains instructions to withhold the same from voting. It is intended that all proxies received will be voted in favour of the authorization of the board of directors to fix the remuneration unless a proxy contains instructions to vote against the authorization of the board of directors to fix the remuneration.

### Election of Directors

At the Meeting, Shareholders will be asked to re-elect the present directors. Each director re-elected will hold office until the conclusion of the next annual meeting of the Company at which a director is elected, unless the director's office is earlier vacated in accordance with the By-Laws of the Company or the provisions of the *Canada Business Corporations Act*.

The following table sets out the names of management's nominees for re-election as directors, each nominee's municipality, province and country of residence, all offices in the Company each nominee now holds, the date of initial appointment of each nominee as a director of the Company, the number of Common Shares beneficially owned by each nominee, directly or indirectly, or over which control or direction is exercised by such nominee, as at May 16, 2018, and each nominee's principal occupation or employment.

Name, Residence and Office Held with the Company	Date of Appointment as a Director	Shares Beneficially Owned or Controlled <sup>(1)</sup>	Principal Occupation or Employment
<b>John B. Lepinski</b> Port Coquitlam, BC, Canada CEO, COO and Managing Director	June 30, 1992	38,490,666 <sup>(2)</sup>	CEO, COO and Managing Director of the Company; businessman: owner of several private businesses
<b>Dennis W. Milburn, CPA, CA</b> Langley, BC, Canada President, Chairman of the Board and Director	May 16, 2008	106,666	President and Chairman of the Board of the Company; Exploration Consultant; Chartered Professional Accountant
<b>Donald R. Willoughby, CPA, FCA, CFP<sup>(3)</sup></b> Vancouver, BC, Canada CFO, Vice President Finance and a Director	June 30, 1992	595,000	CFO and Vice President Finance of the Company; Chartered Professional Accountant; associate, Cinnamon Jang Willoughby, Chartered Accountants
<b>Edward G. (Ted) Robinson, CPA, CA, IFA, CBV, CFF<sup>(3)</sup></b> Vancouver, BC, Canada Director	June 1, 2016	Nil	Chartered Professional Accountant; Partner at Meaden & Moore International.

Name, Residence and Office Held with the Company	Date of Appointment as a Director	Shares Beneficially Owned or Controlled <sup>(1)</sup>	Principal Occupation or Employment
<b>Thomas (Tom) Hamaoka<sup>(3)</sup></b> Langley, BC, Canada Nominee	June 1, 2016	Nil	Retired; Former Senior Vice President & General Manager and Director of Daishowa Canada Co. Ltd.
<b>Larry W. Reaugh</b> Surrey, BC, Canada Nominee	April 18, 2017	Nil	CEO and Director of American Manganese Inc.

<sup>(1)</sup> The information as to principal occupation, business or employment 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. The number of Common Shares beneficially owned or controlled does not include options to purchase Common Shares held by directors.

<sup>(2)</sup> Of these Common Shares, 18,992,314 are held in the name of John B. Lepinski, 194,735 are held in the name of Deborah Resources Ltd., 850,000 are held in the name of Freeway Properties Inc., 11,445,526 are held in the name of John B Pub Ltd., 1,890,046 are held in the name of Masco Capital Inc. and 5,118,045 are held in the name of Robak Industries Ltd.

<sup>(3)</sup> Member of the audit committee.

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.

No proposed director:

- (a) is, at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that, while that person was acting in that capacity;
  - (i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer;
  - (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; 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;

except as follows:

1. The British Columbia Securities Commission (the “**BCSC**”) cease traded the Company on November 27, 2009 for failure to file a compliant technical report, as required pursuant to section 4.2(1)(j) of National Instrument 43-101 *Standards of Disclosure for Mineral Projects*, supporting the disclosure detailed in the Company’s news release dated July 22, 2009. The Company was issued a cease trade order until it files a technical report in the required form on its Getty Project in British Columbia. The Company filed the required technical report on its Getty Project in British Columbia on May 25, 2010. On May 27, 2010, the BCSC issued an order under section 171 of the *Securities Act*

(British Columbia) that the cease trade order be revoked. All the current directors (with the exception of Joseph H. Montgomery) and officers of the Company were acting as a director, chief executive officer or chief financial officer during the time the Company was subject to the cease trade order.

### **Re-Approval of Incentive Stock Option Plan**

The board of directors of the Company approved on April 22, 2016 the adoption of a new incentive stock option plan, as defined above, to replace the previous stock option plan. The Option Plan was approved on June 1, 2016 by the shareholders at the Company's 2016 Annual and Special General Meeting, and approval was granted by the TSX Venture Exchange on June 9, 2016. As of May 16, 2018, the Company had 6,975,000 stock options issued and outstanding under the Option Plan.

Pursuant to Policy 4.4, shareholders are required to approve on a yearly basis stock option plans which have a "rolling plan" ceiling.

The following is a summary of the principal terms of the Option Plan.

The Option Plan provides that stock options may be granted to directors, officers, employees and consultants of the Company, as such terms are defined in Policy 4.4.

The Option Plan is administered by the Company's Board.

The Option Plan may be amended or terminated by the Board at any time, but such amendment or termination will not alter the terms or conditions of any option awarded prior to the date of such amendment or termination. Any stock option outstanding when the Option Plan is amended or terminated will remain in effect until it is exercised or expires or is otherwise terminated in accordance with the provisions of the Option Plan.

The Option Plan provides that other terms and conditions, including vesting provisions, may be attached to a particular stock option, at the discretion of the Board. All stock option grants are to be evidenced by the execution of an option commitment substantially in the form attached as Schedule "A" to the Option Plan.

The exercise price of the stock options granted under the Option Plan shall be as set by the Board, but shall not be less than the discounted market value of the Common Shares on the date of the grant, in accordance with the policies of the Exchange.

The Option Plan provides that it is solely within the discretion of the Board to determine to whom stock options should be granted and in what amounts. The Board may issue a majority of the options to insiders of the Company. However, the number of Common Shares which may be reserved for issuance pursuant to stock options granted to insiders of the Company under the Option Plan, together with all of the Company's other previously established or proposed share compensation arrangements, in aggregate may not exceed 10% of the total number of issued and outstanding Common Shares on a non-diluted basis. Further, the number of Common Shares which may be issuable under the Option Plan, together with all of the Company's other previously established or proposed share compensation arrangements:

- (a) to insiders of the Company, in aggregate, shall not exceed 10% of the outstanding Common Shares;
- (b) to any one optionee, other than to a consultant or employees providing investor relations activities shall not exceed 5%, in aggregate, of the outstanding Common Shares in any 12 month period on a non-diluted basis;
- (c) to any one consultant to the Company, shall not exceed 2%, in aggregate, of the outstanding Common Shares in any 12 month period; and

- (d) all such persons of the Company providing investor relations activities (as defined by the policies of the Exchange) in aggregate shall not exceed 2%, in aggregate, of the outstanding Common Shares in any 12 month period.

A stock option may be granted for a period of up to ten (10) years from the date of the grant. If the optionee resigns or is terminated other than for cause, all unexercised stock options previously granted to such optionee will expire after 90 days. If the optionee was providing investor relations services to the Company, then the stock options will expire after 30 days. All unvested stock options will be cancelled immediately. If an optionee is terminated for cause, all stock options expire immediately.

**The Board recommends that shareholders vote FOR the approval of the Option Plan. It is intended that all proxies received will be voted in favor of the approval of the Option Plan unless a proxy contains instructions to vote against the approval of the Option Plan.**

## **CORPORATE GOVERNANCE**

Effective June 20, 2005, the Canadian Securities Administrators adopted National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) and National Instrument 58-201 *Corporate Governance Guidelines* (“**NI 58-201**”). NI 58-101 requires issuers to disclose the corporate governance practices that they have adopted. NI 58-201 provides guidance on corporate governance practices. A full description of each of the corporate governance practices of the Company with respect to NI 58-101 is set out in Schedule “A” to this Information Circular.

## **AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITORS**

The Company is subject to National Instrument 52-110 *Audit Committees* (“**NI 52-110**”), which has been adopted by the Canadian Securities Administrators and which prescribes certain requirements in relation to 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 auditors, which is set forth below.

### **The Audit Committee’s Charter**

The Company’s audit committee is governed by an audit committee charter, the text of which is set out in Schedule “B” of this Information Circular.

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

The Company’s audit committee is currently comprised of three directors, Edward G. Robinson (Chair), Donald R. Willoughby and Thomas Hamaoka. Two of the three members are considered to be independent members of the audit committee pursuant to the meaning of “independent” provided in NI 52-110. Donald R. Willoughby is not considered to be an independent member of the audit committee. All three members are considered financially literate as provided for in NI 52-110.

### **Relevant Education and Experience**

This section describes the education and experience of the Company’s audit committee members that is relevant to the performance of their responsibilities in that role, which includes:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements;
- (b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
- (c) 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 one or more individuals engaged in such activities; and

- (d) an understanding of internal controls and procedures for financial reporting.

*Edward G. (Ted) Robinson, CPA, CA-IFA, CBV, CFF*

Mr. Robinson is a Chartered Professional Accountant and has over 40 years of experience in the accounting and finance sector.

*Thomas (Tom) Hamaoka*

Mr. Hamaoka obtained his BA from Simon Fraser University, majoring in economics and commerce, and has 30 years of related experience in the financial sector.

*Donald R. Willoughby, CPA, FCA, CFP*

Mr. Willoughby has over 40 years' experience in the financial sector.

### **Audit Committee Oversight**

Since the commencement of the Company's most recently completed financial year ended December 31, 2017, the Company's board of directors has not failed to adopt a recommendation of the audit committee to nominate or compensate an external auditor.

### **Reliance on Certain Exemptions**

Since the commencement of the Company's most recently completed financial year ended December 31, 2017, the Company has not relied on the exemptions contained in section 2.4 "De Minimis Non-Audit Services" or Part 8 "Exemptions" of NI 52-110. Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Part 8 permits a company to apply to a securities regulator authority for an exemption from the requirements of NI 52-110, in whole or in part.

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

The audit committee is authorized by the board of directors to review the performance of the Company's external auditors and approve, in advance, provision of services other than auditing and to consider the independence of the external auditors, including a review of the range of services provided in the context of all consulting services bought by the Company. The audit committee has not approved any specific policies and procedures for the engagement of non-audit services.

### **External Auditor Service Fees**

The following table sets forth the fees billed by the Company's external auditor DeVisser Gray LLP, Chartered Accountants, for services rendered for the 2017 and 2016 financial years.

	<b><u>2017</u></b>	<b><u>2016</u></b>
Audit Fees	\$12,500	\$12,500
Audit-Related Fees	\$Nil	\$Nil
Tax Fees	\$Nil	\$Nil
All Other Fees	\$Nil	\$Nil

## **Exemptions**

The Company is relying on the exemption provided by section 6.1 of NI 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 “*Composition of the Audit Committee*” and Part 5 “*Reporting Obligations*” of NI 52-110.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company can be found on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information regarding the Company is provided in the Company’s audited annual consolidated financial statements for the financial year ended December 31, 2016 and the auditors’ report thereon together with the corresponding management discussion and analysis. Copies of the audited annual consolidated financial statements, as well as additional copies of this Information Circular, may be obtained upon request from the Company at 1000 Austin Avenue, Coquitlam, British Columbia, V3K 3P1.

## **APPROVAL OF DIRECTORS**

The contents and the sending of the accompanying Notice of Meeting and this Information Circular have been approved by the board of directors of the Company.

DATED at Vancouver, British Columbia, this 16<sup>th</sup> day of May, 2018.

**BY ORDER OF THE BOARD OF DIRECTORS**

***“Dennis Milburn”***  
**President, Chairman of the Board  
and a Director**

**SCHEDULE "A"**

**GETTY COPPER INC.**

**CORPORATE GOVERNANCE COMPLIANCE TABLE**

The following table sets out the corporate governance practices of the Company with respect to NI 58-101. The Company constantly monitors evolving best practices for corporate governance.

	<b>GOVERNANCE DISCLOSURE GUIDELINE UNDER NI 58-101</b>	<b>COMMENTS</b>												
1.	<p><b>Board of Directors</b></p> <p>(a) Disclose the identity of the directors who are independent.</p>	<p>The Board facilitates its independent supervision over management by holding regular meetings at which members of management or non-independent directors are not in attendance and by retaining independent consultants where it deems necessary.</p> <p>The Board is currently comprised of six directors, three of the directors are independent and three are not independent. The Board considers that Larry Reaugh, Edward G. Robinson and Thomas Hamaoka are independent directors.</p>												
	<p>(b) Disclose the identity of the directors who are not independent, and describe the basis for that determination.</p>	<p>The Board considers that John B. Lepinski, Dennis W. Milburn and Donald R. Willoughby are not independent directors. John B. Lepinski is not an independent director because of his position as CEO, Chief Operating Officer and Managing Director of the Company. Dennis Milburn is not an independent director because of his position as President of the Company. Donald R. Willoughby is not an independent director because of his position as CFO and Vice President Finance of the Company.</p> <p>The Board is responsible for determining whether or not each director is an independent director. To do this, the Board analyzes all the relationships of the directors with the Company. Those directors who do not meet the meaning of independence as provided in NI 58-101 were deemed to not be independent directors.</p>												
2.	<p><b>Directorship</b></p> <p>If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identity both the director and the other issuer.</p>	<p>The following directors currently serve on the Board of other reporting issuer(s) (or equivalent):</p> <table> <tr> <td>John B. Lepinski:</td> <td>None</td> </tr> <tr> <td>Dennis W. Milburn:</td> <td>None</td> </tr> <tr> <td>Donald R. Willoughby:</td> <td>None</td> </tr> <tr> <td>Edward G. Robinson:</td> <td>None</td> </tr> <tr> <td>Thomas Hamaoka:</td> <td>None</td> </tr> <tr> <td>Larry W. Reaugh:</td> <td>Goldrea Resources Corporation American Manganese Inc.</td> </tr> </table>	John B. Lepinski:	None	Dennis W. Milburn:	None	Donald R. Willoughby:	None	Edward G. Robinson:	None	Thomas Hamaoka:	None	Larry W. Reaugh:	Goldrea Resources Corporation American Manganese Inc.
John B. Lepinski:	None													
Dennis W. Milburn:	None													
Donald R. Willoughby:	None													
Edward G. Robinson:	None													
Thomas Hamaoka:	None													
Larry W. Reaugh:	Goldrea Resources Corporation American Manganese Inc.													
3.	<p><b>Orientation and Continuing Education</b></p> <p>Describe what steps, if any, the Board takes to orient new board members and describe what measures, if any, the Board takes to provide continuing education for directors.</p>	<p>The Board briefs all new directors on the policies of the Board and other relevant corporate and business information.</p> <p>The orientation for new directors includes visits to the Company's facilities, familiarization with the Company's properties and potential, meetings with the operating management, an outline of the Company's history and other relevant data and guidance concerning trading in the Company's securities. The Board ensures that continuing education is provided to directors by way of written materials and courses.</p>												

	<b>GOVERNANCE DISCLOSURE GUIDELINE UNDER NI 58-101</b>	<b>COMMENTS</b>
4.	<p><b>Ethical Business Conduct</b></p> <p>Describe what steps, if any, the Board takes to encourage and promote a culture of ethical business conduct.</p>	<p>The Board monitors the ethical conduct of the Company and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Board has adopted a code of ethical business conduct. This code applies to all directors, officers and employees of the Company. A copy of the code may be obtained upon request from Brian Abraham, Corporate Counsel, at (604) 443-7134.</p>
5.	<p><b>Nomination of Directors</b></p> <p>Describe what steps, if any, are taken to identify new candidates for Board nomination, including:</p> <p>(a) who identifies new candidates, and</p> <p>(b) the process of identifying new candidates.</p>	<p>The Board is responsible for identifying and proposing new individuals qualified to become new Board members. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required, show support for the Company's mission and strategic objectives, and a willingness to serve.</p>
6.	<p><b>Compensation</b></p> <p>Describe what steps, if any are taken to determine compensation for the directors and CEO, including:</p> <p>(a) who determines compensation; and</p> <p>(b) the process of determining compensation.</p>	<p>The Board has determined that the directors and officers should be compensated in a form and amount which is appropriate for comparative organizations, having regard for such matters as time commitment, responsibility and trends in director and executive compensation.</p> <p>For more information regarding compensation paid to directors and executives, see pages 4 through 7 of this Information Circular.</p>
7.	<p><b>Other Board Committees</b></p> <p>If the Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.</p>	<p>The Board does not have any standing committees other than the Audit Committee.</p>
8.	<p><b>Assessments</b></p> <p>Disclose what steps, if any, that the Board takes to satisfy itself that the Board, its committees, and its individual directors are performing effectively.</p>	<p>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. The Board has not adopted formal procedures for assessing the effectiveness of the Board, its committees or individual directors based on the Company's size and its stage of development.</p>

## **SCHEDULE “B”**

### **GETTY COPPER INC.**

#### **AUDIT COMMITTEE CHARTER**

##### **PURPOSE**

The purpose of the Audit Committee is to assist the Board of Directors' oversight of the Company's accounting and financial reporting processes and the audits of the Company's financial statements.

##### **STRUCTURE AND MEMBERSHIP**

Number. The Audit Committee shall consist of at least three members of the Board of Directors.

Independence. Except as otherwise permitted by the applicable TSX Venture Exchange Policies (“the Exchange Policies”), each member of the Audit Committee shall be independent as defined by the Exchange Policies. A member of the committee is independent if he or she has no direct or indirect relationship with the Company that could, in the view of the Company's board of directors, reasonably interfere with the exercise of his or her independent judgment.

Financial Literacy. Each member of the Audit Committee must be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement, and cash flow statement, at the time of his or her appointment to the Audit Committee. In addition, at least one member must have past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual's financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.

Chair. The Board of Directors shall elect the Chair of the Audit Committee.

Compensation. The compensation of Audit Committee members shall be as determined by the Board of Directors. No member of the Audit Committee may receive, directly or indirectly, any consulting, advisory or other compensatory fee from the Company or any of its subsidiaries, other than fees paid in his or her capacity as a member of the Board of Directors or a committee of the Board.

Selection and Removal. Members of the Audit Committee shall be appointed by the Board of Directors. The Board of Directors may remove members of the Audit Committee from such committee, with or without cause.

##### **AUTHORITY AND RESPONSIBILITIES**

General The Audit Committee shall discharge its responsibilities, and shall assess the information provided by the Company's management and the independent auditor, in accordance with its business judgment. Management is responsible for the preparation, presentation, and integrity of the Company's financial statements and for the appropriateness of the accounting principles and reporting policies that are used by the Company. The independent auditors are responsible for auditing the Company's financial statements and for reviewing the Company's unaudited interim financial statements. The authority and responsibilities set forth in this Charter do not reflect or create any duty or obligation of the Audit Committee to plan or conduct any audit, to determine or certify that the Company's financial statements are complete, accurate, fairly presented, or in accordance with generally accepted accounting principles or applicable law, or to guarantee the independent auditor's report.

## OVERSIGHT OF INDEPENDENT AUDITORS

Selection. The Audit Committee shall be solely and directly responsible for appointing, evaluating, retaining and, when necessary, terminating the engagement of the independent auditor. The Audit Committee may seek stockholder ratification of the independent auditor it appoints.

Independence. The Audit Committee shall take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the independent auditor. In connection with this responsibility, the Audit Committee shall obtain and review a formal written statement from the independent auditor describing all relationships between the auditor and the Company. The Audit Committee shall meet privately at least once per year with the independent auditor and shall actively engage in dialogue with the auditor concerning any disclosed relationships or services that might impact the objectivity and independence of the auditor.

Compensation. The Audit Committee shall have sole and direct responsibility for setting the compensation of the independent auditor. The Audit Committee is empowered, without further action by the Board of Directors, to cause the Company to pay the compensation of the independent auditor established by the Audit Committee.

Preapproval of Services. The Audit Committee shall preapprove all audit services to be provided to the Company, whether provided by the principal auditor or other firms, and all other services (review, attest and non-audit) to be provided to the Company by the independent auditor; provided, however, that de minimis non-audit services may instead be approved in accordance with applicable Exchange Policies.

Oversight. The independent auditor shall report directly to the Audit Committee, and the Audit Committee shall have sole and direct responsibility for overseeing the work of the independent auditor, including resolution of disagreements between Company management and the independent auditor regarding financial reporting. In connection with its oversight role, the Audit Committee shall, from time to time as appropriate, receive and consider the reports required to be made by the independent auditor regarding:

- critical accounting policies and practices;
- alternative treatments within generally accepted accounting principles for policies and practices related to material items that have been discussed with Company management, including ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor; and
- other material written communications between the independent auditor and Company management.

## AUDITED FINANCIAL STATEMENTS

Review and Discussion. The Audit Committee shall review and discuss with the Company's management and independent auditor the Company's audited financial statements, including the notes to the financial statements.

Recommendation to Board Regarding Financial Statements. The Audit Committee shall consider whether it will recommend to the Board of Directors that the Company's audited financial statements be included in the Company's Annual Report on Form 20-F.

Audit Committee Report. The Audit Committee shall prepare an annual committee report for inclusion where necessary in the proxy statement of the Company relating to its annual meeting of security holders.

## CONTROLS AND PROCEDURES

Oversight. The Audit Committee shall coordinate the Board of Directors' oversight of the Company's internal control over financial reporting, disclosure controls and procedures and code of conduct. The Audit Committee may request to receive and review the reports of the CEO and CFO required by the Exchange Policies.

Procedures for Complaints. The Audit Committee shall establish procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Related-Party Transactions. The Audit Committee shall review all related party transactions on an ongoing basis, and the Audit Committee must approve all such transactions.

Additional Powers. The Audit Committee shall have such other duties as may be delegated from time to time by the Board of Directors.

## PROCEDURES AND ADMINISTRATION

Meetings. The Audit Committee shall meet as often as it deems necessary in order to perform its responsibilities. The Audit Committee may also act by unanimous written consent in lieu of a meeting. The Audit Committee shall periodically meet separately with: (i) the independent auditor; (ii) Company management and (iii) the Company's internal auditors. The Audit Committee shall keep such records of its meetings, as it shall deem appropriate.

Subcommittees. The Audit Committee may form and delegate authority to one or more subcommittees (including a subcommittee consisting of a single member), as it deems appropriate from time to time under the circumstances. Any decision of a subcommittee to pre-approve audit, review, attest or non-audit services shall be presented to the full Audit Committee at its next scheduled meeting.

Charter. At least annually, the Audit Committee shall review and reassess the adequacy of this Charter and may recommend changes to the Board of Directors for approval.

Independent Advisors. The Audit Committee is authorized, without further action by the Board of Directors, to engage such independent legal, accounting and other advisors as it deems necessary or appropriate to carry out its responsibilities; PROVIDED HOWEVER in the event that the committee foresees that the cost of such activity will exceed its annual budget, the committee will first obtain the approval of the Nominating and Governance Committee. Such independent advisors may be the regular advisors to the Company. The Audit Committee is empowered, without further action by the Board of Directors, to cause the Company to pay the compensation of such advisors as established by the Audit Committee.

Investigations. The Audit Committee shall have the authority to conduct or authorize investigations into any matters within the scope of its responsibilities as it shall deem appropriate, including the authority to request any officer, employee or advisor of the Company to meet with the Audit Committee or any advisors engaged by the Audit Committee.

Funding. The Audit Committee is empowered, without further action by the Board of Directors, to cause the Company to pay the ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

## CONTINUOUS DISCLOSURE REQUIREMENTS

At this time, due to the Company's size and limited financial resources, the Secretary of the Company is responsible for ensuring that the Company's reporting requirements are met and in compliance with all regulatory requirements.