

**TRIANGLE INDUSTRIES LTD.**  
**Suite 800, 570 Granville Street**  
**Vancouver, British Columbia**  
**V6C 3P1**

**INFORMATION CIRCULAR**

(as at November 5, 2013 except as otherwise indicated)

**SOLICITATION OF PROXIES**

This information circular (the "Circular") is provided in connection with the solicitation of proxies by the management of **Triangle Industries Ltd.** (the "Corporation"). The form of proxy which accompanies this Circular (the "Proxy") is for use at the annual general meeting of the shareholders of the Corporation to be held on **Tuesday, December 10, 2013** (the "Meeting"), at the time and place set out in the accompanying notice of meeting (the "Notice of Meeting"). The Corporation will bear the cost of this solicitation. The solicitation will be made by mail, but may also be made by telephone.

**APPOINTMENT AND REVOCATION OF PROXY**

The individuals named in the accompanying form of proxy are Directors and/or Officers of the Corporation. **A SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER) TO REPRESENT HIM AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY STRIKING OUT THE NAMES OF THOSE PERSONS NAMED IN THE ACCOMPANYING FORM OF PROXY AND INSERTING THE DESIRED PERSON'S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER FORM OF PROXY.** A proxy will not be valid unless the completed form of proxy is received by Computershare Investor Services Inc., Attention: Proxy Department, 9<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 (the "Transfer Agent") not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or any adjournment thereof, or delivered to the Chairman of the Meeting prior to the commencement of the Meeting.

The Proxy may be revoked by:

- (a) signing a proxy with a later date and delivering it at the time and place noted above;
- (b) signing and dating a written notice of revocation (in the same manner as the Proxy is required to be executed as set out in the notes to the Proxy) and either depositing it at the place and within the time aforesaid or with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof before any vote in respect of which the Proxy is to be used shall have been taken; or
- (c) attending the Meeting or any adjournment of the Meeting and registering with the scrutineer as a shareholder present in person.

**Provisions Relating to Voting of Proxies**

**The shares represented by Proxy in the enclosed form will be voted or withheld from voting by the designated holder in accordance with the direction of the registered shareholder appointing him. If there is no direction by the registered shareholder, those shares will be voted for all proposals set out in the Proxy and for the election of directors and the appointment of the auditors as set out in this Circular. The Proxy gives the person named in it the discretion to vote as such person sees fit on any amendments or variations to matters identified in the Notice of Meeting, or any other matters which may properly come before the Meeting. At the time of printing of this Circular, the management of the Corporation knows of no other matters which may come before the Meeting other than those referred to in the Notice of Meeting.**

## **Non-Registered Holders**

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Corporation are “non-registered” 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 “Non-Registered Holder”) but which are registered either: (a) in the name of an intermediary (an “Intermediary”) that the Non-Registered Holder deals with in respect of the shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSP’s, RRIF’s, RESPs 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.

These securityholder materials are being sent to both registered shareholders and Non-Registered Holders. If you are a Non-Registered Holder, and the Corporation or its agent has sent these materials to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf.

Non-Registered Holders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Corporation are referred to as “NOBOs”. Those Non-Registered Holders who have objected to their Intermediary disclosing ownership information about themselves to the Corporation are referred to as “OBOs”.

In accordance with the requirements of National Instrument 54-101 of the Canadian Securities Administrators, the Corporation has elected to send the Notice of Meeting, this Circular and the Proxy (collectively, the “Meeting Materials”) directly to the NOBOs, and indirectly through Intermediaries to the OBOs. The Intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to each OBO, unless the OBO has waived the right to receive them. By choosing to send these materials to the NOBOs directly, the Corporation (and not the Intermediary holding on their behalf) has assumed responsibility for (i) delivering these materials to the NOBOs, and (ii) executing their proper voting instructions.

The Meeting Materials sent to Non-Registered Holders who have not waived the right to receive meeting materials are accompanied by a request for voting instructions (a “VIF”). This form is instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a Non-Registered Holder is able to instruct the registered shareholder how to vote on behalf of the Non-Registered Holder. VIFs, whether provided by the Corporation or by an Intermediary, should be completed and returned in accordance with the specific instructions noted on the VIF.

In either case, the purpose of this procedure is to permit Non-Registered Holders to direct the voting of the Shares which they beneficially own. Should a Non-Registered Holder who receives a VIF wish to attend the Meeting or have someone else attend on his or her behalf, the Non-Registered Holder may request a legal proxy as set forth in the VIF, which will grant the Non-Registered Holder, or his or her nominee, the right to attend and vote at the Meeting.

**Please return your voting instructions as specified in the VIF. Non-Registered Holders should carefully follow the instructions set out in the VIF, including those regarding when and where the VIF is to be delivered.**

## **VOTING IN PERSON**

Any shareholder attending the Meeting to vote personally or as proxyholder for another shareholder shall be required to produce identification satisfactory to the Chairman of the Meeting establishing his or her identity. If a shareholder is a corporation or an entity other than an individual, then the duly authorized officer or representative of the corporation or other entity must deliver to the Chairman of the Meeting the original or a notarial copy of the instrument empowering such person to attend the Meeting and vote on behalf of the shareholder. Such documentation shall be in a form acceptable to the Chairman of the Meeting in his or her discretion.

### **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

Other than as disclosed elsewhere herein, none of the following persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon other than the election of directors or the appointment of management:

- (a) any director or senior officer of the Corporation since the commencement of the Corporation's last completed financial year;
- (b) any proposed nominee for election as a director of the Corporation; and
- (c) any associate or affiliate of any of the foregoing persons.

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

As at the date of the accompanying Notice of Meeting, the Corporation's authorized share capital consists of an unlimited number of common shares without par value of which **13,656,957** common shares are issued and outstanding. All common shares in the capital of the Corporation carry the right to one vote.

Shareholders registered as at **November 5, 2013** are entitled to attend and vote at the Meeting. Shareholders who wish to be represented by proxy at the Meeting must, to entitle the person appointed by the Proxy to attend and vote, deliver their Proxies at the place and within the time set forth in the notes to the Proxy.

To the knowledge of the directors and executive officers of the Corporation, as of the date of this Circular, the following persons beneficially own, directly or indirectly, or exercise control or direction over, 10% or more of the issued and outstanding common shares of the Corporation:

<b><u>Name of Shareholder</u></b>	<b><u>No. of Common Shares Owned</u></b>	<b><u>Percentage of Outstanding Common Shares</u></b>
CDS & Co. <sup>(1)</sup>	10,822,435	79.2%

<sup>(1)</sup> The beneficial owners of common shares held by depositories are not known to the directors or executive officers of the Corporation

### **FINANCIAL STATEMENTS**

Management will present to the meeting the audited financial statements of the Corporation for the fiscal year ended December 31, 2012, together with the Auditor's Report thereon and the unaudited financial statements for the quarter ended June 30, 2013, will be presented to the shareholders at the Meeting (the "Financial Statements"), copies of which will be available at the meeting and have also been filed and can be accessed on the Internet on the System for Electronic Data Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com).

### **NUMBER OF AND ELECTION OF DIRECTORS**

The directors of the Corporation are elected annually and hold office until the next annual general meeting of the shareholders or until their successors are elected or appointed. The management of the Corporation proposes to nominate the persons listed below for election as directors of the Corporation to serve until their successors are elected or appointed. In the absence of instructions to the contrary, Proxies given pursuant to the solicitation by the management of the Corporation will be voted for the nominees listed in this Circular. Management does not contemplate that any of the nominees will be unable to serve as a director.

The number of directors on the board of directors of the Corporation is currently set at five. Shareholders will also be asked at the Meeting to pass an ordinary resolution to set the number of directors for the ensuing year to four (4).

The following table sets out the names of the nominees for election as directors, the offices they hold within the Corporation, their occupations, the length of time they have served as directors of the Corporation, and the number of shares of the Corporation and its subsidiaries which each beneficially owns, directly or indirectly, or over which control or direction is exercised, as of the date of this Circular:

Name, province or state and country of residence and position, current and former, if any, held in the Corporation	Principal occupation for last five years	Served as director since	Number of common shares beneficially owned, directly or indirectly, or controlled or directed at present <sup>(1)</sup>
<b>Geoffrey J. Edwards</b> British Columbia, Canada C.F.O. and Director	Self-employed businessman and entrepreneur.	December 1, 1995	329,212 common shares
<b>Keith Scott</b> <sup>(2)</sup> British Columbia, Canada Director	Chief Financial Officer and Director, Minaean International Corp.; Fellow of the CGA of Canada.	December 1, 2004	155,000 common shares
<b>Michael Reimann</b> <sup>(2)</sup> British Columbia, Canada Director	Businessman. Chief Financial Officer of Skana Capital Corp. and PNG Gold Corp.	July 16, 2008	Nil
<b>Neil Halldorson</b> <sup>(2)</sup> West Vancouver, B.C. C.E.O. and Director	President of PNG Gold Corporation; Previously director and Chief Executive Officer of SKANA Capital Corp.	April 6, 2010	452,000 common shares

Notes:

- (1) The information as to common shares beneficially owned or controlled has been provided by the nominees themselves.
- (2) Member of Audit Committee.

The members of the Corporation’s audit committee are Keith Scott, Michael Reimann and Neil Halldorson. Two members of the Corporation’s audit committee are considered to be independent members in accordance with National Instrument 52-110, Audit Committee, of the Canadian Securities Administrators (“NI 52-110”). Each member of the audit committee is “financially literate” in accordance with NI 52-110 of the Canadian Securities Administrators.

No proposed director is being elected under any arrangement or understanding between the proposed director and any other person or company except the directors and executive officers of the Corporation acting solely in such capacity.

**Cease Trade Orders**

Except as noted below, no director or proposed director of the Corporation is, or within the ten years prior to the date of this Circular has been, a director or executive officer of any company, including the Corporation, that while that person was acting in that capacity:

- (a) while that person was acting in that capacity, was the subject of a cease trade order or similar order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days;
- (b) while that person was acting in that capacity, was subject to an event that resulted, after the Director or Executive Officer ceased to be a Director or Executive Officer, in the company being the subject of a

cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days;

- (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

On December 13, 2005, a cease trade order was issued by the B.C. Securities Commission against the Corporation for failing to file its interim financial statements and management discussion & analysis for the quarter ended September 30, 2005. During the cease trade period, disclosures from other reporting periods from December, 2004 on were reviewed by the Commission and amended by the Corporation. The Corporation did not file its December 31, 2005 financials until 18 days after the due date. While cease-traded, the Corporation was required to satisfy to the authorities that it continued to meet minimum listing requirements. Effective at the opening on October 27, 2006, trading of the Corporation's shares was reinstated.

### **Individual Bankruptcies**

No director or proposed director of the Corporation has, within the ten years prior to the date of this Circular, become bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency, or been 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 that individual.

### **STATEMENT OF EXECUTIVE COMPENSATION**

Set out below are particulars of compensation paid to the following persons (the "Named Executive Officers" or "NEOs"):

- (a) the Corporation's CEO;
- (b) the Corporation's CFO;
- (c) each of the 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 for the financial year; and
- (d) each individual who would be a NEO under paragraph (c) 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 financial year.

As at December 31, 2012, the end of the most recently completed financial year of the Corporation, the Corporation had two Named Executive Officers, whose names and positions held with the Corporation are set out below, under the heading, "Summary Compensation Table".

### **Compensation Discussion and Analysis**

The compensation awarded to, earned by, paid to or payable to each of the Named Executive Officers for the most recently completed financial year is set out under the heading, "Summary Compensation Table".

#### *Executive Compensation Philosophy*

The Corporation does not have a formal compensation program with set benchmarks. The Corporation does have an informal program which seeks to reward an executive officer's current and future expected performance, the achievement of corporate milestones and to align the interests of executive officers with the interests of the

Corporation's shareholders. The Corporation's compensation package must be capable of attracting and motivating experienced executive officers.

#### *Compensation Review Process*

The board of directors tries to ensure that the Corporation has an executive compensation plan that is fair, motivational and competitive. In establishing levels of remuneration, stock option and bonus grants, the board of directors is guided by the following principles:

- (a) compensation is determined on an individual basis by the need to attract and retain talented, qualified and effective executives;
- (b) total compensation is set with reference to the market for similar positions in comparable companies and with reference to the location of employment;
- (c) an appropriate portion of total compensation is variable and linked to performance, achievements, level of expertise, responsibilities and length of service;
- (d) internal equity is maintained such that individuals in similar jobs and locations are treated fairly; and
- (e) the Corporation is committed to supporting reasonable expenses in order that employees continuously maintain and enhance their skills.

#### *Assessment of Individual Performance*

Individual performance in connection with the achievement of corporate milestones and objectives is also reviewed for all executive officers. While awards are generally tied to performance against quantitative objectives, consideration is also given to an individual's contribution to the Corporation through leadership, demonstrated commitment to the Corporation's shareholders, innovation and teamwork.

#### *Elements of Executive Compensation*

There are three main elements of direct compensation, namely base salary, bonus payments and equity participation through the Corporation's existing ("2008 Plan") and future stock option and share compensation plan.

#### Base Salary

In determining the base salary of an executive officer, the Board of Directors places equal weight on the following factors:

- (a) the particular responsibilities related to the position;
- (b) salaries paid by comparable businesses;
- (c) the experience level of the executive officer; and
- (d) his or her overall performance.

#### Bonus Payments

Executive officers are eligible for annual bonuses, payable in cash or through stock-based compensation, after taking into account and giving equal weight to, financial performance, attainment of certain corporate milestones and individual performance.

#### Equity Participation

Encouraging its executive officers and employees to become shareholders of the Corporation is the best way to align their interests with those of the Corporation's shareholders. Equity participation will be offered through the 2008 Plan.

Stock options granted to Named Executive Officers during the most recently completed financial year, are disclosed herein under the heading, “*Executive Compensation - Summary Compensation Table*”.

#### *Overall Compensation Objectives*

The compensation elements of base salary bonus payments and equity participation are fairly standard for small and mid-sized reporting companies. On an annual basis, the board of directors will review which compensation element the Corporation is best able to offer for the ensuing year and which element will provide the recipients with the best incremental return. In years in which the Corporation has been successful in raising cash proceeds and has significant funds allocated for general and administrative expenses, it may be more appropriate to offer executive officers increased salaries or bonus payments. In years in which the Corporation has less available cash for general and administrative expenses or the Corporation’s stock price may have suffered due to general market downturn, it may be more appropriate to offer directors and officers increased stock option positions as additional incentive to manage the Corporation’s affairs to maximize increased share price gains. The Corporation’s overall compensation objectives are therefore flexible, and to some degree dependent on various aspects of the Corporation’s fiscal health.

#### **Option Based Awards**

The Corporation’s board of directors reviews the remuneration of executive officers, the granting of stock options to directors, executive officers, key employees and consultants of the Corporation and the Corporation’s remuneration and compensation policies.

The 2008 Plan is similar to option based plans adopted by small and mid size reporting companies. Typically, all non executive directors are awarded a similar number of options with some variations in the case of longer serving non executive directors. Executive officers typically receive a similar number of stock options but the number of options allocated to them may be increased if they also serve on the Corporation’s board of directors. Option based awards are an integral and necessary element of the compensation plan for most venture capital companies as they are unable to offer their executive officers large salaries and cash based compensation that may be available from more senior issuers with established revenues.

Individual grants are determined by an assessment of the individual’s current and expected future performance, level of responsibilities, the importance of his or her position and contribution to the Corporation, and previous option grants and exercise prices.

Under the 2008 Plan, the maximum number of Common Shares which may be made subject to stock options and bonus Common Shares at any time and from time to time shall not exceed 2,731,391 Common Shares of the Corporation. Furthermore, the maximum number of Common Shares which may be granted to a participant under the 2008 Plan shall not exceed 5% of the total number of Common Shares then outstanding on a non-diluted basis. On September 7, 2012, the Corporation’s listing was moved to the NEX board of the TSX Venture Exchange and is therefore limited to grant stock options up to 10% of its issued and outstanding in any 12 month period.

The Corporation has not granted bonus Common Shares under the 2008 Plan during the most recently completed financial year.

There was no re-pricing of stock options under the 2008 Plan or otherwise during the most recently completed financial year.

#### **Summary Compensation Table**

The following table sets forth information regarding compensation for the fiscal years ended December 31, 2012, December 31, 2011 and December 31, 2010 paid to the Named Executive Officers.

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			
Geoffrey J. Edwards, C.F.O.	2012	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	2011	\$0	\$0	\$0	\$0	\$0	\$0	\$7,000 <sup>(5)</sup>	\$7,000
	2010	\$133,333 <sup>(2)</sup>	\$0	\$20,546 <sup>(3)</sup>	\$0	\$0	\$0	\$9,000 <sup>(4)</sup>	\$162,879
Neil Halldorson, C.E.O. <sup>(1)</sup>	2012	\$0	\$0	\$0	\$	\$	\$0	\$0	\$0
	2011	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	2010	\$0	\$0	\$20,546	\$0	\$0	\$0	\$0	\$20,546

(1) Mr. Neil Halldorson was appointed C.E.O. on April 6, 2010 to replace Mr. Geoffrey J. Edwards.

(2) Includes \$80,000 paid as severance upon being replaced as President and C.E.O.

(3) The Black-Scholes model was used to calculate the fair value of options listed in this column as at June 22, 2010, the date of grant of the options. This is consistent with accounting value used in the Company's financial statements.

(4) Director fees paid up to March 31, 2010 when director fees were discontinued.

(5) Management fees paid to a corporation controlled by Geoffrey Edwards for sundry services.

#### Incentive Plan Awards— outstanding share-based awards and option-based awards

For each NEO, the following table sets forth information regarding all outstanding share-based awards and option-based awards as of December 31, 2012.

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option Expiration Date	Value of unexercised in-the-money options (\$) <sup>(1)(2)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Geoffrey J. Edwards, C.F.O.	150,000	\$0.20	June 22, 2015	\$0	-	-
Neil Halldorson, C.E.O.	150,000	\$0.20	June 22, 2015	\$0	-	-

(1) The value of unexercised "in-the-money options" at the financial year-end is the difference between the option exercise price and the market value of the underlying stock on the TSX Venture Exchange (the "TSX-V") on December 12, 2012.

(2) The market value is the closing price of the Corporation's common shares on the TSX-V on December 12, 2012 (\$0.145), the last day the common shares traded on the TSX-V for the financial year ended December 31, 2012.





## Incentive Plans for Directors

### Outstanding share-based awards and option-based awards

The following table sets out for each director, other than a director who is also a Named Executive Officer, the incentive stock options (option based awards) and share based awards, outstanding as at the financial year ended December 31, 2012.

Name	Option-based Awards			Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option Expiration Date	Value of unexercised in-the-money options (\$) <sup>(1)(2)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Keith Scott	150,000	\$0.20	June 22, 2015	\$0	-	-
Michael Reimann	150,000	\$0.20	June 22, 2015	\$0	-	-

(1) The value of unexercised “in-the-money options” at the financial year-end is the difference between the option exercise price and the market value of the underlying stock on the TSX Venture Exchange (the “TSX-V”) on December 12, 2012.

(2) The market value is the closing price of the Corporation’s common shares on the TSX-V on December 12, 2012 (\$0.145), the last day the common shares traded on the TSX-V for the financial year ended December 31, 2012.

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

#### Equity Compensation Plan Information

The only equity compensation plan which the Corporation has in place is its fixed stock option plan (the “Plan”) which was adopted and approved by shareholders of the Corporation on September 25, 2008. The Plan allows the Corporation to grant options to purchase up to 2,731,391 common shares of the Corporation, being 20% of the current issued and outstanding common share capital of the Corporation. The Plan was established to provide incentive to qualified parties to increase their proprietary interest in the Corporation and thereby encourage their continuing association with the Corporation. The Plan is administered by the directors of the Corporation. The Corporation is currently listed on the NEX Board of the TSX Venture Exchange and is therefore limited to grant stock options up to 10% of its issued and outstanding in any 12 month period.

The following table sets forth information with respect to all compensation plans under which equity securities are authorized for issuance as of December 31, 2012:

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options (#)	Weighted – Average Exercise Price of Outstanding Options (\$/Share)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding securities reflected in the second column) (#)
Equity compensation plans approved by security holders	650,000	\$0.20	715,695
Equity compensation plans not approved by security holders	0	-	0
Total:	650,000	\$0.20	715,695

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

None of the current or former directors, executive officers, employees of the Corporation or its subsidiaries, the proposed nominees for election to the board of directors of the Corporation, or their respective associates or affiliates, are or have been indebted to the Corporation or its subsidiaries since the beginning of the financial year ended December 31, 2012.

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

No insider of the Corporation, nor any proposed nominee for election as a director or any associate or affiliate of such insider or proposed nominee of the Corporation, has or has had any material interest, direct or indirect, since the commencement of the Corporation's last financial year, in any transaction or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

### **APPOINTMENT OF AUDITOR**

Management of the Corporation proposes that Davidson & Company LLP be re-appointed as auditor of the Corporation to hold office until the next annual general meeting of the members. Management further proposes that the members pass a resolution to authorize the directors to fix the remuneration payable to the auditor.

### **MANAGEMENT CONTRACTS**

No management functions of the Corporation or any subsidiary of the Corporation are to any substantial degree performed by a person or company other than the directors or executive officers of the Corporation.

### **AUDIT COMMITTEE**

The Corporation is required to have an audit committee comprised of not less than three directors, a majority of whom are not officers or employees of the Corporation or of an affiliate of the Corporation. The Corporation's current audit committee consists of Keith Scott, Michael Reimann and Neil Halldorson.

#### *Audit Committee Charter*

The text of the audit committee's charter is attached as Schedule "A" to this Circular.

#### *Composition of Audit Committee and Independence*

NI 52-110 provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Corporation, which could, in the view of the Corporation's board of directors, reasonably interfere with the exercise of the member's independent judgment. Two members of the audit committee of the Corporation are independent, as that term is defined.

#### *Relevant Education and Experience*

NI 52-110 provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

All of the members of the Corporation's audit committee are financially literate as that term is defined.

**Keith Scott** – Mr. Scott is a Fellow of the Certified General Accountants of Canada.

**Michael Reimann** – Dr. Reimann holds a Ph.D. in nuclear physics which led to a career using computer techniques in securities analysis, portfolio management and corporate finance. He has over 35 years experience in senior corporate management and has served on the Boards of both public and private companies.

**Neil Halldorson** – Mr. Halldorson has over 30 years of experience in corporate finance and in the management of public companies. Prior to joining PNG Gold Corporation, he worked as an independent consultant providing corporate finance services to public companies, as well as acting as Chief Operating Officer of a TSX listed resource company. Before that, Mr. Halldorson served as a director and CEO of SKANA Capital Corp., a merchant bank investing in the resource sector. Mr. Halldorson graduated with honors from the University of Victoria with a Bachelor of Arts in economics and subsequently earned an M.B.A. from the University of British Columbia.

#### *Audit Committee Oversight*

Since the commencement of the Corporation's most recently completed financial year, the audit committee of the Corporation has not made any recommendations to nominate or compensate an external auditor which were not adopted by the board of directors of the Corporation.

#### *Reliance on Certain Exemptions*

Since January 1, 2005, the Corporation has not relied on:

- (a) the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110; or
- (b) an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*).

#### *Pre-Approval Policies and Procedures*

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

#### *Audit Fees*

The following table sets forth the fees paid by the Corporation and its subsidiaries to Davidson & Company LLP, Chartered Accountants, for services rendered in the fiscal years ended December 31, 2012 and December 31, 2011.

Financial Year Ending	Audit Fees <sup>(1)</sup>	Audit Related Fees <sup>(2)</sup>	Tax Fees <sup>(3)</sup>	All Other Fees <sup>(4)</sup>
December 31, 2011	\$19,890	None	\$1,500	None
December 31, 2012	\$9,690	None	\$2,250	None

- (1) Aggregate fees billed by the Corporation's auditor (or accrued).
- (2) Aggregate fees billed by the Corporation's auditor (or accrued) for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation's financial statements and not contained under "Audit Fees".
- (3) Aggregate fees billed by the Corporation's auditor (or accrued) for professional services rendered for tax compliance, tax advice and tax planning.
- (4) Aggregate fees billed by the Corporation's auditor (or accrued) and not included above.

### *Exemption in Section 6.1*

The Corporation is a “venture issuer” as defined in NI 52-110 and is relying on the exemption in section 6.1 of NI 52-110 relating to Part 3 (*Composition of Audit Committee*) and Part 5 (*Reporting Obligations*).

## **CORPORATE GOVERNANCE DISCLOSURE**

National Instrument 58-101, *Disclosure of Corporate Governance Practices*, requires all reporting issuers 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 the Corporation in adopting its corporate governance practices. The Corporation’s approach to corporate governance is set out below.

### *Board of Directors*

Management is nominating four individuals to the Corporation’s board of directors (the “Board”), all of whom are current directors of the Corporation.

The Guidelines suggest that the board of directors of every reporting issuer should be constituted with a majority of individuals who qualify as “independent” directors under NI 52-110, which provides that a director is independent if he or she has no direct or indirect “material relationship” with the Corporation. Of the proposed nominees, Geoff Edwards and Neil Halldorson are “insiders” or management directors (as a result of being senior officers of the Corporation) and accordingly such persons are not considered to be “independent” within the meaning of NI 52-110. Keith Scott and Michael Reimann are considered by the Board to be “independent” within the meaning of NI 52-110.

### *Directorships*

The following directors of the Corporation are presently directors of the following other issuers that are reporting issuers, or the equivalent, in a Canadian jurisdiction or a foreign jurisdiction:

<b><u>Name of Director</u></b>	<b><u>Reporting Issuer</u></b>
Neil Halldorson	Nebo Capital Corp.
Keith Scott	Minaean International Corp.
Michael Reimann	None
Geoffrey J. Edwards	None

### *Orientation and Continuing Education*

The Board does not have any formal policies with respect to the orientation of new directors nor does it take any measures to provide continuing education for the directors. At this stage of the Corporation’s development the Board does not feel it necessary to have such policies or programs in place.

### *Ethical Business Conduct*

To date, the Board has not adopted a formal written Code of Business Conduct and Ethics. However, the current limited size of the Corporation’s operations, and the small number of officers and consultants, allow the Board to monitor on an ongoing basis the activities of management and to ensure that the highest standard of ethical conduct is maintained. As the Corporation grows in size and scope, the Board anticipates that it will formulate and implement a formal Code of Business Conduct and Ethics.

### *Nomination and Assessment*

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

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 the Corporation's size, its 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.

### *Compensation*

The quantity and quality of the Board compensation is reviewed on an annual basis. At present, the Board is satisfied that the current compensation arrangements, which adequately reflects the responsibilities and risks involved in being an effective director of the Corporation. The number of options to be granted is determined by the Board as a whole, which allows the independent directors to have input into compensation decisions.

### *Other Board Committees*

At the present time, the only standing committee is the Audit Committee. The written charter of the Audit Committee, as required by NI 52-110, is contained in Schedule "A" to this Circular. As the Corporation grows, and its operations and management structure become more complex, the Board expects it will constitute formal standing committees, such as a Corporate Governance Committee and a Nominating Committee, and will ensure that such committees are governed by written charters and are composed of at least a majority of independent directors.

## **ADDITIONAL INFORMATION**

Additional information respecting the Corporation is available on the SEDAR website at [www.sedar.com](http://www.sedar.com). Security holders may contact the Corporation to request copies of the Corporation's financial statements and MD&A at the following address:

**TRIANGLE INDUSTRIES LTD.**  
Suite 800  
570 Granville Street  
Vancouver, British Columbia  
V6C 3P1

## **BOARD APPROVAL**

The contents of this Circular have been approved and its mailing authorized by the Board.

## **CERTIFICATE**

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

DATED at Vancouver, British Columbia, the 5<sup>th</sup> day of November, 2013.

## **ON BEHALF OF THE BOARD**

*"Neil Halldorson"*  
Neil Halldorson, C.E.O. and Director

**TRIANGLE INDUSTRIES LTD.**  
**(the “Corporation”)**

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**Schedule “A”**  
**Audit Committee Charter**

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The audit committee is a committee of the board of directors to which the board delegates its responsibilities for the oversight of the accounting and financial reporting process and financial statement audits.

The audit committee will:

- (a) review and report to the board of directors of the Corporation on the following before they are published:
  - (i) the financial statements and MD&A (management discussion and analysis) (as defined in National Instrument 51-102) of the Corporation;
  - (ii) the auditor’s report, if any, prepared in relation to those financial statements,
- (b) review the Corporation’s annual and interim earnings press releases before the Corporation publicly discloses this information,
- (c) satisfy itself that adequate procedures are in place for the review of the Corporation’s public disclosure of financial information extracted or derived from the Corporation’s financial statements and periodically assess the adequacy of those procedures,
- (d) recommend to the board of directors:
  - (i) the external auditor to be nominated for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Corporation; and
  - (ii) the compensation of the external auditor,
- (e) oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting,
- (f) monitor, evaluate and report to the board of directors on the integrity of the financial reporting process and the system of internal controls that management and the board of directors have established,
- (g) monitor the management of the principal risks that could impact the financial reporting of the Corporation,
- (h) establish procedures for:

- (i) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and
  - (ii) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters,
- (i) pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by the Corporation's external auditor,
  - (j) review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation, and
  - (k) with respect to ensuring the integrity of disclosure controls and internal controls over financial reporting, understand the process utilized by the Chief Executive Officer and the Chief Financial Officer to comply with Multilateral Instrument 52-109.

### **Composition of the Committee**

The committee will be composed of 3 directors from the Corporation's board of directors, a majority of whom will be independent. Independence of the Board members will be as defined by applicable legislation and as a minimum each committee member will have no direct or indirect relationship with the Corporation which, in the view of the board of directors, could reasonably interfere with the exercise of a member's independent judgment.

All members of the committee will be financially literate as defined by applicable legislation. If, upon appointment, a member of the committee is not financially literate as required, the person will be provided a three month period in which to achieve the required level of literacy.

### **Authority**

The committee has the authority to engage independent counsel and other advisors as it deems necessary to carry out its duties and the committee will set the compensation for such advisors.

The committee has the authority to communicate directly with and to meet with the external auditors and the internal auditor, without management involvement. This extends to requiring the external auditor to report directly to the committee.

### **Reporting**

The reporting obligations of the committee will include:

1. reporting to the board of directors on the proceedings of each committee meeting and on the committee's recommendations at the next regularly scheduled directors' meeting; and
2. reviewing and reporting to the board of directors on its concurrence with, the disclosure required by Form 52-110F2 in any management information circular prepared by the Corporation.