

**GAR LIMITED**

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING  
AND MANAGEMENT INFORMATION CIRCULAR**

Date and Time: September 27, 2017 at 10:00 AM EST

Place: CC Corporate Counsel Profession Corporation  
100 Bass Pro Mills Drive, Suite 49, Vaughan, Ontario,  
L4K 5X1

**August 29, 2017**

*This document requires immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this notice and information circular, you should immediately contact your advisor.*

**GAR LIMITED**

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD ON WEDNESDAY, SEPTEMBER 27, 2017**

TO: The shareholders of GAR Limited

NOTICE IS HEREBY GIVEN that the annual general and special meeting of the shareholders of GAR Limited (the "**Corporation**") will be held at the offices of CC Corporate Counsel Profession Corporation, 100 Bass Pro Mills Drive, Suite 49, Vaughan, Ontario, L4K 5X1, on Wednesday, September 27, 2017 at 10:00 AM EST (the "**Meeting**"), for the following purposes:

- (1) to receive the audited consolidated financial statements of the Corporation for the financial years ended January 31, 2017 and January 31, 2016, together with the reports of the auditors thereon;
- (2) to set the number of directors to three (3) and to elect directors of the Corporation for the ensuing year;
- (3) to appoint the auditors of the Corporation for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditors for the ensuing year;
- (4) to approve a special resolution authorizing the directors to change the municipality in which the Corporation's registered office is located and the registered address from Box 15, Site 15, 288 Kenogami Lane, Swastika, Ontario, P0K 1T0 to 100 Bass Pro Mills Drive, Suite 49, Vaughan, Ontario, L4K 5X1;
- (5) to re-approve the Corporation's stock option plan;
- (6) to consider and, if deemed appropriate, pass with or without variation, an ordinary resolution approving, ratifying, and confirming all acts, proceedings, contracts, appointments, elections, payments and by-laws, done, instituted, made and enacted by the directors and officers of the Corporation since the date of the last annual meeting of the Corporation, being July 10, 2015, as the same are set out or referred to in the resolutions of the directors or in the financial statements or otherwise properly enacted, passed, made, done or taken, as more fully described in the Circular; and
- (7) to transact such other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

Accompanying this Notice of Meeting is the Management Information Circular, a form of proxy and a financial statement request form.

Registered shareholders who are unable to attend the Meeting are requested to complete, sign, date and return the enclosed form of proxy in accordance with the instructions set out therein and in the Management Information Circular accompanying this Notice of Meeting. A proxy will not be valid unless it is received by Capital Transfer Agency Inc., 121 Richmond St. W., Ste 401, Toronto, ON M5H 2K1, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting or any adjournment(s) or postponement(s) thereof. The chairman of the Meeting has the discretion to accept proxies received after that time.

**DATED** at Toronto, Ontario, this 29<sup>th</sup> day of August, 2017.

**BY ORDER OF THE BOARD OF DIRECTORS**

*"John Rapski"*

John Rapski

President, Chief Executive Officer and Director

*If you are a non-registered shareholder of the Corporation and receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or by the other intermediary. Failure to do so may result in your common shares not being eligible to be voted by proxy at the Meeting.*

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## MANAGEMENT INFORMATION CIRCULAR

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### INFORMATION CONTAINED IN THIS CIRCULAR

This management information circular (the “**Circular**”) is being furnished to holders (the “**Shareholders**”) of common shares (“**Common Shares**”) in the capital of GAR Limited (the “**Corporation**”) in connection with the solicitation of proxies by management of the Corporation for use at the annual general and special meeting of Shareholders to be held at 10:00 EST on Wednesday, September 27, 2017 at the offices of CC Corporate Counsel Profession Corporation, 100 Bass Pro Mills Drive, Suite 49, Vaughan, Ontario, L4K 5X1 and any adjournment(s) or postponement(s) thereof (the “**Meeting**”) for the purposes set forth in the notice of meeting dated August 29, 2017 (the “**Notice of Meeting**”).

It is expected that the solicitation will be primarily by mail. Proxies may also be solicited personally by officers of the Corporation at nominal cost. The cost of this solicitation will be borne by the Corporation. The Notice of Meeting, this Circular and a form of proxy (the “**Proxy**”), which includes a financial statement request form, will be mailed to beneficial owners of Common Shares commencing on or about August 29, 2017. In this Circular, except where otherwise indicated, all dollar amounts are expressed in Canadian currency.

The information contained in this Circular is given as at August 29, 2017, unless otherwise noted.

### BACKGROUND TO THE MEETING

The last annual general meeting of the Shareholders of the Corporation was held on July 10, 2015.

### RECORD DATE

The board of directors of the Corporation (the “**Board**”) has set the close of business on August 21, 2017 as the record date (the “**Record Date**”) for determining which Shareholders shall be entitled to receive notice of and to attend and vote at the Meeting. Only Shareholders of record as of the Record Date are entitled to receive notice of and to attend and vote at the Meeting. Persons who acquire Common Shares after the Record Date will not be entitled to vote such Common Shares at the Meeting.

### APPOINTMENT OF PROXYHOLDERS

The persons named in the accompanying Proxy as proxyholders are management's representatives. A Shareholder has the right to appoint a person or company who need not be a Shareholder, other than the persons designated in the enclosed Proxy, to attend and act on behalf of the Shareholder at the Meeting. A Shareholder wishing to exercise this right may do so either by striking out the printed names and inserting the desired person or company's name in the blank space provided in the Proxy or by completing another proper Proxy. To be valid, the Proxy must be signed by the Shareholder or the Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, by a duly authorized officer or attorney. The Proxy, to be acted upon, must be deposited with the Corporation, c/o its agent, Capital Transfer Agency Inc., 121 Richmond St. W., Ste 401, Toronto, ON M5H 2K1 or by telephone or over the internet as specified in the form or proxy, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting or any adjournment(s) or postponement(s). The chairman of the Meeting has the discretion to accept proxies received after that time. Failure to properly complete or deposit a Proxy may result in its invalidation.

## VOTING OF PROXIES

If the Proxy is completed, signed and delivered to the Corporation, the persons named as proxyholders therein shall vote or withhold from voting the Common Shares in respect of which they are appointed as proxyholders at the Meeting in accordance with the instructions of the Shareholder appointing them, on any show of hands and/or on any ballot that may be called for and, if the Shareholder specifies a choice with respect to any matter to be acted upon at the Meeting, the persons appointed as proxyholders shall vote accordingly. The Proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to the matters identified in the Notice of Meeting and with respect to all amendments, variations and other matters, which may properly come before the Meeting or any adjournment(s) or postponement(s) thereof. As of the date of this Circular, the Board knows of no such amendments, variations or other matters to come before the Meeting, other than the matters referred to in the Notice of Meeting. However, if other matters should properly come before the Meeting, the Proxy will be voted on such matters in accordance with the best judgment of the person or persons voting the Proxy.

**If no choice is specified by a Shareholder with respect to any matter identified in the Proxy or any amendment or variation to such matter, it is intended that the persons designated by management in the Proxy will vote the Common Shares represented thereby IN FAVOUR of such matter.**

## NON-REGISTERED HOLDERS

**Only registered Shareholders or duly appointed proxyholders are permitted to attend and vote at the Meeting. Most Shareholders are “non-registered shareholders” because the shares they own are not registered in their name but are instead registered in the name of the brokerage firm, bank or trust corporation through which they purchased their 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 trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (b) in the name of a depository (such as CDS Clearing and Depository Services Inc.) of which the Intermediary is a participant. In accordance with National Instrument 54-101 — *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Corporation has distributed copies of the Notice of Meeting, this Circular and the Proxy, which contains a financial statement request form (collectively, the “**Meeting Materials**”), to the depositories and Intermediaries for onward distribution to Non-Registered Holders.

Management of the Corporation does not intend to pay for Intermediaries to forward the Meeting Materials or any other proxy-related materials for the Meeting to Non-Registered Holders who are objecting beneficial owners under National Instrument 54-101 — *Communication with Beneficial Owners of Securities of a Reporting Issuer*. Non-Registered Holders who are objecting beneficial owners will not receive the Meeting Materials or any other proxy-related materials unless the objecting beneficial owner's 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. Typically, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders. Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

- (a) receive a 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 Proxy, this 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 and deliver the Proxy; or

- (b) more typically, receive 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.

The purpose of these procedures 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 attend and vote at the Meeting in person, the Non-Registered Holder should strike out the names of the management proxyholders and insert the Non-Registered Holder's name in the blank space provided, or in the case of a proxy authorization form, follow the corresponding instructions on the form. **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.**

#### REVOCABILITY OF PROXY

Any Shareholder returning the enclosed Proxy may revoke the same at any time insofar as it has not been exercised. In addition to revocation in any other manner permitted by law, a Proxy may be revoked by instrument in writing executed by the Shareholder or by his or her attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized, and deposited at the registered office of the Corporation, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment(s) or postponement(s) thereof, or with the chairperson of the Meeting prior to the commencement of the Meeting. A revocation of a Proxy will not affect a matter on which a vote is taken before the revocation.

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

Except as otherwise disclosed herein, no director, executive officer or proposed nominee for election as a director of the Corporation, or any associate or affiliate of such director, officer or proposed nominee has any material interest, direct or indirect, by way of beneficial ownership of securities of the Corporation or otherwise, in any matter to be acted on at the Meeting, other than the election of directors of the Corporation.

#### VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Corporation's authorized capital consists of an unlimited number of Common Shares without par value. The Common Shares are the only issued and outstanding voting securities of the Corporation and the holders thereof being entitled to one vote for each Common Share held. As at the close of business on August 21, 2017, being the Record Date, there were a total of 11,698,630 Common Shares issued and outstanding.

To the knowledge of the directors and executive officers of the Corporation, there are no persons who beneficially owns, or controls or directs, directly or indirectly, Common Shares carrying 10% or more of the votes attached to the issued and outstanding Common Shares.

## ELECTION OF DIRECTORS

The Board is recommending three (3) persons (the “**Nominees**”) for election at the Meeting. Each of the three persons whose name appears below is proposed by the Board to be nominated for election as a director of the Corporation to serve until the next annual general meeting of the Shareholders or until the director sooner ceases to hold office.

It is the intention of the persons named in the enclosed form of proxy to **vote FOR** the resolution electing the Nominees as directors of the Corporation for the ensuing year, at a remuneration to be fixed by the Board, unless the Shareholder has specified in the Shareholder’s proxy that the Shareholder’s Common Shares are to be withheld from voting on the election of such directors.

The number of directors may be fixed or changed from time to time by ordinary resolution. The Board is recommending three (3) new directors for election at the Meeting. It is the intention of the persons named in the enclosed form of proxy to **vote FOR** the resolution setting the number of directors at three.

The following table (and notes thereto) states the name, province and country of residence of each Nominee, all offices of the Corporation now held by him, the period of time for which he has been a director of the Corporation and the number of Common Shares of the Corporation beneficially owned by him, directly or indirectly, or over which he exercises control or direction, as at the date hereof:

Name, Province and Country of Residence	Present Principal Occupation	Current Position(s) with the Corporation including Committee <sup>(2)</sup>	Director Since	Number of Common Shares <sup>(1)</sup>
Glen Macdonald Vancouver, BC	Director of Yorkton Ventures Inc.	N/A	N/A	0
Ken Ralfs Victoria, BC	President and Director of Monster Uranium Corp.	N/A	N/A	0
Eugene Beukman Vancouver, BC	Director and President of Bard Ventures Ltd.	N/A	N/A	0

Notes

(1) This information has been furnished by the respective directors.

(2) This slate will be appointed at the Meeting.

**Glen Macdonald** - Mr. Macdonald is a self-employed geology consultant. Mr. Macdonald has a BSc. (1973) from the University of British Columbia and has been a member of the Alberta Professional Engineers, Geologists and Geophysicists Association since 1982 and of the British Columbia Association of Professional Engineers and Geoscientists since 1993. Mr. Macdonald has extensive experience in junior mineral exploration including in mining and the oil & gas sector. Mr. Macdonald has a great deal of experience as a director and officer of junior public companies and substantial audit committee experience.

**Ken Ralfs** - Mr. Ralfs has a B.Sc. (Geology) (1975) from the University of British Columbia and has been a self-employed business consultant from 1998 to present. Mr. Ralfs has experience with public companies

as a director and through officer positions held with several of the companies. Mr. Ralfs often is a member of each of the Company's audit committee.

**Eugene Beukman** - Mr. Beukman graduated from Rand University of Johannesburg, South Africa, with a Bachelor of Law degree and a Bachelor of Law Honours Postgraduate degree in 1987. From 1987 until December 1993, when he moved to Vancouver, British Columbia, Mr. Beukman, as Barrister, was employed as a legal advisor to the predecessor of BHP Billiton. He has over thirty (30) years' experience in the acquisition of assets and joint ventures. Mr. Beukman remains an Admitted Advocate of the High Court of South Africa. He also serves as an audit committee member for a number of other public companies and is corporate consultant to public companies. He is a director and/or officer of several reporting companies listed on the TSX Venture Exchange and the Canadian Securities Exchange.

## Orders

Glen Macdonald has been a director of Dunes Exploration Ltd. ("**Dunes**") since September 1993. On May 1, 2009, a management cease trade order was issued against the securities of Dunes held by Glen Macdonald for failure to file financial statements. The financial statements were subsequently filed, and the management cease trade order expired as of July 10, 2009. Mr. Macdonald has been a director of Maxim Resources Inc. ("**Maxim**") since May 2002. On May 4, 2009, a cease trade order was issued against Maxim for failure to file financial statements. The financial statements were subsequently filed, and the cease trade order expired as of August 4, 2009. Mr. Macdonald was a director of Wind River Resources Ltd. ("**Wind**") and on May 1, 2009, Mr. Macdonald was subject to a management cease trade order issued by the Alberta Securities Commission as a result of the failure of the Wind to make required filings. The order expired on July 10, 2009.

Ken Ralfs has been a director of Dunes since June 2004. On May 1, 2009, a management cease trade order was issued against the securities of Dunes held by Mr. Ralfs for failure to file financial statements. The financial statements were subsequently filed, and the management cease trade order expired as of July 10, 2009.

Other than as noted above, to the best of management's knowledge, no proposed director of the Corporation is, or within the ten (10) years before the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued after the proposed director ceased to be a director, 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.

## Bankruptcies

To the best of management's knowledge, no proposed director of the Corporation is, or within ten (10) years before the date of this Information Circular, has been, a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act

in the 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 made a proposal under any legislation relating to bankruptcies or insolvency.

To the best of management's knowledge, no proposed director of the Corporation has, within the ten (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.

### **Penalties and Sanctions**

To the best of management's knowledge, no proposed director of the Corporation has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

### **APPROVAL OF STOCK OPTION PLAN**

The Corporation currently maintains a stock option incentive plan to grant options to purchase Common Shares. The shareholders of the Corporation approved the stock option incentive plan (the "**1997 Option Plan**") at a prior meeting of the shareholders on July 16, 1997. The 1997 Option Plan was a fixed number stock option plan.

The Corporation adopted an amended stock option plan (the "**Stock Option Plan**") on December 20, 2013, that is a "rolling" stock option plan. Shareholders will be asked to pass an ordinary resolution to re-approve the Stock Option Plan. Certain details of the Stock Option Plan are set forth below.

Under the Stock Option Plan the Corporation may grant to directors, officers, employees and consultants options to purchase common shares in the Corporation. The aggregate number of shares reserved for issuance under the Stock Option Plan shall not exceed 10% of the total number of issued and outstanding shares at the time of the grant. The Stock Option Plan provides that the exercise price for any option granted shall be determined by the Board, provided that such price shall not be lower than the Fair Market Value of the option shares on the date of grant of the option. "Fair Market Value" means, as of any date, the value of the Common Shares, determined as follows:

- (i) if the Common Shares are listed on the TSX Venture Exchange, the Fair Market Value shall be the last closing sales price for such shares as quoted on such Exchange for the market trading day immediately prior to the date of grant of the Option, less any discount permitted by the Exchange;
- (ii) if the Common Shares are listed on an Exchange other than the TSX Venture Exchange, the fair market value shall be the closing sales price of such shares (or the closing bid, if no sales were reported) as quoted on such Exchange for the market trading day immediately prior to the time of determination less any discount permitted by such Exchange; and
- (iii) if the Common Shares are not listed on an exchange, the Fair Market Value shall be determined in good faith by the Board.



Options granted shall be exercisable for a period, to be determined in each instance by the Board, not exceeding ten (10) years from the date of the grant of the option. The options must be exercised in accordance with the Stock Option Plan and the Option Agreement.

There are no stock appreciation rights associated with the stock options granted under the Stock Option Plan and there are no provisions under the Stock Option Plan to transform stock options into stock appreciation rights.

The Board may amend, suspend or terminate the Stock Option Plan or any portion thereof at any time, but an amendment may not be made without shareholder approval and Exchange approval if such approval is necessary to comply with any applicable regulatory requirement.

The Corporation does not provide financial assistance to participants under the Stock Option Plan.

The Corporation's compensation policies and programs are designed to recognize and reward executive performance consistent with the success of the Corporation's business.

The granting of options to the Named Executive Officers under the Corporation's Stock Option Plan provides an appropriate long-term incentive to management to create shareholder value. The number of options the Corporation grants to each Named Executive Officer reasonably reflects the Named Executive Officer's specific contribution to the Corporation in the execution of such person's responsibilities. However, the number of options granted does not depend upon nor does it reflect the fulfillment of any specific performance goals or similar conditions. Previous grants of options to Named Executive Officers are taken into consideration by the Board of Directors in developing its recommendations with respect to the granting of new options. No options were granted to the Named Executive Officers during the year ended January 31, 2017.

The granting of options to the non-management Directors of the Corporation under the Corporation's Stock Option Plan provides an appropriate long-term incentive to these Directors to provide proper independent oversight to the Corporation with a view to maximizing shareholder value. The number of options the Corporation grants to each of these Directors reasonably reflects each Director's contributions to the Corporation in his capacity as a Director and as a member of one or more committees of the Board (if applicable), including without limitation the Audit Committee. Previous grants of options awarded to the independent Directors of the Corporation are taken into consideration when the Corporation considers the granting of new options to the independent Directors. No options were granted to the Corporation's independent Directors during the year ended January 31, 2017.

The Corporation currently does not pay director fees to its independent Directors. Following the meeting, the Board will consider whether the payment of such fees is appropriate at the relevant time.

At the Meeting, shareholders will be asked to consider, and, if deemed advisable, to approve the ordinary resolution below to approve the Stock Option Plan (the "**Option Plan Resolution**"). The full text of the Stock Option Plan is set out in **Schedule "C" to the management information circular dated November 14, 2013 as found on SEDAR under the Corporation's profile.**

**"BE IT RESOLVED ON A DISINTERESTED SHAREHOLDER BASIS THAT:**

1. the stock option plan of the Corporation most recently approved by the holders of common shares of the Corporation on July 10, 2015 and described in the information circular dated November 14, 2013 (the "**Stock Option Plan**"), be, and is hereby, approved as the stock option plan of the Corporation; and

2. any one officer or any one director of the Corporation be, and each of them hereby is, authorized and empowered, acting for, in the name of and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise, and to deliver or to cause to be delivered, all such documents, all in such form and containing such terms and conditions, as any one of them shall consider necessary or desirable in connection with the foregoing and shall approve, such approval to be conclusively evidenced by the execution thereof by the Corporation, and to do or to cause to be done all such acts and things as any one of them shall consider necessary or desirable in connection with the foregoing or in order to give effect to the intent of the foregoing paragraph of this resolution.”

In order to be adopted, the resolution approving the Stock Option Plan must be passed by the affirmative vote of at least a majority of the votes cast by shareholders at the Meeting, whether in person or by proxy. 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 persons named in the accompanying proxy will vote FOR the resolution approving the Stock Option Plan.**

If the Option Plan Resolution is not approved, any unallocated rights, options or other entitlements under the Stock Option Plan will not be available for future grants and previously granted options will not be available for reallocation if they are cancelled prior to exercise. Whether or not the Option Plan Resolution is approved, all options already granted and currently outstanding under the Stock Option Plan will remain in effect.

#### **RATIFICATION OF PAST ACTS**

Certain of the Corporation’s past corporate records during the period from the date of the last annual meeting of the Corporation, being July 10, 2015 (the “**Last Meeting Date**”), up to the present date require ratification as the Corporation wishes to ensure that the past acts by the Corporation’s directors and officers during this period are valid notwithstanding that the Corporation did not hold an annual meeting since the Last Meeting Date.

Accordingly, the Board has passed a ratifying resolution ratifying and confirming all past acts of the Board and officers of the Corporation.

The shareholders of the Corporation are, in turn, being asked to consider, and if thought advisable, to approve a ratifying resolution approving, ratifying and confirming all the prior acts and proceedings of the directors and officers of the Corporation made from and including the Last Meeting Date to the date hereof including, but not limited to, those disclosed or referred to in the minute books or records of the Corporation, in information disseminated to the shareholders of the Corporation by the Corporation, or in the financial statements of the Corporation. The complete text of the ordinary resolution (the “**Past Acts Resolution**”) which management intends to place before the Meeting authorizing the ratification of past acts is as follows:

“**BE IT RESOLVED that:**

- (1) notwithstanding (i) any failure to properly convene, constitute, proceed with, hold or record any meeting of the board of directors or shareholders of the Corporation for any reason whatsoever, including, without limitation, the failure to properly waive or give notice of a meeting, hold a meeting in accordance with a notice of meeting, have a quorum present at a meeting, sign the minutes of a meeting or sign a ballot electing a slate of directors since incorporation; or (ii) any failure to pass any resolution of the directors or shareholders of the Corporation or any by-law of the Corporation for any reason whatsoever, all by-laws,

- approvals, appointments, resolutions, contracts, acts and proceedings, enacted, passed, made, done or taken since the Last Meeting Date including those set forth or referred to in the minutes of the meetings, or resolutions of the board of directors of the Corporation, or in the financial statements of the Corporation, and all actions heretofore taken in reliance upon the validity of such minutes, documents and financial statements, are hereby sanctioned, ratified, confirmed and approved; and
- (2) without limiting the generality of paragraph (1) above, all by-laws, resolutions, contracts, acts and proceedings of the board of directors and officers of the Corporation enacted, passed, made, done or taken since the Last Meeting Date including those set forth or referred to in the minutes or the meetings and resolutions of the board of directors in the minutes and record books of the Corporation or in the financial statements of the Corporation are hereby approved, ratified and confirmed.”

**The persons designated as proxyholders in the accompanying proxy (absent contrary directions) intend to vote FOR the Past Acts Resolution.**

**APPROVE A CHANGE OF THE MUNICIPALITY OR GEOGRAPHIC TOWNSHIP IN WHICH THE CORPORATION'S REGISTERED OFFICE IS LOCATED**

The Corporation proposes to change its registered address from Box 15, Site 15, 288 Kenogami Lane, Swastika, Ontario, P0K 1T0 to 100 Bass Pro Mills Drive, Suite 49, Vaughan, Ontario, L4K 5X1. Under the *Business Corporations Act* (Ontario), a change in the municipality or geographic township in which the Corporation's registered office is located from that specified in the Corporation's articles (the "**Articles**") requires the approval of not less than 66⅔% of the votes cast at a meeting of shareholders.

Shareholders will be asked at the Meeting to consider and, if deemed advisable, to pass a special resolution, substantially in the form set out below (the "**Change of Registered Office Resolution**"), approving the change of the municipality or geographic township in which the Corporation's registered office is located, from Brooklin, Ontario to Toronto, Ontario. The resolution also authorizes the Corporation to amend its Articles to give effect to the resolution.

**"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:**

1. the Corporation is hereby authorized to change the municipality or geographic township in which the Corporation's registered office is located from that specified in the Corporation's articles, being Swastika, Ontario to Vaughan, Ontario;
2. an amendment of the articles of the Corporation giving effect to the foregoing is hereby approved;
3. any director or officer of the Corporation be, and such director or officer of the Corporation hereby is, authorized, instructed and empowered, acting for, in the name of and on behalf of the Corporation, to do or to cause to be done all such other acts and things in the opinion of such director or officer of the Corporation as may be necessary or desirable in order to fulfill the intent of this special resolution; and
4. the board of directors of the Corporation be and is hereby authorized to set the effective date of such change of registered office; and
5. notwithstanding that this special resolution has been duly passed by the shareholders of the Corporation, the board of directors of the Corporation is hereby authorized, at its discretion, to determine, at any time prior to the change of registered office of the Corporation, to proceed or

not proceed with the change of registered office of the Corporation and to abandon the application for the change of registered office of the Corporation at any time prior to the implementation of the change of registered office of the Corporation without further approval of the shareholders of the Corporation.”

If the approval of shareholders is received, the change of registered office will be effected at a time determined by the Board; notwithstanding if the approvals are received, the Corporation may determine not to proceed with the change of registered office at the discretion of the Board.

To be approved, the Change of Registered Office Resolution must be passed by not less than 66⅔% of the votes cast thereon at the Meeting. The Board recommends that shareholders vote FOR the Change of Registered Office Resolution.

**Unless the shareholder directs that his or her shares are to be voted against or withheld from voting in connection with the Change of Registered Office Resolution, the management nominees named in the enclosed form of proxy will vote FOR the Change of Registered Office Resolution. A two-thirds majority of the votes cast by shareholders at the Meeting is required to approve the Change of Registered Office Resolution.**

#### STATEMENT OF EXECUTIVE COMPENSATION

Based on the requirements of Form 51-102F6V-*Statement of Executive Compensation – Venture Issuers*, all direct and indirect compensation provided to certain executive officers, and directors for, or in connection with, services they have provided to the Corporation or a subsidiary of the Corporation must be disclosed in this form. Based on new legislation the Corporation is required to disclose annual and long-term compensation for services in all capacities to the Corporation and its subsidiaries for the two most recently completed financial years in respect of the individuals comprised of the Chief Executive Officer (“CEO”), the Chief Financial Officer (“CFO”) and the most highly compensated executive officers of the Corporation whose individual total compensation for the most recently completed financial year exceeds \$150,000, and any individual who would have satisfied these criteria but for the fact that the individual was not serving as an officer at the end of the most recently completed financial year (the “**Named Executive Officers**” or “**NEOs**”).

Directors and named executive officer compensations have been disclosed based on requirement of new form 51-102F6V under below tables as follows:

- (1) Table of compensation excluding compensation securities;
- (2) Stock options and other compensation securities; and
- (3) Exercise of Compensation Securities by directors and NEO’s.

#### **Named Executive Officers of the Corporation for the Year Ended January 31, 2017**

During the fiscal year ended January 31, 2017, the Corporation had two NEOs: John Rapski (President & CEO) and William Andrew Campbell (CFO).

#### **Director and Named Executive Officer Compensation**

The following table (and notes thereto) state the names of each NEO and director, his annual compensation, consisting of salary, consulting fees, bonuses and other annual compensation, excluding compensation securities, for each of the Corporation’s two most recently completed financial years.

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of perquisites (\$)	Value of other compensations (\$)	Total compensation (\$)
John Rapski, President, CEO & Director	2017	\$36,000	Nil	Nil	nil	Nil	\$36,000
	2016	\$36,000	Nil	Nil	Nil	Nil	\$36,000
William Andrew Campbell, CFO & Director	2017	\$10,500	Nil	Nil	Nil	Nil	\$10,500
	2016	\$18,000	Nil	Nil	Nil	Nil	\$18,000
Walter Krystia, Director	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Rob Pengally, Director	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Dennis LaFreniere, Director	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil

### Stock Option Plans and Other Compensation Securities

The following table sets out for each director and all compensation securities granted or issued outstanding during the year ended January 31, 2017 and January 31, 2016, including date of issue, exercise price, closing price on grant day and fiscal year end, and expiry date.

Compensation Securities								
Name and Position	Year ended <sup>(2)</sup>	Type of Compensation 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
John Rapski, President, CEO & Director	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil

William Andrew Campbell, CFO & Director	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Walter Krystia, Director	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Rob Pengally, Director	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Dennis LaFreniere, Director	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Exercise of Compensation Securities by Directors and NEOs								
Name and Position	Year ended <sup>(2)</sup>	Type of Compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date exercise (\$)	Total value on exercise date (\$)
John Rapski, President, CEO & Director	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil
William Andrew Campbell, CFO & Director	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Walter Krystia, Director	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Rob Pengally, Director	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Dennis LaFreniere, Director	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil

### **External Management Companies**

Except as otherwise disclosed herein, to the best of the knowledge of the directors and officers of the Corporation, management functions of the Corporation are not, to any substantial degree, performed by a person other than the directors and executive officers of the Corporation.

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

For further information on the Corporation's equity compensation plans, refer to the heading "*Approval of Stock Option Plan*".

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

Management of the Corporation is performed by the directors and officers of the Corporation and not by any other person.

There are no plans in place with respect to compensation of the Named Executive Officers in the event of a termination of employment without cause or upon the occurrence of a change of control.

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

Given the Corporation's size and stage of operations, it has not appointed a compensation committee or formalized any guidelines with respect to compensation at this time. The amounts paid to the Named Executive Officers are determined by the independent Board members. The Board determines the appropriate level of compensation reflecting the need to provide incentive and compensation for the time and effort expended by the executives, while taking into account the financial and other resources of the Corporation.

### **Pension Plan Benefits for NEOs**

As at the year ended January 31, 2017, the Corporation did not maintain any defined benefit plans, defined contribution plans or deferred compensation plans.

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

### **Long-Term Incentive Plan**

The Corporation has not adopted any long-term incentive plan. The Corporation has no outstanding stock appreciation rights.

### **Equity Compensation Plan Information**

The following table sets out securities authorized for issuance under equity compensation plans as of January 31, 2017, the end of the Corporation's most recently completed financial year. The Stock Option Plan was approved by the Shareholders at its annual general meeting held on July 10, 2015.

Stock Option Plan category	Number of securities to be issued upon exercise of outstanding options, and rights	Weighted--average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by Shareholders (Stock Option Plan) <sup>(1)</sup>	Nil	N/A	None.

Notes

(1) The aggregate number of Common Shares issuable upon the exercise of all options granted under the Stock Option Plan shall not exceed 10% of the issued and outstanding Common Shares from time to time.

For further information on the Corporation's equity compensation plans, refer to the heading "Approval of Stock Option Plan". A copy of the Stock Option Plan is available for review by contacting the Corporation at 288 Kenogami Lane, Box 122, Swastika, Ontario P0K 1T0 during normal business hours up to and including the date of the Meeting.

**INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

As at the date of this Circular, no individual who is or was a director, executive officer or employee of the Corporation or any of its subsidiaries, any proposed nominee for election as a director of the Corporation or any associate of such director or officer, is or was, at the end of the most recently completed financial year, indebted to the Corporation or any of its subsidiaries since the beginning of the most recently completed financial year of the Corporation, or is or has been indebted to another entity that is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries during that period.

**INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Except as otherwise disclosed herein, no informed person of the Corporation, proposed director of the Corporation or any associate or affiliate of an informed person or proposed director, has any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation of any of its subsidiaries.

For the purposes of this Circular, an "informed person" means (i) a director or officer of the Corporation; (ii) a director or officer of a person or company that is itself an informed person; or (iii) any person or company who beneficially owns, directly or indirectly, and/or exercises control or direction over voting securities of the Corporation carrying more than 10% of the voting rights attaching to all outstanding voting securities of the Corporation.

**APPOINTMENT OF AUDITORS**

Management of the Corporation will recommend at the Meeting that Shareholders appoint Ross Pope LLP, Chartered Accountants, as auditors of the Corporation until the next annual meeting of Shareholders and to authorize the directors to fix their remuneration.



Ross Pope LLP, Chartered Accountants was first appointed as auditors of the Corporation on May 5, 2015.

At the Meeting, Shareholders will be asked to appoint Ross Pope LLP, Chartered Accountants as auditor of the Corporation, to hold office until the next annual meeting of the Corporation at such remuneration as may be fixed by the Board.

To be effective, the resolution must be passed by at least a majority of the votes cast at the Meeting. The persons designated in the enclosed form of proxy, unless instructed otherwise, **INTEND TO VOTE FOR** the appointment of Ross Pope LLP, Chartered Accountants as auditors of the Corporation.

### AUDIT COMMITTEE

The Corporation has an Audit Committee whose primary function is to assist the Board in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Corporation to regulatory authorities and Shareholders, the Corporation's systems of internal controls regarding finance and accounting, and the Corporation's auditing, accounting and financial reporting processes.

#### Audit Committee Charter

The Audit Committee operates under a written charter that sets out its responsibilities and composition requirements. The text of the Audit Committee's charter is set forth at **Schedule "A"** attached hereto.

The Corporation's Audit Committee is comprised of three (3) directors, John Rapski, Robert Pengelly and Walter Krystia. The following table sets out the names of the members of the Audit Committee and whether they are 'independent' and 'financially literate' for the purposes of National Instrument 52-110 - *Audit Committee* ("NI 52-110").

Name of Member	Independent <sup>(1)</sup>	Financially Literate <sup>(2)</sup>
John Rapski	No	Yes
Robert Pengelly	Yes	Yes
Walter Krystia	Yes	Yes

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#### Notes:

- (1) To be independent, a member of the Audit Committee must not have any direct or indirect 'material relationship' with the Corporation. A material relationship is a relationship, which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. Accordingly, an executive officer of the Corporation is not independent, nor is a director that is paid consulting fees for non-director services provided to the Corporation
- (2) To be considered financially literate, a member of the Audit Committee must have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

#### Relevant Education and Experience

The education and experience of each Audit Committee member which is relevant to the performance of his responsibilities as an Audit Committee member, including education or experience that would provide the member with an understanding of accounting principles used by the Corporation to prepare its financial statements, experience preparing, auditing, analyzing or evaluating financial statements and an understanding of internal controls and procedures for financial reporting is set forth below.

## **Relevant Backgrounds**

Mr. Krystia is a retired professor of business at Ryerson University in Toronto and is currently providing business consulting and advisory services to small business entities.

Mr. Pengally runs a niche software development company for the last 10 years focusing on data analysis and visualization.

Mr. Rapski has been employed on a full time basis since his appointment and received a Bachelor of Environmental Studies degree from the University of Waterloo in 1972. Mr. Rapski has been in the junior mining industry for 35 years.

## **Audit Committee Oversight**

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

## **Reliance on Certain Exemptions**

Since the commencement of the Corporation's most recently completed financial year, the Corporation has not relied on the exemptions in Sections 2.4, 6.1.1(4), 6.1.1(5), or 6.1.1(6) or Part 8 of NI 52-110. Section 2.4 (*De Minimis Non-audit Services*) 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 financial year in which the non-audit services were provided. Sections 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), 6.1.1(5) (*Events Outside Control of Member*) and 6.1.1(6) (*Death, Incapacity or Resignation*) provide exemptions from the requirement that a majority of the members of the Corporation's Audit Committee must not be executive officers, employees or control persons of the Corporation or of an affiliate of the Corporation. Part 8 (*Exemptions*) permits a company to apply to a securities regulatory authority or regulator for an exemption from the requirements of National Instrument 52-110 in whole or in part.

## **Pre-approval Policies and Procedures**

The audit committee has not adopted specific policies and procedures for the engagement of non-audit services by the external auditor as no such engagement is presently contemplated or ever likely to occur for the foreseeable future.

## **External Auditor Service Fees (by category)**

In the following table, "*audit fees*" are fees billed by the Corporation's external auditors for services provided in auditing the Corporation's annual financial statements for the subject year. "*Audit-related fees*" are fees not included in audit fees that are billed by the auditors for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation's financial statements. "*Tax fees*" are fees billed by the auditors for professional services rendered for tax compliance, tax advice and tax planning. "*All other fees*" are fees billed by the auditors for products and services not included in the foregoing categories.

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

<b>Financial Year Ending January 31</b>	<b>Audit Fees</b>	<b>Audit Related Fees</b>	<b>Tax Fees</b>	<b>All Other Fees</b>
2017	\$15,901	0	0	0
2016	\$13,609	0	0	0

## **CORPORATE GOVERNANCE**

Corporate governance relates to activities of the Board, the members of which are elected by and are accountable to the Shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Corporation. The Board is committed to sound corporate governance practices, which are both in the interest of its Shareholders and contribute to effective and efficient decision making.

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) requires that each reporting company disclose its corporate governance practices on an annual basis.

The Board of Directors believes that sound corporate governance improves corporate performance and benefits all shareholders, and believes that its practices in most respects are closely aligned to the Guidelines. This section sets out the Corporation’s approach to corporate governance and provides the disclosure requested by Form NI 58-101F2.

### **Board of Directors**

As at the Record Date the Corporation’s Board is comprised of five (5) directors: John Rapski, William Andrew Campbell, Walter Krystia, Robert Pengally and Denise Lafreniere.

Section 1.4 of NI 52-110 sets out the standard for director independence. Under NI 52-110, a director is independent if such director has no direct or indirect material relationship with the Corporation. A material relationship is a relationship, which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgment. NI 52-110 also sets out certain situations where a director will automatically be considered to have a material relationship to the Corporation.

Applying the definition set out in section 1.4 of NI 52-110, three (3) members of the Board are independent, Walter Krystia, Robert Pengally and Denise Lafreniere. Mr. Rapski is not considered independent because he is the President and Chief Executive Officer of the Corporation. Mr. Campbell is not considered independent because he is the Chief Financial Officer of the Corporation.

The directors are responsible for managing and supervising the management of the business and affairs of the Corporation. Each year, the Board must review the relationship that each director has with the Corporation in order to satisfy themselves that the relevant independence criteria have been met.

### ***Directorships***

Not applicable.

### ***Orientation and Continuing Education***

While the Corporation currently has no formal orientation and education program for new Board members, sufficient information (such as recent financial statements, prospectuses, proxy solicitation

materials, technical reports and various other operating, property and budget reports) is provided to any new Board member to ensure that new directors are familiarized with the Corporation's business and the procedures of the Board. In addition, new directors are encouraged to visit and meet with management on a regular basis. The Corporation also encourages continuing education of its directors and officers where appropriate in order to ensure that they have the necessary skills and knowledge to meet their respective obligations to the Corporation.

### ***Ethical Business Conduct***

Each director is required to disclose fully to the Board any material interest such director may have in any transaction contemplated by the Corporation. In the event that a director discloses a material interest in a proposed transaction, the Corporation's independent directors will review the nature and terms of the proposed transaction in order to ascertain and confirm that it is being considered on commercially reasonable and arm's-length terms. The Board does not currently have any policies and plans to adopt formal policies in the future.

### ***Nomination of Directors***

The Board performs the functions of a nominating committee with responsibility for the appointment and assessment of directors. The Board believes that this is a practical approach at this stage of the Corporation's development and given the relatively small size of the Board.

While there are no specific criteria for Board membership, the Corporation attempts to attract and maintain directors with business knowledge and a particular knowledge of mineral exploration and development or other areas (such as finance) which provide knowledge which would assist in guiding the officers of the Corporation. As such, nominations tend to be the result of recruitment efforts by management of the Corporation and discussions among the directors prior to the consideration of the Board as a whole.

### ***Compensation***

The Board reviews on an annual basis the adequacy and form of compensation of officers and directors to ensure that the compensation of the Board and management reflects the responsibilities, time commitment and risks involved in being an effective member of the Corporation. A more detailed description of Compensation can be found in the "Statement of Executive Compensation" section of this Circular.

Currently, as the Corporation has no ongoing revenues from operations, the directors of the Corporation do not receive any fees in their capacities as directors.

### ***Assessments***

The Board assesses, on an annual basis, the contributions of the Board as a whole and each of the individual directors, in order to determine whether each is functioning effectively

## MANAGEMENT CONTRACTS

Except as otherwise disclosed herein, to the best of the knowledge of the directors and officers of the Corporation, management functions of the Corporation are not, to any substantial degree, performed by a person other than the directors and executive officers of the Corporation.

## PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

Other than the above, management of the Corporation know of no other matters to come before the Meeting other than those referred to in the Notice. If any other matters that are not currently known to management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the Designated Persons named therein to vote on such matters in accordance with their best judgment.

## REGISTRAR AND TRANSFER AGENT

The registrar and transfer agent for the Corporation is Capital Transfer Agency Inc., 121 Richmond St. W., Ste 401, Toronto, ON M5H 2K1, through its office located in Toronto, Ontario.

## OTHER BUSINESS

Management of the Corporation knows of no other matters to come before the Meeting other than as referred to in the Notice of Meeting. However, if any other matters which are not known to management of the Corporation shall properly come before the Meeting, the Proxy given pursuant to the solicitation by management of the Corporation will be voted on such matters in accordance with the best judgment of the persons voting the Proxy.

## ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Corporation to request copies of the Corporation's financial statements and management's discussion and analysis ("MD&A") by sending a written request to 288 Kenogami Lane, Box 122, Swastika, Ontario P0K 1T0. Financial information is provided in the Corporation's comparative annual financial statements and MD&A for its most recently completed financial year, which are also available on SEDAR.

## APPROVAL OF INFORMATION CIRCULAR

The undersigned hereby certifies that the contents and the sending of this Circular have been approved by the directors of the Corporation.

DATED at Toronto, Ontario, this 29<sup>th</sup> day of August, 2017.

**BY ORDER OF THE BOARD OF DIRECTORS**

*"John Rapski"*

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John Rapski  
President, Chairman and Director

**SCHEDULE "A"**  
**TO INFORMATION CIRCULAR OF**  
**GAR LIMITED**

**AUDIT COMMITTEE CHARTER**

**1. General**

The board of directors (the "**Board**") of GAR Limited (the "**Corporation**") has delegated the responsibilities, authorities and duties described below to the audit committee (the "**Audit Committee**"). For the purpose of these terms of reference, the term "**Corporation**" shall include the Corporation and its subsidiaries.

The Audit Committee shall be directly responsible for overseeing the accounting and financial reporting processes of the Corporation and audits of the financial statements of the Corporation, and the Audit Committee shall be directly responsible for the appointment, compensation, and oversight of the work of any registered external auditor employed by the Corporation (including resolution of disagreements between management of the Corporation and the external auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. In so doing, the Audit Committee will comply with all applicable Canadian securities laws, rules and guidelines, any applicable stock exchange requirements or guidelines and any other applicable regulatory rules.

**2. Members**

The Audit Committee shall be composed of a minimum of three members. The quorum at any meeting of the Audit Committee is a majority of its members. Members of the Audit Committee shall be appointed by the Board. Each member shall serve until such member's successor is appointed, unless that member resigns or is removed by the Board or otherwise ceases to be a director of the Corporation. The Board shall fill any vacancy if the membership of the Committee is less than three directors. The Chair of the Committee may be designated by the Board or, if it does not do so, the members of the Committee may elect a Chair by vote of a majority of the full Committee membership. The Chair shall not have a second, or casting, vote. The Chair of the Committee shall be responsible for overseeing the performance by the Committee of its duties, for assessing the effectiveness of the Committee and individual Committee members and for reporting periodically to the Board.

All members of the Audit Committee must satisfy the independence, financial literacy and experience requirements of applicable Canadian securities laws, rules and guidelines, any applicable stock exchange requirements or guidelines and any other applicable regulatory rules. In particular the majority of members shall be "independent" and "financially literate" within the meaning of Multilateral Instrument 52-110 *Audit Committees*.

**3. Meetings**

The Audit Committee shall meet at least quarterly at such times and at such locations as the Chair of the Audit Committee shall determine, provided that meetings shall be scheduled so as to permit the timely review of the Corporation's quarterly and annual financial statements and related management discussion and analysis. Notice of every meeting shall be given to the external auditor, who shall, at the expense of the Corporation, be entitled to attend and to be heard thereat. The external auditor or any member of the Audit Committee may also request a meeting of the Audit Committee. The Chair of the Audit Committee shall hold in camera sessions of the Audit Committee, without management present, at every meeting. The external auditor and management employees of the Corporation shall, when required

by the Audit Committee, attend any meeting of the Audit Committee. The Audit Committee shall submit the minutes of all meetings to the Board, and when requested to, shall discuss the matters discussed at each Audit Committee meeting with the Board.

#### **4. Committee Charter**

The Committee shall have a written charter that sets out its mandate and responsibilities and the Committee shall review and assess the adequacy of such charter and the effectiveness of the Committee at least annually or otherwise, as it deems appropriate, and propose recommended changes to the Board for its approval. Unless and until replaced or amended, this mandate constitutes that charter.

#### **5. Duties of the Audit Committee:**

##### **(a) General**

The overall duties of the Committee shall be to:

- (i) assist the Board in the discharge of its duties relating to the Corporation's accounting policies and practices, reporting practices and internal controls;
- (ii) establish and maintain a direct line of communication with the Corporation's external auditor and assess their performance;
- (iii) oversee the work of the external auditor, which shall be responsible to report directly to the Audit Committee, including resolution of disagreements between management and the external auditor regarding financial reporting;
- (iv) ensure that management has designed, implemented and is maintaining an effective system of internal controls and disclosure controls and procedures;
- (v) monitor the credibility and objectivity of the Corporation's financial reports;
- (vi) report regularly to the Board on the fulfillment of the Audit Committee's duties;
- (vii) assist, with the assistance of the Corporation's legal counsel, the Board in the discharge of its duties relating to the Corporation's compliance with legal and regulatory requirements; and
- (viii) assist the Board in the discharge of its duties relating to risk assessment and risk management

##### **(b) External Auditor**

The duties of the Audit Committee as they relate to the external auditor shall be to:

- (i) review management's recommendations for the appointment of the external auditor, and in particular their qualifications and independence, and to recommend to the Board a firm of external auditors to be engaged;
- (ii) review the performance of the external auditor and make recommendations to the Board regarding the appointment or termination of the external auditor;

- (iii) review and approve, in advance, the engagement letters of the external auditor, for any permissible non-audit services, including the fees to be paid for such services;
- (iv) review, where there is to be a change of external auditor, all issues related to the change, including the information to be included in the notice of change of auditor called for under National Instrument 51-102 Continuous Disclosure Obligations or any successor legislation (“NI 51-102”), and the planned steps for an orderly transition;
- (v) review all reportable events, including disagreements, unresolved issues and consultations, as defined in NI 51-102, on a routine basis, whether or not there is to be a change of external auditor;
- (vi) ensure the rotation of partners on the audit engagement team of the external auditor in accordance with applicable law;
- (vii) review and approve the engagement letters of the external auditor, both for audit and permissible non-audit services, including the fees to be paid for such services;
- (viii) review the performance, including the fee, scope and timing of the audit and other related services and any non-audit services provided by the external auditor; and
- (ix) review the nature of and fees for any non-audit services performed for the Corporation by the external auditor and consider whether the nature and extent of such services could detract from the external auditor’s independence in carrying out the audit function.

(c) Audits and Financial Reporting

The duties of the Audit Committee as they relate to audits and financial reporting shall be to:

- (i) review the audit plan with the external auditor and management;
- (ii) review with the external auditor and management all critical accounting policies and practices of the Corporation, including any proposed changes in accounting policies, the presentation of the impact of significant risks and uncertainties, all material alternative accounting treatments that the external auditor has discussed with management, other material written communications between the external auditor and management, and key estimates and judgments of management that may in any such case be material to financial reporting;
- (iii) review the contents of the audit report;
- (iv) question the external auditor and management regarding significant financial reporting issues discussed during the fiscal period and the method of resolution;
- (v) review the scope and quality of the audit work performed;



- (vi) review the adequacy of the Corporation's financial and auditing personnel;
- (vii) review the co-operation received by the external auditor from the Corporation's personnel during the audit, any problems encountered by the external auditor and any restrictions on the external auditor's work;
- (viii) review the evaluation of internal controls by the persons performing the internal audit function and the external auditor, together with management's response to the recommendations, including subsequent follow-up of any identified weaknesses;
- (ix) review the appointments of the Chief Financial Officer, persons performing the internal audit function and any key financial executives involved in the financial reporting process;
- (x) review with management and the external auditor the Corporation's annual audited financial statements in conjunction with the report of the external auditor thereon, and obtain an explanation from management of all significant variances between comparative reporting periods before recommending approval by the Board and the release thereof to the public;
- (xi) review with management and the external auditor and approve the Corporation's interim unaudited financial statements, and obtain an explanation from management of all significant variances between comparative reporting periods before recommending approval by the Board and the release thereof to the public; and
- (xii) review the terms of reference for an internal auditor or internal audit function.

(d) Accounting and Disclosure Policies

The duties of the Audit Committee as they relate to accounting and disclosure policies and practices shall be to:

- (i) review the effect of regulatory and accounting initiatives and changes to accounting principles of the Canadian Institute of Chartered Accountants or, if it should cease to exist, the entity which is the successor thereto, which would have a significant impact on the Corporation's financial reporting as reported to the Audit Committee by management and the external auditor;
- (ii) review the appropriateness of the accounting policies used in the preparation of the Corporation's financial statements and consider recommendations for any material change to such policies;
- (iii) review the status of material contingent liabilities as reported to the Audit Committee by management;
- (iv) review the status of income tax returns and potentially significant tax problems as reported to the Audit Committee by management;
- (v) review any errors or omissions in the current or prior years' financial statements; and

(vi) review and approve before their release all public disclosure documents containing audited or unaudited financial results, including all press releases, offering documents, annual reports, annual information forms and management's discussion and analysis containing such results.

(e) Other

The other duties of the Audit Committee shall include:

- (i) reviewing any inquiries, investigations or audits of a financial nature by governmental, regulatory or taxing authorities;
- (ii) reviewing annual operating and capital budgets;
- (iii) reviewing and reporting to the Board on difficulties and problems with regulatory agencies which are likely to have a significant financial impact;
- (iv) establishing procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters;
- (v) inquiring of management and the external auditor as to any activities that may be or may appear to be illegal or unethical; and
- (vi) any other questions or matters referred to it by the Board.

**6. Authority to engage independent counsel and advisors**

The Audit Committee has the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties, to set and pay the compensation for any advisors employed by the audit committee, and to communicate directly with the internal and external auditors.

The Corporation shall provide appropriate funding, as determined by the Audit Committee, in its capacity as a committee of the board of directors, for payment of compensation (a) to the external auditors employed by the issuer for the purpose of rendering or issuing an audit report, and (b) to any advisers employed by the Audit Committee.