

**LAKEFIELD MARKETING CORPORATION**  
Notice of Annual General & Special Meeting  
Management Information Circular  
JULY 10, 2018

# LAKEFIELD MARKETING CORPORATION

31 Sunset Trail, Toronto, Ontario M9M 1J4

## NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN THAT** an annual and special meeting (the "**Meeting**") of shareholders of Lakefield Marketing Corporation ("**LAKEFIELD**" or the "**Corporation**") will be held at Capital Transfer Agency, 390 Bay Street, Suite 920 Toronto, Ontario M5H 2Y2, Canada on July 31, 2018, at 1:00 p.m. (Toronto time), for the following purposes:

1. to receive the audited consolidated financial statements for the financial years ended December 31, 2017 and 2016, together with the auditor's report thereon;
2. to fix the number of directors of the Corporation to four (4) and to empower the board of directors of the Corporation to determine the number of directors of the Corporation hereafter from time to time by resolution of the board of directors, in accordance with the *Business Corporations Act* (Ontario);
3. to elect directors of the Corporation;
4. to appoint Wasserman Ramsay, Chartered Accountants as the auditors of the Corporation, for the coming financial year and to permit the directors of the Corporation to fix the remuneration for the auditors;
5. to vote on and if approved, give the directors the authority to change the name of the Corporation from "Lakefield Marketing Corporation " to such other name as is authorized by the board of directors of the Corporation and applicable regulatory authorities; as more particularly set out in the Circular; and
6. to vote on and if approved, give the directors the authority to consolidate the Common Shares of the Corporation, as described more fully in the accompanying Information Circular;
7. to transact such other business as may properly be brought before the Meeting or any adjournment or adjournments thereof.

**DATED** at Toronto, Ontario this July 10, 2018

**BY ORDER OF THE BOARD OF DIRECTORS**

/s/ Dominique Monardo, President

Notes:

1. A Management Information Circular, a form of proxy, the audited financial statements of the Corporation for the financial period ended December 31, 2017, 2106 and the auditor's report thereon accompany this notice of meeting.
2. Registered shareholders who are unable to attend the Meeting in person are requested to sign and return the enclosed form of proxy and forward it to Capital Transfer Agency, 390 Bay Street, Suite 920, Toronto, ON M5H 2Y2. The proxies to be used at the Meeting should be returned to Capital Transfer Agency before 1:00 p.m. (Toronto time) on July 27, 2018.
3. As provided in the *Business Corporations Act (Ontario)*, the directors have fixed a record date of June 22, 2018. Accordingly, shareholders registered on the books of the Corporation at the close of business on June 22, 2018 are entitled to notice of the Meeting and to vote at the Meeting.
4. If you are a beneficial shareholder and receive these materials through your broker or another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or intermediary.

**MANAGEMENT INFORMATION CIRCULAR**  
**LAKEFIELD MARKETING CORPORATION**  
**SOLICITATION OF PROXIES**

This management information circular (the "**Circular**") is furnished in connection with the solicitation of proxies by the management of Lakefield Marketing Corporation ("**Lakefield**" or the "**Corporation**") for use at the annual meeting (the "**Meeting**") of shareholders of the Corporation to be held at Capital Transfer Agency, 390 Bay Street, Suite 920 Toronto, Ontario M5H 2Y2, Toronto, Ontario, , Canada, on July 31, 2018, at 1:00 p.m. (Toronto time) for the purposes set forth in the attached notice of meeting (the "**Notice of Meeting**") and at any adjournment or adjournments thereof. It is expected that the solicitation of proxies will be primarily by mail, but proxies may also be solicited personally by directors, officers or employees of the Corporation. The cost of such solicitation will be borne by the Corporation.

All dollar amounts in this Circular are in Canadian dollars, unless otherwise stated.

Unless otherwise indicated, the information in this Circular is given as at July 10, 2018

**APPOINTMENT, REVOCATION AND DEPOSIT OF PROXIES**

The persons named in the enclosed form of proxy are officers of the Corporation.

**A shareholder has the right to appoint a person (who need not be a shareholder) to attend and act for or on behalf of the shareholder at the Meeting other than the persons designated in the enclosed form of proxy. Such right may be exercised by striking out the names of the persons designated in the form of proxy, or by preparing another proxy in proper form and inserting in the blank space provided for that purpose the name of the desired person and delivering the executed proxy to Capital Transfer Agency, 390 Bay Street, Suite 920, Toronto, ON M5H 2Y2, at any time prior to 1:00 p.m. (Toronto time) on July 27, 2018.**

A shareholder forwarding the enclosed form of proxy may indicate the manner in which the appointee is to vote with respect to any specific item by checking the appropriate space. If the shareholder giving the proxy wishes to confer a discretionary authority with respect to any item of business, then the space opposite the item is to be left blank. The common shares of the Corporation (the "Common Shares") represented by the proxy submitted by a shareholder will be voted in accordance with the directions, if any, given in the proxy.

A shareholder who has given the enclosed form of proxy has the right under subsection 110(4) of the *Business Corporations Act* (Ontario) (the "OBCA") to revoke the proxy (i) by instrument in writing executed by the shareholder or by the shareholder's attorney authorized in writing or, if the shareholder is a body corporate, by an officer or attorney thereof duly authorized and deposited at the registered office of the Corporation at any time prior to 4:00 p.m. (Toronto time) on the last business day preceding the day of

the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting, or any adjournment thereof, or (ii) in any other manner permitted by law. The registered office of the Corporation is located at 31 Sunset Trail, Toronto, Ontario, Canada, M9M 1J4.

### **MANNER OF VOTING AND EXERCISE OF DISCRETION BY PROXIES**

The persons named in the enclosed form of proxy will vote or withhold from voting the Common Shares in respect of which they are appointed in accordance with the direction of the shareholders appointing them. **In the absence of such direction, such Common Shares will be voted IN FAVOUR of the matters before the Meeting.**

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice and with respect to other matters which may properly come before the Meeting. At the time of the printing of this Circular, management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice.

#### VOTING BY BENEFICIAL SHAREHOLDERS

**The information set forth in this section is important to shareholders who do not hold their Common Shares in their own name.**

Shareholders who hold Common Shares through their brokers, intermediaries, trustees or other nominees (such shareholders being collectively called "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders whose names appear on the share register of the Corporation may be recognized and acted upon at the Meeting. If Common Shares are shown on an account statement provided to a Beneficial Shareholder by a broker, then in almost all cases, the name of such Beneficial Shareholders will not appear on the share register of the Corporation. Such Common Shares will most likely be registered in the name of the broker or an agent of the broker. Such Common Shares can only be voted by Intermediaries and can only be voted by them in accordance with instructions received from Beneficial Shareholders.

**As a result, Beneficial Shareholders should carefully review the voting instructions provided by their broker, agent, or nominee with this Circular and ensure that they communicate how they would like their Common Shares voted in accordance with those instructions.**

Most brokers delegate responsibility for obtaining voting instructions from clients to a service company (a "**Service Company**"). The Service Company typically supplies voting instructions forms, mails those forms to Beneficial Shareholders and asks those Beneficial Shareholders to return the forms to the Service Company or to follow the alternative voting procedures detailed on the Voting Instruction Form. The Service Company then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares at the Meeting. **A Beneficial Shareholder receiving a Voting Instruction Form from the Service Company**

**cannot use that form to vote Common Shares directly at the Meeting. Instead, the Beneficial Shareholder must return the Voting Instruction Form to the Service Company or follow the alternative voting procedures, as mentioned above, well in advance of the Meeting in order to ensure that such Common Shares are voted.**

Alternatively, a Beneficial Shareholder may be given a proxy that 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 Beneficial Shareholder but which is not otherwise completed. Because the Intermediary has already signed the form of proxy, this form of proxy is required to be signed by the Beneficial Shareholder when submitting the proxy. In this case, the Beneficial Shareholder who wishes to vote by proxy should otherwise properly complete the form of proxy and deliver it as specified above under "Solicitation of Proxies".

In either case, the purpose of these procedures is to permit Beneficial Shareholders to direct the voting of the Common Shares which they beneficially own. A Beneficial Shareholder who wishes to attend and vote at the Meeting in person (or to have another person attend and vote on behalf of the Beneficial Shareholder) should print the Beneficial Shareholder's (or such other person's) name in the blank space provided for that purpose in the first paragraph of the proxy form or, in the case of a Voting Instruction Form, follow the corresponding instructions on that form.

**In either case, Beneficial Shareholders should carefully follow the instructions of their Intermediary and its Service Company, as applicable.**

## VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The authorized share capital of the Corporation consists of an unlimited number of Common Shares without par value. As of the date of this Circular, an aggregate of 29,479,940 Common Shares were issued and outstanding. Each Common Share entitles the holder thereof to one (1) vote at all meetings of shareholders. Shareholders of record at the close of business on June 22, 2018 shall be entitled either to attend at the Meeting and vote in person the Common Shares held by them or, provide a completed and executed proxy delivered to the Corporation as described above, to vote the Common Shares held by them. As of the date of this Circular, to the knowledge of the directors and senior officers of the Corporation, 21,849,768 Common Shares are owned or controlled, directly or indirectly, by the following:

Name of Shareholder	Number of Common Shares Held (5)	Percentage of Outstanding Common Shares
Red Leaf Blvd Mgmt. Inc. <sup>(1)</sup>	7,000,000	23.7%
Mount Real Corporation <sup>(2)</sup>	3,000,000	10.1%
Dominique Monardo	5,269,268	17.8%
Mcdermid St. Lawrence Chisolm Ltd. <sup>(2)</sup>	3,580,500	12.1%
Capital Corporation of Minnesota <sup>(4)</sup>	3,000,000	10.1%

(1) Redleaf Boulevard Management Inc. is owned by 3379175 Canada Inc., which is beneficially controlled by Gino Matteo. The corporation was dissolved October 6, 1998. Red Leaf Blvd. Mgmt. is a registered shareholder.

(2) In 2005, Mount Real Corporation reported "beneficial" ownership and control of 3,000,000 shares through another corporation, Red Chili Media Ltd. Red Chili Media Ltd. is not a registered shareholder, however, there are three corporations which own 1,500,000 shares each in the share registry. These are Magic Management Corporation (1,500,000, 5%), Media Vision Inc. (1,500,000, 5%) and Harvest Information Systems Corporation (1,500,000, 5%). Management is not aware of the exact "beneficial" ownership relationship with Mount Real Corporation and is relying on the only reported information by Mount Real Corporation since the year that Lakefield was issued a cease trade order.

(3) Mcdermid St. Lawrence Chisolm Ltd. is a registered shareholder (later named: Goepel Mcdermid) and was a firm purchased by Raymond James Ltd. in 2000.

(4) Capital Corporation of Minnesota is 100% owned by William Urseth.

(5) The Company relies on self reported ownership and the shareholder registry.

## PARTICULARS OF MATTERS TO BE ACTED UPON

### 1. Number of Directors

Shareholders are asked to vote in favour of fixing the number of directors on the Board at four (4) and to empower the Board to determine the number of directors of the

Corporation hereafter from time to time by resolution of the board of directors, in accordance with the provisions of the *Business Corporations Act* (Ontario).

**Unless otherwise specified, the persons named in the enclosed form of proxy will vote FOR the number of directors elected at the meeting be fixed at four (4) and to empower the board of directors of the Corporation to determine the number of directors of the Corporation hereafter from time to time by resolution of the board of directors, in accordance with the *Business Corporations Act* (Ontario).**

**2. Election of Directors**

All of the nominees are currently directors of the Corporation. They are all eligible to be directors and have expressed a willingness to act as such. Management of the Corporation does not contemplate that any of the nominees will be unable to serve as a director, but if this should occur for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion. Each director elected will hold office until the close of the next annual meeting of shareholders of the Corporation following such directors' election, unless such directors' office is earlier vacated in accordance with the by-laws of the Corporation.

The following table sets forth certain information regarding the nominees, their present principal occupation or employment during the last five years, the date on which the nominee was first elected or appointed a director of the Corporation and the approximate number of Common Shares beneficially owned, directly or indirectly, or over which the nominee exercises control or direction as at the date of this Circular.

**Unless otherwise specified, the persons named in the enclosed form of proxy will vote FOR the election of the nominees whose names are set forth below.**

Name of Proposed Nominee and Municipality of Residence	Principal Occupation or Employment for the past five years	Director since	Common Shares of the Corporation beneficially owned, controlled or directed <sup>(1)</sup>
Edward Murphy <sup>(2)</sup> Mount Albert, ON	Senior Vice President, Dover Investments, Ltd.; Operations and accounting consultant, Dover Petroleum Corp.;	February 2, 2018	Nil



Inga Gratcheva <sup>(2)</sup> Richmond Hill, ON	Certified Public Accountant	April 18, 2018	Nil
Jon Bridgman <sup>(2)</sup> Toronto, ON	Bird River Resources Inc., CEO	November 15, 2005	Nil
Dominique Monardo, Toronto, ON	White Knight Capital Corp., President Lakefield Marketing Corporation, CEO since February 2, 2018	February 2, 2018	5,269,268

Notes:

(1) The information as to the number of Common Shares beneficially owned, controlled or directed, not being within the knowledge of the Corporation, has been furnished by the respective proposed directors individually.

(2) Member of the Audit Committee.

**Ms. Inga Gratcheva**, Richmond Hill, ON – Ms. Gratcheva has been a Certified Professional Accountant (CPA) since 2014, a Certified General Accountant since 2010 and is self employed. She received a degree from Urals State University of Economics in Russia. Ms. Gratcheva served as a Director of TJR Coatings Inc. from June 2011 to March 2018, resigning upon a reverse takeover. She has recently accepted a position to the Board of Empire Minerals Corporation Inc. on April 23, 2018.

Ms. Gratcheva has been a director since April 13, 2018. She does not own any shares in the Company and there are no conflicts of interest. Ms. Gratcheva is an independent director within the meaning of National Instrument 58-101.

**Mr. Dominique Monardo**, Toronto, ON – Mr. Monardo has been an officer and director of various public corporations since 1986 and currently and for the last five years a self-employed business consultant. He received a Bachelor of Arts from York University, Toronto, Ontario in 1980. Most recently, he served as a director and CEO/CFO for Aurquest Resources Inc., now Xanthic Biopharma Inc. He resigned in December 2017 after the completion of a reverse take-over.

Mr. Monardo does not serve on any other boards of directors. He currently serves as President of Lakefield Marketing Corporation. Mr. Monardo will be spending most of his time on business development of the Company until such time that either a business acquisition or a reverse take-over is completed. At this time, Mr. Monardo is considered an independent contractor, however, he does not receive any remuneration. He has over 30 years of experience in managing or consulting with junior public companies.

Mr. Monardo has been a director since February 2, 2018. He currently owns 5,269,268 common shares of the company (17.8% of the issued and outstanding shares of the Company). Mr. Monardo is *not* an independent director within the meaning of National Instrument 58-101 since he is also an officer of the company. Mr. Monardo does not have any conflicts of interest with the Company

**Mr. Jon Bridgeman**, Toronto, ON – Mr. Bridgman has been Chief Financial Officer of the Company since November 15, 2005. He also serves on the Board of Bird River Resources

Inc., a CSE listed public company and is Chief Executive Officer. Mr. Bridgeman has over 30 years experience in the investment industry. He served on the Board of Directors of Aurquest Resources Inc. (now Xanthic Biopharma Inc.) from May 18, 2000 to December 2017, resigning upon completion of a reverse takeover.

Mr. Bridgman has been a director since November 15, 2005. Mr. Bridgman is *not* an independent director within the meaning of National Instrument 58-101 since he is also an officer of the company. Mr. Bridgman does not have any conflicts of interest with the Company

**Edward Murphy** has been an officer and director of various private and public corporations since 1986, primarily those involved in real estate and natural resources development. Most recently Mr. Murphy was CEO of TJR Coatings Inc. and was involved in the negotiating and consummation of the acquisition of DigiCrypts Blockchain Solutions Inc., a multi-faceted company involved in the cryptocurrency field. Prior to that Mr. Murphy was a key member of a small goal-oriented team that brought several small public companies from a bare shell stage to an advanced exploration stage in such fast developing areas as Voisey's Bay, Labrador and Kalimantan, Indonesia, as well as a petroleum exploration company from the exploration drilling stage to building an 18 mile natural gas pipeline in Colorado and Wyoming. In 2011, Mr. Murphy was actively involved in the negotiation and purchase of 11,000 acres of patented mining claims in the area around Nome, Alaska.

Mr. Murphy has been a director since February 2, 2018. He does not own any shares in the Company and there are no conflicts of interest. Mr. Murphy is an independent director within the meaning of National Instrument 58-101.

### **3. Appointment of Auditors**

Wasserman Ramsay, Chartered Accountants, is the current auditor of the Corporation and has been the auditor of the Corporation since 2001. Shareholders of the Corporation will be asked at the Meeting to re-appoint Wasserman Ramsay, Chartered Accounts as the Corporation's auditors to hold office until the close of the next annual meeting of shareholders of the Corporation or until its successor is appointed, and to authorize the directors of the Corporation to fix the auditors' remuneration.

**Unless otherwise specified, the persons named in the enclosed form of proxy will vote FOR the said appointment of Wasserman Ramsay, Chartered Accountants as auditors of the Corporation and FOR authorizing the directors of the Corporation to fix the remuneration of the auditors for the ensuing year.**

### **4. Name Change**

Management wishes to have the ability to change the name of the Corporation. A new name for the Corporation has not yet been determined but Management wishes to have the flexibility to change the name without seeking further shareholder approval. At the meeting, the shareholders of the Corporation will be asked to

consider and, if thought appropriate, to authorize and approve a special resolution in the form set out below, approving the Name Change (the "Name Change Resolution").

**"BE IT RESOLVED** as a special resolution that:

- (i) The articles of the Corporation be amended to change the name of the Corporation from "Lakefield Marketing Corporation " to such other name as is authorized by the board of directors of the Corporation and applicable regulatory authorities;
- (ii) Any one director or officer of the Corporation be and is hereby authorized, for and on behalf of the Corporation, to execute and deliver, or cause to -- be delivered, articles of amendment of the Corporation, as required pursuant to the Business Corporations Act (Ontario), and to do all such other acts or things necessary or desirable to implement, carry out and give effect to the said change of name; and
- (iii) The directors of the Corporation are hereby authorized, in their discretion, to revoke this special resolution or any portion thereof before it is acted upon without further approval or authorization of the shareholders of the Corporation."

**Unless the shareholder has specifically instructed in the enclosed form of proxy that the Common Shares represented by such proxy are to be voted against the Name Change Resolution, the persons named in the enclosed form of proxy will vote FOR the Name Change Resolution. In order to be effected, the Name Change Resolution must be approved by two-thirds (2/3) of the votes cast at the Meeting in person or by proxy.**

## **5. Approval of Potential Share Consolidation**

The Corporation seeks Shareholder approval at the Meeting for a special resolution to consolidate (the "**Consolidation**") all of the issued and outstanding Common Shares on the basis of one post-Consolidation Common Share for up to one hundred (100) pre-Consolidation Common Shares, or a ratio that is less at the discretion of the Board, with the Consolidation to be implemented by the Board at any time prior to the next annual meeting of the Shareholders. Any Consolidation remains subject to all required regulatory approvals.

### ***Reasons for a Consolidation***

Management of the Corporation has considered that a Consolidation may provide flexibility in the capital structure of the Corporation in order to facilitate raising capital in the future while keeping the Corporation's capital structure manageable.

### ***Effect on Common Shares***

The Consolidation will not affect the percentage ownership in the Corporation by the Shareholders even though such ownership will be represented by a smaller number of Common Shares. The Consolidation will merely proportionately reduce the number of Common Shares held by the Shareholders.

### ***Effect on Convertible Securities***

The exercise or conversion price and/or the number of Common Shares issuable under any outstanding convertible securities, including under outstanding Options, warrants, rights and any other similar securities will be proportionately adjusted upon the implementation of a Consolidation, in accordance with the terms of such securities, on the same basis as the consolidation of the Common Shares.

### ***Fractional Common Shares***

If, as a result of a Consolidation, a Shareholder would otherwise be entitled to a fraction of a Common Share in respect of the total aggregate number of pre-consolidation Common Shares held by such Shareholder, no such fractional Common Share will be awarded. The aggregate number of Common Shares that such Shareholder is entitled to will, if the fraction is less than one half of one share, be rounded down to the next closest whole number of Common Shares, and if the fraction is at least one half of one share, be rounded up to one whole Common Share. Except for any change resulting from the rounding described above, the change in the number of Common Shares outstanding that would result from the Consolidation will cause no change in the stated capital attributable to the Common Shares.

### ***Certain Risks Associated with the Consolidation***

There can be no assurance that the total market capitalization of the Corporation (the aggregate value of all Common Shares at the market price then in effect) immediately after a Consolidation will be equal to or greater than the total market capitalization immediately before a Consolidation.

### ***Notice of Consolidation and Letter of Transmittal***

Prior to the completion of a Consolidation, the Corporation will provide registered Shareholders with a letter of transmittal which will need to be duly completed and submitted by registered Shareholders wishing to receive share certificates representing the post-Consolidation Common Shares to which he, she or it is entitled if the Corporation completes a Consolidation.

### ***Procedure for Non-Registered Shareholders***

Non-registered Shareholders holding the Common Shares through a bank, broker or other nominee should note that such banks, brokers or other nominees may have different procedures for processing a Consolidation than those that will be put in place by the Corporation for registered Shareholders. If you hold the Common Shares with

such bank, broker or other nominee and if you have questions in this regard, you are encouraged to contact your nominee to obtain instructions for processing a Consolidation.

### **Shareholder Approval**

In accordance with the OBCA, the resolution approving a Consolidation must be approved by a majority of not less than two-thirds (2/3) of the votes cast by the Shareholders represented at the Meeting in person or by proxy.

At the Meeting, the following special resolution, with or without variation, will be placed before the Shareholders in order to approve the Consolidation:

**"BE IT RESOLVED** as a special resolution that:

(a) the Board be authorized, subject to approval of the applicable regulatory authorities, to take such actions as are necessary to consolidate, at any time following the date of this resolution but prior to the next annual meeting of shareholders of the Corporation, all of the issued and outstanding Common Shares on the basis that up to one hundred (100) pre-consolidation Common Shares, or a ratio that is less at the discretion of the Board, be consolidated into one post-consolidation Common Share;

(b) despite the foregoing authorization, the Board may, at its absolute discretion, determine when such consolidation will take place and may further, at its discretion, determine not to effect such consolidation of all of the issued and outstanding Common Shares, in each case without requirement for further approval, ratification or confirmation by the Shareholders;

(c) notwithstanding the foregoing, the Board is hereby authorized, without further approval of or notice to the Shareholders, to revoke this special resolution at any time before it is acted upon; and

(d) any one or more directors and officers of the Corporation be authorized to perform all such acts, deeds and things and execute all such documents and other writings, as may be required to give effect to this special resolution."

The foregoing resolution permits the directors of the Corporation, without further approval by the Shareholders, to proceed with a Consolidation at any time following the date of this Meeting but prior to the next annual meeting of the Shareholders. Alternatively, the directors of the Corporation may choose not to proceed with the Consolidation if the directors, in their discretion, deem that it is no longer desirable to do so.

**Common Shares represented by proxies in favour of management nominees will be voted FOR the approval of the Consolidation as set out above, unless a Shareholder has specified in his, her or its proxy that his, her or its Common Shares are to be voted against the resolution approving the Consolidation.**

## Effective Date

Subject to applicable regulatory requirements, the Consolidation will be effective on the date on which articles of amendment of the Corporation are filed and certified by the Ministry, on which the directors of the Corporation determine to carry out the Consolidation.

If the Consolidation is approved, no further action on the part of the Shareholders will be required in order for the Board to implement the Consolidation.

## STATEMENT OF EXECUTIVE COMPENSATION

### Summary Compensation Table

The term “**Named Executive Officers**” means the Chief Executive Officer (“**CEO**”) and the Chief Financial Officer (“**CFO**”) of the Corporation and each of the three most highly compensated officers, other than the CEO and CFO, who were serving as at the most recently completed fiscal year and whose salary and bonus in the aggregate exceeded \$150,000.

The following table sets forth information concerning the annual and long-term compensation for services of the Named Executive Officers of the Corporation for the financial years ended December 31, 2017, 2016 and 2015. No executive officer received salary or bonuses from the Corporation aggregating in excess of \$150,000 for any of such financial years.

Name and Principal Position	Year	Annual Compensation			Long-term Compensation			All Other Compensation (\$)
		Salary (\$)	Bonus (\$)	Other Annual Compensation (\$)	Awards	Payouts		
					Securities Under Options Granted (#)	Shares or Units subject to Resale Restrictions	LTIP Payouts (\$)	
Jon Bridgman, CFO	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil						
	2015	Nil						
Bill Urseth, President	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil						
	2015	Nil						

### Compensation Discussion and Analysis

Currently, the Board oversees director and executive compensation. The corporation anticipates convening a Compensation Committee after the Meeting. The Compensation Committee is expected to make recommendations to the Board regarding executive compensation, long-term incentive plans as well as employment, severance, retirement, and change of control agreements. The board then determines whether to adopt such recommendations as submitted or otherwise.

In the last three fiscal years ended December 31, 2017, 2016 and 2015, the Corporation did not pay compensation, in any form, to any of the executive officers or directors, which was decided by the Board. Considerations included the lack of current operations and the lack of financial resources.

When determining the compensation arrangements for the executive officers, the Compensation Committee will consider the objectives of retaining an executive critical to the success of the corporation and the enhancement of Shareholder values, providing fair and competitive compensation and balancing the interests of management and Shareholders while rewarding performance.

### **Option Grants During the Most Recently Completed Financial Year**

The directors of the Corporation adopted a New Stock Option Plan (the "Plan") to encourage common share ownership in the Corporation by directors, officers, employees (full or part-time) and consultants of the Corporation or its subsidiaries from time to time which was approved by the majority of disinterested shareholders at the annual and special meeting of shareholders held on May 8, 1999.

The Plan does not permit the number of shares reserved for issuance pursuant to stock options granted to insiders to exceed 10% of the outstanding issue; the issuance to insiders within a one-year period of a number of shares to exceed 10% of the outstanding issue; and the issuance to any one insider and such insider's associates, within a one-year period, of a number of shares to exceed 5% of the outstanding issue.

The Plan provides that eligible persons thereunder include any director, employee, (full-time or part-time), officer or consultant of the Corporation or any subsidiary thereof. A consultant means an individual (including an individual whose services are contracted through a personal holding corporation) with whom the Corporation or a subsidiary has a contract for substantial services. The Plan allows the Corporation to attract new officers and directors by allowing it to offer stock options as inducements to join the Corporation.

The Plan is administered by the board of directors of the Corporation. The board of directors has the authority to determine, among other things, subject to the terms and conditions of the Plan, the terms, limitations, restrictions and conditions respecting the grant of stock options under the Plan.

The Plan provides for 2,408,720 common shares as a maximum number of common shares in the capital of the Corporation that was reserved for issuance under the Plan, pursuant to shareholder approval on May 8, 1999.

The Board has the authority under the Plan to establish the option price at the time each stock option is granted which shall in all cases be not less than the closing price of the common shares on the trading day immediately preceding the date of the grant. No discount from the closing price on the date of the grant of option is permitted.

Options granted under the Plan must be exercised no later than ten (10) years after the date of grant and options are not transferable other than by will or the laws of descent

and distribution. If an optionee ceases to be an eligible person for any reason whatsoever other than death, each option held by such optionee will cease to be exercisable in a period not exceeding three (3) months following the termination of the optionee's position with the Corporation. If an optionee dies, the legal representative of the optionee may exercise the optionee's options for a period not exceeding one (1) year after the date of the optionee's death but only up to and including the original option expiry date.

The Corporation will not provide any optionee with financial assistance in order to enable such optionee to exercise stock options granted under the Plan.

There are currently no stock options outstanding under the Plan.

### **Termination of Employment, Change in Responsibilities and Employment Contracts**

There were no terminations of employment, change in responsibilities, nor any employment contracts entered into by the Corporation during the most recently completed financial year.

### **Compensation of Directors**

No directors of the Corporation were compensated by the Corporation during the years ended December 31, 2017 or 2016 for services rendered as consultants or experts.

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

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding convertible security (a)</b>	<b>Weighted-average exercise price of outstanding convertible security (b)</b>	<b>Number of securities remaining for future issuance under equity compensation plans (excluding security reflected in column (a)) (c)</b>
<b>Equity compensation plans approved by security holders</b>	N/A	N/A	2,408,720
<b>Equity compensation plans not approved by security holders</b>	N/A	N/A	N/A



## COMMITTEES OF THE BOARD OF DIRECTORS

The audit committee (the "Audit Committee") of the Board as of the date of this Circular is composed of: Messrs. Jon Bridgman, Edward Murphy and Ms. Inga Gratcheva, all of whom are financially literate.

Name of Audit Committee Member	Independence <sup>(1)</sup>	Financial Literacy <sup>(2)</sup>	Relevant Experience
Inga Gratcheva	Independent	Financially Literate	CPA
Edward Murphy	Independent	Financially Literate	Business Consultant
Jon Bridgman	Not Independent	Financially Literate	CFO

(1) as such term is defined in Multi-Lateral Instrument 52-110 – Audit Committee ("MI 52-110").

(2) as such term is defined in MI 52-110.

The Board has not appointed any other committees of the Board.

The Company's audit committee is governed by an audit committee charter, the text of which is attached as **Schedule "A"**.

### Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

### Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year have any recommendations by the Audit Committee respecting the appointment and/or compensation of the Company's external auditors not been adopted by the Board of Directors.

### Reliance of Certain Exemptions

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 MI 52-110.

### External Auditors Service Fees

The fees charged to the Company by its external auditors for audit fees in each of the last three financial years were as follows:

	Financial Year Ended December 31, 2017 (\$)	Financial Year Ended December 31, 2016 (\$)	Financial Year Ended December 31, 2015 (\$)
Audit Fees	3,700	1,700	Nil
Audit Related Fees	Nil	Nil	Nil
Tax Advice Fees	Nil	Nil	Nil
All Other Fees	Nil	Nil	Nil

## **CORPORATE GOVERNANCE DISCLOSURE**

Effective June 30, 2005, National Instrument 58-101 Disclosure of Corporate Governance Practices ("NI 58-101") and National Policy 58-201 Corporate Governance Guidelines ("NP 58-201") were adopted in each of the provinces and territories of Canada. NI 58-101 requires issuers to disclose annually the corporate governance practices that they have adopted. NP 58-201 provides guidance on corporate governance practices. The Board believes that good corporate governance improves corporate performance and benefits all shareholders. The Canadian Securities Administrators (the "CSA") have adopted NP 58-201, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, the CSA has implemented Form 58-101F2 under NP 58-101 which prescribes the disclosure required to be made by the Company relating to its corporate governance practices. This section sets out the Company's approach to corporate governance and addresses the Company's compliance with NI 58-101.

### **Board**

A director is considered to be "independent" if the director is free from any direct or indirect material relationship with the issuer that could, or could reasonably be perceived to materially interfere with that director's ability to act with a view to the best interests of the Company. As such, a director who is an officer of a Company and a member of day-to-day management is considered to be non-independent.

Mr. Dominique Monardo and Mr. Jon Bridgman are considered by the board of directors to be "non-independent" within the meaning of NI 58-101 since they are individuals who have been within the last three years an executive officer of the Corporation.

NP 58-201 suggests that the Board of directors of a public company should be constituted with a majority of individuals who qualify as "independent" directors.

## **Other Reporting Issuer Directorship**

Mr. Edward Murphy currently is a director DigiCrypts Blockchain Solutions Inc. (formerly TJR Coatings Inc.) and Empire Minerals Inc. Mr. Jon Bridgman is a director of Bird River Resources Inc. Ms. Inga Gratcheva is a director of Empire Minerals Inc.

## **Orientation and Continuing Education**

The Company is in the process of creating formal policies with respect to the orientation and education for new members of the Board. The Company does provide continuing education for its directors as such need arises. Management takes steps to ensure that its directors and officers are continually updated as to the latest corporate and securities policies which may affect the directors, officers, and committee members.

## **Ethical Business Conduct**

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

## **Nominations**

The Board does not have a nominating committee as the Board feels that the size and nature of the Company's operations do not necessitate such a committee.

## **Compensation**

The Board is responsible for determining all forms of compensation for the Company. The Corporation has no long-term incentive plans. No options were granted under the Stock Option Plan of the Corporation to the officers or directors during the most recently completed financial year. There were no terminations of employment, changes in responsibilities or any employment contracts entered into by the Corporation during the most recently completed financial year. No directors of the Corporation were compensated by the Corporation during the most recently completed financial year.

## **Assessments**

The Board annually reviews its own performance and effectiveness and recommends revisions, if necessary. The Board monitors the adequacy of information given to the directors and communication between the Board and management. The Board believes that its corporate governance practices are appropriate and effective for the Company, given its size and operations. The Company's corporate governance practices allow the Company to operate efficiently, with checks and balances, that

control and monitor management and corporate functions without excessive administrative burden.

### **CORPORATE CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS**

None of proposed directors are, as at the date hereof, or have been, within the ten years prior to the date hereof, a director or executive officer, of any company that, while that person was acting in the capacity:

(a) was the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days (b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets

None of the proposed directors have, within the ten years prior to the date hereof, 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.

None of the proposed directors have 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 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 except as described below:

Dom Monardo was a non-industry director of Rampart Securities Inc. Mr. Monardo entered into a settlement agreement (the "Settlement Agreement") dated November 27, 2002 with the Investment Dealers Association of Canada (the "IDA") in respect of Mr. Monardo's failure to carry out his duties to ensure RSI was in compliance with the by-laws, regulations and policies of the IDA. Pursuant to the Settlement Agreement, Mr. Monardo agreed not to seek approval as a director of a member of the IDA or employment by a member of the IDA for any position with regulatory compliance or regulatory advisory responsibilities for a period of five years, which five year period commenced retroactive to August 14, 2001 and expired on August 14, 2006.

## **INDEBTEDNESS OF DIRECTORS AND OFFICERS**

No director or officer of the Corporation or associate of any director or officer of the Corporation is, or at any time since the beginning of the most recently completed financial year of the Corporation, has been indebted to the Corporation or any of its subsidiaries.

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

No informed person of the Corporation, as defined in National Instrument 51-102 – *Continuous Disclosure Obligations* of the Canadian Securities Administrators, or any associate or affiliate of such informed person, has any material interest in any transaction completed since the commencement of the Corporation's last financial year or in any proposed transaction which has materially affected or will materially affect the Corporation or its subsidiaries, other than as disclosed below:

Mr. Monardo is owed \$16,579 for advances in previous years.

## **ADDITIONAL INFORMATION**

Additional information relating to the Corporation may be found on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is provided in the Corporation's comparative financial statements and Management's Discussion and Analysis, which are available on SEDAR or by e-mail at [sfmonardo@rogers.com](mailto:sfmonardo@rogers.com).

## **OTHER MATTERS**

The Board of Directors is not aware of any other matters to come before the Meeting other than the matters referred to in this Circular.

## **DIRECTORS' APPROVAL**

The contents and the sending of this Circular to the shareholders of the Corporation have been approved by the Board of Directors.

**DATED** at Toronto, Ontario, this July 10, 2018

**BY ORDER OF THE BOARD OF DIRECTORS**

/s/ Dominique Monardo, CEO

## **SCHEDULE "A"**

### **AUDIT COMMITTEE MANDATE**

#### **PURPOSE OF THE COMMITTEE**

The purpose of the Audit Committee (the "Committee") of the Board of Directors (the "Board") of the Company is to provide an open avenue of communication between management, the external auditor, and the Board and to assist the Board in its oversight of the: integrity, adequacy and timeliness of the Company's financial reporting and disclosure practices; processes for identifying the principal financial risks of the company and reviewing the company's internal control systems to ensure that they are adequate to ensure fair, complete and accurate financial reporting; Company's compliance with legal and regulatory requirements related to financial reporting; accounting principles, policies and procedures used by management in determining significant estimates; engagement, independence and performance of the Company's external auditor.

The Committee shall also perform any other activities consistent with this Charter, the Company's bylaws and governing laws as the Committee or Board deems necessary or appropriate.

The Committee shall consist of at least three directors. Members of the Committee and the Chairman shall be appointed by the Board and may be removed by the Board in its discretion. A majority of members of the Committee shall be sufficiently financially literate to enable them to discharge their responsibilities in accordance with applicable laws and/or requirements of the various stock exchanges on which the Company's securities trade and in accordance with Multilateral Instrument 52-110. Financial literacy means the ability to read and understand a balance sheet, income statement, cash flow statement and associated notes which represent a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the financial statements of the Company.

The Committee's role is one of oversight. Management is responsible for preparing the Company's financial statements and other financial information and for the fair presentation of the information set forth in the financial statements in accordance with International Financial Reporting Standards. Management is also responsible for establishing, documenting, maintaining and reviewing systems of internal control and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations.

The external auditors' responsibility is to audit the Company's financial statements and provide an opinion, based on their audit conducted in accordance with Canadian generally accepted auditing standards, that the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Company in accordance with International Financial Reporting Standards.

The Committee is directly responsible for the appointment, compensation, evaluation, termination and oversight of the work of the external auditor and oversees the resolution of any disagreements between management and the external auditor regarding financial reporting.

## **AUTHORITY AND RESPONSIBILITIES**

In performing its oversight responsibilities, the Committee shall:

Review and assess the adequacy of this Charter and recommend any proposed changes to the Board for approval at least once per year.

Review the appointments of the Company's Chief Financial Officer and any other key financial executives involved in the financial reporting process.

Review with management and the external auditor the adequacy and effectiveness of the Company's systems of accounting and financial controls and the adequacy and timeliness of its financial reporting processes.

Prior to their approval by the Board, review with management and the external auditor the annual audited financial statements and related documents, and review with management the unaudited quarterly financial statements, the management discussion and analysis reports prior to filing or distribution, including matters required to be reviewed under applicable legal or regulatory requirements.

Where appropriate and prior to release, review with management and approve any other news releases that contain significant financial information that has not previously been released to the public.

Review the Company's financial reporting and accounting standards and principles and significant changes in such standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives thereto and the rationale for decisions made.

Review with management and the external auditor significant related party transactions and potential conflicts of interest.

Recommend to the Board to assist them in recommending to the shareholders (a) the external auditor to be nominated to examine the Company's accounts and financial statements and prepare and issue an auditor's report on them or perform other audit, review or attest services for the company and (b) the compensation of the external auditor. The Committee has the responsibility to approve all audit engagement terms and fees.

Monitor the independence of the external auditors by reviewing all relationships between the independent auditor and the company and all audit, non-audit and assurance work performed for the company by the independent auditor.

Conduct or authorize investigations into any matter that the Committee believes is within the scope of its responsibilities. The Committee has the authority to (a) retain independent counsel, accountants or other advisors to assist it in the conduct of its investigation, at the expense of the company, (b) set and pay the compensation of any advisors retained by it and (c) communicate directly with external auditors.

The Committee shall report its recommendations and findings to the Board after each meeting and shall conduct and present to the Board an annual performance evaluation of the effectiveness of the committee.

Perform such other functions and exercise such other powers as are prescribed from time to time for the audit committee of a reporting company in Parts 2 and 4 of Multilateral Instrument 52-110 of the Canadian Securities Administrators.