

BLOCK X CAPITAL CORP.
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INFORMATION CIRCULAR

SOLICITATION OF PROXIES BY MANAGEMENT

This management information circular (the "Information Circular") is furnished in connection with the solicitation of proxies by or on behalf of the management of Block X Capital Corp. (the "Company") for use at the special general meeting (the "Meeting") of the shareholders of the Company (the "Shareholders") to be held at 10th Floor, 595 Howe Street, Vancouver, British Columbia, on Monday, February 3, 2019 at 10:00 a.m. (Pacific Time) and at any adjournment(s) thereof for the purposes set out in the accompanying Notice of Meeting. Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally, electronically or by telephone by directors, officers, employees or consultants of the Company. Arrangements will also be made with clearing agencies, brokerage houses and other financial intermediaries to forward proxy solicitation material to the beneficial owners of common shares of the Company ("**Common Shares**") pursuant to the requirements of National Instrument 54-101, *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**National Instrument 54-101**").

The Canadian securities regulators have adopted new rules under National Instrument 54-101 which permit the use of notice-and-access for proxy solicitation, instead of the traditional physical delivery of material. This new process provides the option to post meeting related materials, including management information circulars, as well as annual financial statements, and related management's discussion and analysis, on a website in addition to SEDAR. Under notice-and-access, such meeting related materials will be available for viewing for up to one year from the date of posting, and a paper copy of the material can be requested at any time during this period. The Company is not relying on the notice-and-access provisions of National Instrument 54-101 to send proxy related materials to registered shareholders or beneficial owners of Common Shares in connection with the Meeting.

The Company may reimburse shareholders' nominees or intermediaries (including brokers or their agents holding shares on behalf of clients) for the cost incurred in obtaining from their principals authorization to execute forms of proxy. The cost of any such solicitation will be borne by the Company. Unless otherwise stated, the information contained in this Information Circular is given as at December 30, 2019.

**APPOINTMENT OF PROXYHOLDERS
AND COMPLETION AND REVOCATION OF PROXIES**

The purpose of a proxy is to designate persons who will vote the proxy on a Shareholder's behalf in accordance with the instructions given by the Shareholder in the proxy. The persons named in the enclosed proxy (the "**Management Designees**") have been selected by the directors of the Company.

A Shareholder has the right to designate a person (who need not be a Shareholder), other than the Management Designees to represent the Shareholder at the Meeting. Such right may be exercised by inserting in the space provided for that purpose on the proxy the name of the person to be designated, and by deleting from the proxy the names of the Management Designees, or by completing another proper form of proxy and delivering the same to the transfer agent of the Company. Such Shareholder should notify the nominee of the appointment, obtain the nominee's consent to act as proxyholder and attend the Meeting, and provide instructions on how the Shareholder's shares are to be voted. The nominee should bring personal identification with them to the Meeting.

To be valid, the proxy must be dated and executed by the Shareholder or an attorney authorized in writing, with proof of such authorization attached (where an attorney executed the proxy). The proxy must then be delivered to the Company's registrar and transfer agent, AST Trust Company ("**AST Trust**"), at its offices located at 1 Toronto Street, Suite 1200, Toronto, Ontario, M5C 2V6 or by fax (416-368-2502), at least 48 hours, excluding Saturdays, Sundays and holidays, before the time of the Meeting or any adjournment thereof. Proxies received after that time may be accepted by the Chairman of the Meeting in the Chairman's discretion, but the Chairman is under no obligation to accept late proxies. In addition, AST Trust provides an internet voting option, as described in the Proxy.

Any registered Shareholder who has returned a proxy may revoke it at any time before it has been exercised. A proxy may be revoked by a registered Shareholder personally attending at the Meeting and voting their shares. A Shareholder may also revoke their proxy in respect of any matter upon which a vote has not already been cast by depositing an instrument in writing, including a proxy bearing a later date executed by the registered Shareholder or by their authorized attorney in writing, or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized, either at the office of the Company's registrar and transfer agent at the foregoing address or the head office of the Company, at #918, 1030 West Georgia Street, Vancouver, British Columbia, V6E 2Y3, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof at which the proxy is to be used, or by depositing the instrument in writing with the Chairman of such Meeting, or any adjournment thereof. **Only registered Shareholders have the right to revoke a proxy. Non-registered Shareholders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective nominees to revoke the proxy on their behalf.**

VOTING OF PROXIES

Voting at the Meeting will be by a show of hands, each registered Shareholder and each proxyholder (representing a registered or unregistered Shareholder) having one vote, unless a poll is required or requested, whereupon each such Shareholder and proxyholder is entitled to one vote for each Common Share held or represented, respectively. Each Shareholder may instruct their proxyholder how to vote their Common Shares by completing the blanks on the proxy. All Common Shares represented at the Meeting by properly executed proxies will be voted or withheld from voting when a poll is required or requested and, where a choice with respect to any matter to be acted upon has been specified in the form of proxy, the Common Shares represented by the proxy will be voted in accordance with such specification. **In the absence of any such specification as to voting on the proxy, the Management Designees, if named as proxyholder, will vote in favour of the matters set out therein.**

The enclosed proxy confers discretionary authority upon the Management Designees, or other person named as proxyholder, with respect to amendments to or variations of matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting. As of the date hereof, the Company is not aware of any amendments to, variations of or other matters which may come before the Meeting. If other matters properly come before the Meeting, then the Management Designees intend to vote in a manner which in their judgment is in the best interests of the Company.

In order to approve a motion proposed at the Meeting, a majority of greater than 50% of the votes cast will be required (an "**ordinary resolution**"), unless the motion requires a "**special resolution**" in which case a majority of 66 2/3% of the votes cast will be required.

BENEFICIAL HOLDERS

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are "non-registered" or "beneficial" shareholders because the shares they own are not registered in their names, but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the shares. More particularly, a person is not a registered shareholder in respect of shares which are held on behalf of that person (the "**Beneficial Holder**") but which are registered either: (a) in the name of an intermediary (an "**Intermediary**") that the Beneficial Holder deals with in respect of the shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSP's, RRIF's, RESP's and similar plans); or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited ("**CDS**")) of which the Intermediary is a participant. In accordance with the requirements of National Instrument 54-101 of the Canadian Securities Administrators, the Company has distributed copies of the Notice of Meeting, this Information Circular and the Proxy (collectively, the "**Meeting Materials**") to the clearing agencies and Intermediaries for onward distribution to Beneficial Holders.

Intermediaries are required to forward the Meeting Materials to Beneficial Holders unless a Beneficial Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Beneficial Holders. Generally, Beneficial Holders who have not waived the right to receive Meeting Materials will either:

- (a) be given a form of proxy **which has already been signed by the Intermediary** (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the Beneficial Holder but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Beneficial Holder when submitting the proxy. In this case, the Beneficial Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and **deposit it with the Company's transfer agent as provided above; or**
- (b) more typically, be given a voting instruction form **which is not signed by the Intermediary**, and which, when properly completed and signed by the Beneficial Holder and **returned to the Intermediary or its service company**, will constitute voting instructions (often called a "proxy authorization form") which the Intermediary must follow. Typically, the proxy authorization form will consist of a one page pre-printed form. Sometimes, instead of the one page pre-printed form, the proxy authorization form will consist of a regular printed

proxy form accompanied by a page of instructions which contains a removable label containing a bar-code and other information. In order for the form of proxy to validly constitute a proxy authorization form, the Beneficial Holder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In either case, the purpose of this procedure is to permit Beneficial Holders to direct the voting of the shares which they beneficially own. Should a Beneficial Holder who receives one of the above forms wish to vote at the Meeting in person, the Beneficial Holder should strike out the names of the Management Designees named in the form and insert the Beneficial Holder's name in the blank space provided. **In either case, Beneficial 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.**

NON-OBJECTING BENEFICIAL OWNERS

The Company is taking advantage of those provisions of National Instrument 54-101 - Communication with Beneficial Owners of Securities of a reporting issuer of the Canadian Securities Administrators, which permit the Company to deliver proxy-related materials directly to its non-objecting beneficial owners ("**NOBOs**"). As a result, NOBOs can expect to receive a scannable Voting Instruction Form ("**VIF**") from AST Trust. The VIF is to be completed and returned to AST Trust as set out in the instructions provided on the VIF. Upon receipt of the completed VIF, AST Trust will tabulate the results from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs received.

This Information Circular, with related material, is being sent to both registered and non-registered owners of the shares of the Company. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary who holds your shares on your behalf.

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

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of common shares, without nominal or par value, of which as at the date hereof 48,225,756 common shares are issued and outstanding.

The holders of common shares of record at the close of business on the record date, set by the directors of the Company to be December 30, 2019, are entitled to vote such common shares at the Meeting on the basis of one vote for each common share held.

The Articles of the Company provide that a quorum for the transaction of business at the Meeting is one (1) person who is a shareholder or who is otherwise permitted to vote shares of the Company at a meeting of the shareholders pursuant to the Articles, present in person or by proxy.

To the knowledge of the directors and senior officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, voting securities carrying more than 10% of the outstanding voting rights of the Company.

Those shareholders so desiring may be represented by proxy at the Meeting.

PARTICULARS OF MATTERS TO BE ACTED UPON

TO THE KNOWLEDGE OF THE COMPANY'S DIRECTORS, THE ONLY MATTERS TO BE PLACED BEFORE THE MEETING ARE THOSE REFERRED TO IN THE NOTICE OF MEETING ACCOMPANYING THIS INFORMATION CIRCULAR. HOWEVER, SHOULD ANY OTHER MATTERS PROPERLY COME BEFORE THE MEETING, THE SHARES REPRESENTED BY THE PROXY SOLICITED HEREBY WILL BE VOTED ON SUCH MATTERS IN ACCORDANCE WITH THE BEST JUDGMENT OF THE PERSONS VOTING THE SHARES REPRESENTED BY THE PROXY.

Additional detail regarding the matter to be acted upon at the Meeting is set forth below.

Adoption of New Articles

The Articles of a company, among other things, set out rules for its conduct. The current Articles of the Company (the "**Current Articles**") were adopted on September 27, 2005.

The Company is seeking shareholder approval of a new form of Articles (the "**New Articles**") as a housekeeping matter. The directors of the Company believe that adopting the New Articles will enable the Company to be more efficient, flexible and cost-effective and will bring the Company's charter documents into line with charter documents of other public companies. The form of the New Articles, if adopted, will be different in many respects from the Current Articles.

Management believes that the New Articles will provide the Company with greater flexibility for future corporate activities. The resolution approving the New Articles must be passed by not less than two-thirds of the votes cast by the shareholders present in person or by proxy at the Meeting. Management believes the major changes from the existing articles are:

- the directors of the Company, by directors' resolution, may approve a subdivision or consolidation of the common shares of the Company without the necessity for shareholder approval;
- utilization of "notice-and-access" as more particularly described below; and
- shareholder meetings may, if authorized by directors' resolution, be held in jurisdictions outside British Columbia.

New Articles to Permit Utilization of New "Notice-and-Access" Rules under Applicable Canadian Securities Laws

Since the adoption of the Current Articles, the Canadian Securities Administrators (the "**CSA**") adopted amendments to applicable securities law instruments to provide reporting issuers with a

mechanism referred to as “notice-and-access” for sending proxy materials to shareholders, as described in more detail below. Accordingly, the Company is seeking shareholder approval to adopt the New Articles, the effect of which is to alter the Current Articles to ensure the Company may make use of notice-and-access for sending proxy materials to shareholders, if and when the Company desires to do so.

Background and Rationale

Amendments to applicable Canadian securities law instruments adopting notice-and-access came into force on February 11, 2013.

Notice-and-access is a method for companies and other persons soliciting proxies to provide certain proxy-related materials to shareholders electronically. The rationale for notice-and-access is the reduction of costs associated with shareholder meetings (for example, paper and mailing costs) and the promotion of environmental responsibility by decreasing the large volume of paper documents generated by printing proxy-related materials.

Under notice-and-access, companies and other persons soliciting proxies can send proxy-related materials to registered and/or beneficial shareholders by, among other requirements:

- posting the relevant management information circular and other proxy-related materials on a website that is not SEDAR;
- sending (by prepaid mail, courier or the equivalent, or any other agreed-upon method) a notice package containing the following information:
 - the date, time and location of the meeting for which the proxy-related materials are being sent;
 - the relevant voting document (a form of proxy or voting instruction form);
 - a description of each matter identified in the form of proxy or voting instruction form to be voted on (unless that information is already included in the relevant voting document);
 - the website address for SEDAR and the non-SEDAR website where the proxy-materials are posted, and a reminder to review the information circular before voting;
 - an explanation of how to obtain a paper copy of the information circular; and
 - a plain-language explanation of notice-and-access; and
- providing a toll-free telephone number for the shareholder to request a paper copy of the information circular (and if applicable, other proxy-related materials) at no charge.

In other words, under notice-and-access the Company generally will send shareholders a paper copy of the notice of meeting and the form of proxy in connection with a meeting, but will not send a paper copy of the management information circular. Instead, the Company will send the information

circular by (i) posting the information circular on a website that is not SEDAR, and (ii) notifying shareholders of its availability and how to access the electronic document. All proxy-related materials will continue to be filed on SEDAR as required under securities legislation.

Shareholders will still be entitled to receive paper copies of the information circular at no charge, if requested. As stated above, shareholders will be notified that they can call the toll-free number provided by the Company to request that a paper copy of the information circular be sent to him or her free of charge. Upon receiving the request, the Company must send the information circular by first class mail, courier or the equivalent, within specified timeframes.

The Company may still choose to continue to deliver proxy-related materials by mail in connection with shareholder meetings. However, management believes it is in the best interests of the Company to adopt the New Articles to ensure notice-and-access may be utilized by the Company, if desired.

The description of certain differences between the Current Articles and the proposed New Articles set forth in the preceding paragraph is qualified in its entirety by reference to the Current Articles and the draft of the proposed New Articles, a copy of each of which is available from the Company at any time prior to the Meeting by contacting the Administrator of the Company at #918 – 1030 West Georgia Street, Vancouver, British Columbia, V6E 2Y3, by email at 604-288-8005 or by facsimile at (604)-662-7950. A copy of the Current Articles and the New Articles will also be available at the Meeting. Shareholders should read the Current Articles and the proposed New Articles before deciding how to vote on the special resolution to approve the proposed New Articles.

Shareholder Approval

At the Meeting, Shareholders will be asked to consider and vote on the special resolution to adopt the New Articles, with or without variation, as follows:

“Resolved, as a special resolution, that:

1. the Current Articles be deleted in their entirety and the New Articles, substantially in the form as tabled at the Meeting, be created and adopted as the Articles of the Company in substitution for, and to the exclusion of the Current Articles;
2. any one director or officer of the Company is authorized to execute and file such documents and take such further action, including any filings with the Registrar of Companies, that may be necessary to effect the adoption of the New Articles;
3. the board of directors of the Company is hereby authorized, at any time in its sole discretion, to determine whether or not to proceed with this resolution without further approval, ratification or confirmation by the shareholders.”

Management of the Company recommends that shareholders vote in favour of the resolution. In the absence of a contrary instruction, the persons named in the enclosed form of proxy intend to vote in favour of the resolution.

There are no other matters to be acted upon at the Meeting.

ADDITIONAL INFORMATION

Financial information is provided in the Company's audited annual financial statements and accompanying management's discussion and analysis ("**MD&A**") for the year ended December 31, 2018.

Under National Instrument 51-102 - Continuous Disclosure Obligations, any person or company who wishes to receive financial statements from the Company may deliver a written request for such material to the Company or the Company's agent, together with a signed statement that the persons or company is the owner of securities of the Company. Shareholders who wish to receive financial statements are encouraged to send the enclosed mail card, together with the completed form of proxy, in the addressed envelope provided, to the Company's registrar and transfer agent, AST Trust Company, 1 Toronto Street, Suite 1200, Toronto, Ontario, M5C 2V6. The Company will maintain a supplemental mailing list of persons or companies wishing to receive financial statements.

Shareholders may obtain copies of the Company's financial statements and related MD&A by contacting the Company at #918 – 1030 West Georgia Street, Vancouver, British Columbia, V6E 2Y3 or by telephone at (604) 288-8005. Additional information relating to the Company is available on SEDAR at www.sedar.com

GENERAL

Unless otherwise specified, all matters referred to herein for approval by the Shareholders require a simple majority of the Shareholders voting, in person or by proxy, at the Meeting.

Where information contained in this Information Circular, rests specifically within the knowledge of a person other than the Company, the Company has relied upon information furnished by such person.

The contents of this Information Circular have been approved and this mailing has been authorized by the Directors of the Company.

DATED at Vancouver, British Columbia this the 30th day of December, 2019.

**BY THE ORDER OF THE BOARD OF DIRECTORS
OF BLOCK X CAPITAL CORP.**

"Arni Johannson"

Arni Johannson
Chief Executive Officer