

MOUNT DAKOTA ENERGY CORP.

Suite 1780 – 400 Burrard Street

Vancouver, BC V6C 3A6

**NOTICE OF ANNUAL AND SPECIAL GENERAL MEETING
OF SHAREHOLDERS TO BE HELD ON NOVEMBER 2, 2018**

TO: The Shareholders of MOUNT DAKOTA ENERGY CORP.

NOTICE IS HEREBY GIVEN that the annual and special general meeting (the “Meeting”) of the shareholders of Mount Dakota Energy Corp. (the “Company”) will be held in Vancouver, British Columbia, at Suite 1780 – 400 Burrard Street, Vancouver, BC V6C 3A6 on Friday, the 2nd day of November 2018, at 10:00 o'clock in the morning, for the following purposes:

1. To receive and consider the comparative financial statements of the Company for the fiscal year ended January 31, 2018, together with the report of the auditors thereon;
2. To determine the number of directors to be elected to the board;
3. To elect directors for the ensuing year or until their successors have been duly elected or appointed;
4. To appoint auditors for the ensuing year and to authorize the directors to fix the remuneration of the auditors;
5. To consider and, if thought advisable, to pass an ordinary resolution of Disinterested Shareholders approving an amendment to the Company’s stock option plan; and
6. To transact such other business as may properly come before the Meeting or any adjournment or adjournments thereof.

Accompanying this Notice of Meeting is an Information Circular, a Form of Proxy and a Request for Financial Information Form.

If you are a registered shareholder of the Company and are unable to attend the Meeting in person, please complete, sign, date and return the enclosed Form of Proxy. A proxy will not be valid unless it is dated and deposited by mail or hand at the office of TSX Trust Company, (“TSX Trust”), 301 – 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, not less than 48 hours (excluding Saturdays and holidays) before the time fixed for the Meeting or any adjournment thereof. Registered shareholders of the Company may also vote their proxies via the internet in accordance with the instructions provided in the proxy.

If you are a non-registered shareholder of the Company and a non-objecting beneficial owner and receive materials and a voting instruction form (“VIF”) from TSX Trust, please complete and return the VIF in accordance with the instructions of TSX Trust.

If you are a non-registered shareholder of the Company and an objecting beneficial owner and receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or such other intermediary.

DATED at Vancouver, British Columbia, this 26th day of September, 2018.

BY ORDER OF THE BOARD OF DIRECTORS

“S. John Kim”

S. John Kim, Director

MOUNT DAKOTA ENERGY CORP.

Suite 1780 – 400 Burrard Street
Vancouver, British Columbia, V6C 3A6

INFORMATION CIRCULAR

INFORMATION PROVIDED AS AT SEPTEMBER 26, 2018 FOR THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON NOVEMBER 2, 2018 (THE “MEETING”).

This Information Circular (this “Circular”) is furnished in connection with the solicitation of proxies by management (“Management”) of Mount Dakota Energy Corp. (“Mount Dakota”) for use at the Meeting (or any adjournment thereof), at the time and place and for the purposes set forth in the Notice of Meeting. It is expected that the solicitation will be primarily by mail. Proxies may also be solicited personally or by telephone by directors, officers or arms-length third parties appointed by Mount Dakota. Management is unable at this time to accurately estimate what the cost of such solicitation may be.

All costs of this solicitation will be borne by Mount Dakota.

All dollar amounts in this Circular are in Canadian currency unless otherwise specified.

RECORD DATE

Management has set September 26, 2018 as the record date (the “**Record Date**”) for determining which shareholders shall be entitled to receive notice of the Meeting. Only shareholders of record (the “**Shareholders**”) at the close of business on the Record Date, who either attend the Meeting personally or complete and deliver the form of proxy in the manner and subject to the provisions discussed below, will be entitled to vote or to have their shares voted at the Meeting.

APPOINTMENT OF PROXYHOLDERS AND REVOCATION OF PROXIES

The persons named in the form of proxy (the “**Proxy**”) as proxyholders are directors of Mount Dakota (the “**Management Proxyholders**”). **A Shareholder desiring to appoint some other person (who need not be a Shareholder) to represent him or her at the Meeting may do so, either by striking out the printed names and inserting the desired person’s name in the blank space provided in the Proxy or by completing another proper form of proxy.** In either case, the completed Proxy must be delivered to Mount Dakota’s registrar and transfer agent, TSX Trust Company, 301 – 100 Adelaide Street West, Toronto, Ontario M5H 4H1, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time fixed or any adjournment thereof at which the Proxy is to be used.

A Shareholder who has given a Proxy may revoke it by an instrument in writing, duly executed by the Shareholder or where the Shareholder is a corporation, by a duly authorized officer or attorney of the corporation and delivered to Mount Dakota’s registered office, Suite 1780 – 400 Burrard Street, Vancouver, British Columbia, V6C 3A6, at any time up to and including the last business day that precedes the day of the Meeting or, if adjourned, the day that precedes any reconvening thereof, or to the Chairman of the Meeting, on the day of the Meeting or, if adjourned, any reconvening thereof, or in any manner provided by law. A revocation of a proxy does not affect any matter on which a vote has been taken before the revocation.

VOTING OF PROXIES

If the Proxy is completed, signed and delivered as prescribed above, the persons named as proxyholders in the Proxy will vote or withhold from voting the shares in respect of which they are appointed in accordance with the instructions of the shareholder appointing them. The Proxy confers discretionary authority upon the proxyholders with respect to all other matters or variations to matters which may properly come before the Meeting or an adjournment thereof. As of the date of this Circular, Mount Dakota knows of no such amendments, variations or other matters to come before the Meeting, other than matters referred to in the Notice of Meeting; however, if other matters should properly come before the Meeting, the Proxy will be voted on such matters in accordance with the best judgement of the person or persons voting the Proxy.

If no choice is specified by a Shareholder in the Proxy with respect to a matter identified in the Proxy or any amendment or variations to such matters, it is intended that the person designated by Management in the Proxy will vote the shares therein represented IN FAVOUR of each matter identified on the Proxy and FOR the nominees of Management for directors and auditors.

BENEFICIAL HOLDERS OF COMMON SHARES

The information set forth in this section is of significant importance to many shareholders as a substantial number of shareholders do not hold common shares in their own name. Shareholders who do not hold their shares in their own name (“**Beneficial Shareholders**”) should note that only proxies deposited by Shareholders whose names appear on the records of Mount Dakota as the registered holders of common shares can be recognized and acted upon at the Meeting. If common shares are listed in an account statement provided to a Beneficial Shareholder by a broker, then in almost all cases those common shares will not be registered in the Beneficial Shareholder’s name on the records of Mount Dakota. Such common shares will more likely be registered under the name of the Beneficial Shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered 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), and in the United States, 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). Common shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholders. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their common shares are communicated to the appropriate person.**

Applicable regulatory policies require intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their common shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the Proxy provided to Shareholders by Mount Dakota. However, its purpose is limited to instructing the Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communication Services (“**Broadridge**”). Broadridge typically prepares a machine-readable voting instruction form, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). 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. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote common shares directly at the Meeting. The voting instruction**

form must be returned to Broadridge (or instructions respecting the voting of common shares must be communicated to Broadridge) well in advance of the Meeting in order to have the common shares voted.

Mount Dakota is not using the “notice-and-access” provisions of National Instrument 54-101 – Communication with Beneficial Owners of Securities of Reporting Issuers (“**NI 54-101**”) in connection with the delivery of the meeting materials in respect to the Meeting.

This Circular and accompanying materials are being sent to both Shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories – those who object to their identity being known to the issuers of securities which they own (“**OBOs**” for Objecting Beneficial Owners) and those who do not object to their identity being made known to the issuers of the securities they own (“**NOBOs**” for Non-Objecting Beneficial Owners). Subject to the provisions set out in NI 54-101, issuers may request and obtain a list of their NOBOs from intermediaries via their transfer agents. If you are a Beneficial Shareholder, and Mount Dakota or its agent has sent these materials directly to you, your name, address and information about your holdings of common shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the common shares on your behalf.

Mount Dakota has decided to take advantage of the provisions of NI 54-101 that permit it to deliver proxy related materials directly to its NOBOs. By choosing to send these materials to you directly, Mount Dakota (and not the intermediary holding common shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. As a result, if you are a NOBO of Mount Dakota, you can expect to receive a scannable Voting Instruction Form (“**VIF**”) from the Transfer Agent. Please complete and return the VIF to the Transfer Agent in the envelope provided or by facsimile. In addition, telephone voting and internet voting instructions can be found in the VIF. The Transfer Agent will tabulate the results of the VIFs received from Mount Dakota’s NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

Mount Dakota does not intend to pay for intermediaries such as stockbrokers, securities dealers, banks, trust companies, trustees and their agents and nominees (“**Intermediaries**”) to forward the proxy related materials to OBOs. Accordingly, OBOs will not receive such documents unless their respective Intermediaries assume the cost of forwarding such documents to them.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his or her broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxy holder for the registered shareholder and vote the common shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their common shares as proxy holder for the registered shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.**

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

As at the Record Date, there were a total of 13,362,562 common shares outstanding. Each common share entitles the holder thereof to one vote.

To the knowledge of Mount Dakota's directors and executive officers the only person or company who beneficially owns, or controls or directs, directly or indirectly, shares carrying 10% or more of the voting rights attached to Mount Dakota's issued and outstanding common shares are as follows:

Name	No. of Common Shares Owned	Percentage of Class ⁽¹⁾
Chung Keung (Steve) Loo	1,693,000	12.67%

Note:

(1) The percentage is determined based on the number of Mount Dakota's outstanding common shares as of the Record Date.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as otherwise disclosed in this Circular, none of the directors or officers of the Company, nor any person who has held such a position since the beginning of the last completed financial year of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of any of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of shares of Mount Dakota or otherwise in the matters to be acted upon at the Meeting, other than the election of directors, the approval of the proposed amendments to the existing Stock Option Plan (as such persons are eligible to participate in the Stock Option Plan) and as set out herein.

FIXING THE SIZE OF THE BOARD OF DIRECTORS

It is intended that the number of directors to be elected by the Shareholders be established at four (4). This requires the approval of the Shareholders by an ordinary resolution which approval will be sought at the Meeting.

Management recommends the approval of the resolution to set the number of directors of Mount Dakota at four. Unless otherwise instructed, the Management Proxyholders in the accompanying instrument of proxy intend to vote FOR the resolution to set the number of directors of Mount Dakota at four.

ELECTION OF DIRECTORS

At the Meeting, shareholders will be called upon to elect four (4) directors for the ensuing year or until their successors are duly elected or appointed, unless the director's office is earlier vacated in accordance with the Articles of Mount Dakota, or unless he or she becomes disqualified to act as a director. The four persons named below will be presented for election at the Meeting as management's nominees and unless otherwise directed, the Management Proxyholders, if named as proxyholder for Shareholders, will vote FOR the election of these nominees. While Management does not contemplate that any of its nominees will be unable to serve as a director, if any Management nominee should become unavailable, the Proxy will be voted for substitute nominees as may be nominated by Management. Set forth below is information regarding each Management nominee for election at the Meeting as a director of Mount Dakota:

Name and Present Position with Mount Dakota and Residence	Principal Occupation or Employment and, if not an Elected Director, Occupation During the Past Five Years	Director Since	Approximate Number of Shares Beneficially Owned Directly or Indirectly as of The Record Date ⁽²⁾
Chung Keung (Steve) Loo Hong Kong <i>Chief Executive Officer and Director</i>	Chief Financial Officer of KR Investment Ltd. since 2013	March 31, 2014	1,693,000
S. John Kim ⁽¹⁾ Vancouver, British Columbia <i>Chief Financial Officer, Secretary and Director</i>	Chief Financial Officer and Secretary, Mount Dakota Energy Corp.	November 22, 1994	80,801
Peter Kohl ⁽¹⁾ North Vancouver, British Columbia <i>Director</i>	President of Insight Accounting Inc.	October 20, 2009	6,000
Lyle Harvey ⁽¹⁾ Calgary, Alberta <i>Director</i>	Land Developer, Carbrooke Land Co.	September 14, 2006	12,500

Notes:

- (1) Member of the audit committee.
- (2) Based upon information provided by the Directors.

Mount Dakota does not have a compensation committee or an executive committee of the Board.

STATEMENT OF CORPORATE GOVERNANCE

National Instrument 58-101, *Disclosure of Corporate Governance Practices*, requires all companies to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines (the “**Guidelines**”) adopted in National Policy 58-201. These Guidelines are not

prescriptive, but have been used by Mount Dakota in adopting its corporate governance practices. Mount Dakota's approach to corporate governance is set out below.

Board of Directors

As at the Record Date, Mount Dakota's Board of Directors (the "**Board**") consists of the following four (4) individuals: Chung Keung (Steve) Loo, S. John Kim, Peter Kohl and Lyle Harvey.

The Guidelines suggest that the board of every listed company should be constituted with a majority of individuals who qualify as "independent" directors under section 1.4 of NI 52-110. A director is independent if the individual has no direct or indirect material relationship with Mount Dakota which could, in the view of Mount Dakota's Board, be reasonably expected to interfere with the exercise of a director's independent judgment whether on the Board or a committee of the Board. Notwithstanding the foregoing, an individual who is, or has been within the last three years, an employee or executive officer of Mount Dakota is considered to have a material relationship with Mount Dakota.

The following members of the Board are independent: Peter Kohl and Lyle Harvey. The following members are not independent: Chung Keung (Steve) Loo and S. John Kim. Chung Keung (Steve) Loo is not independent because, as at the Record Date, he is the Chief Executive Officer of Mount Dakota. S. John Kim is not independent because, as at the Record Date, he is the Chief Financial Officer of Mount Dakota.

Directorships

The following table sets forth the current directors of Mount Dakota who currently serve as directors of other reporting issuers:

Name of Director	Other Reporting Issuers
Chung Keung (Steve) Loo	KR Investment Ltd.
S. John Kim	KR Investment Ltd.
Lyle Harvey	KR Investment Ltd.

Orientation and Continuing Education

Mount Dakota does not have a formal orientation and education program for new directors; however, any new directors will be given the opportunity to familiarize themselves with Mount Dakota's operations and the current directors and members of Management. Directors are also encouraged and given the opportunity for continuing education.

Ethical Business Conduct

The Board has not yet adopted a formal written Code of Business Conduct and Ethics. In recruiting new board members, the Board considers only persons with a demonstrated record of ethical business conduct.

Nomination of Directors

The Board is responsible for selecting any new nominees to the Board, although no formal process has been adopted. The nominees are generally the result of recruitment efforts by current Board members, including both formal and informal discussions among Board members and the Chief Executive Officer.

The Board monitors, but does not formally assess, the performance of individual Board members or committee members or their contributions.

Compensation Committee

The Board has not, to date, constituted a compensation committee.

Other Board Committees

Mount Dakota does not have any standing committees other than the Audit Committee. For details on the Audit Committee please refer to the "Audit Committee" section.

Assessments

The Board does not, at present, have a formal process in place for assessing the effectiveness of the Board as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant. Based on Mount Dakota's size, stage of development and the limited number of individuals on the Board, the Board considers a formal assessment process to be inappropriate at this time. The Board is responsible for nominating new directors for appointment or election to the Board, and for assessing current directors. A proposed director's credentials are reviewed in advance of a Board meeting by one or more members of the Board prior to the proposed director's nomination.

STATEMENT OF EXECUTIVE COMPENSATION

Interpretation

For the purpose of this Statement of Executive Compensation:

"compensation securities" includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the company or any of its subsidiaries;

"external management company" includes a subsidiary, affiliate or associate of the external management company;

"NEO" or **"named executive officer"** means each of the following individuals:

- (a) each individual who, in respect of Mount Dakota, during any part of the most recently completed financial year, served as chief executive officer ("**CEO**") including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of Mount Dakota, during any part of the most recently completed financial year, served as chief financial officer ("**CFO**") including an individual performing functions similar to a CFO;
- (c) in respect of Mount Dakota and its subsidiaries, the most highly compensated executive officer other than the individual identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year; and
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of Mount Dakota, and was not acting

in a similar capacity, at the end of that financial year.

“**plan**” includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons;

“**underlying securities**” means any securities issuable on conversion, exchange or exercise of compensation securities.

Named Executive Officers

During the fiscal year ended January 31, 2018, the following individuals were NEOs of the Company:

- Chung Keung (Steve) Loo, CEO
- S. John Kim, CFO

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth all compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by Mount Dakota or its subsidiaries, to each NEO and director of Mount Dakota, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct or indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or a director of Mount Dakota for services provided and for services to be provided, directly or indirectly, to Mount Dakota or its subsidiaries in the two most recently completed financial years ended January 31, 2018 and January 31, 2017.

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$) ⁽¹⁾	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$) ⁽¹⁾
Chung Keung (Steve) Loo CEO and Director	2018	60,000	Nil	Nil	Nil	Nil	60,000
	2017	60,000	Nil	Nil	Nil	Nil	60,000
S. John Kim, CFO and Director	2018	60,000	Nil	Nil	Nil	Nil	60,000
	2017	60,000	Nil	Nil	Nil	Nil	60,000
Peter Kohl Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Lyle Harvey Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil

Note:

⁽¹⁾ These amounts were paid or accrued.

External Management Companies

Mount Dakota does not presently have any arrangements with any external management company to provide executive management services to Mount Dakota. Management functions of Mount Dakota are substantially performed by directors or executive officers of Mount Dakota.

Stock Options and Other Compensation Securities

During the most recently completed financial year, no options were granted to directors and NEOs under the Company's current stock option plan. There were no options exercised by a Director or NEO during the financial year ended January 31, 2018.

The following table sets forth details for all stock options granted or issued to each of the Named Executive Officers and directors in the most recently completed financial year ending January 31, 2018.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant (m/d/y)	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date (m/d/y)
Chung Keung (Steve) Loo CEO and Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
S. John Kim, CFO and Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
Peter Kohl, Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
Lyle Harvey, Director	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A

Note:

- (1) On January 31, 2018, none of the directors or Named Executive Officers of Mount Dakota held any stock options of Mount Dakota;

Stock Option Plans and Other Incentive Plans

Mount Dakota has a fixed stock option plan (the “**Stock Option Plan**”) whereby a total of 1,472,512 Common Shares have been reserved for issuance. Mount Dakota’s Stock Option Plan was previously approved by the shareholders at the annual and special meeting on August 4, 2017. Pursuant to Policy 4.4 of the TSX Venture Exchange (the “**Exchange**”), corporations that have a fixed stock option plan reserving a maximum of 20% of the total issued and outstanding shares of the corporation must receive yearly shareholder approval of the stock option plan. Mount Dakota intends to amend its Stock Option Plan by increasing the number of shares reserved for issuance under the Stock Option Plan to the number that is equal to 20% of its issued and outstanding shares as of September 26, 2018. For a summary of the Stock Option Plan, please refer to the section herein entitled "Particulars of Other Matters to be Acted Upon – Amendment of Stock Option Plan ". A copy of the Stock Option Plan will be available for inspection at the Meeting.

At the Meeting, Shareholders will be asked to consider and, if thought appropriate, to pass the Stock Option Plan Resolution to approve the amendment to the Stock Option Plan.

Employment, consulting and management agreements

Pursuant to a consulting agreement dated February 1, 2015 between Mount Dakota and Chung Keung (Steve) Loo (the “**Loo Agreement**”), Mount Dakota retained Mr. Loo to provide services as the CEO. Pursuant to the Loo Agreement, Mount Dakota pays Mr. Loo a monthly fee of \$5,000, plus applicable taxes, for his services as CEO. The Loo Agreement shall continue indefinitely, unless terminated in accordance with the terms thereof. Mount Dakota may terminate the Loo Agreement, without notice, in the event that Mr. Loo commits a material breach of the Loo Agreement, is unable or unwilling to perform the duties set out therein, commits fraud, or becomes bankrupt. In addition, Mount Dakota or Mr. Loo may terminate the Loo Agreement by providing the other party with one (1) months’ written notice.

Pursuant to a consulting agreement dated February 1, 2015 between Mount Dakota and a private company controlled by Mr. S. John Kim (the “**Kim Agreement**”), Mount Dakota retained the services of Mr. Kim to act as the CFO. Pursuant to the terms of the Kim Agreement, Mount Dakota pays a monthly fee of \$5,000, plus applicable taxes. The Kim Agreement shall continue indefinitely, unless terminated in accordance with the terms thereof. Mount Dakota may terminate the Kim Agreement, without notice, in the event that Mr. Kim commits a material breach of the Kim Agreement, is unable or unwilling to perform the duties set out therein, commits fraud, or becomes bankrupt. In addition, Mount Dakota or Mr. Kim may terminate the Kim Agreement by providing the other party with one (1) months’ written notice.

Oversight and Description of Director and Named Executive Officer Compensation

Mount Dakota relies solely on Board discussion to determine compensation paid to executives and directors, without any formal objectives, criteria or analysis. Mount Dakota’s compensation program currently relies heavily on the granting of stock options.

The long-term incentive program is intended to align the interests of the NEOs, directors, consultants and employees with those of Mount Dakota’s shareholders over the longer term and to provide a retention incentive for each NEO. This component of the compensation package consists of grants of options to purchase common shares. Numerous factors are taken into consideration by the Board in determining grants of options, including: a review of the previous grants (including value both at the current share

prices and potential future prices), the remaining time to expiry, overall corporate performance, share price performance, the business environment and the role and performance of the individual in question.

Pension Disclosure

Mount Dakota does not have any pension, defined benefit, defined contribution or deferred compensation plan in place.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The only equity compensation plan which Mount Dakota currently has in place is the Stock Option Plan, which was approved by Mount Dakota’s shareholders on August 4, 2017. Mount Dakota intends to amend its Stock Option Plan at the Meeting. See “Particulars Of Other Matters To Be Acted Upon – Amendment of Stock Option Plan”. The following table sets out, as of the end of Mount Dakota’s financial year ended January 31, 2018, all information required with respect to compensation plans under which equity securities of Mount Dakota are authorized for issuance:

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	Nil	N/A	1,472,512 ⁽¹⁾
Equity compensation plans not approved by securityholders	Nil	N/A	N/A
Total	Nil	N/A	1,472,512

Note:

⁽¹⁾ Mount Dakota currently has a “fixed” stock option plan. The aggregate number of common shares reserved for issuance as of January 31, 2018 is 20% of the issued and outstanding share capital of Mount Dakota as at August 4, 2017 (the date of the previous shareholder approval of the Stock Option Plan).

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS

None of the executive officers, directors, employees and former executive officers, directors and employees of Mount Dakota had amounts outstanding as at the Record Date in connection with: (a) a purchase of securities; and (b) all other indebtedness.

No person who is, or at any time during the most recently completed financial year was, a director or executive officer of Mount Dakota, a proposed nominee for election as a director of Mount Dakota, or an associate of any of the foregoing individuals, has been indebted to Mount Dakota at any time since the commencement of Mount Dakota’s last completed financial year.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed herein or in the Financial Statements, no informed person of Mount Dakota, any proposed director of Mount Dakota, or any associate or affiliate of any informed person or proposed

director has any material interest, direct or indirect, in any transaction since the commencement of Mount Dakota's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect Mount Dakota. An "informed person" means a director or executive officer of a reporting issuer; a director or executive officer of a person or company that is itself an informed person or subsidiary of a reporting issuer; any person or company who beneficially owns, directly or indirectly, voting shares of a reporting issuer or who exercises control or direction over shares of the reporting issuer or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the reporting issuer; and a reporting issuer that has purchased, redeemed or otherwise acquired any of its securities, for so long as it hold any of its securities.

MANAGEMENT CONTRACTS

No management functions of Mount Dakota are to any substantial degree performed by a person other than its directors or executive officers.

APPOINTMENT AND REMUNERATION OF AUDITORS

The persons named as proxyholders in the Proxy intend to vote for the continued appointment of Davidson & Company LLP, Chartered Professional Accountants, as Mount Dakota's auditors until the next annual general meeting at remuneration to be fixed by the Board. Davidson & Company LLP, Chartered Professional Accountants was first appointed as the auditor of Mount Dakota effective February 25, 2015.

AUDIT COMMITTEE

The Audit Committee's Charter

A copy of Mount Dakota's Audit Committee Charter is attached as Schedule "B" to this Circular.

Composition of the Audit Committee

The following are currently the members of the Committee:

	Independent ⁽¹⁾	Financially Literate ⁽¹⁾
S. John Kim	N	Y
Peter Kohl	Y	Y
Lyle Harvey	Y	Y

Note:

⁽¹⁾ As defined by National Instrument 52-110 ("NI 52-110").

Mount Dakota is relying on the exemption provided under Section 6.1 of NI 52-110 for venture issuers which exempts venture issuers from the requirements of Part 3 (Audit Committee Composition) and Part 5 (*Reporting Obligations*) of NI 52-110. Part 5 requires that if management of an issuer solicits proxies from the shareholders for the purpose of electing directors, the issuer must include a cross-reference to the issuer's AIF that contains additional information about the qualifications of its directors. Mount Dakota has not filed an AIF.

Relevant Education and Experience

Mr. Kim has been a director of Mount Dakota since November, 1994. Mr. Kim is financially literate based upon his experience as an officer and director of KR Investment Ltd., a reporting issuer listed on the Exchange, and previous offices held with other reporting issuers.

Mr. Harvey is a land developer with Calgary-based Carbrooke Land Co., as well as a former owner and president of Smithbilt Hats Ltd. Mr. Harvey is financially literate based upon his extensive experience as a business owner. Mr. Harvey holds a Bachelor of Science degree from McGill University.

Mr. Kohl is a certified accountant and holds a master’s degree in business and administration. Mr. Kohl has over 20 years of international experience in accounting, preparing and analyzing financial statements.

Each Audit Committee member has had extensive experience reviewing financial statements. Each member has an understanding of Mount Dakota’s business and has an appreciation for the relevant accounting principles for that business.

Audit Committee Oversight

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

Reliance on Certain Exemptions

At no time since the commencement of Mount Dakota’s most recently completed financial year has Mount Dakota 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.

Pre-Approval Policies and Procedures

The Committee has adopted specific policies and procedures for the engagement of non-audit services as described above under the heading “External Auditors”.

External Auditor Service Fees (By Category)

The aggregate fees billed by Mount Dakota’s external auditors in the last two fiscal years for audit service fees are as follows:

Financial Year Ending	Audit Fees ⁽¹⁾	Audit Related Fees ⁽²⁾	Tax Fees ⁽³⁾	All Other Fees ⁽⁴⁾
January 31, 2018	\$20,910	\$Nil	\$2,000	\$Nil
January 31, 2017	\$22,500	\$Nil	\$2,000	\$Nil

Notes:

- (1) “Audit Fees” include fees necessary to perform the annual audit and quarterly reviews of Mount Dakota’s consolidated financial statements and fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit fees also include audit or other attest services required by legislation or regulation.
- (2) “Audit-Related Fees” include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

- (3) “Tax Fees” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) “All Other Fees” include all other non-audit services.

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

Amendment of Stock Option Plan

Mount Dakota currently has a 20% fixed stock option plan whereby a total of 1,472,512 Common Shares have been reserved for issuance. The plan was last approved at a meeting of the Shareholders held on August 4, 2017. Management is seeking shareholder approval to amend the Stock Option Plan by increasing, subject to the approval of the Exchange, the number of shares issuable under the Stock Option Plan from 1,472,512 to 2,672,512, which is the number of common shares that is equal to 20% of our issued and outstanding common shares as of the Record Date.

The purpose of the Stock Option Plan will be to encourage ownership of the common shares of Mount Dakota by persons (“**Eligible Persons**”) who are directors, senior officers and key employees of, as well as consultants and employees of management companies providing services to, Mount Dakota. These individuals are primarily responsible for the management and profitable growth of our business. It is hoped that the Stock Option Plan will continue to advance the interests of Mount Dakota by providing additional incentive for superior performance by all eligible recipients. Given the competitive environment in which we operate our business, the Stock Option Plan will assist us and our subsidiaries to attract and retain valued directors, senior officers, employees, consultants and management company employees. Under the Stock Option Plan, which will be subject to both shareholder and regulatory approval, a total equal to 20% of our issued and outstanding shares on the Record Date (which includes all existing stock options, if any) will be allotted and reserved for future issuance.

Terms of the Stock Option Plan

The following summary is a brief description of the Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan:

1. The maximum number of shares that may be issued upon the exercise of stock options granted under the Stock Option Plan may not exceed the number equal to 20% of Mount Dakota’s issued and outstanding shares on September 26, 2018.
2. Stock options can be issued to persons who are directors, senior officers, employees and consultants of, or employees of management companies providing services to, Mount Dakota or any of its subsidiaries.
3. The option price of any common share in respect of which an option may be granted under the Stock Option Plan shall be fixed by the Board but shall be not less than the Discounted Market Price, as such term is defined in the policies of the Exchange or, if the shares are no longer listed for trading on the Exchange, then such other exchange or quotation system on which the shares are listed or quoted for trading.
4. The number of options granted to any one individual may not exceed 5% of the outstanding listed shares in any 12 month period, unless Mount Dakota obtains disinterested shareholder approval.

5. In the case of options issued to consultants performing investor relations activities, the vesting schedule shall provide for a vesting period of at least 12 months with no more than 1/4 of the options vesting in any three month period.
6. The number of options granted to any one consultant in any 12 month period may not exceed 2% of the issued shares.
7. Upon expiry of an option, or if an option is otherwise terminated for any reason without having been exercised in full, the number of shares in respect of the expired or terminated option shall again be available for the purpose of the Stock Option Plan.
8. All options granted under the Stock Option Plan may not have an expiry date exceeding ten years from the date such options are granted.
9. If an optionee ceases to be (other than by reason of death or a change of control of Mount Dakota) an eligible recipient of options, then the option granted shall expire within a reasonable period of time following the date that the optionee ceased to be an eligible recipient of options. Such reasonable period shall be determined by the Board, but in any event shall not exceed twelve (12) months following the date that the optionee ceased to be an eligible optionee.
10. If an optionee ceases to be an eligible recipient of options by reason of death, an optionee's heirs or administrators shall have until the earlier of:
 - (a) one year from the death of the option holder; and
 - (b) the expiry date of the optionsin which to exercise any portion of options outstanding at the time of death of the optionee.
11. If an optionee ceases to be an eligible recipient of options by reason of a change of control of Mount Dakota all options, subject to regulatory approval, will immediately become vested. Provided the optionee is not providing investor relations activities, any vested options will be exercisable for a period ending on the earlier of (i) 90 days from the date the optionee ceased to be an eligible recipient and (ii) the expiry date of the options.
12. The Stock Option Plan will be administered by the Board who will have the full authority and sole discretion to grant options under the Stock Option Plan to any eligible recipient, including themselves.
13. The options are not assignable or transferable by an optionee.
14. Mount Dakota shall have the authority to deduct and withhold, or require the Optionee to remit to Mount Dakota, the amount of any taxes or other required source deductions which Mount Dakota is required by law or regulation of any governmental authority whatsoever to remit in connection with any issuance of shares upon the exercise of options.
15. The Board may from time to time, and subject to regulatory approval, amend or revise the terms of the Stock Option Plan.

A copy of the Stock Option Plan will be available for shareholders to review at the Meeting.

Disinterested Shareholder Approval of the Stock Option Plan

The Exchange requires shareholder approval of any stock option plan that, together with all of an issuer's other previously established stock option plans or grants, could result at any time in the number of listed shares reserved for issuance under stock options exceeding 10% of the outstanding listed shares. An issuer is also required to obtain disinterested shareholder approval of stock options if, among other things, a stock option plan, together with all of an issuer's previously established or proposed stock option grants, could result at any time in:

- (i) the number of shares reserved for issuance under stock options granted to insiders exceeding 10% of the issued shares;
- (ii) the grant to insiders, within a 12 month period, of a number of options exceeding 10% of the issued shares; or
- (iii) the issuance to any one optionee, within a 12 month period, of a number of shares exceeding 5% of the issued shares.

In such case, a stock option plan must be approved by a majority of the votes cast by all shareholders at a general meeting, excluding votes attaching to shares beneficially owned by (i) insiders to whom options may be issued under the stock option plan; and (ii) associates of insiders to whom options may be issued under the stock option plan. The people who are allowed to vote are referred to as "**Disinterested Shareholders**". The term "insider" is defined in the *Securities Act* (British Columbia) and includes, among other persons, directors and senior officers of Mount Dakota and its subsidiaries and shareholders owning more than 10% of the voting securities of Mount Dakota. The term "associate" includes, among other persons, (a) an insider's spouse or child or any relative of the insider or the insider's spouse who has the same residence as that insider; and (b) an issuer of which the insider beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to all outstanding voting securities of the issuer.

As the Stock Option Plan once amended and together with all of Mount Dakota's previously established or proposed stock option grants, could result in the circumstances described above, we must obtain the approval of Mount Dakota's Disinterested Shareholders for the amendment to the Stock Option Plan. For the purposes of the vote, all of the directors and officers of Mount Dakota and its subsidiaries, if any, and their associates will be considered insiders, such that they and their associates may not vote on the matter.

Accordingly, Disinterested Shareholders will be asked to consider and, if thought appropriate, to pass, with or without amendment, the Stock Option Plan Resolution set out in Schedule "A" to this Information Circular. In order to be effective, the Stock Option Plan Resolution must be approved by a majority of the votes cast in person or by proxy in respect thereof by the Disinterested Shareholders and approved by the Exchange.

The Board of Directors recommends that the Disinterested Shareholders vote IN FAVOUR of the Stock Option Plan and its amendments.

Unless otherwise instructed, the Management Proxyholders in the accompanying instrument of proxy intend to vote FOR the resolution to amend the Stock Option Plan of Mount Dakota.

ADDITIONAL INFORMATION

Additional information concerning Mount Dakota is available on SEDAR at www.sedar.com. Financial information concerning Mount Dakota is provided in Mount Dakota's comparative financial statements and Management Discussion and Analysis for the financial year ended January 31, 2018, which are also available on SEDAR.

MANAGEMENT KNOWS OF NO OTHER MATTERS TO COME BEFORE THE MEETING OF SHAREHOLDERS OTHER THAN THOSE REFERRED TO IN THE NOTICE OF MEETING; HOWEVER, SHOULD ANY OTHER MATTERS WHICH ARE NOT KNOWN TO MANAGEMENT PROPERLY COME BEFORE THE MEETING, THE SHARES REPRESENTED BY THE PROXY SOLICITED HEREBY WILL BE VOTED ON SUCH MATTERS IN ACCORDANCE WITH THE BEST JUDGEMENT OF THE PERSONS VOTING THE SHARES REPRESENTED BY THE PROXY.

THIS CIRCULAR HAS BEEN APPROVED BY THE BOARD OF DIRECTORS OF MOUNT DAKOTA.

BY ORDER OF THE BOARD OF DIRECTORS

"S. John Kim"

S. John Kim
Chief Financial Officer and Director

SCHEDULE "A"

AMENDMENT TO STOCK OPTION PLAN RESOLUTION

BE IT RESOLVED as an ordinary resolution of the Disinterested Shareholders, with or without amendment, that:

1. The Stock Option Plan as set forth in the Information Circular dated September 26, 2018 be approved and that the board of directors of Mount Dakota be authorized in their absolute discretion to establish and administer the Stock Option Plan in accordance with its terms and conditions;
2. The maximum number of common shares of Mount Dakota reserved for issuance under the Stock Option Plan shall be the number equal to 20% of issued and outstanding common shares as at September 26, 2018; and
3. Notwithstanding that this resolution has been passed by the shareholders of Mount Dakota, the board of directors be authorized and empowered on behalf of Mount Dakota to make any amendments to the Stock Option Plan from time to time as may, in its discretion, be considered appropriate, provided that such amendments be subject to the approval of all applicable regulatory authorities.

SCHEDULE “B”

MOUNT DAKOTA ENERGY CORP. (the “Company”) AUDIT COMMITTEE CHARTER

Purpose of the Committee

The purpose of the Audit Committee (the “Committee”) of the Board of the Company is to provide an open avenue of communication between management, the Company’s independent auditors and the Board and to assist the Board in its oversight of:

- (a) the integrity, adequacy and timeliness of the Company’s financial reporting and disclosure practices;
- (b) the Company’s compliance with legal and regulatory requirements related to financial reporting; and
- (c) the independence and performance of the Company’s independent auditors.

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

The Committee shall consist of at least three directors. Members of the Committee shall be appointed by the Board and may be removed by the Board in its discretion. The members of the Committee shall elect a Chair from among their number. A majority of the members of the Committee must not be officers or employees of the Company or of an affiliate of the Company. The quorum for a meeting of the Committee is a majority of the members who are not officers or employees of the Company or of an affiliate of the Company. With the exception of the foregoing quorum requirement, the Committee may determine its own procedures.

The Committee’s role is one of oversight. Management is responsible for preparing the Company’s financial statements and other financial information and for the fair presentation of the information set forth in the financial statements in accordance with generally accepted accounting principles (“GAAP”) and in the future, international financial reporting standards (“IFRS”). Management is also responsible for establishing internal controls and procedures and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations.

The independent auditors’ responsibility is to audit the Company’s financial statements and provide their opinion, based on their audit conducted in accordance with generally accepted auditing standards, that the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Company in accordance with GAAP and/or IFRS.

The Committee is responsible for recommending to the Board the independent auditors to be nominated for the purpose of auditing the Company’s financial statements, preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company, and for reviewing and recommending the compensation of the independent auditors. The Committee is also directly responsible for the evaluation of and oversight of the work of the independent auditors. The independent auditors shall report directly to the Committee.

Authority and Responsibilities.

In addition to the foregoing, in performing its oversight responsibilities the Committee shall:

1. Monitor the adequacy of this Charter and recommend any proposed changes to the Board.
2. Review the appointments of the Company’s Chief Financial Officer and any other key financial executives involved in the financial reporting process.
3. Review with management and the independent auditors the adequacy and effectiveness of the Company’s accounting and financial controls and the adequacy and timeliness of its financial reporting processes.

4. Review with management and the independent auditors the annual financial statements and related documents and review with management the unaudited quarterly financial statements and related documents, prior to filing or distribution, including matters required to be reviewed under applicable legal or regulatory requirements.
5. Where appropriate and prior to release, review with management any news releases that disclose annual or interim financial results or contain other significant financial information that has not previously been released to the public.
6. Review the Company's financial reporting and accounting standards and principles and significant changes in such standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives thereto and the rationale for decisions made.
7. Review the quality and appropriateness of the accounting policies and the clarity of financial information and disclosure practices adopted by the Company, including consideration of the independent auditors' judgment about the quality and appropriateness of the Company's accounting policies. This review may include discussions with the independent auditors without the presence of management.
8. Review with management and the independent auditors significant related party transactions and potential conflicts of interest.
9. Pre-approve all non-audit services to be provided to the Company by the independent auditors.
10. Monitor the independence of the independent auditors by reviewing all relationships between the independent auditors and the Company and all non-audit work performed for the Company by the independent auditors.
11. Establish and review the Company's procedures for the:
 - (a) receipt, retention and treatment of complaints regarding accounting, financial disclosure, internal controls or auditing matters; and
 - (b) confidential, anonymous submission by employees regarding questionable accounting, auditing and financial reporting and disclosure matters.
12. Conduct or authorize investigations into any matters that the Committee believes is within the scope of its responsibilities. The Committee has the authority to retain independent counsel, accountants or other advisors to assist it, as it considers necessary, to carry out its duties, and to set and pay the compensation of such advisors at the expense of the Company.

Perform such other functions and exercise such other powers as are prescribed from time to time for the audit committee of a reporting company in Parts 2 and 4 of National Instrument 52-110 of the Canadian Securities Administrators, the Canada *Business Corporations Act* and the Articles of the Company.

