

LIONS GATE METALS INC.
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INFORMATION CIRCULAR

(as at October 6, 2014)

This Information Circular is furnished in connection with the solicitation of proxies by the management of Lions Gate Metals Inc. (the “Corporation”) for use at the Annual General and Special Meeting (the “Meeting”) of its shareholders to be held on November 20, 2014 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.

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

GENERAL PROXY INFORMATION

Solicitation of Proxies

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

Appointment of Proxyholders

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

Voting by Proxyholder

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

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

In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter. Management is not currently aware of any other matter that could come before the Meeting.

Registered Shareholders

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

- (a) completing, dating and signing the enclosed form of proxy and returning it to the Corporation's transfer agent, Valiant Trust Company, by fax at (604) 681-3607, or by mail or hand delivery at Suite 600, 750 Cambie Street, Vancouver, British Columbia, V6B 0A2; or
- (b) using the internet through the website of Valiant Trust Company at www.valianttrust.com. Registered Shareholders who choose this option must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder's account number and the proxy access number;

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

Beneficial Shareholders

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

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

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

If you are a Beneficial Shareholder:

You should carefully follow the instructions of your broker or intermediary in order to ensure that your Common Shares are voted at the Meeting.

The form of proxy supplied to you by your broker will be similar to the Proxy provided to registered shareholders by the Corporation. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge mails a voting instruction form in lieu of a Proxy provided by the Corporation. The voting instruction form will name the same persons as the Corporation's Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a shareholder of the Corporation), other than the persons designated in the voting instruction form, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the voting instruction form. The completed voting instruction form must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **If you receive a voting instruction form from Broadridge, you cannot use it to vote Common Shares directly at the Meeting - the voting instruction form must be completed**

and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have the Common Shares voted.

Although as a Beneficial Shareholder you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your broker, you, or a person designated by you, may attend at the Meeting as proxyholder for your broker and vote your Common Shares in that capacity. If you wish to attend at the Meeting and indirectly vote your Common Shares as proxyholder for your broker, or have a person designated by you do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the voting instruction form provided to you and return the same to your broker in accordance with the instructions provided by such broker, well in advance of the Meeting.

Alternatively, you can request in writing that your broker send you a legal proxy which would enable you, or a person designated by you, to attend at the Meeting and vote your Common Shares.

Revocation of Proxies

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

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder's authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to **Valiant Trust Company or at the Corporation's registered office, Suite 2080, 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4**, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or
- (b) personally attending the Meeting and voting the registered shareholder's Common Shares.

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

Interest of Certain Persons or Companies in Matters to Be Acted Upon

No director or executive officer of the Corporation, or any person who has held such a position since the beginning of the last completed financial year of the Corporation, nor any nominee for election as a director of the Corporation, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors.

RECORD DATE AND QUORUM

The board of directors (the "**Board**") of the Corporation have fixed the record date for the Meeting at the close of business on October 6, 2014 (the "**Record Date**") for the determination of shareholders entitled to vote at the Meeting. Only shareholders of record at the close of business on the Record Date who either personally attend the Meeting or who have completed and delivered a form of proxy in the manner and subject to the provisions described above shall be entitled to vote or to have their Common Shares voted at the Meeting.

Under the Articles of the Corporation, the quorum for the transaction of business at the Meeting consists of one person who is a shareholder or who is otherwise permitted to vote shares of the Corporation at a meeting of shareholders pursuant to the Articles, present in person or by proxy.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Corporation is authorized to issue an unlimited number of Common Shares. As of October 6, 2014, there were 7,036,921 Common Shares issued and outstanding, each carrying the right to one vote. Common Shares of the Corporation are listed on the Canadian Securities Exchange (the "CSE").

As at October 6, 2014, to the knowledge of the directors and senior officers of the Corporation, and based on the Corporation's review of the records maintained by Valiant Trust Company, electronic filings with System for Electronic Document Analysis and Retrieval ("SEDAR") and insider reports filed with System for Electronic Disclosure by Insiders, the following persons owns, directly or indirectly, or exercises control or direction over, shares carrying more than 10% of the voting rights attached to all outstanding shares of the Corporation:

Name	Number of Voting Securities	Percentage
Resinco Capital Partners Inc.	1,147,734	16.31%

STATEMENT OF CORPORATE GOVERNANCE

Corporate Governance

Corporate governance relates to the 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. National Policy 58-201 *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices. 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.

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101"), the Corporation is required to disclose its corporate governance practices, as summarized below. The Board of Directors will continue to monitor such practices on an ongoing basis and, when necessary, implement such additional practices as it deems appropriate.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Corporation. A "material relationship" is a relationship which could, in the view of the Corporation's board of directors, be reasonably expected to interfere with the exercise of a director's independent judgment.

The Corporation's Board facilitates its exercise of independent judgement in carrying out its responsibilities by carefully examining issues and consulting with outside counsel and other advisors in appropriate circumstances. The Corporation's Board requires management to provide complete and accurate information with respect to the Corporation's activities and to provide relevant information concerning the industry in which the Corporation operates in order to identify and manage risks. The Corporation's Board is responsible for monitoring the Corporation's officers, who in turn are responsible for the maintenance of internal controls and management information systems.

Currently, the Corporation's board has three independent members, being William Filtness, Alexander Helmel and Peter Born. The Corporation has determined that Arni Johansson is not an independent member of the Corporation's board as he is a member of management.

Directorships

The following table sets forth the directors of the Corporation who currently hold directorships in other reporting issuers:

Name of Director	Other Issuer
Arni Johannson	Mega Uranium Ltd. (TSX) Fundamental Applications Corp. (TSXV) Unity Energy Corp. (TSXV) Uranium Standard Resources Ltd. (TSXV)
Peter Born	Avarone Metals Inc. (TSXV) Grandview Gold Inc. (TSX) Menika Mining Ltd. (TSXV) Unity Energy Corp. (TSXV)
Alexander Helmél	Network Exploration Ltd. (TSXV)

Orientation and Continuing Education

Each new director is informed of the nature of the Corporation's business, its corporate strategy and current issues within the Corporation. New directors also meet with management of the Corporation to discuss and better understand the Corporation's business and are given the opportunity to meet with counsel to the Corporation to discuss their legal obligations as a director of the Corporation.

In addition, management of the Corporation 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 of the Corporation as a whole. The Corporation continually reviews the latest securities rules and policies and is on the mailing list of the CSE to receive updates to any of those policies. Any such changes or new requirements are then brought to the attention of the Corporation's directors either by way of director or committee meetings or by direct communications from management to the directors.

Ethical Business Conduct

The Corporation's Board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual directors' participation in decisions of the board in which the director has an interest have been sufficient to ensure that the board operates independently of management and in the best interests of the Corporation. Further, the Corporation's auditor has full and unrestricted access to the Audit Committee at all times to discuss the audit of the Corporation's financial statements and any related findings as to the integrity of the financial reporting process.

Nomination of Directors

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

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

Compensation

The following are the members of the Compensation Committee:

William Filtness	Independent ⁽¹⁾
Alexander Helmél	Independent ⁽¹⁾
Arni Johannson	Not Independent ⁽¹⁾

Note:

(1) As defined in NI 52-110.

The function of the compensation committee is to review the compensation paid to the Corporation's executive officers and to the directors, to review the performance and compensation paid to the Corporation's executive officers and to make recommendations/report to the Board on compensation matters based on the criteria established in the guidelines provided in the Charter of the Compensation Committee. In addition, the Committee reviews the compensation plans for the Corporation's non-executive staff. The Committee did not meet during 2013. Please see "Executive Compensation" below for additional information on how the Corporation determines compensation matters.

Other Board Committees

The Board has no other committees other than the Audit Committee and the Compensation Committee.

Assessments

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

Audit Committee Disclosure

Pursuant to section 224(1) of the *British Columbia Business Corporations Act*, the policies of the CSE and National Instrument 52-110 Audit Committees ("NI 52-110"), the Corporation is required to have an Audit Committee comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Corporation or an affiliate of the Corporation. NI 52-110 requires the Corporation, as a venture issuer, disclose annually in its information circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor.

Audit Committee's Charter

The Audit Committee has a charter. A copy of the Audit Committee Charter is attached as Appendix A.

Composition of the Audit Committee

The following are the members of the Audit Committee:

William Filtness (Chair)	Independent ⁽¹⁾	Financially literate ⁽¹⁾
Alexander Helm	Independent ⁽¹⁾	Financially literate ⁽¹⁾
Arni Johannson	Not Independent ⁽¹⁾	Financially literate ⁽¹⁾

Note:

(1) As defined in NI 52-110.

Relevant Education and Experience

William Filtness

William Filtness obtained his Chartered Accountant designation in 1980 while articling with Coopers & Lybrand's Vancouver office. He spent fourteen years with Aurizon Mines Ltd., primarily working on the group's Chilean and Quebec mining projects. In 2001, Mr. Filtness joined Malaspina Consultants Inc. as a senior consultant. Since 2003 he has served as President of KCT Consulting Inc., a private company providing CFO consulting services to junior public companies. Mr. Filtness has been the Chief Financial Officer of various TSX and TSX Venture Exchange listed companies since 1988 as is currently the Chief Financial Officer and Corporate Secretary of Colonial Coal International Corp. Mr. Filtness holds a Bachelor of Science and Licentiate in Accounting, each from UBC.

Alexander Helm is an independent management consultant with specific expertise working with resource based companies within the Canadian Capital Markets. Mr. Helm focuses on development of corporate assets while building senior management teams and corporate growth strategies. Mr. Helm has served as a director or officer for numerous private and TSX-V listed corporations. Mr. Helm obtained his Bachelor of Science degree from the University of British Columbia in 1994 and his CISA designation in 2006.

Arni Johannson is the President and Founder of Canadian Nexus Ventures. He has over 25 years of experience in the Canadian Capital Markets focusing on building assets and senior management teams while executing a defined business plan. Through Canadian Nexus Mr. Johannson's investments have covered the Pulp & Paper, Mining Exploration, Film, Agriculture and Technology sectors in a wide variety of locations around the world.

Audit Committee Oversight

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

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

The Corporation is relying on the exemptions provided for in Section 6.1 of NI 52-110 in respect of the composition of its audit committee and in respect of certain of its reporting obligations under NI 52-110.

External Auditor Service Fees (By Category)

Aggregate fees billed by the Corporation's External Auditor for the fiscal years ended December 31, 2013 and 2012 were as follows:

Financial Year Ended	Audit Fees	Audit Related Fees⁽¹⁾	Tax Fees⁽²⁾	All Other Fees⁽³⁾
2013	\$24,000	\$Nil	\$Nil	\$Nil
2012	\$42,500	\$Nil	\$Nil	\$21,620

Notes:

- (1) Fees charged for assurance and related services reasonably related to the performance of an audit, and not included under "Audit Fees".
- (2) Fees charged for tax compliance, tax advice and tax planning services.
- (3) Fees for services other than disclosed in any other column.

EXECUTIVE COMPENSATION

Definitions

For the purpose of this information circular:

“**CEO**” of the Corporation means an individual who acted as Chief Executive Officer of the Corporation, or acted in a similar capacity, for any part of the most recently completed financial year;

“**CFO**” of the Corporation means an individual who acted as Chief Financial Officer of the Corporation, or acted in a similar capacity, for any part of the most recently completed financial year;

“Named Executive Officers or NEOs” means:

- (a) a CEO;
- (b) a CFO;
- (c) each of the Corporation’s three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000;
- (d) each individual who would be an NEO under (c) above but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of the most recently completed financial year.

Compensation Discussion and Analysis

The Compensation Committee is responsible for reviewing the Corporation’s executive compensation and for making recommendations to the Board with respect to the compensation of the Corporation’s executive officers. The Board ensures that total compensation paid to its NEOs is fair and reasonable and is consistent with the Corporation’s compensation philosophy.

Compensation plays an important role in achieving short and long-term business objectives that ultimately drive business success. The Corporation’s compensation philosophy is to foster entrepreneurship at all levels of the organization by making long term equity-based incentives, through the granting of stock options, a significant component of executive compensation. This approach is based on the assumption that the performance of the Corporation’s common share price over the long term is an important indicator of long term performance.

The Corporation’s compensation philosophy is based on the following fundamental principles:

- (a) *Compensation programs align with shareholder interests* – the Corporation aligns the goals of executives with maximizing long term shareholder value;
- (b) *Performance sensitive* – compensation for executive officers should be linked to operating and market performance of the Corporation and fluctuate with the performance; and
- (c) *Offer market competitive compensation to attract and retain talent* – the compensation program should provide market competitive pay in terms of value and structure in order to retain existing employees who are performing according to their objectives and to attract new individuals of the highest calibre.

The objectives of the compensation program in compensating all NEOs were developed based on the above-mentioned compensation philosophy and are as follows:

- (a) to attract and retain highly qualified executive officers;
- (b) to align the interests of executive officers with shareholders’ interests and with the execution of the Corporation’s business strategy;
- (c) to evaluate executive performance on the basis of key measurements that correlate to long-term shareholder value; and
- (d) to tie compensation directly to those measurements and rewards based on achieving and exceeding predetermined objectives.

With respect to forms of compensation, historically these have been comprised of fixed salaries, consulting fees and incentive stock options. The Corporation has not granted any other share-based awards, does not have any form of non-equity incentive plan, and does not have any form of pension plan. The Board has the discretion to pay bonuses to the executive officers, however, there is no formal bonus plan or other formal arrangements pursuant to which bonuses may be earned and the Corporation did not pay any bonuses to its executive officers in the financial year ended December 31, 2013.

The Corporation's process for determining executive compensation is done on a case by case basis and involves discussion by the Board of the factors the Board deems relevant to each case. There are no formally defined objectives, benchmarks criteria and analysis that are used in all cases.

Competitive Compensation

Aggregate compensation for each NEO is designed to be competitive, and the Board considers compensation practices of similarly situated companies in determining compensation policy. The Board may weigh a particular element of compensation more heavily than another based on the NEO's role within the Corporation, and is primarily focused on remaining competitive in the market with respect to total compensation.

Prior to making its decisions, the Board reviews data related to compensation levels and programs of various companies that are similar in size to the Corporation and operate within the mineral exploration and development industry. These companies are used as the Corporation's primary peer group because they have similar business characteristics or because they compete with the Corporation for employees and investors. The Board also relies on the experience of its members as officers and/or directors at other companies in similar lines of business as the Corporation in assessing compensation levels. The purpose of this process is to:

- (a) understand current pay levels for each executive position relative to companies with similar revenues and business characteristics;
- (b) identify and understand any gaps that may exist between actual compensation levels and market compensation levels; and
- (c) establish as a basis for developing salary adjustments and option based compensation for the Board's approval.

Aligning the Interests of the NEOs with the Interests of the Corporation's Shareholders

The Corporation believes that transparent and objective corporate goals, combined with individual performance goals, play an important role in creating and maintaining an effective compensation strategy for the NEOs.

A combination of fixed and variable compensation is used to motivate executives to achieve overall corporate goals. For the 2013 financial year, the two basic components of executive officer compensation program were:

- (a) fixed salary or consulting fees; and
- (b) option-based compensation.

Fixed salary or consulting fees, as applicable, comprise the total cash-based compensation. Option-based compensation represents compensation that is "at risk" and thus may or may not be paid to the respective executive officer depending on the market performance of the Corporation's Common Shares.

To date, no specific formulae have been developed to assign a specific weighting to each of these components. Instead, the Board considers each target and the Corporation's performance and assigns compensation based on this assessment and the recommendations of the Board. In determining the total compensation of any NEO, the Board considers all elements of compensation in total rather than one element in isolation.

Base Salary or Fees

The Board approves the salary or fee ranges for the NEOs, as applicable. The base salary or fee review for each NEO is based on assessment of factors such as current competitive market conditions and particular skills, such as leadership ability and management effectiveness, experience, responsibility and proven or expected performance of the particular individual. The Corporation's process for determining this component of an NEO's compensation is done on a case by case basis and involves discussion by the Board of the factors the Board deems relevant to each case. There are no formally defined objectives, benchmarks criteria and analysis that are used in all cases.

During financial year ended December 31, 2013, the Corporation did not award any increases in base salary or fees of the NEOs in response to the subjective assessment of their respective performance, analysis of external market conditions and competitive needs to retain its qualified personnel.

Long Term Compensation

The Corporation has no long-term incentive plans other than its incentive stock option plan (the "Plan"). The Plan is designed to encourage share ownership and entrepreneurship on the part of the senior management and other employees. The Board believes that the Plan aligns the interests of the NEOs with shareholders by linking a component of executive compensation to the longer term performance of the Corporation's Common Shares.

Management recommends and the Board approves the option grants. In monitoring or adjusting the option allotments, the Board takes into account the level of options granted by similar companies for similar levels of responsibility and considers each NEO or employee based on reports received from management, its own observations on individual performance (where possible) and its assessment of individual contribution to shareholder value, previous option grants and the objectives set for the NEOs. The scale of options is generally commensurate to the appropriate level of base compensation for each level of responsibility. In addition, previous grant of options are taken into account when considering new grants.

In addition to determining the number of options to be granted pursuant to the methodology outlined above, the Board also makes the following determinations:

- (a) the NEOs and others who are eligible to participate in the Plan;
- (b) the exercise price for each stock option granted, subject to the provision that the exercise price cannot be lower than the market price on the date of grant;
- (c) the date on which each option is granted;
- (d) the vesting period, if any, for each stock option;
- (e) the other material terms and conditions of each stock option grant; and
- (f) any re pricing or amendment to a stock option grant.

The Board makes these determinations subject to and in accordance with the provisions of the Plan. The board of directors reviews and approves grants of options on an as required basis, but no less frequently than annually.

All of the NEOs are eligible to participate in the Corporation's Stock Option Plan.

Perquisites and Personal Benefits

As a junior issuer, the Corporation takes a conservative approach to perquisites; however the Corporation's objective in awarding perquisites and other personal benefits is to grant NEOs competitive perquisites and benefits that allow them to focus on their daily responsibilities and the achievement of the Corporation's objectives. The

process that the Corporation follows in determining when to award perquisites is ad hoc in nature, but generally is rare.

Termination and Change of Control Benefits

The Corporation has in the past had, and may implement in the future make, certain arrangements with its NEOs which provide for the payment of compensation and benefits to the NEOs on their termination of employment (as a result of resignation, retirement, change of control, etc.) or a change in responsibilities. The Corporation believes that these arrangements can be an important component of the overall compensation package it offers to its NEOs and from time to time may be necessary in order to attract and retain key executives. As with the other elements of compensation, when negotiating the termination and change of control arrangements, the Board considers all elements of compensation in total rather than one element in isolation.

Summary Compensation Table

In accordance with the provisions of applicable securities legislation, the Corporation had two “Named Executive Officers” during the financial year ended December 31, 2013, namely Arni Johannson (Chairman and Interim President and Chief Executive Officer) and Sharon Muzzin, Chief Financial Officer.

The following table sets forth all direct and indirect compensation for, or in connection with, services provided to the Corporation and its subsidiaries during the three most recently completed financial years ended on or after December 31, 2013, December 31, 2012 and December 31, 2011 in respect of the Named Executive Officers. For the information concerning compensation related to previous years, please refer to the Corporation’s previous Information Circulars available at www.sedar.com.

Summary Compensation Table

For Financial Years Ended December 31, 2013, 2012 and 2011

Neo Name and Principal Position	Year	Salary \$	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-Term Incentive Plans			
Arni Johannson ⁽¹⁾⁽⁷⁾ <i>Chairman, Director and Interim President and CEO</i>	2013	97,500	Nil	Nil	Nil	Nil	Nil	Nil	97,500
	2012	180,000	Nil	36,074 ⁽²⁾	Nil	Nil	Nil	Nil	216,074
	2011	165,000 ⁽³⁾	Nil	90,781 ⁽⁴⁾	Nil	Nil	Nil	15,000 ⁽³⁾	270,781
Sharon Muzzin <i>CFO</i> ⁽¹⁰⁾	2013	Nil	Nil	Nil	Nil	Nil	Nil	15,000	15,000
Michael Sweatman ⁽⁶⁾ <i>Former CFO and former Director</i>	2012	55,000	Nil	10,715 ⁽²⁾⁽¹¹⁾	Nil	Nil	Nil	1,500	67,215
	2011	55,000	Nil	96,064 ⁽⁴⁾⁽¹¹⁾	Nil	Nil	Nil	29,731 ⁽⁵⁾	180,795
David McAdam ⁽⁶⁾ <i>Former CFO</i>	2012	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Paul Sarjeant, ⁽⁷⁾ <i>Former CEO and COO</i>	2012	Nil	Nil	17,203 ⁽⁸⁾	Nil	Nil	Nil	160,536	177,739
Andrew Gourlay ⁽⁹⁾ <i>Former VP of Exploration and Development</i>	2011	Nil	Nil	48,032 ⁽⁴⁾	Nil	Nil	Nil	116,813	164,845

Notes:

- (1) Arni Johannson was appointed interim Chief Executive Officer on December 1, 2009. On June 21, 2011, he was appointed CEO and remained so at the fiscal year ended December 31, 2011. On January 6, 2012, Mr. Johannson resigned as CEO and Mr. Paul Sarjeant was appointed in his stead. On September 13th, 2012, Mr. Sarjeant resigned as CEO and President and Mr. Johannson was appointed interim President and CEO in his stead.

- (2) On April 5, 2012, 25,250 options were granted to Mr. Johannson and 7,500 options were granted to Mr. Sweatman. These options were valued at \$2.64. The Corporation used the Black-Scholes model as the methodology to calculate the grant date fair value, and relied on the following key assumptions and estimates for these options: risk-free interest rate – 1.39%; estimated volatility – 83%; expected life – 5 years; and expected dividend yield – 0%.
- (3) Up until January 31, 2011, Mr. Johannson provided management consultant services to the Corporation. On February 1, 2011, he became an employee of the Corporation. On June 30, 2014, Mr. Johannson’s employment agreement with the Corporation was terminated, and he continues to provide management services to the Corporation as a consultant.
- (4) On January 4, 2011, 47,250 options were granted to Mr. Johannson, 50,000 to Mr. Sweatman and 25,000 to Mr. Gourlay. These options were valued at \$3.20. The Corporation used the Black-Scholes model as the methodology to calculate the grant date fair value, and relied on the following key assumptions and estimates for these options: risk-free interest rate – 1.64%; estimated volatility – 95%; expected life – 3 years; and expected dividend yield – 0%.
- (5) Paid for bookkeeping services to a company of which Mr. Sweatman is a Director and Shareholder.
- (6) Michael Sweatman resigned as CFO on September 13, 2012 and Mr. David McAdam was appointed in his stead. Mr. McAdam resigned as CFO on December 31, 2012, and effective January 1, 2013, Ms. Sharon Muzzin was appointed in his stead.
- (7) Paul Sarjeant was appointed President and CEO on January 6, 2012 and resigned from these positions on September 13, 2012, and Mr. Johannson was appointed Interim President and CEO in his stead. Mr. Sarjeant was appointed Chief Operating Officer on September 13, 2012 and resigned on January 31, 2013.
- (8) On January 6, 2012, 37,500 options were granted to Doublewood Consulting Inc., a company controlled by Mr. Sarjeant. These options were valued at \$3.20. The Corporation used the Black-Scholes model as the methodology to calculate the grant date fair value, and relied on the following key assumptions and estimates for these options: risk-free interest rate – 1.97%; estimated volatility – 86%; expected life – 5 years; and expected dividend yield – 0%. The options were cancelled on March 31, 2013 pursuant to the Corporation’s stock option plan.
- (9) Mr. Gourlay was appointed as Vice-President of Exploration and Development on May 10, 2010 but did not become an NEO until 2011 due to remuneration paid. See item (c) of definition of “NEO” under the heading “Summary Compensation Table” above. Mr. Gourlay was not an employee of the Corporation and invoiced the Corporation for services rendered. Mr. Gourlay was terminated as VP Exploration and Development effective June 30, 2012 and did not meet the definition of an NEO during 2012. All options granted to Mr. Gourlay were cancelled on September 28, 2012, pursuant to the Corporation’s stock option plan.
- (10) Ms. Muzzin was appointed CFO on January 1, 2013. During the 2013 fiscal year \$15,000 was paid to Malaspina Consultants Inc. a company in which the CFO is an associate. This amount includes fees incurred for CFO services.
- (11) All options granted to Mr. Sweatman were cancelled on October 9, 2013 pursuant to the Corporation’s stock option plan.

Outstanding Share-Based Awards and Option-Based Awards

The Corporation has a “rolling” stock option plan (the “Plan”). Pursuant to the Plan, the Corporation can grant options up to a maximum of 10% of the Corporation’s issued and outstanding share capital. As at the date of this Information Circular, the Corporation has a total of 135,000 options outstanding pursuant to the Plan.

The following table sets forth information concerning all awards outstanding under share-based or option-based incentive plans of the Corporation at the end of the most recently completed financial year to each of the Named Executive Officers.

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value ⁽¹⁾ of Unexercised In-The-Money Options (\$)	Number of Shares or Units of Shares That Have Not Vested (#)	Market or Payout Value ⁽¹⁾ of Share-Based Awards That Have Not Vested (\$)	Market or Payout Value of Vested Share-Based Awards Not Paid Out or Distributed (\$)
Arni Johannson	25,250	2.64	Apr. 5, 2017	Nil	Nil	Nil	Nil
	47,250	3.20	Jan. 3, 2016	Nil			
Sharon Muzzin	Nil	N/A	N/A	Nil	Nil	Nil	Nil

Notes:

- (1) Value is calculated by multiplying the number of securities which may be acquired on exercise of the option by the excess, if any, between the market value of the securities underlying the options as at the closing price on the date of the current financial year end, or, if no trades on date of the current financial year end, closing price on the previous trading day and the option exercise price. The last closing price of the Corporation’s shares during the financial year ended December 31, 2013 was \$0.11.

Incentive Plan Awards: Value Vested or Earned During the Year

The following table details the value of incentive plan awards to Named Executive Officers that vested during the financial year ended December 31, 2013.

Name	Option-Based Awards – Value Vested During the Year (\$) ⁽¹⁾	Share-Based Awards – Value Vested During the Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
Arni Johansson	Nil ⁽²⁾	N/A	N/A
Sharon Muzzin	Nil	N/A	N/A

Notes:

- (1) All options granted to the NEOs vested at the date of grant. The 47,500 options granted to Named Executive Officers on January 6, 2012 and the 25,250 options granted to NEOs on April 5, 2012, were not-in-the-money as the market closing price on the date of grant was equal to or less than the exercise price.
- (2) On April 5, 2012, Arni Johansson was granted stock options to purchase 25,250 common shares, exercisable at a price of \$2.64 per share until April 5, 2017.

Pension Plan Benefits

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

Termination of Employment, Change of Control Benefits and Management Contracts

Except as described below, neither the Corporation nor any of its subsidiaries have any plan or arrangement with respect to compensation to its executive officers which would result from the resignation, retirement or any other termination of the executive officers' employment with the Corporation and its subsidiaries or from a change of control of the Corporation or any subsidiary of the Corporation or a change in the executive officers' responsibilities following a change in control.

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

Compensation of Directors

The following table sets forth all amounts of compensation provided to directors or former directors who were not Named Executive Officers of the Corporation during the Corporation's most recently completed financial year.

Director Name	Fees Earned (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
William Filtness ⁽¹⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Murray Oliver ⁽¹⁾⁽⁶⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Peter Born ⁽²⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil
John Icke ⁽³⁾	1,500	Nil	Nil	Nil	Nil	Nil	1,500
Michael Sweatman ⁽⁴⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil
John Tapics ⁽⁴⁾	1,500	Nil	Nil	Nil	Nil	Nil	1,500
Richard Schroeder ⁽⁵⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) William Filtness and Murray Oliver were appointed as Directors of the Corporation on July 11, 2013.
- (2) Peter Born was appointed as a Director of the Corporation on December 4, 2013.
- (3) John Icke resigned as a director of the Corporation on October 21, 2013.

- (4) Michael Sweatman and John Tapics resigned as Directors of the Corporation on July 11, 2013.
 (5) Richard Schroeder resigned as a Director of the Corporation on January 30, 2013.
 (6) Murray Oliver resigned as a Director of the Corporation on February 7, 2014.

Until March 31, 2013, Directors were paid annual fees of \$3,000 each and \$250 for each board of directors meeting attended by a non-executive director Effective April 1, 2013, directors are no longer paid fees.

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information concerning all awards outstanding under share-based or option-based incentive plans of the Corporation at the end of the most recently completed financial year to each of the Directors or former Directors of the Corporation who were not Named Executive Officers during the last financial year ended December 31, 2013.

Director Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value ⁽¹⁾ of Unexercised In-The-Money Options (\$)	Number of Shares or Units of Shares That Have Not Vested (#)	Market or Payout Value ⁽¹⁾ of Share-Based Awards That Have Not Vested (\$)	Market or Payout Value of Share-Based Awards Not Paid Out or Distributed (\$)
William Filtness	Nil	N/A	N/A	Nil	Nil	Nil	Nil
Murray Oliver	Nil	N/A	N/A	Nil	Nil	Nil	Nil
Peter Born	Nil	N/A	N/A	Nil	Nil	Nil	Nil
John Icke ⁽²⁾	25,000	4.40	Jan. 15, 2015	Nil	Nil	Nil	Nil
	25,000	3.20	Jan. 3, 2016				
Michael Sweatman ⁽³⁾	50,000	3.20	Jan. 3, 2016	Nil	Nil	Nil	Nil
	7,500	2.64	Apr. 5, 2017				
John Tapics ⁽³⁾	25,000	3.60	Apr. 11, 2016	Nil	Nil	Nil	Nil
Richard Schroeder ⁽⁴⁾	25,000	3.20	July 5, 2016	Nil	Nil	Nil	Nil

Notes:

- (1) Value is calculated by multiplying the number of securities which may be acquired on exercise of the option by the excess, if any, between the market value of the securities underlying the options as at the closing price on the date of the current financial year end, or, if no trades on date of the current financial year end, closing price on the previous trading day over the option exercise price. The last closing price of the Corporation's shares during the financial year ended December 31, 2013 was \$0.11.
 (2) John Icke resigned as a Director of the Corporation on October 21, 2013 and his options were cancelled on January 19, 2014, pursuant to the Corporation's stock option plan.
 (3) Michael Sweatman and John Tapics did not seek re-election as Directors at the Corporation's annual general meeting held on July 11, 2013. Their options were cancelled on October 9, 2013, pursuant to the Corporation's stock option plan.
 (4) Richard Schroeder resigned as a Director of the Corporation on January 30, 2013 and his options were cancelled on April 30, 2013, pursuant to the Corporation's stock option plan.

Incentive Plan Awards: Value Vested or Earned During the Year

The following table details the value of incentive plan awards to Directors or former Directors (who were not Named Executive Officers) that vested during the financial year ended December 31, 2013.

Name	Option-Based Awards – Value Vested During the Year (\$) ⁽¹⁾	Share-Based Awards – Value Vested During the Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
William Filtness	Nil	N/A	N/A
Murray Oliver	Nil	N/A	N/A
Peter Born	Nil	N/A	N/A
John Icke	Nil	N/A	N/A
Michael Sweatman	Nil	N/A	N/A
John Tapics	Nil	N/A	N/A

Name	Option-Based Awards – Value Vested During the Year (\$) ⁽¹⁾	Share-Based Awards – Value Vested During the Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
Richard Schroeder	Nil	N/A	N/A

Notes:

- (1) All options granted to the Directors vested at the date of grant and were not-in-the-money as the market closing price on the date of grant was equal to or less than the exercise price.

Securities Authorized For Issuance under Equity Compensation Plans

For a description of the Corporation’s equity compensation plan, please see the heading “Options” above and “Continuation of Share Option Plan” below. The following table sets out equity compensation plan information as at the end of the financial year ended December 31, 2013:

Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders - (the Option Plan)	141,250	\$3.20	562,442
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	141,250	\$3.20	562,442

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, employees and former executive officers, directors and employees of the Corporation were indebted to the Corporation as of December 31, 2013 or as at the date hereof.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as previously disclosed under the heading “Termination of Employment, Change in Responsibilities and Management Contracts” to the knowledge of management of the Corporation, no informed person (a director, officer or holder of 10% or more of the Common Shares) or nominee for election as a director of the Corporation or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Corporation or its subsidiary during the year ended December 31, 2013, or has any interest in any material transaction in the current year.

The directors and officers of the Corporation have an interest in the resolutions concerning the election of directors and stock options. Otherwise no director or senior officer of the Corporation or any associate of the foregoing has any substantial interest, direct or indirect, by way of beneficial ownership of shares or otherwise in the matters to be acted upon at the Meeting, except for any interest arising from the ownership of shares of the Corporation where the shareholder will receive no extra or special benefit or advantage not shared on a pro rata basis by all holders of shares in the capital of the Corporation.

PARTICULARS OF MATTERS TO BE ACTED UPON

Financial Statements

The shareholders will receive and consider the audited financial statements of the Corporation for the fiscal year ended December 31, 2013 together with the auditor's report thereon. A copy of the financial statements is available for review on www.sedar.com.

Election of Directors

The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director's office is earlier vacated in accordance with the provisions of the *British Columbia Business Corporations Act*, each director elected will hold office until the conclusion of the next annual general meeting of the Corporation.

Management is proposing to fix the number for which positions exist on the Corporation's board at four (4).

The following table sets out the names of management's nominees for election as directors, all major offices and positions with the Corporation and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment for the five preceding years for new director nominees, the period of time during which each has been a director of the Corporation and the number of Common Shares of the Corporation beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the date of this Information Circular.

Name of Nominee, Current Position with Corporation, Province and Country of Residence	Principal Occupation ⁽¹⁾	Period From Which Nominee Has Been Director	Number of Approximate Voting Securities ⁽²⁾
Arni Johannson Chairman and Director British Columbia, Canada	President of Canadian Nexus Ventures Ltd., a private venture capital firm from 1999 to Present; Interim President and CEO of Lions Gate Metals Inc. from September 2012 to Present. Chairman of Lions Gate Metals Inc., June 2009 to Present.	November 9, 2006	575,000
William Filtness Director British Columbia, Canada	President of KCT Consulting Inc, a private company providing CFO consulting services from December 2003 to Present	July 11, 2013	0
Peter Born Director Ontario, Canada	Well site consultant/geologist with RPS Energy Canada, a natural resources consultancy firm which is part of the RPS Group PLC, from December 2000 to Present	December 4, 2013	0
Alexander Helm Director British Columbia, Canada	President and CEO of Network Exploration Ltd., a TSX-V listed exploration company, from March 2006 to Present, President and CEO of Giyani Gold Corp. (formerly 99 Capital Corp.), a former capital pool company, from June 2010 to July 2011, President and CEO of Echelon Petroleum Corp., a TSXV listed oil and gas exploration company, from December 2009 to May 2014, President and CEO of Kombat Copper Inc., a TSXV listed exploration company, from October 2011 to October 2013	February 7, 2014	0

Notes:

- (1) The information as to principal occupation, business or employment and common shares beneficially owned or controlled is not within the knowledge of the management of the Corporation and has been furnished by the respective nominees.
- (2) Voting securities beneficially owned, directly or indirectly, or over which control or direction is exercised.

The Corporation does not have an Executive Committee. The Board has established an Audit Committee, details of which is provided under the heading “*Statement of Corporate Governance*” in the aforementioned section of this circular.

Management does not contemplate that any of the nominees will be unable to serve as a director. However, if a nominee should be unable to so serve 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. **The persons named in the enclosed form of proxy intend to vote for the election of all of the nominees whose names are set forth above.**

Other than as set out below, no proposed director:

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

Except as outlined below, 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.

Mr. Filtness was the Chief Financial Officer of NEMI Northern Energy & Mining Inc. (“NEMI”) on October 13, 2006, when NEMI voluntarily sought and obtained protection under the Companies’ Creditors Arrangement Act (“CCAA”) pursuant to an Order of the Supreme Court of British Columbia (“Court”). On November 29, 2006, NEMI successfully closed an asset combination transaction with Hillsborough Resources Limited and Anglo Coal Canada Inc., following which NEMI filed with the Court a closing certificate which resulted in NEMI’s full emergence from CCAA protection.

Appointment of Auditor

Unless otherwise specified, the persons named in the enclosed instrument of proxy will vote for the reappointment of Davidson & Company LLP, Chartered Accountants, of Vancouver, B.C. as auditor of the Corporation for the ensuing year, at a remuneration to be fixed by the directors. Davidson & Company was first appointed auditor of the

Corporation in 2013, after replacing Ernst & Young LLP, who was first appointed as auditors in 2011. See Appendix “B” for the following documents:

- 1) Notice of Change of Auditor stating that there were no “reportable events” between the Corporation and Ernst & Young LLP or Davidson & Company LLP as defined in National Instrument 51-102 – Continuous Disclosure Obligations;
- 2) Letter of Ernst & Young LLP confirming they agree with the information contained in the Notice of Change of Auditor; and
- 3) Letter of Davidson & Company LLP confirming that they agree with the information contained in the Notice of Change of Auditor.

Shares represented by proxies in favour of the management nominees will be voted in favour of the appointment of Davidson & Company LLP, Chartered Accountants, as auditor of the Corporation and authorizing the Board to fix the auditor’s remuneration, unless a shareholder has specified in his proxy that his shares are to be withheld from voting on the appointment of auditor.

Amendment to the Corporation’s Articles

The board of directors proposes to amend the Corporation’s current articles to allow the Corporation’s board of directors to complete certain alterations to the Corporation’s share structure in order to allow such matters to be completed more efficiently, as well as certain other amendments designed to assist the board of directors in conducting meetings and other changes to the articles considered to be beneficial to shareholders. Shareholders of the Corporation will be asked to consider and, if thought fit, pass a special resolution, with or without variation, to amend the Corporation’s current Articles, the text of which will be in substantially the form as follows, subject to changes in form as may be required by the Registrar of Companies, in order:

“RESOLVED, as a special resolution, that the Articles of the Corporation be altered by:

1. amending and restating Sections 9.1, 9.2 and 9.4 of the Articles to read as follows:

“9.1 Alteration of Authorized Share Structure

Subject to Article 9.2 and the *Business Corporations Act*, the Corporation may by ordinary resolution or with the approval of its board of directors via a consent resolution or a duly constituted meeting:

- (1) create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares;
- (2) increase, reduce or eliminate the maximum number of shares that the Corporation is authorized to issue out of any class or series of shares or establish a maximum number of shares that the Corporation is authorized to issue out of any class or series of shares for which no maximum is established;
- (3) subdivide or consolidate all or any of its unissued, or fully paid issued, shares;
- (4) if the Corporation is authorized to issue shares of a class of shares with par value:
 - (a) decrease the par value of those shares; or
 - (b) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares;

- (5) change all or any of its unissued, or fully paid issued, shares with par value into shares without par value or any of its unissued shares without par value into shares with par value;
- (6) alter the identifying name of any of its shares; or
- (7) otherwise alter its shares or authorized share structure when required or permitted to do so by the *Business Corporations Act*. “

9.2 Special Rights and Restrictions

Subject to the *Business Corporations Act*, the Corporation may by ordinary resolution or with the approval of its board of directors via a consent resolution or a duly constituted meeting:

- (1) create special rights or restrictions for, and attach those special rights and restrictions to, the shares of any class or series of shares, whether or not any or all of those shares have been issued; or
- (2) vary or delete any special rights or restrictions attached to the shares of any class or series of shares, whether or not any or all of those shares have been issued.

9.4 Other Alterations

If the *Business Corporations Act* does not specify the type of resolution and these Articles do not specify another type of resolution, the Corporation may by directors’ resolution alter these Articles.

2. adding Section 10.9 to Article 10 of the Articles as follows:

“10.9 Meetings by Telephone or Other Communications Medium

A shareholder may participate in a meeting of the shareholders in person or by telephone, if all shareholders participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other and if all shareholders who wish to participate in the meeting agree to such participation. A shareholder who participates in a meeting in a manner contemplated by this Article 10.9 is deemed for all purposes of the *Business Corporations Act* and these Articles to be present at the meeting and to have agreed to participate in that manner.

3. the directors of the Corporation be permitted to complete minor amendments to the Articles to ensure consistency of language and correct typographical and formatting errors.
4. the directors of the Corporation may, in their sole and absolute discretion, elect not to implement amendment to the Articles without further approval or authorization from the shareholders of the Corporation; and
5. any director or officer of the Corporation be authorized or directed for and on behalf and in the name of the Corporation to execute, deliver and, where necessary, any documentation required for the purpose of giving effect to these resolutions.”

The full text of the new Articles is available for review by any Shareholder at the Corporation’s registered and records offices at 2080 – 777 Hornby Street, Vancouver, British Columbia.

Management of the Corporation recommends that shareholders vote in favour of the foregoing resolutions, and the persons named in the enclosed Proxy intend to vote for the approval of the foregoing resolutions at the Meeting unless otherwise directed by the shareholders appointing them.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is on SEDAR at www.sedar.com. Shareholders may contact the Corporation at Suite 490, 580 Hornby Street, Vancouver, BC V6C 3B6, to request copies of the Corporation's financial statements and MD&A.

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

OTHER MATTERS

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

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

APPENDIX “A”

LIONS GATE METALS INC. (the “Company”)

AUDIT COMMITTEE CHARTER

Mandate

The primary function of the audit committee (“**Committee**”) is to assist the board of directors in fulfilling its financial oversight responsibilities by reviewing the following: (a) the financial reports and other financial information provided by the Company to regulatory authorities and shareholders; (b) the Company’s systems of internal controls regarding finance and accounting and the Company’s auditing, accounting; and (c) financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company’s policies, procedures and practices at all levels. The Committee’s primary duties and responsibilities are to (i) serve as an independent and objective party to monitor the Company’s financial reporting and internal control system and review the Company’s financial statements; (ii) review and appraise the performance of the Company’s external auditors; (iii) provide an open avenue of communication among the Company’s auditors, financial and senior management and the board of directors; and (iv) to ensure the highest standards of business conduct and ethics.

Composition

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

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company’s Charter, the definition of “financially literate” is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company’s financial statements.

The members of the Committee shall be elected by the board of directors at its first meeting following the annual shareholders’ meeting. Unless a chair is elected by the full board of directors, the members of the Committee may designate a chair by a majority vote of the full Committee membership.

Meetings

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

Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

Documents/Reports Review

- (a) Review and update this Charter annually.
- (b) Review the Company’s financial statements, MD&A, any annual and interim earning statements and press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any

governmental body, or to the public, including any certification, report, opinion or review rendered by the external auditors.

External Auditors

- (a) Review annually the performance of the external auditors who shall be ultimately accountable to the board of directors and the Committee as representatives of the shareholders of the Company.
- (b) Obtain annually a formal written statement of external auditors setting forth all relationships between the external auditors and the Company.
- (c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (d) Take or recommend that the full board of directors take appropriate action to oversee the independence of the external auditors.
- (e) Recommend to the board of directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (f) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- (g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- (h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The preapproval requirement is waived with respect to the provision of non-audit services if:
 - (i) the aggregate amount of all such non-audit services provided to the Company constitutes not more than 5% of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
 - (ii) such services were not recognized by the Company at the time of the engagement to be non-audit services; and
 - (iii) such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the board of directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

Financial Reporting Processes

- (a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.

- (b) Consider the external auditor's judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (h) Review certification process for certificates required under Multilateral Instrument 52-109.
- (i) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Other

- (a) Review any related party transactions.
- (b) Review reports from persons regarding any questionable accounting, internal accounting controls or auditing matters ("**Concerns**") relating to the Company such that:
 - (i) an individual may confidentially and anonymously submit their Concerns to the Chairman of the Committee in writing, by telephone, or by e-mail;
 - (ii) the Committee reviews as soon as possible all Concerns and addresses same as they deem necessary; and
 - (iii) the Committee retains all records relating to any Concerns reported by an individual for a period the Committee judges to be appropriate.

Appendix "B"



LIONS GATE METALS

Notice of Change of Auditor
Pursuant to National Instrument 51-102

TO: Ernst & Young LLP, Chartered Accountants

AND TO: Davidson & Company LLP, Chartered Accountants

AND TO: TSX Venture Exchange
British Columbia Securities Commission
Alberta Securities Commission

August 22nd, 2013

Dear Sirs/Mesdames:

Re: Notice Regarding Change of Auditor Pursuant to National Instrument 51-102

Notice is hereby given, pursuant to section 4.11 of National Instrument 51-102 – *Continuous Disclosure Obligations* (“NI 51-102”), of a change of auditor of Lions Gate Metals Inc. (the “**Company**”).

- (1) Ernst & Young LLP, Chartered Accountants (the “**Former Auditor**”) has resigned as auditor of the Company at the request of the Company, effective August 22nd, 2013.
- (2) The Company’s Audit Committee has considered the Former Auditor’s resignation and has recommended that Davidson & Company LLP, Chartered Accountants (the “**New Auditor**”) be appointed to fill the vacancy in the office of auditor created by the resignation of the Former Auditor until the next annual meeting of shareholders of the Company.
- (3) The Board of Directors of the Company has considered the Former Auditor’s resignation and the recommendation of the Audit Committee and has appointed the New Auditor as auditor of the Company to hold office until the next annual meeting of shareholders of the Company.
- (4) There were no reservations in the Former Auditor’s reports on the financial statements of the Company for: (a) the two most recently completed financial years; or (b) for any period subsequent thereto for which an audit report was issued and preceding the effective date of the resignation of the Former Auditor.
- (5) In the opinion of the Audit Committee and the Board of Directors of the Company, there are no reportable events, as such term is defined in subparagraph 4.11(1) of NI 51-102.

LIONS GATE METALS INC.

Per:

William Filtress
Chair of the Audit Committee



Ernst & Young LLP
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Tel: +1 604 891 8200
Fax: +1 604 643 5422
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23 August 2013

British Columbia Securities Commission
Alberta Securities Commission
TSX Venture Exchange

Dear Sirs/Mesdames:

**Re: Lions Gate Metals Inc.
Change of Auditor Notice dated 22 August 2013**

Pursuant to National Instrument 51-102 (Part 4.11), we have read the above-noted Change of Auditor Notice and confirm our agreement with the information contained in the Notice pertaining to our firm.

Yours sincerely,

ERNST & YOUNG LLP

Ken Robertson
Partner

cc: The Board of Directors, Lions Gate Metals Inc.

August 22, 2013

British Columbia Securities Commission

PO Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, BC
V7Y 1L2

TSX Venture Exchange

P.O. Box 11633
Suite 2700 – 650 West Georgia Street
Vancouver, BC
V6B 4N9

Alberta Securities Commission

600, 250 – 5th Street S.W.
Calgary, AB
T2P 0R4

Dear Sirs / Mesdames

Re: Lions Gate Metals (the "Company")
Notice Pursuant to NI 51 – 102 of Change of Auditor

In accordance with National Instrument 51-102, we have read the Company's Change of Auditor Notice dated August 22, 2013 and agree with the information contained therein, based upon our knowledge of the information at this date.

Should you require clarification or further information, please do not hesitate to contact the writer.

Yours very truly,

Davidson & Company LLP

DAVIDSON & COMPANY LLP
Chartered Accountants

cc: TSX Venture Exchange

