



**Notice of Annual and Special Meeting of Shareholders
to be held on July 6, 2018**

Place:	Lavery, de Billy, L.L.P. 1 Place Ville-Marie, Suite 4000 Montréal, Québec H3B 4M4
Time:	9:30 a.m. (Montréal Time)

and Management Information Circular

June 6, 2018

YOUR VOTE AS A SHAREHOLDER IS IMPORTANT

Neither the Canadian Securities Exchange nor any securities regulatory authority has in any way passed upon the merits of the transactions described in this management information circular.

No securities regulatory authority or the Canadian Securities Exchange has expressed an opinion about the securities which are the subject of this management information circular.

June 6, 2018

Dear Shareholders,

On behalf of the Board of Directors and Management of Genius Properties Ltd. (“**Genius**” or the “**Corporation**”), we would like to invite you to attend the annual and special meeting (the “**Meeting**”) of holders (“**Shareholders**”) of common shares of Genius to be held at 9:30 a.m. (Montréal time) at the offices of Lavery, de Billy, L.L.P., 1 Place Ville Marie, Suite 4000, Montréal, Québec on July 6, 2018.

In an effort to maximize value to Shareholders, management of Genius seeks your approval for a proposed “spin-off” (the “**Spin-Off**”) of all of the mining properties of Genius to Genius Metals Inc. / Métaux Genius Inc., a new wholly-owned subsidiary of Genius incorporated under the laws of Canada (“**SpinCo**”) and the distribution of the shares of SpinCo to the Shareholders of Genius, and for a reverse take-over (the “**Reverse Take-Over**”) involving Cerro de Pasco Resources S.A. (“**Cerro de Pasco**”), following which the name of Genius will be changed to “Cerro de Pasco Resources Inc.” (the “**Resulting Issuer**”). After the Spin-Off and Reverse Take-Over, current Shareholders of Genius will become shareholders of SpinCo, which will carry on Genius’ current mining exploration business, as well as shareholders of the Resulting Issuer, which will carry on the mining processing and development activities of Cerro de Pasco in Peru.

Following the Spin-Off, the Board of Directors of SpinCo will be comprised of: Guy Goulet, John Geoffrey Booth and Hubert Vallée. The officers of SpinCo will be Guy Goulet (President and Chief Executive Officer) and Robert Boisjoli (Chief Financial Officer).

Following the Reverse Take-Over, the Board of Directors of the Resulting Issuer will be comprised of: Guy Goulet, John Geoffrey Booth, Steven Allen Zadka, Frank Hodgson, Manuel Lizandro Rodriguez Mariategui Canny and Keith Philip Brill.

The officers of the Resulting Issuer will be Guy Goulet (President and Chief Executive Officer), Steven Allen Zadka (Executive Chairman of the Board) and Robert Boisjoli (Chief Financial Officer).

Completion of the Spin-Off and the Reverse Take-Over (collectively, the “**Proposed Transaction**”) is subject to a number of conditions, including but not limited to, shareholder’s and Canadian Securities Exchange’s approval. The Proposed Transaction cannot be completed unless the required shareholders’ approval is obtained and will only be completed if both the Spin-Off and the Reverse Take-Over are approved. There can be no assurance that the Proposed Transaction will be completed as proposed or at all.

The enclosed Circular contains supplementary information on the Spin-Off and the Reverse Take-Over, as detailed under the heading “*Description of the Proposed Transaction*”.

The Board of Directors of Genius unanimously supports the Spin-Off and Reverse Take-Over on the basis that they are fair to and in the best interests of Genius’ Shareholders, and looks forward to Genius’ new direction.

Montréal, Québec, June 6, 2018.

BY ORDER OF THE BOARD OF DIRECTORS

(s) *Guy Goulet*

President and Chief Executive Officer



NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT an annual and special meeting of the shareholders (the “**Meeting**”) of Genius Properties Ltd. (the “**Corporation**”) will be held at the offices of Lavery, de Billy, L.L.P., 1 Place Ville Marie, Suite 4000, Montréal, Québec on July 6, 2018 at 9:30 a.m. (Montréal time) for the following purposes:

1. to receive the financial statements of the Corporation for the fiscal year ended December 31, 2017 and the auditors' report thereon;
2. to elect the directors of the Corporation for the forthcoming year;
3. to reappoint Raymond Chabot Grant Thornton LLP, Chartered Accountants, as auditors of the Corporation and to authorize the directors to fix the auditors' remuneration;
4. to consider and, if thought advisable, to pass, with or without amendment, a special resolution (the “**Spin-Off Resolution**”) approving the transfer of substantially all of the assets and all of the liabilities of the Corporation (the “**Spin-Off**”) to Genius Metals Inc. / Métaux Genius Inc. (“**SpinCo**”) substantially in accordance with the terms of an Asset Transfer Agreement between Genius and SpinCo (the “**Asset Transfer Agreement**”) annexed as Schedule B to the management information circular dated June 6, 2018 (the “**Circular**”);
5. to consider and if thought advisable, to pass, with or without amendment, a resolution (the “**Debt Settlement Resolution**”) approving the settlement of debts of the Corporation in exchange for shares in the capital of SpinCo (the “**Debt Settlement**”), the terms of which are more particularly described in the Circular;
6. subject to the approval of the Spin-Off Resolution, to consider and, if thought advisable, to pass, with or without amendment, a resolution (the “**Reverse Take-Over Resolution**”) approving a reverse take-over (the “**Reverse Take-Over**”) involving the Corporation and Cerro de Pasco Resources S.A. (“**Cerro de Pasco**”) substantially in accordance with the terms of a Merger Agreement dated November 9, 2017, as amended on February 28, 2018 and June 6, 2018, among the Corporation and Cerro de Pasco (the “**Merger Agreement**”);
7. subject to the approval of the Reverse Take-Over Resolution, to consider and if thought advisable, to pass, with or without amendment, a special resolution (the “**Change of Name Resolution**”) approving an amendment to the Articles of the Corporation so as to change its corporate name to “Cerro de Pasco Resources Inc. / Ressources Cerro de Pasco Inc.”, as more particularly described in the Circular; and
8. to transact such other business that may properly be brought before the meeting or any postponement or adjournment thereof.

The Circular and the form of proxy (the “**Proxy**”) prepared in respect of the Meeting accompany this notice. The enclosed Circular contains supplementary information on matters to be discussed at the Meeting, as detailed under the heading “**MATTERS TO BE ACTED UPON AT THE MEETING**”, and is hereby deemed to be an integral part of this notice.

Your participation is important to us. In the event you cannot attend, we urge you to express your support by voting, using your Proxy in advance of the Meeting, on the various proposals that will be put forward at the Meeting.

Registered shareholders have the right to dissent with respect to the Spin-Off Resolution and, if the Spin-Off becomes effective, to be paid the fair value of their common shares in accordance with the provisions of section 190 of the *Canada Business Corporations Act* (the “CBCA”). A dissenting shareholder must send to the Corporation a written objection to the Spin-Off Resolution, which written objection must be received by the Secretary of the Corporation or the Chairman of the Meeting at or before the Meeting. The right to dissent is more particularly described in the accompanying Circular and the text of section 190 of the CBCA is set out as Schedule C to the Circular. **Failure to strictly comply with the requirements set out in section 190 of the CBCA may result in the loss of any right of dissent. Only registered shareholders are entitled to dissent.**

Proxies, to be valid, must be deposited at the office of the registrar and transfer agent of the Corporation, Computershare Investor Services Inc., at 1500 University Street, 7th Floor, Montréal, Québec H3A 3S8, no later than 9:30 a.m. (Montréal Time) on July 4, 2018.

You are entitled to vote at the meeting and any postponement or adjournment thereof if you owned common shares of the Corporation at the close of business on May 8, 2018. For more information on how you may vote, please refer to the section titled “VOTING INFORMATION” of the Circular.

Montréal, Québec, June 6, 2018.

BY ORDER OF THE BOARD OF DIRECTORS

(s) Guy Goulet

President and Chief Executive Officer

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GLOSSARY OF TERMS

The following glossary of terms used in this Circular is provided for ease of reference. In this Circular, unless otherwise noted, all dollar amounts are expressed in Canadian dollars.

“Asset Transfer Agreement”	means the Asset Transfer Agreement dated June 6, 2018 between Genius and SpinCo, annexed to this Circular as Schedule B.
“BranchCo”	means Genius Properties Sucursal del Perú, the Peruvian branch established by Genius for the sole purpose of the Proposed Transaction.
“Cash Contribution”	means the cash contributions to be made by Genius to Cerro de Pasco in the form of loans in an aggregate amount of US\$2,500,000, in accordance with the terms of the Merger Agreement.
“CBCA”	means the <i>Canada Business Corporations Act</i> , as amended from time to time, including the regulations promulgated thereunder.
“CEO”	means Chief Executive Officer.
“Cerro de Pasco”	means Cerro de Pasco Resources S.A.
“Cerro de Pasco Shares”	means shares in the capital of Cerro de Pasco.
“Cerro Shareholders”	means holders of Cerro de Pasco Shares at the time of effectiveness of the Merger.
“CFO”	means Chief Financial Officer.
“Change of Name Resolution”	means the special resolution of Genius Shareholders in the form included in this Circular, approving the change of corporate name of Genius, to be voted on at the Meeting.
“Circular”	means this management information circular prepared in connection with the Meeting, including all schedules hereto.
“Computershare”	means Computershare Investor Services Inc.
“Dissenting Shareholders”	means Genius Shareholders who validly exercise the rights of dissent provided to them pursuant to the CBCA.
“Dissent Notice”	means a written objection to the Spin-Off Resolution made by a registered Genius Shareholder in accordance with the dissent procedure set out in section 190 of the CBCA.
“DRS Advice”	means a written statement evidencing that the SpinCo Shares are issued and recorded electronically in the Direct Registration System maintained by SpinCo’s transfer agent.
“Effective Date”	means such date as Genius and Cerro de Pasco may mutually agree upon for the Spin-Off and Reverse Take-Over to become effective, subject to the approval of applicable regulatory authorities, provided, however, that such date shall be no later than August 31, 2018.
“Exchange”	means the Canadian Securities Exchange.
“Genius”	means Genius Properties Ltd.
“Genius Properties”	means all assets and properties of Genius, namely: the Robelin property (Québec), the Sakami property (Québec), the Dissimieux Lake property (Québec), the Blockhouse Gold property (Nova Scotia) and the Mt. Cameron Property (Nova Scotia).

“Genius Shareholders”	means holder of Genius Shares.
“Genius Shares”	means common shares in the capital stock of Genius.
“Genius Stock Option Plan”	means the 2016 stock option plan of Genius.
“Genius Stock Options”	means stock options granted by Genius pursuant to the Genius Stock Option Plan.
“Genius Warrants”	means the common share purchase warrants and the broker common share purchase warrants issued by Genius, each of which entitle the holder thereof to purchase one Genius Share at a price of \$0.25 until December 8, 2018, December 30 2018 and April 27, 2019.
“Listing Statement”	means the listing statement of Genius relating to the Proposed Transaction dated June 6, 2018 prepared in accordance with Form 2A of the Exchange and available on Genius’ profile at www.sedar.com .
“Main Genius Properties”	means the Robelin property (Québec) and the Sakami property (Québec), a narrative description of which is annexed to the Circular as Schedule F.
“Meeting”	means the annual and special meeting of Genius Shareholders to be held on July 6, 2018 at 9:30 a.m. (Montréal time) at the offices of Lavery, de Billy, L.L.P., 1 Place Ville Marie, Suite 4000, Montréal, Québec , H3B 4M4.
“Merger Agreement”	means the Merger Agreement dated November 9, 2017, as amended on February 28, 2018, among Genius and Cerro de Pasco , available on the Corporation’s profile at www.sedar.com .
“NEO”	means Named Executive Officers of the Issuer or the Resulting Issuer, as applicable, namely the CEO or an officer acting in a similar capacity, the CFO and each of the three most highly compensated executive officers whose total compensation was more than \$150,000.
“Property”	means the main asset of Cerro de Pasco, being the mining concession called El Metalurgista, identified with code No. 04012094X01 and recorded in file 20002396 of the Public Registry of Mining Rights of the Public Registry Office of Huancayo. The Property is located at the District of Simon Bolivar, Province of Pasco, Department of Pasco, Peru.
“Proposed Transaction”	means the Spin-Off and the Reverse Take-Over, collectively.
“Resulting Issuer”	means Genius, which will change its Corporate name to “Cerro de Pasco Resources Inc. / Ressources Cerro de Pasco Inc.” or such other name as may be selected by the director, of Genius in their discretion following completion of the Reverse Take-Over.
“Resulting Issuer Shareholder”	means a holder of Resulting Issuer Shares.
“Resulting Issuer Shares”	means common shares in the capital stock of Resulting Issuer.
“Resulting Issuer Warrants”	means the Genius Warrants after the Effective Time.
“Record Date”	means May 8, 2018.
“Reverse Take-Over”	means the proposed reverse take-over involving Genius and Cerro de Pasco in accordance with the Merger Agreement, pursuant to which, among other things, Genius, through BranchCo, will merge with Cerro de Pasco and issue Genius Shares to existing security holders of Cerro de Pasco, as a result of which the merged entity will be a wholly-owned subsidiary of Genius and existing security holders of Cerro de Pasco will become security holders of Genius.

“Reverse Take-Over Resolution”	means the resolution of Genius Shareholders in the form included in this Circular, approving the Reverse Take-Over, to be voted on at the Meeting.
“SpinCo”	means Genius Metals Inc. / Métaux Genius Inc.
“SpinCo Private Placement”	means a private placement of a minimum of SpinCo Shares for gross proceeds to SpinCo of a minimum of \$750,000 and a maximum of \$3,000,000.
“SpinCo Shares”	means common shares in the capital stock of SpinCo.
“Spin-Off”	means the proposed transfer of substantially all of the assets and all of the liabilities of Genius to SpinCo in exchange for SpinCo Shares, and the distribution of a portion of the SpinCo Shares to Genius Shareholders.
“Spin-Off Resolution”	means the special resolution of Genius Shareholders in the form included in this Circular, approving the Spin-Off, to be voted on at the Meeting.
“Tax Act”	means the Income Tax Act (Canada).
“TSXV”	means the TSX Venture Exchange.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

The information provided in this Circular, including information incorporated by reference, may contain “forward-looking information” and “forward-looking statements” (the “**forward-looking statements**”), within the meaning of applicable securities legislation, about Genius Properties Ltd. (the “**Corporation**”) and Cerro de Pasco Resources S.A. (“**Cerro de Pasco**”).

In addition, the Corporation may make or approve certain statements in future filings with Canadian securities regulatory authorities, in press releases, or in oral or written presentations by representatives of the Corporation that are not statements of historical fact and may also constitute forward-looking statements. All statements, other than statements of historical fact, made by the Corporation that address activities, events or developments that the Corporation expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as “may”, “will”, “would”, “could”, “should”, “believes”, “estimates”, “projects”, “potential”, “expects”, “plans”, “intends”, “anticipates”, “targeted”, “continues”, “forecasts”, “designed”, “goal”, or the negative of those words or other similar or comparable words.

Forward-looking statements may relate to future financial conditions, results of operations, plans, objectives, performance or business developments, future price of commodities, the estimation of mineral resources; regulatory compliance, capital expenditures, planned exploration activities, including but not limited to costs and timing of development of new deposits and future acquisitions or properties or mineral rights, the interpretation of geological information; the payment of net smelter royalties; permitting time lines, currency fluctuations, requirements for additional capital, including but not limited to, future financings, future profitability, governmental regulation of mining operations, the obtaining of required licences, permits and regulatory approvals, reclamation expenses and the acquisition of new properties. These statements speak only as at the date they are made and are based on information currently available and on the then current expectations and beliefs of the Corporation and assumptions concerning future events, which are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from that which was expressed or implied by such forward-looking statements, including, but not limited to, risks and uncertainties related to:

- the speculative and competitive nature of resource exploration, development and operations;
- the availability of financing opportunities, risks associated with business and economic conditions such as changes in metal prices, dependence on management and conflicts of interest;

- accidents, labour disputes, inability to obtain third party contracts, equipment, supplies, appropriate permits or other governmental approvals, and other risks of the mining industry generally and specifically in Peru; and
- other risks described in this Circular and described from time to time in documents filed by the Corporation with Canadian securities regulatory authorities.

The forward-looking statements contained herein are based on certain key expectations and assumptions, including: (a) expectations and assumptions concerning timing of receipt of required shareholder and regulatory approvals and any applicable third party consents, if any; and (b) expectations and assumptions concerning the success of the operation of the Corporation. Although the Corporation believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements, because no assurance can be given that they will prove to be correct.

Consequently, all forward-looking statements made in this Circular and other documents of the Corporation are qualified by such cautionary statements and there can be no assurance that the anticipated results or developments will actually be realized or, even if realized, that they will have the expected consequences to or effects on the Corporation. The cautionary statements contained or referred to in this section should be considered in connection with any subsequent written or oral forward-looking statements that the Corporation and/or persons acting on the Corporation's behalf may issue. The Corporation undertakes no obligation to update or revise any forward-looking statements, other than as required under securities legislation.

Information Concerning Cerro de Pasco

The information contained or referred to in this Circular relating to Cerro de Pasco has been furnished by Cerro de Pasco. In preparing this Circular, the Corporation has relied upon Cerro de Pasco to ensure that the Circular contains full, true and plain disclosure of all material facts relating to Cerro de Pasco. Although the Corporation has no knowledge that would indicate that any statements contained herein concerning Cerro de Pasco are untrue or incomplete, neither the Corporation nor any of its principals assumes any responsibility for the accuracy or completeness of such information or for any failure by Cerro de Pasco to ensure disclosure of events or facts that may have occurred which may affect the significance or accuracy of any such information.

MANAGEMENT INFORMATION CIRCULAR

This management information circular (the "**Circular**") is provided in connection with the solicitation of proxies by the management ("**Management**") of Genius Properties Ltd. (the "**Corporation**" or "**Genius**") for use at the annual and special meeting (the "**Meeting**") of the holders of preferred and common shares of the Corporation (the "**Genius Shares**" and the holders of the Genius Shares, the "**Shareholders**"), to be held on June [21], 2018 at the time and place and for the purposes set forth in the accompanying notice of meeting ("**Notice of Meeting**") and at any adjournment thereof. Unless otherwise noted, information in this Circular is given as at June 6, 2018. If you cannot attend the Meeting in person, complete and return the enclosed form of proxy ("**Proxy**") following the instructions therein.

The enclosed Proxy is being solicited by the management of the Corporation and the costs of this solicitation will be borne by the Corporation. The solicitation will be conducted primarily by mail but proxies may also be solicited personally by officers, employees or agents of the Corporation, without additional compensation. The Corporation shall, upon request, reimburse brokers and other persons holding Genius Shares of the Corporation on their behalf or on behalf of nominees, for reasonable costs incurred in sending the proxy documents to Shareholders.

SUMMARY OF THE PROPOSED TRANSACTION

At the Meeting, you will be asked to consider and vote upon operations in connection with a proposed arm's length fundamental change of the Corporation within the meaning of Policy 8 - Fundamental Changes & Changes of Business of the Canadian Securities Exchange (the "**Exchange**"), all as more particularly described below and under Schedule A hereto "*Description of the Proposed Transaction*". More details can also be found in the listing statement dated June 6, 2018 (the "**Listing Statement**") filed by the Corporation in connection with the Proposed Transaction, which is available on the Corporation's profile at www.sedar.com.

Management of Genius seeks your approval for a proposed "spin-off" (the "**Spin-Off**") of all of the mining properties of Genius to Genius Metals Inc. / Métaux Genius Inc., a new wholly-owned subsidiary of Genius incorporated under the laws of Canada ("**SpinCo**") and the distribution of the shares of SpinCo to the Shareholders of Genius, and for a reverse take-over (the "**Reverse Take-Over**") involving Cerro de Pasco Resources S.A. ("**Cerro de Pasco**"), following which the name of Genius will be changed to "Cerro de Pasco Resources Inc." (the "**Resulting Issuer**"). After completion of the Spin-Off and Reverse Take-Over (collectively, the "**Proposed Transaction**"), current Shareholders of Genius will become shareholders of SpinCo, which will carry on Genius' current mining exploration business, as well as shareholders of the Resulting Issuer, which will carry on the mining processing and development activities of Cerro de Pasco in Peru.

Completion of the Proposed Transaction is subject to a number of conditions, including but not limited to, approvals of shareholders and of the Exchange. The Proposed Transaction cannot be completed unless the required shareholders' approval is obtained. There can be no assurance that the Proposed Transaction will be completed as proposed or at all.

The Board of Directors of Genius unanimously supports the Spin-Off and Reverse Take-Over on the basis that they are fair to and in the best interests of Genius' Shareholders, and looks forward to Genius' new direction.

1. PROPOSED SPIN-OFF

Subject to Genius Shareholders approval, Genius will transfer substantially all of its assets and all of its liabilities to SpinCo. In consideration for such transfer, SpinCo will issue to Genius 9,797,790 SpinCo Shares at a deemed issue price of \$0.526 per share having an aggregate value of approximately \$5,150,000. The terms and conditions of the foregoing transaction are set out in the Asset Transfer Agreement annexed to this Circular as Schedule B.

Genius will distribute the 9,797,790 SpinCo Shares to Genius Shareholders, on the basis of one SpinCo Share for six Genius Share held on the record date for such distribution, which record date will be immediately prior to the completion of the Reverse Take-Over. None of the SpinCo Shares will be retained by Genius. No certificates or DRS Advices for fractional SpinCo Shares will be issued and fractional SpinCo Shares will be rounded down and no Genius Shareholder will be entitled to any compensation in respect of fractional SpinCo Shares. No Genius Shareholders will be eliminated from SpinCo or the Resulting Issuer as a result of the proposed Spin-Off or Reverse Take-Over.

In order to qualify to list its shares on a stock exchange, SpinCo will effect a private placement of SpinCo Shares for gross proceeds to SpinCo of a minimum of \$750,000 and a maximum of \$3,000,000 (the "**SpinCo Private Placement**"). Current Genius Shareholders will hold approximately 87.3% of the SpinCo Shares in the event of a minimum SpinCo Private Placement and approximately 63.2 % of the SpinCo Shares in the event of a maximum SpinCo Private Placement, and (ii) new investors will hold approximately 12.7% of the SpinCo Shares in the event of a minimum SpinCo Private Placement and approximately 36.8 % of the SpinCo Shares in the event of a maximum SpinCo Private Placement.

Following completion of the Spin-Off and Reverse Take-Over, including completion of the SpinCo Private Placement, SpinCo estimates that it will have approximately \$712,500 in available funds in the case of a

minimum SpinCo Private Placement and \$2,850,000 in available funds in the case of a maximum SpinCo Private Placement. The expenses of the Spin-Off and SpinCo Private Placement are estimated at \$37,500 in the case of a minimum SpinCo Private Placement and \$150,000 in the case of a maximum SpinCo Private Placement.

Following the Spin-Off, the Board of Directors of SpinCo will be comprised of: Guy Goulet, John Geoffrey Booth and Hubert Vallée. The officers of SpinCo will be Guy Goulet (President and Chief Executive Officer) and Robert Boisjoli (Chief Financial Officer).

As the Spin-Off constitutes a sale or exchange of all or substantially all the property of Genius, Genius' Shareholders' approval for the Spin-Off is required under section 189 of the CBCA by way of special resolution.

Completion of the Spin-Off is conditional, among other things, upon completion of the SpinCo Private Placement and the Reverse Take-Over. Upon completion of the Spin-Off, SpinCo will carry on the business currently conducted by Genius, namely, acquiring and exploring mining properties of merit in Canada and expects to list the common shares of SpinCo on a stock exchange such that SpinCo becomes a distinct public entity.

The Asset Transfer Agreement contains customary representations and warranties for transactions of this nature, including representations and warranties that Genius and SpinCo are in compliance with all applicable laws and are otherwise legally capable of entering into the Asset Transfer Agreement and completing the Spin-Off. The Asset Transfer Agreement also sets out a number of conditions. See the section of this Circular titled "*The Asset Transfer Agreement*".

2. PROPOSED REVERSE TAKE-OVER

Cerro de Pasco and Genius will effect the Reverse Take-Over by merging Cerro de Pasco with a branch of Genius established under Peruvian laws ("**BranchCo**"), such that existing security holders of Cerro de Pasco will become security holders of Genius. In accordance with the terms of the merger agreement entered into by Genius and Cerro de Pasco on November 9, 2017 and amended on February 28, 2018 (the "**Merger Agreement**"), Genius shall (i) issue a sufficient number of Genius Shares to allow the current shareholders of Cerro De Pasco ("**Cerro Shareholders**") to hold, after such issuance, in the aggregate, 75% (subject to an increase as described below) of the total number of Genius Shares issued and outstanding after the Proposed Transaction and (ii) make a cash contribution in the form a loan (the "**Cash Contribution**") to Cerro de Pasco in an aggregate amount of US\$2,500,000.

The percentage of Genius Shares to be held by the Cerro Shareholders may be increased pro rata if the Cash Contribution made by Genius is of a total amount of less than US\$2,500,000. As a result of the Proposed Transaction, the board of directors of Genius shall be comprised of six directors, four of which will be appointed by Cerro de Pasco and two of which will be current directors of Genius.

Upon completion of the Reverse Take-Over, the Resulting Issuer's business will be that of Cerro de Pasco, namely the exploration and development of the mining concession called El Metalurgista, identified with code No. 04012094X01 and recorded in file 20002396 of the Public Registry of Mining Rights of the Public Registry Office of Huancayo (the "**Property**").

The Merger Agreement provides that at the closing of the Reverse Take-Over, (i) Genius will, through BranchCo, merge with Cerro de Pasco and issue Genius Shares to existing security holders of Cerro de Pasco, as a result of which the merged entity will be a wholly-owned subsidiary of Genius and existing security holders of Cerro de Pasco will become security holders of Genius, and (ii) Genius will change its corporate name to "Cerro de Pasco Resources Inc. / Ressources Cerro de Pasco Inc." referred to in this Circular as the "Resulting Issuer".

Based on the 58,786,744 Genius Shares currently issued and outstanding, there will be 235,146,976 Resulting Issuer Shares issued and outstanding after the closing of the Proposed Transaction, of which: (i)

the Cerro Shareholders will hold 176,360,232 shares (75%) and (ii) current Genius Shareholders will hold 58,786,744 shares (25%).

There are outstanding Genius Options entitling their holders to purchase an aggregate of 80,000 Genius Shares at exercise prices of \$0.25 with an expiry date of September 9, 2021. There are outstanding Genius Warrants entitling their holders to purchase an aggregate of 13,385,711 Genius Shares at exercise price of \$0.25.

The Merger Agreement contains customary representations and warranties for transactions of this nature, including representations and warranties that Genius and Cerro de Pasco are in compliance with all applicable laws and are otherwise legally capable of entering into the Merger Agreement and completing the Reverse Take-Over. The Merger Agreement also sets out a number of conditions. See the section of this Circular titled “*The Merger Agreement*”.

3. PROPOSED CHANGE OF NAME

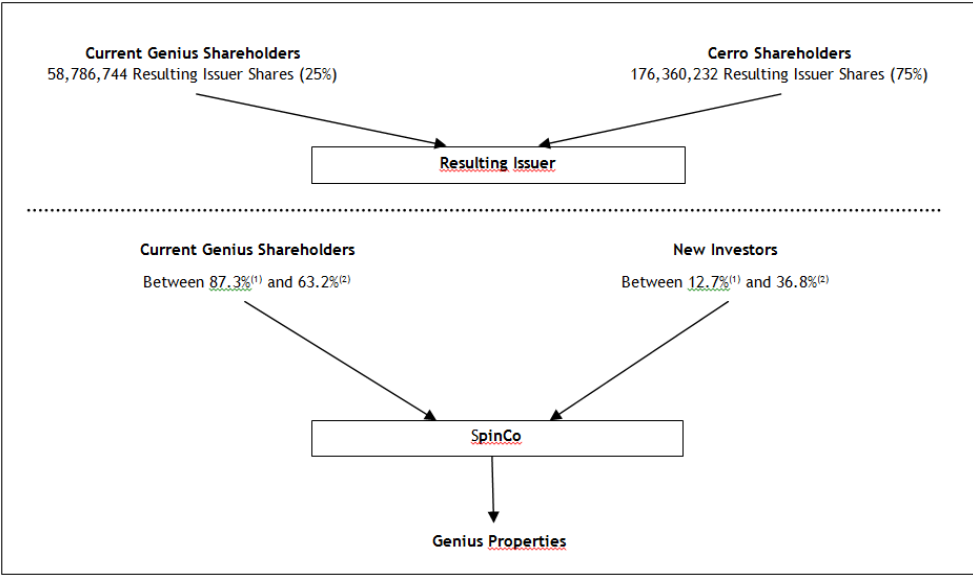
If the Reverse Take-Over Resolution is adopted, Genius Shareholders will be asked to approve the Change of Name Resolution included this Circular, approving a change of corporate name to “Cerro de Pasco Resources Inc. / Ressources Cerro de Pasco Inc.” or other similar name, in order to reflect the Reverse Take-Over. See “*Matters to be Acted Upon at the Meeting - Change of Name Resolution*”.

4. PROPOSED DEBT SETTLEMENT

The Corporation currently has outstanding debts for unpaid services performed by Hubert Vallée, current director of the Corporation, Isabelle Gauthier, former CFO of the Corporation, and Liette Nadon (collectively, the “**Creditors**”). The Corporation has entered in an agreement with each of the Creditors providing for the settlement of the outstanding debts, subject to the approval of the Genius Shareholders, in consideration for the issuance of common shares in the capital of SpinCo at the offering price under the SpinCo Private Placement.

5. CORPORATE STRUCTURE

The following chart sets out the structure of SpinCo and the Resulting Issuer after completion of the Spin-Off and Reverse Take-Over, assuming that there are 58,786,744 Genius Shares issued and outstanding and a SpinCo Private Placement in a minimum amount of \$750,000 and in a maximum amount of \$3,000,000.



Notes:

- (1) Assuming the minimum SpinCo Private Placement.
- (2) Assuming the maximum SpinCo Private Placement.

6. PRO FORMA FINANCIAL INFORMATION

The unaudited pro forma condensed consolidated financial statements of SpinCo are annexed to this Circular as Schedule D. The unaudited pro forma consolidated financial statements of the Resulting Issuer are annexed to this Circular as Schedule E. More financial information regarding the Corporation, Cerro de Pasco and the Resulting Issuer can be found in the Listing Statement filed by the Corporation in connection with the Proposed Transaction, which is available on the Corporation's profile at www.sedar.com.

7. STOCK EXCHANGE LISTING AND APPROVAL

The Genius shares are listed on the Exchange under the symbol "GNI". Closing of the Spin-Off and Reverse Take-Over is conditional upon the listing of both SpinCo's Shares and the Resulting Issuer's Shares on the Exchange. Genius has applied to the Exchange for approval of the Spin-Off and Reverse Take-Over and for the listing of SpinCo's Shares and the Resulting Issuer's Shares on the Exchange upon completion of the Spin-Off and Reverse Take-Over.

8. MARKET PRICE

The last trading price of the Genius Shares on the Exchange prior to the public announcement of the Spin-Off and Reverse Take-Over on November 9, 2017 was \$0.16. Trading in Genius Shares was halted on November 9, 2017 in accordance with the policies of the Exchange. The Genius Shares will resume trading as soon as Genius meets the conditions for the listing of the Exchange described below under STOCK EXCHANGE LISTING. SpinCo is not currently listed on a stock exchange and there is no market for its securities. It is anticipated that the SpinCo Shares will begin trading on the Exchange upon completion of the Spin-Off and Reverse Take-Over under the symbol "GNI". The Resulting Issuer Shares will then continue trading under the new symbol "CDPR".

9. CONFLICTS OF INTEREST

Certain of the directors and officers of both Genius and Cerro de Pasco are also directors, officers and/or promoters of other reporting and non-reporting issuers, including those engaged in mining exploration activities. As of the date of this Circular, and to the knowledge of the directors and officers of Genius and Cerro de Pasco, there are no existing conflicts of interest between Genius, Cerro de Pasco and any of these individuals.

10. ARM'S-LENGTH PARTIES

Cerro de Pasco and Genius are at arm's-length and the Reverse Take-Over is an arm's-length transaction.

11. INTERESTS OF INSIDERS, PROMOTERS OR CONTROL PERSONS

The directors and executive officers of Genius currently hold 3,912,210 Genius Shares. No insider, promoter or control person of Genius and no associate or affiliate of the same, has any interest in the Reverse Take-Over and Spin-Off other than (i) which arises from their holdings of Genius Shares, and (ii) their respective anticipated position with SpinCo and the Resulting Issuer.

It is anticipated that Guy Goulet, current director, President and Chief Executive Officer of Genius, will be the President and Chief Executive Officer, until a successor is found, duly elected or appointed, and a director of SpinCo and that the board of directors of SpinCo will also be comprised of John Geoffrey Booth and Hubert Vallée, current directors of Genius.

It is also anticipated that Guy Goulet will be President, Chief Executive Officer and a director of the Resulting Issuer.

12. INTEREST OF EXPERTS AND CONSULTANTS

No person or company who is named as having prepared or certified a part of the Circular or prepared or certified a report or valuation described or included in the Circular has, or will have upon completion of the Spin-Off and Reverse Take-Over, any direct or indirect interest in SpinCo or the Resulting Issuer.

13. STOCK EXCHANGE LISTING

On May 25, 2018, the Exchange conditionally approved the Spin-Off, Reverse Take-Over and the listing of SpinCo Shares and the Resulting Issuer Shares on the Exchange, subject only to Shareholders approval and completion of the Proposed Transaction as described in the Listing Statement, completion of any and all outstanding Exchange's application documentation and payment of fees pursuant to the policies of the Exchange, and compliance with any other standard requirements of the Exchange. Any failure by SpinCo or the Resulting Issuer to comply with the standard requirements of the Exchange would result in the SpinCo Shares and the Resulting Issuer Shares, respectively, not being listed on the Exchange.

14. RISK FACTORS

AN INVESTMENT IN SECURITIES OF SPINCO OR THE RESULTING ISSUER FOLLOWING THE COMPLETION OF THE SPIN-OFF AND REVERSE TAKE-OVER IS HIGHLY SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK AND SHOULD BE MADE ONLY BY INVESTORS WHO CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT.

An investment in a mining exploration company such as SpinCo or the Resulting Issuer involves a significant degree of risk, including risks related to cash flow and liquidity, the ongoing need for financing, a volatile stock price, operational risks and costs, regulatory matters and environmental legislation, risks related to property contracts, regulatory and permitting delays, fluctuation of key indicators such as precious and base mineral prices and interest and exchange rates, mining industry risk, and competition for key personnel. Genius Shareholders should consider that SpinCo may not realize the anticipated benefits of the Spin-Off and that the Resulting Issuer may not realize the anticipated benefits of the Reverse Take-Over. For a comprehensive discussion of the relevant risk factors, please refer to the Listing Statement available on the Corporation's profile at www.sedar.com.

15. REQUIRED APPROVALS

As the Spin-Off constitutes a sale or exchange of all or substantially all the property of Genius, Genius Shareholder approval for the Spin-Off is required under section 189 of the CBCA by way of special resolution, passed by not less than two-thirds of the votes cast at the Meeting by Genius Shareholders. In order for the Reverse Take-Over to be approved, the Reverse Take-Over Resolution must be passed by a majority of the votes cast at the Meeting by Genius Shareholders. In order for the Change of Name Resolution to be adopted, it must be passed by at least two-thirds of the votes cast at the Meeting by Genius Shareholders. In order for the Debt Settlement to be approved, the Debt Settlement Resolution must be passed by a majority of the votes cast by disinterested shareholders present in person or by proxy at the Meeting.

16. PROPOSED DIRECTORS AND SENIOR OFFICERS OF THE RESULTING ISSUER

If the requisite shareholder and regulatory approvals are obtained, the Proposed Transaction is expected to close on or about August 31, 2018. Upon closing of the Proposed Transaction, directors and senior officers of the Resulting Issuer shall be the following persons:

Guy Goulet

Mr. Guy Goulet, proposed President, Chief Executive Officer and director of the Resulting Issuer, has been the President, the Chief Executive Officer and a director of the Corporation since April 6, 2017. Mr. Goulet, is a geological engineer, who graduated from Ecole Polytechnique de Montréal in 1986. He has been active in the mining sector for more than 30 years and is a member of the Ordre des Ingénieurs du Québec. From 1995 to 2000 he has been a member of the Board and CEO of five publicly traded Canadian mining companies. He has been co-credited for the restart of the Wrightbar gold mine in Val d'Or, Québec in 1996. In parallel, he has conducted in collaboration with Hydro-Québec (LTD division) and Group STAS the only project leading to the production of lithium metal from high purity lithium carbonate. From 2000 to 2008, he served as co-founder, president and chairman of H2O Innovation Inc., a water treatment company that manufactures and installs integrated systems for various markets. He joined Maya Gold & Silver Inc. as President and CEO from November 2008 to June 2017 and was co-credited for the restart of the Zgounder silver mine in Morocco. During his career, Mr. Goulet capital raised over \$150 million through the TSX Venture Exchange (the "TSXV").

John Geoffrey Booth

Mr. John Geoffrey Booth, proposed director of the Resulting Issuer, has been a director of the Corporation since June 22, 2017. Mr. Booth holds a BSc(Hons) in biology and environmental science, both Canadian and US law degrees (LLB, JD) and a Masters in international finance, tax and environmental law from King's College, University of London (LLM). He is called to bars of Ontario, New York and District of Columbia and has over 25 years of international experience in financial services as an investment banker, broker, strategy consultant, fund manager, director and chief executive officer. He has worked with Merrill Lynch International, ICAP, ABN AMRO Bank NV, CIBC, the World Bank, Climate Change Capital and Conservation Finance International over his career and has also co-founded three financial services businesses, the most recent being Midpoint Holdings Ltd. the world's first peer to peer foreign exchange netting and international payments platform which he listed on the TSXV in 2013, and where he served as Chairman and CEO until December of 2015. Mr. Booth currently serves as the non-executive Chairman of Laramide Resources Ltd. (TSX/ASX), the non-executive Chairman of European Electric Metals (TSXV), and as a non-executive director and head of the Audit committee of Cub Energy Ltd. (TSXV). He has served as a nominee non-executive director for the European Bank for Reconstruction and Development nominee and as a non-executive director of the Ottawa RiverKeeper environmental charity. Mr. Booth resides in London, UK.

Steven Allen Zadka

Mr. Steven Allen Zadka, proposed Executive Chairman of the Board and director of the Resulting Issuer, is a visionary entrepreneur and investor. Mr. Zadka started his career over 15 years ago with a simple task in mind of utilizing financial strength to realize commercial potential of an asset where value is understood. With his vision he has come to the forefront of the natural resources and mining industries in his current executive role at Cerro de Pasco. Over the years Mr. Zadka has orchestrated strategy for dozens of projects around the globe in energy and resource development. Mr. Zadka also has extensive experience in Investment banking, capital markets, M&A, and corporate finance. Mr. Zadka currently holds the title of Managing director at Sunrise Securities LLC / Trump Securities LLC, a New York City based Investment Bank. Prior to that Mr. Zadka was an investment banker at Adar Capital Advisors, Associate at Casimir Capital LP, and senior consultant at Mine Management. Mr. Zadka has spent a significant amount of time in South America. Mr. Zadka holds a B.S. from Baruch College in New York City.

Frank Hodgson

Mr. Frank Hodgson, proposed director of the Resulting Issuer, has over 30 years' experience in the Central London residential property market as a developer and investor. Mr. Hodgson's years of experience in the Central London residential market started in the 1980's Docklands boom, trading hundreds of properties as a principal. Mr. Hodgson then pioneered the 'Swale Project' a major scheme in Kent with partners,

Bovis, Medway Port Authority, Bowater and UK Paper providing 2000 homes, a 250 acre extension to the existing Sheerness Docks and 300 acres of Business Park working closely with Central Government to improve road links to the region. Thereafter Mr. Hodgson took full advantage of the last property correction in the early 1990's by acquiring £200m of distressed opportunities from liquidators, banks and other forced sellers in Central London extending leases, refurbishing, redeveloping, managing and finally disposing, for an average return in excess of 15% p.a. Mr. Hodgson is now a corporate investor via Small Private Equity Companies based in Mayfair London.

Manuel Lizandro Rodriguez Mariategui Canny

Mr. Manuel Lizandro Rodriguez Mariategui Canny, proposed director of the Resulting Issuer, is a Peruvian entrepreneur with more than 20 years of experience in the mining sector. He leads the board of directors of Austria Duvaz, a company with over 100 years of mining history. He is also CEO of Minera Valor, Executive Director of the Peruvian Aquaculture Company and President of the Investment and Risk Committee of Inversiones Don Lizandro. Manuel has succeeded in taking these companies to the forefront of technology, increasing its value through high productivity, as well as social and environmental responsibility.

Keith Philip Brill

Mr. Keith Philip Brill, proposed director and Corporate Secretary of the Resulting Issuer, has been a management consultant with Gartner, Inc. (NYSE: IT), the world's leading research and advisory company, since 2016. At Gartner, Inc., he advises commercial and public sector organizations on business and IT transformation programs involving technology modernization, strategic sourcing, organizational design and change, people/talent management and IT financial management. Prior to joining Gartner, Inc., Mr. Brill was a principal consultant for PA Consulting Group, Inc., a leading UK-based global consulting firm. There he worked with multinational Fortune 500 companies leading financial and operational aspects of IT outsourcing and operational efficiency projects across the health care, pharmaceutical and manufacturing sectors. Mr. Brill received an International Master of Business Administration (IMBA) from the Moore School of Business, University of South Carolina in May 2005. He graduated from the South Carolina Honors College, University of South Carolina in May 2003 with a Bachelor of Science, *magna cum laude*, major in Economics and Finance, minor in Spanish.

Robert Boisjoli

Mr. Robert Boisjoli (age: 60), proposed CFO of the Resulting Issuer, is a Fellow Chartered Professional Accountant, with over 30 years of operational and advisory experience. Mr. Boisjoli is currently the Chief Executive Officer of AKESOgen, Inc., an integrated genomics services company. He is also Chairman of Palos Management Inc. and managing director of Atwater Financial Group, a company specializing in mergers and acquisitions, and a partner at Robert Boisjoli & Associates S.E.C., a consulting firm specializing mainly in business valuations. Robert has been the founder of two life science companies where he has acted as Chief Financial Officer, Chief Operating Officer and Chief Executive Officer. Mr. Boisjoli sits on the boards of directors of various public and private companies where he is also the audit committee chairman. He was also an investment banker with various Canadian securities' firms. Mr. Boisjoli also is a Board Member of various not-for-profit organizations in the community and within the profession.

17. RIGHT OF DISSENT

Pursuant to the CBCA, registered Genius Shareholders have the right to dissent with respect to the Spin-Off. In order to exercise its right to dissent, a registered Genius Shareholder must file a dissent notice (a "Dissent Notice") to the Spin-Off Resolution with Genius at or prior to the Meeting. Provided that the Spin-Off becomes effective, each such dissenting Shareholder will be entitled to be paid the fair value of its Genius Shares. See the section of this Circular titled "*Rights Of Dissenting Shareholders*".

For detailed information relating to the Proposed Transaction as well as relevant financial information pertaining to Genius, Cerro de Pasco and the Resulting Issuer, please refer to the Listing Statement available on the Corporation's profile at www.sedar.com.

Failure to pass the resolutions presented to the Shareholders at the Meeting could impede or prevent the completion of the Proposed Transaction.

VOTING INFORMATION

18. WHO CAN VOTE?

You have the right to vote if you owned Genius Shares of the Corporation on May 8, 2018 (the "Record Date"). Each Genius Share you own entitles you to one vote. Pursuant to the by-laws of the Corporation, business may be transacted at the Meeting if not less than two persons are present in person, each being a Shareholder entitled to vote thereat or a duly appointed proxy or representative representing not less than 5% of the outstanding Genius Shares carrying voting rights at the Meeting.

How to vote?

You can vote in person or by proxy. Voting by proxy means you are giving someone else the authority to attend the Meeting and vote your Genius Shares for you (called your proxyholder).

REGISTERED SHAREHOLDERS

You are a "Registered Shareholder" if the Genius Shares are registered in your name. This means that your name appears in the Shareholders' register maintained by our transfer agent, Computershare Trust Company of Canada ("Computershare"). You will have received a Proxy from Computershare. Complete, sign and mail your Proxy in the postage prepaid envelope provided or fax it to the number indicated on the form.

NON REGISTERED SHAREHOLDERS

You are a "Non Registered (or Beneficial) Shareholder" if your bank, trust company, securities broker or other financial institution or intermediary (your nominee) holds your Genius Shares for you in a nominee account. You will have received a request for voting instructions from your broker. Follow the instructions on your voting instruction form to vote by telephone, Internet or fax, or complete, sign and mail the voting instruction form in the postage prepaid envelope provided. **For more information, including how Non Registered Shareholders can vote in person at the Meeting, see the information below under the heading "Advice to Non Registered Shareholders" of this Circular.**

19. WHAT IF I COMPLETE THE PROXY ENCLOSED WITH THIS CIRCULAR?

The persons named in the enclosed Proxy are directors and officers of the Corporation. When you vote by Proxy, you are giving them the authority to vote your Genius Shares for you according to your instructions.

20. CAN I APPOINT SOMEONE ELSE TO VOTE MY GENIUS SHARES?

Yes. You can also appoint someone else to be your proxyholder. This person does not need to be a Shareholder. Strike out the names that are printed on the Proxy and print the name of the person you are appointing as your proxyholder in the space provided. Complete your voting instructions, sign and date the Proxy. Make sure the person you are appointing is aware that he or she has been appointed and attends the Meeting on your behalf. Your proxyholder should see a representative of Computershare when he or she arrives at the Meeting.

21. WHAT DO I DO WITH MY COMPLETED PROXY?

To be effective, we must receive your completed Proxy no later two full business days before the Meeting, or any adjournment or adjournments thereof, as applicable. You may also bring the Proxy to the Meeting and deliver it to the chairman of the Meeting prior to the commencement of the Meeting. The Proxy shall be in writing and executed by the Shareholder or such Shareholder's attorney authorized in writing, or if such Shareholder is a corporation, under its corporate seal or by a duly authorized officer or attorney, as applicable.

Late Proxies may be accepted or rejected by the chairman of the Meeting at his discretion and he is under no obligation to accept or reject a late Proxy. The chairman of the Meeting may waive or extend the Proxy cut-off without notice.

22. HOW WILL MY GENIUS SHARES BE VOTED IF I GIVE MY PROXY?

With respect to matters specified in the Proxy, if no voting instructions are provided, the nominees named in the accompanying Proxy will vote Genius Shares represented by the Proxy FOR the approval of such matters.

The nominee named in your Proxy will vote or withhold from voting in accordance with your instructions on any ballot that may be called for. The Proxy will confer discretionary authority on the nominee with respect to matters identified in the Proxy for which a choice is not specified and any other matter that may properly come before the Meeting or any postponement or adjournment thereof, whether or not the matter is routine and whether or not the matter is contested.

Management does not know and cannot foresee at the present time any amendments or new points to be brought before the Meeting or any adjournment thereof. **If such amendments or new points were to be properly brought before the Meeting, or any adjournment thereof, the persons named in the enclosed Proxy will vote on such matters in the way they consider advisable.**

23. HOW CAN I REVOKE MY PROXY?

You may revoke your Proxy at any time prior to its use by sending an instrument in writing executed by you or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized in writing, at the same address where the Proxy was sent and within the is delays mentioned therein or the last business day preceding the date the Meeting resumes if it adjourned, or remit to the chairman of the Meeting on the day of the Meeting or any adjournment thereof if applicable.

24. WHERE CAN I ACCESS THE FINANCIAL MATERIALS OF THE CORPORATION?

Financial statements and MD&A (the "Financial Materials") are available electronically online on the Corporation's SEDAR profile at www.sedar.com or on the Corporation's website at www.geniusproperties.ca. Delivery in electronic format, rather than paper, reduces costs to the Corporation and benefits the environment.

25. WHO COUNTS THE VOTES?

The Corporation's transfer agent, Computershare, counts and tabulates the votes. This is done independently of the Corporation to preserve the confidentiality of individual Shareholder votes. Proxies are referred to the Corporation only in cases where a Shareholder clearly intends to communicate with Management or when it is necessary to do so to meet the requirements of applicable law. For general Shareholder enquiries, you can contact the transfer agent:

by mail:
Computershare Investor Services Inc.
100 University Avenue, 8th floor
Toronto (Ontario) M5J 2Y1

- or at -
1500 Robert-Bourassa Street, Suite 700
Montréal (Québec) H3A 3S8

or by telephone:
within Canada and the United States at
1-800-564-6253

or by fax:
within Canada and the United States at
1-888-453-0330

26. ADVICE TO NON REGISTERED SHAREHOLDERS

The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold Genius Shares in their own name. Shareholders who hold their Genius Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their Genius Shares in their own name (referred to herein as “Beneficial Shareholders”) should note that only proxies deposited by Shareholders who appear on the records maintained by the Corporation’s registrar and transfer agent, Computershare, as registered holders of Genius Shares will be recognized and acted upon at the Meeting.

If Genius Shares are listed in an account statement provided to a Shareholder by a broker, those Genius Shares will, in all likelihood, not be registered in the Shareholder’s name. Such Genius Shares will more likely be registered under the name of the Shareholder’s broker or an agent of that broker. In Canada, the vast majority of such Genius Shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Genius Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting Genius Shares for the broker’s clients. Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

Regulation 54-101 respecting Communication with Beneficial Owner of Reporting Issuers (“Regulation 54-101”) requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of Shareholders’ meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Genius Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Proxy provided directly to registered Shareholders by the Corporation. However, its purpose is limited to instructing the Registered Shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder.

This Circular and accompanying materials are being sent to both Registered 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 (“**Objecting Beneficial Owners**” or “**OBO’s**”) and those who do not object to their identity being made known to the issuers of the securities they own (“**Non-Objecting Beneficial Owners**” or “**NOBO’s**”).

Subject to the provision of Regulation 54-101 issuers may request and obtain a list of their NOBO’s from intermediaries via their transfer agents. If you are a Beneficial Shareholder, and the Corporation or its agent has sent these materials directly to you, your name, address and information about your holdings of Genius Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the Genius Shares on your behalf. By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for delivering these materials to you and executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

Beneficial Shareholders who are OBOs should contact and carefully follow the instructions of their broker or intermediary in order to ensure that their Genius Shares are voted at the Meeting. Most intermediaries

delegate responsibility for obtaining instructions from clients to Broadridge in the United States and in Canada. Broadridge will mail a voting instruction form (“VIF”) in lieu of a Proxy provided by the Corporation. The VIF will name the same persons as the Corporation’s Proxy to represent your Genius Shares at the Meeting. You have the right to appoint a person (who needs not be a Shareholder of the Corporation) other than any of the persons designated in the VIF to represent your Genius Shares at the Meeting. To exercise this right, you should insert the name of your desired representative (which may be yourself) in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge’s instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Genius Shares to be represented at the Meeting and the appointment of any Shareholder’s representative. **If you receive a VIF from Broadridge, the VIF must be returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Genius Shares voted at the Meeting, or to have an alternative representative duly appointed to attend and to vote your Genius Shares at the Meeting.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Genius Shares registered in the name of his or her broker (or his or her broker’s agent), a Beneficial Shareholder may attend the Meeting as proxyholder for the registered Shareholder and vote the Genius Shares as proxyholder for the registered Shareholder by entering his or her own name in the blank space on the proxy form provided to him or her by his or her broker (or his or her broker’s agent) and return it to that broker (or that broker’s agent) in accordance with the broker’s instructions (or the agent’s instructions).

All references to Shareholders in the Notice of Meeting, Circular and the accompanying Proxy are to Registered Shareholders of the Corporation as set forth on the list of Registered Shareholders of the Corporation as maintained by the registrar and transfer agent of the Corporation, Computershare, unless specifically stated otherwise.

INTEREST OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED UPON

Except as described below and with regards to the executive compensation of directors and officers, which include a stock option plan for past and current directors and officers, Management is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, of any director or executive officer of the Corporation who has held that position at any time since the beginning of the Corporation’s last financial year, or of any proposed nominee for election as director of the Corporation or any associate or affiliate of any of the foregoing, other than the election of directors or the appointment of auditors.

No insider, promoter or control person of Genius and no associate or affiliate of the same, has any interest in the Reverse Take-Over and Spin-Off other than (i) which arises from their holdings of Genius Shares, and (ii) their respective anticipated position with SpinCo and the Resulting Issuer.

AUTHORIZED CAPITAL STOCK, VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Corporation is authorized to issue an unlimited number of common shares and an unlimited number of preferred shares (issuable in series). As of the Record Date, 58,786,744 common shares of the Corporation are issued and outstanding and no preferred shares are issued and outstanding. The holders of Genius Shares of record at the close of business on the Record Date are entitled to vote such Genius Shares at the Meeting on the basis of one vote for each Genius Share held, except to the extent that:

- (a) such person transfers his or her Genius Shares after the Record Date; and
- (b) the transferee of those Genius Shares produces properly endorsed Genius Share certificates or otherwise establishes his ownership to the Genius Shares and makes a demand to the registrar and transfer agent of the Corporation, not later than 10 days before the Meeting, that his or her name be included on the Shareholders’ list.

To the knowledge of the directors or executive officers of the Corporation, no persons beneficially own, directly or indirectly, or exercise control or direction over, voting securities carrying more than 10% of the voting rights attached to all issued and outstanding securities of the Corporation.

MATTERS TO BE ACTED UPON AT THE MEETING

27. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Corporation’s audited consolidated annual financial statements for the financial year ended December 31, 2017 and the auditors’ report thereon will be presented to the Meeting but will not be subject to a vote.

28. ELECTION OF DIRECTORS

Management of the Corporation is supervised by the board of directors (hereinafter called the “**Board of Directors**” or “**Board**”), composed of a minimum of 3 and a maximum of 10 directors in accordance with the Corporation’s By-laws. The members of the Board are elected annually at each annual meeting of Shareholders to hold office until the next annual meeting unless, prior thereto, such director resigns, or the office of such director becomes vacant by death, removal, or other cause. A total of three nominees are being proposed as directors for election by the Shareholders at the Meeting for the current year, each to hold office until the next annual meeting of Shareholders or until such person’s successor is elected or appointed. You can vote for all of these proposed directors, vote for some of them and withhold for others, or withhold for all of them.

Unless instructed otherwise, the management designees of Genius in the accompanying form of proxy or voting instruction form intend to vote FOR the election of each of the proposed nominees whose names are set out below. The proposal requires the approval of a majority of the votes cast at the Meeting.

If any proposed nominee is unable to serve as a director or withdraws his name, the individuals named in your Proxy reserve the right to nominate and vote for another individual in their discretion.

Each of the nominees has provided the information as to the Genius Shares he or she beneficially owns or over which he exercises control or direction, as at May 8, 2018. All nominees have served continuously as director of the Corporation since their appointment or first election in such capacity. If the reverse Take-Over is completed, it is expected that Mr. Hubert Vallée will resign as director and will be replaced by the directors proposed by Cerro de Pasco, see “*Proposed Directors and Senior Officers of the Resulting Issuer*” above.

The following tables set out information about each director’s summary career profile, their Board committee memberships, meeting attendance during the most recently completed financial year, directorships and the number of securities of the Corporation they hold as of June 6, 2018.

Name	Principal Occupation
GUY GOULET⁽¹⁾ Québec, Canada Director since: 2017 Not Independent Genius Shares: 2,837,544 ⁽²⁾ Options : nil	President and Chief Executive Officer of the Corporation. Mr. Guy Goulet has been the President, the Chief Executive Officer and a director of the Corporation since April 6, 2017. Mr. Goulet, is a geological engineer, who graduated from Ecole Polytechnique de Montréal in 1986. He has been active in the mining sector for more than 30 years and is a member of the Ordre des Ingénieurs du Québec. From 1995 to 2000 he has been a member of the Board and CEO of five publicly traded Canadian mining companies. He has been co-credited for the restart of the Wrightbar gold mine in Val d’Or, Québec in 1996. In parallel, he has conducted in collaboration with Hydro-Québec (LTD division) and Group STAS the only project leading to the production of lithium metal from high purity lithium carbonate. From 2000 to 2008, he served as co-founder, president and chairman of H2O Innovation Inc., a water

Name	Principal Occupation
	<p>treatment company that manufactures and installs integrated systems for various markets. He joined Maya Gold & Silver Inc. as President and CEO from November 2008 to June 2017 and was co-credited for the restart of the Zgounder silver mine in Morocco. During his career, Mr. Goulet capital raised over \$150 million through the TSX Venture Exchange (the “TSXV”).</p> <p>Other directorship: none.</p>
<p>HUBERT VALLÉE ⁽¹⁾ Québec, Canada Director since: 2016 Independent Genius Shares: 174,666 ⁽³⁾ Options: 60,000</p>	<p>President and Chief Executive Officer of Lamêlée Iron Ore Ltd.</p> <p>Mr. Vallée graduated from Laval University in Engineering. He joined Québec Cartier Mining as Project Engineer and was promoted to Director of Operations for its Pellet Plant in 2001. He managed the Iron Ore Company of Canada’s Pellet Plant in Sept-Iles before joining Domtar Inc. as CEO of its pulp mill in Lebel-sur-Quévillon. He joined Consolidated Thompson in 2006 and was one of the key people who made this project happen. After the sale of Consolidated Thompson Cliffs, Mr. Vallée acted as VP Project Development for Phase II of Bloom Lake operation. He has also been involved as Senior Vice President, Project Development, at Century Iron Mines.</p> <p>Other directorship: Lamêlée Iron Ore Ltd.</p>
<p>JOHN GEOFFREY BOOTH ⁽¹⁾ London, United Kingdom Director since: 2017 Independent Genius Shares: 700,000 Options: nil</p>	<p>Mr. John Geoffrey Booth holds a BSc(Hons) in biology and environmental science, both Canadian and US law degrees (LLB, JD) and a Masters in international finance, tax and environmental law from King’s College, University of London (LLM). He is called to bars of Ontario, New York and District of Columbia and has over 25 years of international experience in financial services as an investment banker, broker, strategy consultant, fund manager, director and chief executive officer. He has worked with Merrill Lynch International, ICAP, ABN AMRO Bank NV, CIBC, the World Bank, Climate Change Capital and Conservation Finance International over his career and has also co-founded three financial services businesses, the most recent being Midpoint Holdings Ltd. the world’s first peer to peer foreign exchange netting and international payments platform which he listed on the TSXV in 2013, and where he served as Chairman and CEO until December of 2015. Mr. Booth currently serves as the non-executive Chairman of Laramide Resources Ltd. (TSX/ASX), the non-executive Chairman of European Electric Metals (TSXV), and as a non-executive director and head of the Audit committee of Cub Energy Ltd. (TSXV). He has served as a nominee non-executive director for the European Bank for Reconstruction and Development nominee and as a non-executive director of the Ottawa RiverKeeper environmental charity. Mr. Booth resides in London, UK.</p> <p>Other directorships: European Electric Metals, Laramide Resources Ltd. and Club Energy Inc.</p>

Notes:

- (1) Member of the Audit Committee.
- (2) Of which 20,000 Genius Shares are registered in the name of Ms. Isabelle Maltais, Mr. Goulet’s spouse.
- (3) Of which 74,666 Genius Shares are registered to 9288-1846 Québec Inc., a corporation controlled by Mr. Vallée.

The information as to shares beneficially owned or over which the above-named individuals exercise control or direction has been furnished by the respective nominees individually. As of the date hereof, the directors of the Corporation, as a group, beneficially own, or exercise control or direction, directly or indirectly, over 3,912,210 Genius Shares, or 6.65% of the issued and outstanding Genius Shares.

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the Corporation, none of the foregoing nominees for election as a director of the Corporation:

- (a) is, or within the last ten years has been, a director, chief executive officer or chief financial officer of any company that:
 - (i) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under applicable securities legislation, and which in all cases was in effect for a period of more than 30 consecutive days (an “Order”), which Order was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer of such company; or
 - (ii) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer, or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer, or chief financial officer of such company; or
- (b) is, or within the last ten years has been, a director or executive officer of any company that, while the proposed director was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the last ten years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his assets.

To the knowledge of the Corporation, none of the nominees for election as director of the Corporation has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

You can vote for the election of all the nominees described above, vote for the election of some of them and withhold from voting for others, or withhold from voting for all of them. Unless otherwise instructed, the persons named in the accompanying Proxy will VOTE FOR the election of each of the nominees described above as director of the Corporation. Management does not expect that any of the nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the persons named in the enclosed Proxy reserve the right to vote for another nominee in their discretion.

29. APPOINTMENT OF AUDITORS

Management proposes that Raymond Chabot Grant Thornton LLP, Chartered Accountants, be reappointed as auditors of the Corporation for the 2018 fiscal year and that the directors be authorized to fix their remuneration.

Unless instructed otherwise, the management designees of Genius in the accompanying form of proxy or voting instruction form intend to VOTE FOR the appointment of Raymond Chabot Grant Thornton LLP, Chartered Accountants, as auditors of the Corporation for the 2018 fiscal year and FOR their remuneration to be fixed by the directors of the Corporation.

30. SPIN-OFF RESOLUTION

For detailed information relating to the Spin-Off, please see Schedule A hereto “*Description of the Proposed Transaction - Summary of the Spin-Off*” as well as the Listing Statement available on the Corporation’s profile at www.sedar.com.

Management of Genius intends to place before the Meeting, for approval, with or without modification, the following Spin-Off Resolution, relating to the Spin-Off pursuant to the Asset Transfer Agreement.

Pursuant to the CBCA, the Spin-Off Resolution must be approved by a special resolution of Genius Shareholders consisting of a majority of not less than two-thirds of the votes cast at the Meeting. If the Spin-Off Resolution does not receive the necessary approval from Genius Shareholders present in person or by proxy at the Meeting, Genius will not proceed with the Proposed Transaction in this form. In such event, the Board of Genius may reconsider the Proposed Transaction in the hope of restructuring it in a form that will be satisfactory to Genius Shareholders, and applicable regulatory authorities.

The Corporation’s Board unanimously recommends that Shareholders vote FOR the Spin-Off Resolution.

Unless instructed otherwise, the management designees of Genius in the accompanying form of proxy or voting instruction form intend to VOTE FOR the Spin-Off Resolution.

BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:

1. The transfer by Genius Properties Ltd. (“Genius”) to Genius Metals Inc. (“SpinCo”) of substantially all of the assets and all of the liabilities of Genius (the “Spin-Off”), on the terms and subject to the conditions set out in an Asset Transfer Agreement dated June 6, 2018 between Genius and SpinCo (the “Asset Transfer Agreement”), in the form set out in Schedule B to the management information circular of Genius dated June 6, 2018, be and the same is hereby authorized and approved;
2. Notwithstanding that this special resolution has been passed by the shareholders of Genius, the directors of Genius be and are hereby authorized and empowered, without further notice to, or approval of, the shareholders of Genius: (i) to amend the Asset Transfer Agreement; and (ii) subject to the terms of the Asset Transfer Agreement, not to proceed with the Spin-Off; and
3. Any officer or director of Genius be and is hereby authorized and directed for and on behalf of Genius to execute or cause to be executed, under the seal of Genius or otherwise, and to deliver or cause to be delivered all such other documents, agreements or instruments, and to perform or cause to be performed all such other acts and things, as such officer or director shall determine to be necessary or desirable to give full effect to this special resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of such documents, agreements or instruments or the performing or causing to be performed of such other acts or things.

31. DEBT SETTLEMENT RESOLUTION

The Corporation currently has outstanding debts for unpaid services performed by Hubert Vallée, current director of the Corporation, Isabelle Gauthier, former CFO of the Corporation, and Liette Nadon (collectively, the “Creditors”). The Corporation has entered in an agreement with each of the Creditors providing for the settlement of the outstanding debts, subject to the approval of the Genius Shareholders, in consideration for the issuance of common shares in the capital of SpinCo at the offering price under the SpinCo Private Placement.

An ordinary resolution approving the Debt Settlement must be passed by a majority of the votes cast by shareholders present in person or by proxy at the Meeting.

Accordingly, at the Meeting, the Corporation's shareholders will be asked to consider, and if thought appropriate, to pass, with or without amendment, the following ordinary resolution (the "Debt Settlement Resolution"):

BE IT RESOLVED THAT:

1. Subject to receipt of any necessary regulatory approval, the conversion of the indebtedness of Genius Properties Inc. ("Genius") in the aggregate amount of \$49,500 into common shares in the capital of Genius Metals Inc. (SpinCo).
2. Any one director or officer of Genius be and is hereby authorized to do all things and execute all instruments necessary or desirable to give effect to this resolution.
3. Any one director or officer be and is hereby authorized, upon the board of directors resolving to give effect to this resolution, to take all necessary acts and proceedings, to execute and deliver and file any and all applications, declarations, documents and other instruments and to do all such other acts and things (whether under corporate seal of Genius or otherwise) that may be necessary or desirable to give effect to the provisions of this resolution.
4. Notwithstanding the approval of the shareholders of Genius as herein provided, the board of directors of Genius may, in its sole discretion, revoke this resolution before it is acted upon, without further notice to, approval of, the shareholders of Genius.

Unless instructed otherwise, the management designees of Genius in the accompanying form of proxy or voting instruction form intend to VOTE FOR the Debt Settlement Resolution.

32. REVERSE TAKE-OVER RESOLUTION

For detailed information relating to the Reverse Take-Over, please see Schedule A hereto "*Description of the Proposed Transaction - Summary Of The Reverse Take-Over*" as well as the Listing Statement available on the Corporation's profile at www.sedar.com.

Management of Genius intends to place before the Meeting, for approval, with or without modification, the Reverse Take-Over Resolution in the form below, relating to the Reverse Take-Over pursuant to the Merger Agreement.

BE IT RESOLVED THAT:

1. The reverse take-over of Genius Properties Ltd. ("Genius") by the securityholders of Cerro de Pasco Resources S.A. (the "Reverse Take-Over"), on the terms and subject to the conditions set out in a Merger Agreement dated November 9, 2017, as amended on February 28, 2018 among Genius and Cerro de Pasco Resources S.A. (the "Merger Agreement"), be and the same is hereby authorized and approved;
2. Notwithstanding that this resolution has been passed by the shareholders of Genius, the directors of Genius be and are hereby authorized and empowered, without further notice to, or approval of, the shareholders of Genius: (i) to amend the Merger Agreement; and (ii) subject to the terms of the Merger Agreement, not to proceed with the Reverse Take-Over; and
3. Any officer or director of Genius be and is hereby authorized and directed for and on behalf of Genius to execute or cause to be executed, under the seal of Genius or otherwise, and to deliver or cause to be delivered all such other documents, agreements or instruments, and to perform or cause to be performed all such other acts and things, as such officer or director shall determine to be necessary or desirable to give full effect to this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and

delivery of such documents, agreements or instruments or the performing or causing to be performed of such other acts or things.

Pursuant to the policies of the Exchange, the Reverse Take-Over must be approved by a resolution of Genius Shareholders consisting of a majority of the votes cast at the Meeting. If the Reverse Take-Over Resolution does not receive the necessary approval from Genius Shareholders present in person or by proxy at the Meeting, Genius will not proceed with this transaction in this form. In such event, the Board of Directors of Genius may reconsider the transaction in the hope of restructuring it in a form that will be satisfactory to Genius Shareholders, and applicable regulatory authorities.

Unless instructed otherwise, the management designees of Genius in the accompanying form of proxy or voting instruction form intend to VOTE FOR the Reverse Take-Over Resolution.

33. CHANGE OF NAME RESOLUTION

If the Reverse Take-Over Resolution is not approved by Genius Shareholders, the following item, being the approval of the change of corporate name of Genius, will be withdrawn and will not be considered at the Meeting.

Subject to approval of the Reverse Take-Over Resolution by Genius Shareholders, Genius Shareholders will be asked to consider and, if thought appropriate, to approve the Change of Name Resolution in the form below to effect a change of corporate name to “Cerro de Pasco Resources Inc. / Ressources Cerro de Pasco Inc.” or other similar name, in order to reflect the Reverse Take-Over.

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. The Articles of the Genius Properties Ltd. (“Genius”) be amended so that the name of Genius is changed to “Cerro de Pasco Resources Inc. / Ressources Cerro de Pasco Inc.” or such other name as may be selected by the directors of Genius in their discretion;
2. The officers and directors of Genius be and are hereby authorized to file Articles of Amendment with Corporations Canada if and when deemed advisable by the Board of Directors of Genius in its discretion and to do all other things necessary in order to give effect to the foregoing; and
3. The Board of Directors of Genius be and it is hereby authorized to revoke the present special resolution before it is acted on, without further approval of the shareholders.

The approval of the Change of Name Resolution by Genius Shareholders requires a favourable vote of at least two-thirds of the Genius Shares voted in respect thereof at the Meeting.

Unless instructed otherwise, the management designees of Genius in the accompanying form of proxy or voting instruction form intend to vote FOR the Change of Name Resolution.

STATEMENT OF EXECUTIVE COMPENSATION

The information contained below is provided as required under Form 51-102F6V for Venture Issuers, as such term is defined in *Regulation 51-102 respecting Continuous Disclosure Obligations*.

For purposes of this Circular, Named Executive Officer (“NEOs”) of the Corporation means, at any time during the most recently completed financial year:

- (i) the Corporation’s chief executive officer (“CEO”);
- (ii) the Corporation’s chief financial officer (“CFO”);
- (iii) the most highly compensated executive officer other than the CEO and CFO at the end of the

most recently completed financial year whose total compensation was more than \$150,000 for that financial year; and

- (iv) each individual who would be a named executive officer under paragraph (iii) but for the fact that the individual was not an executive officer of the Corporation, and was not acting in a similar capacity, at the end of the most recently completed financial year.

During the Corporation's fiscal year ended December 31, 2017, the following individuals were NEOs of the Corporation:

- Guy Goulet, CEO;
- Benoit Forget, former CFO; and
- Stéphane Leblanc, former CFO.

34. NAMED EXECUTIVE OFFICER AND DIRECTOR COMPENSATION, EXCLUDING COMPENSATION SECURITIES

The following table details all compensation paid to the Corporation's NEOs and directors (excluding compensation securities) for the fiscal years ended December 31, 2017 and December 31, 2016:

Table of Compensation Excluding Compensation Securities							
Name and Position	Year ended Dec. 31	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of all Other Compensation (\$)	Total Compensation (\$)
Guy Goulet ⁽¹⁾ Director, President and CEO	2017	117,778 ⁽²⁾	-	-	-	-	117,778
	2016	-	-	-	-	-	-
Benoit Forget ⁽³⁾ Former Interim CFO	2017	22,500 ⁽⁴⁾	-	-	-	-	22,500
	2016	-	-	-	-	-	-
Stéphane Leblanc ⁽⁵⁾ Former President, CEO and CFO	2017	25,000 ⁽⁶⁾	-	-	-	-	25,000
	2016	114,750 ⁽⁶⁾	-	-	-	-	114,750
Liette Nadon ⁽⁷⁾ Former CFO	2017	-	-	-	-	-	-
	2016	48,000 ⁽⁸⁾	-	-	-	-	48,000
Jimmy Gravel ⁽⁹⁾ Former President, CEO and Director	2017	18,000	-	-	-	-	-
	2016	27,000	-	-	-	-	27,000
Hubert Vallée ⁽¹⁰⁾ Director	2017	-	-	15,748	-	-	15,748
	2016	-	-	-	-	-	-

Table of Compensation Excluding Compensation Securities							
Name and Position	Year ended Dec. 31	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of all Other Compensation (\$)	Total Compensation (\$)
John Geoffrey Booth ⁽¹¹⁾ Director	2017	-	-	15,000	-	-	15,000
	2016	-	-	-	-	-	-
Marc Duchesne ⁽¹²⁾ Former Director	2017	-	-	-	-	-	-
	2016	-	-	-	-	-	-
Frank Guillemette ⁽¹³⁾ Former Director	2017	-	-	-	-	-	-
	2016	-	-	-	-	-	-
Maxime Lemieux ⁽¹⁴⁾ Former Director	2017	-	-	-	-	-	-
	2016	-	-	-	-	-	-
Neil Novak ⁽¹⁵⁾ Former Director	2017	-	-	-	-	-	-
	2016	-	-	-	-	-	-

Notes:

- (1) Mr. Goulet was appointed as director, president and CEO of the Issuer on April 5, 2017.
- (2) These amounts were payable to 7002513 Canada Inc., a management corporation controlled by Mr. Guy Goulet, and represent mainly consulting fees.
- (3) Mr. Forget was acting as Interim CFO of the Issuer from August 28, 2017 to April 1, 2018.
- (4) These amounts were payable to Benoit Forget Consultant inc., a management corporation controlled by Mr. Benoît Forget, and represent mainly consulting fees.
- (5) Mr. Stéphane Leblanc was appointed as Interim President and CEO in December, 2014. His mandate as President, CEO and director of the Issuer terminated on September 9, 2016. He acted as the Issuer's Interim CFO from January 1, 2017 to July 11, 2017.
- (6) These amounts were payable to 9248-7792 Québec Inc., a management corporation controlled by Mr. Leblanc, and represent mainly consulting fees.
- (7) Mrs. Nadon acted as CFO from March 26, 2015 to December 31, 2016.
- (8) These amounts were payable to Gestion LL Nadon inc., a management corporation controlled by Mrs. Nadon, and represent mainly consulting fees.
- (9) Mr. Gravel acted as Director of the Issuer from September 29, 2016 to June 22, 2017 and acted as President and CEO of the Issuer from September 29, 2016 to April 5, 2017.
- (10) Mr. Vallée was appointed as director of the Issuer on July 11, 2016.
- (11) Mr. Booth was appointed as director of the Issuer on June 22, 2017.
- (12) Mr. Duchesne resigned as director of the Issuer on June 8, 2017.
- (13) Mr. Guillemette acted as President and Director of the Issuer from September 12, 2016 to September 29, 2016.
- (14) Mr. Lemieux resigned as director of the Issuer on June 8, 2017.

(15) Mr. Novak resigned as director of the Issuer on October 14, 2016.

Stock Options and Other Compensation Securities

No compensation securities were granted or issued to NEOs and directors of the Issuer or its subsidiaries by the Issuer during the fiscal year ended December 31, 2017 for services provided or to be provided, directly or indirectly, to the Issuer.

No compensation securities were exercised by any directors or NEOs during the year ended December 31, 2017.

No compensation securities were re-priced, cancelled and replaced, had their term extended, or otherwise materially modified during the year ended December 31, 2017, except with regards to adjustments following the stock consolidation as of February 1, 2017.

35. STOCK OPTION PLAN

The Corporation adopted a new stock option plan on July 11, 2016 (the “Plan”).

The objective of the Plan is to provide for and encourage ownership of Genius Shares by its directors, officers, key employees and consultants and those of any subsidiary companies so that such persons may increase their stake in the Corporation and benefit from increases in the value of the Genius Shares. The Plan is designed to be competitive with the benefit programs of other companies in the industry. Management believes that the Plan is a significant incentive for the directors, officers, key employees and consultants to continue and to increase their efforts in the Corporation’s operations to the mutual benefit of both the Corporation and such individuals.

Some of the material attributes of the Plan are as follows:

- options may be granted to directors, employees, management Corporation employees and consultants;
- the exercise price of options granted shall be determined by the Board in accordance with the policies of the Exchange;
- under the Plan, the aggregate number of Genius Shares reserved for issuance shall not exceed ten percent (10%) of the Genius Shares issued and outstanding from time to time;
- no single participant may be issued options representing greater than five percent (5%) of the number of outstanding Genius Shares in any 12 month period and the number of Genius Shares reserved under option for issuance to any one consultant of the Corporation may not exceed two percent (2%) of the number of outstanding Genius Shares in any 12 month period;
- options shall not be granted if the exercise thereof would result in the issuance of more than two percent (2%) of the issued Genius Shares in any twelve-month period to any one consultant of the Corporation (or any of its subsidiaries);
- the aggregate number of options granted to persons employed in investor relation activities must not exceed two percent (2%) of the outstanding Genius Shares in any 12 month period unless the Exchange permits otherwise, and Options issued to consultants providing investor relations services must vest in stages over 12 months with no more than one quarter of the options vesting in any three month period;
- the Board may determine the term of the options, but the term shall in no event be greater than ten years from the date of issuance;

- generally, the options expire three months from the date on which a participant ceases to be a director, officer, employee, management Corporation employee or consultant of the Corporation; and
- terms of vesting of the options, the eligibility of directors, officers, employees, management Corporation employees and consultants to receive options and the number of options issued to each participant shall be determined at the discretion of the Board, subject to the policies of the Exchange.

36. OVERSIGHT AND DESCRIPTION OF DIRECTOR AND NAMED EXECUTIVE COMPENSATION

Compensation Program Objectives

The objectives of the Corporation's executive compensation program are as follows:

- to attract, retain and motivate talented executives who create and sustain the Corporation's continued success;
- to align the interests of the Corporation's executives with the interests of the Corporation's Shareholders; and
- to provide total compensation to executives that is competitive with that paid by other companies of comparable size engaged in similar business in appropriate regions.

Overall, the executive compensation program aims to design executive compensation packages that meet executive compensation packages for executives with similar talents, qualifications and responsibilities at companies with similar financial, operating and industrial characteristics.

Purpose of the Compensation Program

The Corporation's executive compensation program has been designed to reward executives for reinforcing the Corporation's business objectives and values, and for their individual performances.

Elements of Compensation Program

The executive compensation program consists of a combination of base salary, performance bonus and stock options.

Purpose of Each Element of the Executive Compensation Program

The base salary of a NEO is intended to attract and retain executives by providing a reasonable amount of non-contingent remuneration.

In addition to a fixed base salary, each NEO is eligible to receive a bonus meant to motivate the NEO and is determined on a case by case basis. Awards under this plan are made by way of cash payments only, which payment are made at the end of the financial year.

Stock options are generally awarded to NEO on an annual basis. The granting of stock options upon hire aligns NEO's rewards with an increase in shareholder value over the long term. The use of stock options encourages and rewards performance by aligning an increase in each NEO's compensation with increases in the Corporation's performance and in the value of the Shareholders' investments.

Determination of the Amount of Each Element of the Executive Compensation Program

Intervention of the Board of Directors

Compensation of the NEOs of the Corporation, other than the CEO, is reviewed annually by the CEO, who makes recommendations to the Board. The Board reviews the recommendations of the CEO and approves the compensation of the NEOs based on the recommendations of the CEO. Compensation of the CEO and members of the Board is reviewed annually by the Board.

Base Salary

The base salary review of each NEO takes into consideration the current competitive market conditions, experience, performance, and the particular skills of the NEO. Base salary is not evaluated against a formal “peer group”. The Board relies on the general experience of its members in setting base salary amounts.

Performance Bonuses

Annual bonuses granted to NEOs are determined on a case by case basis and may be awarded at the sole discretion of the Board for individual achievements, contributions or efforts that the Board has determined can reasonably be expected to have a positive impact on shareholder value. The factors considered in assessing the bonus amounts include, but are not limited to, the position of the NEO and expense control.

Stock Options

The Corporation’s Plan, under which stock options are granted to directors, officers, employees and consultants as an incentive to serve the Corporation in attaining its goal of improved shareholder value. The Board determines which NEOs (and other persons) are entitled to participate in the Plan, determines the number of options granted to such individuals, determines the date on which each option is granted and the corresponding exercise price. For further information regarding the Plan refer to “*Securities Authorized For Issuance Under Equity Compensation Plans*”.

The Board makes these determinations subject to the provisions of the Plan and, where applicable, the policies of the Exchange.

Link to Overall Compensation Objectives

Each element of the executive compensation program has been designed to meet one or more objectives of the overall program.

The fixed base salary of each NEO, combined with the granting of stock options and bonus, has been designed to provide total compensation which the Board believes is competitive.

External Compensation Consultants

During the fiscal years ended December 31, 2017 and 2016, the Corporation did not retain the services of an executive compensation consultant to assist the Board in determining the compensation for any of the Corporation’s NEOs.

Compensation Risk Management

The Board has not proceeded to an evaluation of the implications of the risks associated with the Corporation’s compensation policies and practices. The Corporation has not adopted a policy forbidding directors or officers from purchasing financial instruments that are designed to hedge or offset a decrease in market value of the Corporation’s securities granted as compensation or held, directly or

indirectly, by directors or officers. The Corporation is not, however, aware of any directors or officers having entered into this type of transaction.

Pension Plan Benefits

The Corporation does not have a pension plan that provides for payments or benefits to the NEOs, nor to the directors at, following, or in connection with retirement.

Employment, Consulting and Management Agreements

With the exception of a consultancy agreement with Mr. Jimmy Gravel, former President and CEO, providing for a 30 days termination notice, there was no employment contracts or other agreements in place during the last completed financial year providing for payment in case of termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Issuer or a change in an NEO's responsibilities. There were also no employment contract or other agreement in place under which compensation was provided or is payable in respect of services provided to the Issuer or any of its subsidiaries that were performed by a director or NEO, or performed by any other party but are services typically provided by a director or a NEO.

Liability insurance

The directors and officers are covered by liability insurance. The Corporation has a Directors' and Officers' Liability and Corporation Reimbursement Insurance policy that provides coverage of up to \$5,000,000 per claim and insurance period, for which it pays an annual premium of \$11,850. The policy has a \$25,000 deductible that the Corporation has undertaken to cover in the event of a claim. The covering period for the insurance is from October 28, 2017 to October 28, 2018.

37. SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out certain details as at December 31, 2017, the end of the Corporation's financial year, with respect to compensation plans pursuant to which equity securities of the Corporation are authorized for issuance:

Plan Category	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of securities available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by securityholders ⁽¹⁾	160,000	\$0.25	4,141,174
Equity compensation plans not approved by securityholders	—	—	—
Total⁽¹⁾	160,000	\$0.25	4,141,174

Note:

- (1) All the figures are presented following the share consolidation completed on February, 1, 2017 on a basis of five pre-consolidation shares for one post-consolidation share.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

During the financial year ended December 31, 2017, none of the directors, executive officers or employees, or former directors, executive officers or employees of the Corporation nor any proposed director or the Corporation or affiliate or associate of the foregoing, was indebted to the Corporation nor has the Corporation guaranteed or otherwise supported any indebtedness of any of the said parties during that period.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed herein and in the audited financial statements of the Corporation for the year ended December 31, 2017, the Corporation is not aware that any of the directors, nominees, officers or other insiders of the Corporation or any persons associated or otherwise related to any of them has had an interest in any material transaction carried out since the commencement of the most recently completed financial year of the Corporation and which has materially affected or is likely to materially affect the Corporation.

MANAGEMENT CONTRACTS

The management functions of the Corporation are not performed to any substantial degree by any person or company other than the directors and executive officers of the Corporation.

OTHER BUSINESS

Management is not aware of any matters to come before the Meeting other than those set forth in the Notice of Meeting. If any other matter properly comes before the Meeting, the persons named in the Proxy will vote the Genius Shares represented thereby in accordance with their best judgment on such matter.

ADDITIONAL INFORMATION

Additional information regarding the Corporation and its business activities is available on SEDAR at www.sedar.com including the Corporation's audited financial statements and management discussion and analysis (MD&A) for the financial year ended December 31, 2017, a copy of which may also be obtained upon request from Guy Goulet, President and CEO, at 22 Lafleur N., Suite 203, Saint-Sauveur, Québec, J0R 1R0.

The Board of Directors of the Corporation has approved the contents of the Circular and its sending to the Shareholders.

Montréal, Québec, June 6, 2018

BY ORDER OF THE BOARD OF DIRECTORS

(s) Guy Goulet

President and Chief Executive Officer

SCHEDULE A - DESCRIPTION OF THE PROPOSED TRANSACTION

SUMMARY OF THE SPIN-OFF

Subject to Genius Shareholders' approval, Genius will transfer all of its assets and all of its liabilities to SpinCo. In consideration for such transfer, SpinCo will issue to Genius 9,797,790 SpinCo Shares at a deemed issue price of \$0.526 per share having an aggregate value of approximately \$5,150,000. The terms and conditions of the foregoing transaction are set out in the Asset Transfer Agreement annexed to the Circular as Schedule B.

Genius will distribute the 9,797,790 SpinCo Shares to Genius Shareholders, on the basis of one SpinCo Share for six Genius Share held on the record date for such distribution, which record date will be immediately prior to the completion of the Reverse Take-Over. None of the SpinCo Shares will be retained by Genius. No certificates or DRS Advices for fractional SpinCo Shares will be issued and fractional SpinCo Shares will be rounded down and no Genius Shareholder will be entitled to any compensation in respect of fractional SpinCo Shares. No Genius Shareholders will be eliminated from SpinCo or the Resulting Issuer as a result of the proposed Spin-Off or Reverse Take-Over.

In order to become publicly listed, SpinCo will effect a private placement of SpinCo Shares for gross proceeds to SpinCo of a minimum of \$750,000 and a maximum of \$3,000,000 (the "SpinCo Private Placement"). Current Genius Shareholders will hold approximately 87.3% of the SpinCo Shares in the event of a minimum SpinCo Private Placement and approximately 63.2 % of the SpinCo Shares in the event of a maximum SpinCo Private Placement, and new investors will hold approximately 12.7% of the SpinCo Shares in the event of a minimum SpinCo Private Placement and approximately 36.8 % of the SpinCo Shares in the event of a maximum SpinCo Private Placement.

Following completion of the Spin-Off and Reverse Take-Over, including completion of the SpinCo Private Placement, SpinCo estimates that it will have approximately \$712,500 in available funds in the case of a minimum SpinCo Private Placement and \$2,850,000 in available funds in the case of a maximum SpinCo Private Placement. The expenses of the Spin-Off and SpinCo Private Placement are estimated at \$37,500 in the case of a minimum SpinCo Private Placement and \$150,000 in the case of a maximum SpinCo Private Placement.

SpinCo intends to use the funds as follows during the twelve-month period following completion of the Spin-Off:

<u>Principal Purpose</u>	<u>Minimum</u>	<u>Maximum</u>
Exploration	\$500,000	\$2,400,000
General and Administrative	\$75,000	\$150,000
Legal and Accounting	\$75,000	\$150,000
Maintenance of Genius Properties	\$50,000	\$50,000
Unallocated	\$12,500	\$100,000
Total	\$712,500	\$2,850,000

Following the Spin-Off, the Board of Directors of SpinCo will be comprised of: Guy Goulet, John Geoffrey Booth and Hubert Vallée, all current directors of the Corporation. Such individuals will hold office until the next annual meeting of SpinCo shareholders or until their successors are duly elected or appointed, unless such office is earlier vacated in accordance with the by-laws of SpinCo. By approving the Spin-Off Resolution, Genius Shareholders will in effect confirm the aforementioned individuals as the directors of SpinCo.

The officers of SpinCo will be Guy Goulet (President and Chief Executive Officer) and Robert Boisjoli (Chief Financial Officer).

As the Spin-Off constitutes a sale or exchange of all or substantially all the property of Genius, Genius Shareholder approval for the Spin-Off is required under section 189 of the CBCA by way of special resolution and the Genius Shareholders have a right to dissent under section 190 of the CBCA. See “*Description of the Proposed Transaction - Rights Of Dissenting Shareholders*” below.

The Spin-Off Resolution is included in the Circular under the heading “*Matters to be Acted Upon at the Meeting -*

Spin-Off Resolution”.

Completion of the Spin-Off is conditional, among other things, upon completion of the SpinCo Private Placement and Reverse Take-Over. Upon completion of the Spin-Off, SpinCo will carry on the business currently conducted by Genius, that is, acquiring and exploring mining properties of merit in Canada and will, shortly thereafter, list the common shares of SpinCo on a stock exchange such that SpinCo becomes a distinct public entity, either by way of public offering or another means permitted under Securities Laws.

The Asset Transfer Agreement contains customary representations and warranties for transactions of this nature, including representations and warranties that Genius and SpinCo are in compliance with all applicable laws and are otherwise legally capable of entering into the Asset Transfer Agreement and completing the Spin-Off. The Asset Transfer Agreement also sets out a number of conditions.

THE ASSET TRANSFER AGREEMENT

The following discussion of the Asset Transfer Agreement is intended to provide a general review and summary only. For details, reference should be made to the Asset Transfer Agreement annexed to the Circular as Schedule B.

Pursuant to the Asset Transfer Agreement, Genius will transfer all of its assets, which assets are comprised primarily of Genius’ mining properties namely: the Robelin property (Québec), the Sakami property (Québec), the Dissimieux Lake property (Québec), the Blockhouse Gold property (Nova Scotia) and the Mt. Cameron Property (Nova Scotia), and all of its liabilities to SpinCo. In consideration for such transfer, SpinCo will issue to Genius Shareholders as a date of record immediately preceding completion of the Spin-Off 9,797,790 Shares at a deemed price of \$0.526 per share. A narrative description of the Main Genius Properties, namely the Robelin property (Québec) and the Sakami property (Québec), is annexed to the Circular as Schedule F.

The Asset Transfer Agreement provides that closing of the transfer of the assets and liabilities is subject to a number of conditions, including (i) the obtaining of all approvals required in order to effect the transfer, including, without limitation, that of the Exchange; (ii) approval by Genius Shareholders in accordance with section 189 of the CBCA; (iii) conditional listing of the SpinCo Shares on the Exchange; (iv) completion of the SpinCo Private Placement in an amount of not less than \$750,000; and (v) the satisfaction of all conditions necessary for the closing of the Reverse Take-Over pursuant to the Merger Agreement, all to the satisfaction of Genius and SpinCo.

The Asset Transfer Agreement provides that SpinCo will indemnify Genius and save it harmless from and against any claims, demands, causes of action, damages, loss, costs and expenses with respect to any and all liabilities of Genius accrued prior to the closing of the transfer of the assets and liabilities. The Asset Transfer Agreement also contains customary representations and warranties for transactions of this nature, including representations and warranties that Genius and SpinCo are in compliance with all applicable laws and are otherwise legally capable of entering into the Asset Transfer Agreement and completing the Spin-Off.

The Asset Transfer Agreement also provides that as of the closing of the transaction, SpinCo will be: (i) entitled to all of the benefits accruing to Genius under the provisions contained in each of the contracts to which Genius is a party; (ii) bound by all of the obligations imposed on Genius under such contracts; and (iii) entitled to possession of all of the purchased assets and any premises occupied by Genius as lessee.

SUMMARY OF THE REVERSE TAKE-OVER

Cerro de Pasco and Genius will effect the Reverse Take-Over by merging Cerro de Pasco with BranchCo, such that existing security holders of Cerro de Pasco will become security holders of Genius. In accordance with the terms of the Merger Agreement, Genius shall (i) issue a sufficient number of Genius Shares to allow Cerro Shareholders to hold, after such issuance, in the aggregate, 75% (subject to an increase as described below) of the total number of Genius Shares issued and outstanding after the Proposed Transaction and (ii) make the Cash Contribution to Cerro de Pasco in an aggregate amount of US\$2,500,000.

The percentage of Genius Shares to be held by the Cerro Shareholders may be increased pro rata if the Cash Contribution made by Genius is of a total amount of less than US\$2,500,000. As a result of the Proposed Transaction, the board of directors of Genius shall be comprised of six directors, four of which will be appointed by Cerro de Pasco and two of which will be current directors of Genius.

Upon completion of the Reverse Take-Over, the Resulting Issuer's business will be that of Cerro de Pasco, namely the exploration and development of the Property, as further described in this Circular and the Listing Statement available on the Corporation's profile at www.sedar.com.

Based on the 58,786,744 Genius Shares currently issued and outstanding, there will be 235,146,976 Resulting Issuer Shares issued and outstanding after the closing of the Proposed Transaction, of which: (i) the Cerro Shareholders will hold 176,360,232 shares (75%) and (ii) current Genius Shareholders will hold 58,786,744 shares (25%).

There are outstanding Genius Options entitling their holders to purchase an aggregate of 80,000 Genius Shares at exercise prices of \$0.25 with an expiry date of September 9, 2021. There are outstanding Genius Warrants entitling their holders to purchase an aggregate of 13,385,711 Genius Shares at exercise price of \$0.25.

Upon the closing of the Reverse Take-Over, Guy Goulet, John Geoffrey Booth, Steven Allen Zadka, Frank Hodgson, Manuel Lizandro Rodriguez Mariategui Canny and Keith Philip Brill will be appointed as directors of the Resulting Issuer, to hold office until the next annual meeting of the Resulting Issuer or until their successors are duly elected or appointed, unless such office is earlier vacated in accordance with the by-laws of the Resulting Issuer. By approving the Reverse Take-Over Resolution, Genius Shareholders will in effect confirm the aforementioned individuals as the directors of the Resulting Issuer.

As the Reverse Take-Over constitutes a "Fundamental Change" under the policies of the Exchange, Genius Shareholder approval is required under such policies. The Reverse Take-Over Resolution is included in the Circular under the heading "*Matters to be Acted Upon at the Meeting - Reverse Take-Over Resolution*".

Completion of the Reverse Take-Over is conditional, among other things, upon completion of the Spin-Off.

THE MERGER AGREEMENT

In order to effect the Reverse Take-Over, Genius and Cerro de Pasco entered into the Merger Agreement.

The following discussion of the Merger Agreement is intended to provide a general review and summary only. For details, reference should be made to the Merger Agreement available on the Corporation's profile at www.sedar.com.

The Merger Agreement contains customary representations and warranties for transactions of this nature, including representations and warranties that Genius and Cerro de Pasco are in compliance with all applicable laws and are otherwise legally capable of entering into the Merger Agreement and completing the Reverse Take-Over.

The Merger Agreement also provides that at the closing of the Reverse Take-Over, (i) BranchCo will merge with Cerro de Pasco and issue Genius Shares to existing security holders of Cerro de Pasco, as a result of which the merged entity will be a wholly-owned subsidiary of Genius and existing security holders of Cerro de Pasco will become security holders of Genius, and (ii) Genius will change its corporate name to “Cerro de Pasco Resources Inc. / Ressources Cerro de Pasco Inc.” referred to in the Circular as the “Resulting Issuer”.

The Merger Agreement provides for specific conditions that must be met for the Reverse Take-Over to be completed: (i) the completion of the Spin-Off by Genius; (ii) the approval of the Proposed Transaction by the board of directors and the shareholders of both Genius and Cerro de Pasco; (iii) the receipt of all necessary regulatory approvals, including the approval of the Proposed Transaction by the Exchange; (iv) the absence of any orders, decrees, proceedings or laws that would either preclude, restrain, enjoin, prohibit or make illegal any of the transactions contemplated by the Merger Agreement; (v) the receipt of all required consents under any material contract of both Genius and Cerro de Pasco which are necessary for the completion of the Merger Agreement; (vi) the successful performance in all material respects of all of the covenants of both Genius and Cerro de Pasco under the Merger Agreement; (vii) the representations and warranties of both Genius and Cerro de Pasco under the Merger Agreement must be true and correct in all material respects as of the Effective Date; (viii) the appointment of four representatives of Cerro de Pasco to the Board of Genius, with one representative of each Cerro de Pasco and Genius being named as authorized bank signatories with respect to Genius’ bank accounts; (ix) the receipt of Genius of the resignation and mutual release of any current director of Genius resigning in connection with the completion of the Proposed Transaction, in a form satisfactory to Cerro de Pasco, acting reasonably; (x) the number of Resulting Issuer Shares held by former Cerro Shareholders being equal to the CDP Percentage (as such term is define in the Merger Agreement) of Genius Shares, on a post-closing basis; (xi) the delivery of all applicable closing document required under the Merger Agreement to both Genius and Cerro de Pasco; and (xii) the absence of material change in the business and operations of Cerro de Pasco and Genius.

The Merger Agreement also contains reciprocal indemnifications between Genius, on the one hand, and Cerro de Pasco, on the other hand, as well as an undertaking of the parties to carry on business in the normal and ordinary course until closing of the Reverse Take-Over.

REASONS FOR THE SPIN-OFF AND REVERSE TAKE-OVER

The Board of Directors of Genius has concluded that the Spin-Off and Reverse Take-Over are in the best interests of Genius, and fair to Genius Shareholders.

In arriving at their conclusion, each member of the Board of Directors of Genius considered information with respect to the financial condition, business and operations of each of Genius and Cerro de Pasco, on both a historical and prospective basis, including information in respect of the Resulting Issuer on a pro forma basis.

The Board of Directors of Genius considered a number of factors which make the Spin-Off and Reverse Take-Over attractive to Genius Shareholders, including the following:

- Cerro de Pasco wishes to become a public company through a transaction with a company that is a “reporting issuer” under Canadian securities laws and Genius meets this requirement;
- the Reverse Take-Over presents an opportunity for Genius Shareholders to participate in a highly promising mining company in Peru;

- SpinCo will be able to continue the mining exploration business currently conducted by Genius; and
- Genius Shareholders will become shareholders of both the Resulting Issuer and SpinCo, both of which will be listed on the Exchange.

INTENTION OF CERTAIN SECURITYHOLDERS

All of Genius’s directors and officers intent to vote all their Genius Shares and Genius Shares that may be acquired, if any, pursuant to exercise of Genius Stock Options or Genius Warrants, for the Spin-Off Resolution, Reverse Take-Over Resolution, Debt Settlement Resolution and Change of Name Resolution, to the extent permitted under the applicable policies of the Exchange. As of the date of the Circular, Genius’s directors and officers exercise control or direction over an aggregate of 3,912,210 Genius Shares, representing approximately 6.65% of the issued and outstanding Genius Shares.

RECOMMENDATION OF THE DIRECTORS

At a meeting of the Board of Directors of Genius held prior to entering into the Merger Agreement, the Board of Directors considered the Reverse Take-Over and the related Spin-Off on the terms and conditions provided in the Merger Agreement and approved the entering into of the Merger Agreement and related Asset Transfer Agreement. **The Board of Directors determined that the Reverse Take-Over and related Spin-Off are in the best interests of Genius, and fair to Genius Shareholders, and authorized submission of the Reverse Take-Over and Spin-Off to Genius Shareholders for approval.**

The Board of Directors of Genius unanimously recommends that Genius Shareholders vote in favour of the Reverse Take-Over Resolution, the Spin-Off Resolution, the Change of Name Resolution and the Debt Settlement Resolution.

PROCEDURE FOR THE SPIN-OFF AND REVERSE TAKE-OVER TO BECOME EFFECTIVE

In order for the Spin-Off and Reverse Take-Over to become effective:

- (a) the Spin-Off and Reverse Take-Over must be approved by the Exchange, including conditional listing on the Exchange of SpinCo and the Resulting Issuer;
- (b) the Spin-Off Resolution and Reverse Take-Over Resolution must be approved by Genius Shareholders;
- (c) all conditions precedent to the Spin-Off, as set out in the Asset Transfer Agreement, must be satisfied or waived by the appropriate party; and
- (d) all conditions precedent to the Reverse Take-Over, as set out in the Merger Agreement, must be satisfied or waived by the appropriate party.

ESCROWED SHARES

In connection with the proposed requalification for listing of the Common Shares on the CSE following the completion of the Proposed Transaction, all Resulting Issuer’s Shares held by “Related Persons” are required to be subject to an escrow agreement pursuant to Policy 8 (the “**Escrow Agreement**”). A total of 117,063,821 Resulting Issuer Shares representing approximately 49.78% of the issued and outstanding Resulting Issuer Shares on the Closing Date will be deposited into escrow pursuant to the Escrow Agreement.

Additionally, subject to the approval of the Cerro Shareholders, 176,360,232 Resulting Issuer’s Shares to be issued to the Cerro Shareholders as part of the Reverse Take-Over (inclusive of 85,683,654 Resulting Issuer’s Shares to be issued to “Related Persons” of the Resulting Issuer who are also Cerro Shareholders

and that are already accounted for in the 117,063,821 Resulting Issuer Shares that will be subject to the Escrow Agreement mentioned above) will be subject to escrow under an escrow agreement to be entered into among the Resulting Issuer, Computershare Investor Services Inc. as escrow agent and the Cerro Shareholders, in terms equivalent to those of the Escrow Agreement.

EFFECTIVE TIME OF SPIN-OFF AND REVERSE TAKE-OVER

If the Spin-Off Resolution and Reverse Take-Over Resolution are passed and the other conditions to completion of the Spin-Off and Reverse Take-Over set out in the Asset Transfer Agreement and Merger Agreement, respectively, are fulfilled or waived, the Spin-Off and Reverse Take-Over will be effected in accordance with the policies of the Exchange. It is currently anticipated that the effective date of the Proposed Transaction (the “**Effective Date**”) will be no later than August 31, 2018.

DELIVERY OF SHARE CERTIFICATES

If the Spin-Off and Reverse Take-Over become effective, Genius will use the “push out” method for the delivery of the SpinCo Shares. Accordingly, Genius Shareholders of record on the close of business the day prior to the effective date of the Spin-Off, will retain their Genius Shares that they will hold at such time and will be provided with DRS Advices representing their respective SpinCo Shares distributed in connection with the Spin-Off shortly after the completion of the Spin-Off. Currently outstanding share certificates representing the Genius Shares should be retained by the holders thereof and not be forwarded to the Corporation or Computershare, its transfer agent.

No certificates or DRS Advices for fractional SpinCo Shares will be issued and fractional SpinCo Shares will be rounded down and no Genius Shareholder will be entitled to any compensation in respect of fractional SpinCo Shares. No Genius Shareholders will be eliminated from SpinCo or the Resulting Issuer as a result of the proposed Spin-Off or Reverse Take-Over.

LOST OR DESTROYED SHARE CERTIFICATES

Where a certificate representing Genius Shares has been lost, destroyed or wrongfully taken, the holder of such certificates should immediately contact Computershare, the registrar and transfer agent of the Genius Shares, so that arrangements can be made to issue a replacement share certificate to such holder upon such holder satisfying such reasonable requirements as may be imposed by SpinCo or the Resulting Issuer, as the case may be, in connection with the issue of such replacement share certificate.

RIGHTS OF DISSENTING SHAREHOLDERS

Registered Genius Shareholders are entitled to dissent from the Spin-Off Resolution in the manner provided in section 190 of the CBCA. Section 190 of the CBCA is reprinted in its entirety and annexed to the Circular as Schedule C. The following summary is qualified by the provisions of section 190 of the CBCA.

In the event the Spin-Off Resolution becomes effective, a dissenting shareholder (“**Dissenting Shareholder**”) who complies with section 190 of the CBCA will be entitled to be paid by Genius or the Resulting Issuer, as the case may be, the fair value of the Genius Shares held by such Dissenting Shareholder determined as at the Effective Date. However, under the CBCA, a corporation cannot make a payment to a Dissenting Shareholder if there are reasonable grounds for believing that (a) the corporation is or would after the payment be unable to pay its liabilities as they become due; or (b) the realizable value of the corporation’s assets would thereby be less than the aggregate of its liabilities.

A registered Genius Shareholder who wishes to exercise dissent rights must send a notice (a “Dissent Notice”) to Genius, such that it is received by Genius prior to the Meeting (or any postponement or adjournment thereof), at Genius Properties Ltd., 22 Lafleur Nord, Suite 203, Saint-Sauveur, Québec, JOR 1R0 and Lavery, de Billy, L.L.P., 1 Place Ville Marie, Suite 4000, Montréal, Québec, H3B 4M4.

Persons who are beneficial owners of Genius Shares registered in the name of a broker, custodian nominee or other intermediary who wish to dissent should be aware that only a registered Genius Shareholder is entitled to dissent. An Genius Shareholder who beneficially owns the Genius Shares but is not the registered holder thereof should contact the registered holder for assistance.

The filing of a Dissent Notice does not deprive an Genius Shareholder of the right to vote; however, the CBCA provides, in effect, that a Genius Shareholder who has submitted a Dissent Notice and who votes in favour of the Spin-Off Resolution will no longer be considered a Dissenting Shareholder with respect to the Genius Shares voted in favour of the Spin-Off Resolution. The CBCA does not provide, and Genius will not assume, that a vote against the Spin-Off Resolution constitutes a Dissent Notice. Under the CBCA, there is no right of partial dissent and, accordingly, a Dissenting Shareholder may dissent only with respect to all Genius Shares held on behalf of any one beneficial owner that are registered in the name of the Dissenting Shareholder.

Genius or the Resulting Issuer, as the case may be, is required, within ten days after the Genius Shareholders adopt the Spin-Off Resolution, to send to each registered Genius Shareholder who has filed a Dissent Notice, notice that the Spin-Off Resolution has been adopted, but such notice is not required to be sent to any registered Genius Shareholder who voted for the Spin-Off Resolution or who has withdrawn such Dissent Notice.

A Dissenting Shareholder must then, within 20 days after the Dissenting Shareholder receives notice that the Spin-Off Resolution has been adopted or, if the Dissenting Shareholder does not receive such notice, within 20 days after the Dissenting Shareholder learns that the Spin-Off Resolution has been adopted, send to Genius a written notice (a “**Payment Demand**”) containing the name and address of the Dissenting Shareholder, the number of Genius Shares in respect of which the Dissenting Shareholder dissents and a demand for payment of the fair value of such Genius Shares. Within 30 days after a Payment Demand, the Dissenting Shareholder must send to Genius or Computershare the certificates representing the Genius Shares in respect of which such Payment Demand was made. A Dissenting Shareholder who fails to send the certificates representing the Genius Shares in respect of which the Dissent Right has been exercised has no right to make a claim under section 190 of the CBCA. Genius or Computershare will endorse on share certificates received from a Dissenting Shareholder a notice that the holder is a Dissenting Shareholder and will forthwith return the share certificates to the Dissenting Shareholder.

On sending a Payment Demand to Genius, a Dissenting Shareholder ceases to have any rights as a Genius Shareholder, other than the right to be paid the fair value of the Genius Shares in respect of which such Payment Demand was made, except pursuant to the provisions of section 190 of the CBCA.

Genius or the Resulting Issuer, as the case may be, is required, not later than seven days after the later of the Effective Date or the date on which the Resulting Issuer or Genius received the Payment Demand of a Dissenting Shareholder, to send to each Dissenting Shareholder who has sent a Payment Demand a written offer to pay (an “**Offer to Pay**”) for the Genius Shares in respect of which such Payment Demand was made in an amount considered by the Board of Directors of Genius or the Resulting Issuer, as the case may be, to be the fair value thereof, accompanied by a statement showing the manner in which the fair value was determined. Every Offer to Pay must be on the same terms. Genius or the Resulting Issuer, as the case may be, is required to pay for the Genius Shares of a Dissenting Shareholder within ten days after an Offer to Pay has been accepted by a Dissenting Shareholder, but any such Offer to Pay lapses if Genius or the Resulting Issuer, as the case may be, does not receive an acceptance thereof within 30 days after the Offer to Pay has been made.

If Genius or the Resulting Issuer, as the case may be, fails to make an Offer to Pay for the Genius Shares of a Dissenting Shareholder, or if a Dissenting Shareholder fails to accept an offer that has been made, Genius or the Resulting Issuer, as the case may be, may within 50 days after the Effective Date or within such further period as the Court may allow, apply to the Court to fix a fair value for the Genius Shares of Dissenting Shareholders. If Genius or the Resulting Issuer, as the case may be, fails to apply to the Court, a Dissenting Shareholder may apply to the Court for the same purpose within a further period of 20 days

or within such further period as the Court may allow. A Dissenting Shareholder is not required to give security for costs in such an application.

Upon an application to the Court, all Dissenting Shareholders whose Genius Shares have not been purchased by Genius or the Resulting Issuer, as the case may be, will be joined as parties and bound by the decision of the Court and Genius or the Resulting Issuer, as the case may be, will be required to notify each affected Dissenting Shareholder of the date, place and consequences of the application and of the right of such Dissenting Shareholder to appear and be heard in person or by counsel. Upon any such application to the Court, the Court may determine whether any person is a Dissenting Shareholder who should be joined as a party and the Court will then fix a fair value for the Genius Shares of all Dissenting Shareholders. The final order of the Court will be rendered against Genius or the Resulting Issuer, as the case may be, in favour of each Dissenting Shareholder and for the amount of the fair value of each Dissenting Shareholder's Genius Shares as fixed by the Court. The Court may, in its discretion, allow a reasonable rate of interest on the amount payable to each Dissenting Shareholder from the Effective Date until the date of payment.

The foregoing is only a summary of the provisions of section 190 of the CBCA, which provisions are technical and complex. It is suggested that any Genius Shareholder wishing to exercise dissent rights seek legal advice as failure to comply strictly with the provisions of the CBCA may prejudice such Genius Shareholder's dissent rights. For a general summary of certain income tax implications to a Dissenting Shareholder, see "FEDERAL INCOME TAX CONSIDERATIONS".

FEDERAL INCOME TAX CONSIDERATIONS⁵

In the opinion of Lavery, de Billy, L.L.P., counsel to Genius and SpinCo, the following summary, as of the date hereof, describes the principal Canadian federal income tax considerations generally applicable under the *Income Tax Act* (Canada) (the "Tax Act") to Genius Shareholders with respect to the Spin-Off. **The following summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Genius Shareholder. Accordingly, Genius Shareholders are advised to consult their own tax advisors concerning the income tax consequences to them.**

MATERIAL FEDERAL INCOME TAX CONSIDERATIONS

This general summary of the principal Canadian federal income tax considerations is applicable to a Genius Shareholder who, for the purposes of the Tax Act: (i) deals at arm's length and is not affiliated with Genius or SpinCo; and (ii) holds Genius Shares as capital property. Genius Shares will generally be considered to be capital property to a holder provided that the holder does not use such securities in the course of carrying on a business and has not acquired them in one or more transactions considered to be an adventure in the nature of trade. Certain Canadian resident Genius Shareholders for whom Genius Shares might not otherwise qualify as capital property may be entitled to make an irrevocable election in accordance with subsection 39(4) of the Tax Act to have those Genius Shares, and any other "Canadian securities" (as defined in the Tax Act) owned by that Genius Shareholder in the taxation year in which the election is made and all subsequent taxation years, be deemed to be capital property. This summary is not applicable to a Genius Shareholder that is a "financial institution" or a "specified financial institution", or a Genius Shareholder an interest in which is a "tax shelter investment" (all as defined in the Tax Act).

This summary is based on the current provisions of the Tax Act, the regulations thereunder, and counsel's understanding of the current administrative and assessing practices of Canada Revenue Agency. This summary also takes into account all specific proposals to amend the Tax Act and the regulations thereunder publicly announced by the Minister of Finance (Canada) prior to the date of the Circular and assumes that they will be enacted substantially as proposed, although no assurance in this regard can be given. This summary does not otherwise take into account or anticipate any changes in law or administrative practice, whether by legislative, governmental or judicial action or interpretation, nor does it take into account provincial, territorial or foreign income tax considerations.

Genius Shareholders should consult with their own tax advisors for advice regarding the income tax considerations applicable to them, having regard to their particular circumstances.

Genius Shareholders Resident in Canada

This portion of the summary is applicable to a Genius Shareholder who at all relevant times, for purposes of the Tax Act and any applicable tax treaty, is or is deemed to be resident in Canada.

Distribution of SpinCo Shares

On the distribution of SpinCo Shares, a holder of Genius Shares will be considered to have received a dividend equal to the fair market value of SpinCo Shares so received. Under Canada Revenue Agency's administrative policy, the holder will be considered to have acquired SpinCo Shares at a cost equal to their fair market value.

For these purposes, Genius Shareholders will be advised following the Effective Date for the distribution of SpinCo's Shares as to Genius's calculation of the fair market value of SpinCo Shares. Genius estimates the fair market value of SpinCo Shares to be \$0.526 per share. Any determination of value by Genius is not binding on Canada Revenue Agency or any of the Genius Shareholders.

The dividend when received by individuals will be included in income and will be subject to gross-up and dividend tax-credit rules applicable to taxable dividends received by individuals from a corporation resident in Canada. An enhanced gross-up and dividend tax credit will be available provided that Genius designates the dividend as an eligible dividend for purposes of the Tax Act. There may be limitations on the ability of Genius to designate dividends as eligible dividends. The dividend when received by a corporation will generally be included in computing the corporation's income as a dividend and will ordinarily be deductible in computing its taxable income. In some cases, all or part of the dividend if received or deemed to be received by a corporation may be deemed to be a gain or proceeds of disposition on the Genius Shares rather than a dividend, and corporations should consult their own tax advisors as to these circumstances.

"Private corporations" (as defined in the Tax Act) and corporations controlled or deemed to be controlled by or for the benefit of an individual (other than a trust) or a related group of individuals (other than trusts) may be liable under Part IV of the Tax Act to pay a refundable tax of 38 1/3% on the dividend to the extent that the dividend is deductible in computing the corporation's taxable income. A Genius Shareholder that is a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay an additional refundable tax of 10 2/3% on dividends that are not deductible in computing taxable income.

Dissenting Shareholders

Under the current administrative practice of Canada Revenue Agency, a Dissenting Shareholder who dissents from the Spin-Off Resolution and thereby becomes entitled to a cash payment that is ultimately paid by Genius should generally be considered to have realized a capital gain (or capital loss) equal to the amount, if any, by which the proceeds of disposition of the Genius Shares exceed (or are exceeded by) the adjusted cost base of the Genius Shares and any reasonable costs of disposition. Any amount in respect of interest received by a Dissenting Shareholder will be included in such Dissenting Shareholder's income in accordance with the provisions of the Tax Act.

In addition, a Dissenting Shareholder that is, throughout the relevant taxation year, a "Canadian-controlled private corporation", as defined in the Tax Act, may be liable for a refundable tax of 10 2/3% on investment income, including interest income.

Dissenting Shareholders should consult their own tax advisors with respect to the Canadian federal income tax consequences of exercising their dissent rights.

Disposing of SpinCo Shares

A disposition or deemed disposition by a holder of SpinCo Shares will generally give rise to a capital gain (or capital loss) equal to the amount by which the proceeds of disposition, net of any reasonable costs of disposition, are greater (or less) than such holder's adjusted cost base of such shares. The tax treatment of capital gains and capital losses is discussed in greater detail below under "Capital Gains and Capital Losses".

Capital Gains and Capital Losses

One half of any capital gain will be included in income as a taxable capital gain and one half of any capital loss may normally be deducted as an allowable capital loss against taxable capital gains realized in the year of disposition. Any unused allowable capital losses may be applied to reduce net taxable capital gains realized in the three preceding taxation years or any subsequent taxation year, subject to the provisions of the Tax Act in that regard.

The amount of any capital loss realized on the disposition or deemed disposition of SpinCo Shares by a holder that is a corporation may be reduced by the amount of dividends received or deemed to have been received by it on such shares or shares substituted for such shares to the extent and in the circumstances prescribed by the Tax Act. Similar rules may apply where a holder that is a corporation is a member of a partnership or beneficiary of a trust that owns such shares.

A holder that is throughout the relevant taxation year a "Canadian-controlled private corporation" (as defined in the Tax Act) may also be liable to pay an additional refundable tax of 10 ²/₃% on its "aggregate investment income" for the year which will include taxable capital gains. Individuals (other than certain trusts) may be subject to alternative minimum tax in respect of realized capital gains.

Genius Shareholders Not Resident in Canada

The following summary is generally applicable to a Genius Shareholder who at all relevant times, for purposes of the Tax Act and any applicable tax treaty: (i) is not a (and is not deemed to be) resident in Canada; (ii) does not use or hold (and is not deemed to use or hold) Genius Shares or SpinCo Shares in carrying on a business in Canada; and (iii) does not hold Genius Shares or SpinCo Shares as "taxable Canadian property" (as defined in the Tax Act).

Generally, the Genius Shares will not constitute taxable Canadian property to a holder at a particular time, provided that: (i) the Genius Shares are listed on a designated stock exchange (which currently includes the Exchange) at that time; and (ii) the holder, persons with whom the holder does not deal at arm's length, partnerships in which the holder or such persons hold an interest directly or indirectly through one or more partnerships, or the holder together with such persons and/or partnerships, have not owned 25% or more of any class of Genius's shares at any time within the five years immediately preceding that time. Generally, SpinCo Shares will not constitute taxable Canadian property to a holder at a particular time, provided that: (i) the SpinCo Shares are listed on a designated stock exchange (which currently include the Exchange) at that time; and (ii) the holder, persons with whom the holder does not deal at arm's length, partnerships in which the holder or such persons hold an interest directly or indirectly through one or more partnerships, or the holder together with such persons and/or partnerships, have not owned 25% or more of any class of SpinCo's common shares at any time within the five years immediately preceding that time.

In either case, shares may also be deemed to constitute taxable Canadian property in certain circumstances under the Tax Act.

Distribution of SpinCo Shares

On the distribution of SpinCo Shares, a holder of Genius Shares will be considered to have received a dividend equal to the fair market value of SpinCo Shares so received. Under Canada Revenue Agency's

administrative policy, the holder will be considered to have acquired SpinCo Shares at a cost equal to their fair market value. For these purposes, Genius Shareholders will be advised following the Effective Date for the distribution of SpinCo Shares as to Genius's calculation of the fair market value of SpinCo Shares. Genius estimates the fair market value of SpinCo Shares to be \$0.526 per share. Any determination of value by Genius is not binding on Canada Revenue Agency or any of the Genius Shareholders.

Dividends paid to a holder not resident in Canada (including, for this purpose, a partnership other than a "Canadian partnership" as defined in the Tax Act) will generally be subject to Canadian withholding tax at the rate of 25%, subject to any reduction in the rate of withholding to which the holder is entitled under any applicable tax treaty between Canada and the country in which the holder is resident. Where the beneficial holder of the shares is a United States resident entitled to benefits under the Canada-U.S. Income Tax Convention, the applicable rate of Canadian withholding tax is generally reduced to 15%. Since the dividend will be paid by the distribution of SpinCo Shares, Genius will withhold a sufficient number of SpinCo Shares from distributions to non-resident Genius Shareholders in order to meet this withholding tax obligation.

Non-resident Genius Shareholders who wish to claim a reduced withholding tax rate under an applicable income tax treaty or convention on any dividends paid on SpinCo Shares to be received pursuant to the Spin-Off will be required to submit a duly completed and signed copy of CRA form NR301 - "Declaration of Eligibility for Benefits Under a Tax Treaty for a Non-Resident Taxpayer" (or form NR302 or NR303, as applicable) to Computershare at 100 University Avenue, 8th Floor, Toronto, Ontario M5Y 2Y1. Non-resident Genius Shareholders should consult their own tax advisors to determine their entitlement to relief under any applicable income tax treaty or convention and for assistance in completing their required form, if any. A copy of the CRA form NR301 - "Declaration of Eligibility for Benefits Under a Tax Treaty for a Non-Resident Taxpayer" will be mailed to the non-resident Genius Shareholders with the Circular.

Disposing of SpinCo Shares

On a disposition or deemed disposition of SpinCo Shares, the holder will generally not be subject to income tax under the Tax Act.

Backup Withholding and Information Reporting

U.S. Genius Shareholders may be subject to information reporting and may be subject to backup withholding on any cash payments made in connection with the Spin-Off. Payments of distributions on, or the proceeds from a sale or other taxable disposition of, SpinCo Shares paid within the United States may be subject to information reporting and may be subject to backup withholding. Payments of distributions on, or the proceeds from the sale or other taxable disposition of, SpinCo Shares to or through a foreign office of a broker generally will not be subject to backup withholding, although information reporting may apply to those payments in certain circumstances. Backup withholding generally will not apply, however, to a U.S. Genius Shareholder who furnishes an IRS Form W-9 (or substitute form) listing a correct taxpayer identification number and certifying that such holder is not subject to backup withholding or who otherwise establishes an exemption from backup withholding. Non-U.S. Genius Shareholders generally will not be subject to U.S. information reporting or backup withholding. However, such holders may be required to certify non-U.S. status (generally, on an applicable IRS Form W-8) in connection with payments received in the United States or through certain U.S.-related financial intermediaries. Backup withholding is not an additional tax. Any amounts withheld from a payment to a holder under the backup withholding rules may be credited against the holder's U.S. federal income tax liability, and a holder may obtain a refund of any excess amounts withheld by filing the appropriate claim for refund with the IRS in a timely manner and furnishing any required information.

Certain U.S. Genius Shareholders must report information relating to an interest in "specified foreign financial assets," including shares issued by a non-U.S. corporation, for any year in which the aggregate value of all specified foreign financial assets exceeds \$50,000, subject to certain exceptions (including an

exception for shares held in accounts maintained with certain financial institutions). Penalties may be imposed for the failure to disclose such information. U.S. Genius Shareholders are urged to consult their tax advisors regarding the effect, if any, of these reporting requirements on their ownership and disposition of SpinCo Shares received pursuant to the Spin-Off. A copy of the IRS Form W-9 (or substitute form) will be mailed to the U.S. Genius Shareholders with the Circular. If applicable, U.S. Genius Shareholders must submit a duly completed and signed copy of IRS Form W-9 (or substitute form) to Computershare at 100 University Avenue, 8th Floor, Toronto, Ontario M5Y 2Y1.

RESALE OF SPINCO SHARES

The distribution of SpinCo Shares pursuant to the Spin-Off to Genius Shareholders resident in each of the provinces and territories of Canada is exempt from the prospectus and registration requirements of the securities laws of those provinces and territories.

If the Spin-Off is completed, holders of Genius Shares resident in each of the provinces and territories of Canada will receive SpinCo Shares pursuant to the Spin-Off, which SpinCo Shares may be resold free of prospectus requirements and statutory hold periods of the securities laws of those provinces and territories. However, any person, company or a combination of persons or companies holding a sufficient number of SpinCo Shares to affect materially the control of SpinCo will be restricted in reselling SpinCo Shares received pursuant to the Spin-Off. Any person, alone or with other persons acting in concert by virtue of an agreement, holding more than 20% of the SpinCo Shares will be presumed to hold a sufficient number of SpinCo Shares to materially affect the control of SpinCo. Genius Shareholders who reside outside of these jurisdictions should consult with their own advisers with respect to any resale of SpinCo Shares received pursuant to the Spin-Off.

RESALE OF THE RESULTING ISSUER SHARES

Genius Shares held by Genius Shareholders will become the Resulting Issuer Shares upon completion of the Reverse Take-Over. Holders of Genius Shares resident in each of the provinces and territories of Canada will be able to resell their the Resulting Issuer Shares free of prospectus requirements and statutory hold periods of the securities laws of those provinces and territories. However, any person, company or a combination of persons or companies holding a sufficient number of the Resulting Issuer Shares to materially affect the control of the Resulting Issuer will nevertheless be restricted in reselling the Resulting Issuer Shares. Any person, alone or with other persons acting in concert by virtue of an agreement, holding more than 20% of the Resulting Issuer Shares will be presumed to hold a sufficient number of the Resulting Issuer Shares to materially affect the control of the Resulting Issuer. Genius Shareholders who reside outside of these jurisdictions should consult with their own advisers with respect to any resale of the Resulting Issuer Shares.

SCHEDULE B - ASSET TRANSFER AGREEMENT

THIS AGREEMENT MADE THIS 6th DAY OF JUNE, 2018.

BETWEEN: **GENIUS PROPERTIES LTD.**, a corporation existing under the *Canada Business Corporations Act* and having its principal place of business at 22 Lafleur N. Street, Suite 203, Saint-Sauveur, Québec J0R 1R0;

(hereinafter the “**Vendor**”)

AND: **GENIUS METALS INC.**, a corporation existing under the *Canada Business Corporations Act* and having its principal place of business at 22 Lafleur N. Street, Suite 203, Saint-Sauveur, Québec J0R 1R0;

(hereinafter the “**Purchaser**”)

RECITALS

WHEREAS the Vendor is an exploration-stage company engaged in the business of acquiring, exploring and developing mining properties, which holds rights to several mining exploration properties (the “**Genius Business**”);

WHEREAS the Vendor is a reporting issuer in British Columbia, Alberta, Ontario, and Québec and is listed on the Canadian Securities Exchange (the “**CSE**”);

WHEREAS the Purchaser is a wholly-owned subsidiary of the Vendor; and

WHEREAS the Vendor desires to reorganize its affairs through the transfer of substantially all of its assets and all of its liabilities to the Purchaser and a reverse take-over (the “**RTO**”) to be effected with Cerro de Pasco Resources S.A. (“**Cerro de Pasco**”) pursuant to a merger agreement dated November 9, 2017 and amended on February 28, 2018, among the Vendor and Cerro de Pasco (the “**Merger Agreement**”);

NOW THEREFORE, in consideration of the mutual agreements and covenants herein contained, the adequacy of which consideration as to each of the Parties hereto is hereby mutually admitted, the Parties hereto hereby covenant and agree as follows:

1. INTERPRETATION

1.1. Definitions

For the purposes of this Agreement, unless the context otherwise requires, the following terms shall have the respective meanings set out below:

“**Agreement**” means this asset transfer agreement, including the recitals and schedules hereto, as amended, supplemented or restated from time to time;

“**Applicable Law**” in respect of any Person, property, transaction or event, means all present and future laws, statutes, regulations, treaties, judgments and decrees applicable to that Person, property, transaction or event and whether or not having the force of law, and all applicable requirements, requests, official directives, rules, consents, approvals, authorizations, guidelines, orders and policies of any Governmental Entity having or purporting to have authority over that Person, property, transaction or event;

“**Approvals**” means all approvals, licenses, qualifications, certificates, authorizations and certificates of

authorization, consents, filings, grants, licenses, notifications, privileges, rights, orders, judgments, rulings, directives, ordinances, decrees, registrations, filings and other authorizations of any nature whatsoever, and includes Permits;

“Assumed Contracts” means all Contracts to which the Vendor is a party, including, without limitation, all Contracts pertaining to the Genius Business and the Purchased Assets, but excluding all Contracts pertaining to the RTO and to the Vendor’s head office (such as the office lease agreement and all other utility, services and office equipment agreements).

“Assumed Liabilities” means all Liabilities of the Vendor accrued prior to the Time of Closing and all cost, expenses and payments to be made in connection with the Genius Litigation, if any, that would occur after the Time of Closing;

“Books and Records” means all current and historical books, records and data of the Vendor or within the control of the Vendor prior to the Time of Closing, including without limitation Contracts, agreements, accounting records, books, financial statements, accounts, records, minute books, customer and supplier lists, returns, tax assessments, filings, registers and operating manuals, documents, files and all other information (and including all such books and records stored in electronic format or any other media form);

“Business Day” means any day, which is not a Saturday, Sunday or a statutory holiday, when banks are generally open in the City of Montréal, Québec, for the transaction of banking business;

“CBCA” means the *Canada Business Corporations Act*;

“Closing Date” means such date as the Vendor and Purchaser may mutually agree upon for the completion of the purchase and sale provided for in this Agreement, subject to the approval of applicable regulatory authorities and the shareholders of the Vendor in accordance with the CBCA, provided, however, that such date shall be no later than August 31, 2018;

“Contract” means any agreement, indenture, contract, lease, deed of trust, license, option, instrument or other commitment, whether written or oral;

“Conveyance Documents” means all assurances, instruments, deeds, conveyances, bills of sale, assignments, registrations and any other documents necessary or appropriate to transfer and convey title to the Purchased Assets in accordance with the terms and conditions hereof;

“CSE” has the meaning ascribed to it in the Recitals;

“Debt Settlement Agreements” means the two debt settlement agreements dated March 30, 2018, providing for the issuance, by the Purchaser, of common shares of its share capital as settlement for debts of the Vendor;

“Disclosure Documents” has the meaning set out in section 9.7;

“Employees” means: (i) full-time, part-time or casual employees of the Vendor, including any employees on disability or other long-term or short-term leave, (ii) individuals engaged on contract to provide consulting or other contractual services to the Vendor, and (iii) individuals acting as sales or other agents or representatives, who are employed or engaged in the Genius Business as at the date of this Agreement;

“ETA” means Part IX of the *Excise Tax Act* (Canada), as amended from time to time;

“Excluded Assets” has the meaning ascribed to it in section 2.2;

“Genius Business” has the meaning ascribed to it in the Recitals;

“Genius Litigation” means the litigation against Genius;

“Governmental Entity” means any (i) multinational, federal, provincial, state, regional, municipal, local or other government or any governmental or public department, court, tribunal, arbitral body, commission, board, bureau or agency, (ii) any subdivision, agent, commission, board or authority of any of the foregoing, (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing, or (iv) any stock exchange, including the CSE;

“GST” means the goods and services tax imposed under the ETA;

“Intellectual Property” means all intangible property and worldwide proprietary rights, including brand names, business names (including the name “Genius Properties” or any variation thereof), unregistered trademarks, trade-mark registrations and pending applications, trade names and trade-name registrations, unregistered copyrights, copyright registrations and pending applications, domain names and related website content, patent registrations and applications, trade secrets, recipes, processing procedures, proprietary manufacturing information and know-how, inventions, discoveries, inventors’ notes, research data, unpatented blueprints, drawings and designs, industrial property, formulae, research and development information, all databases, computer data and other computer documentation, processes, technology, research and development information and other intellectual property, domestic or foreign, owned or used by the Vendor, together with all rights under licenses, license agreements, technology transfer agreements and other agreements or instruments relating to any of the foregoing, source code for all software developed or owned by the Vendor and the benefit of any licenses to use any software of third parties, together with research;

“Inventory” has the meaning ascribed to it in subsection 2.1(c);

“ITA” means the *Income Tax Act* (Canada), as amended, including the tax regulations enacted thereunder;

“Liabilities” means all debts, liabilities, commitments or obligations (whether matured or not, accrued, fixed, contingent or otherwise) of any kind or nature whatsoever arising out of or resulting from any matters, actions, events, facts or circumstances related to the activities or affairs of the Vendor or the Genius Business;

“Liens” means any and all liens, mortgages, charges, security interests, pledges or other encumbrances, adverse claims and interests or rights of third Persons of any nature;

“Losses” means all losses, costs, damages, expenses, charges, fines, penalties, interest charges, assessments or other liabilities whatsoever (including legal fees and disbursements on a solicitor and client basis and fees and disbursements of experts);

“Merger Agreement” has the meaning ascribed to it in the Recitals;

“Parties” means the Vendor and Purchaser and **“Party”** means either one of them;

“Permits” means all Approvals and permits required to be issued or given by any Governmental Entity under Applicable Law or pursuant to any laws that are used in connection with the Genius Business;

“Person” means any individual, partnership, association, body corporate, trust, joint venture, unincorporated organization or association, union, trustee, heir, executor, liquidator, administrator, legal representative, government, regulatory authority or other entity;

“Purchase Price” has the meaning ascribed to it in section 3.1;

“Purchased Assets” has the meaning ascribed to it in section 2.1;

“**Purchaser’s Indemnified Parties**” means the Purchaser and its directors, officers, employees and agents.

“**Purchaser**” has the meaning ascribed to it in the Recitals;

“**QST**” means all Taxes payable under the QSTA, and any reference to a specific provision of the QSTA shall refer to any successor provision thereto of like or similar effect;

“**QSTA**” means *An Act respecting the Québec sales tax* (Québec), as amended from time to time;

“**RTO**” has the meaning ascribed to it in the Recitals;

“**Stock Option Plan**” means the rolling stock option plan of the Vendor adopted on July 11, 2016, authorizing the granting of stock options to qualified optionees to purchase up to ten percent (10%) of the Common Shares issued and outstanding at the time;

“**Tax Receivables**” means all amounts that, as at the Time of Closing, are payable to the Vendor by, or receivable by it from, any Governmental Entity in respect of Taxes, and all rights thereto, including all refunds, reimbursements, overpayments or other amounts, with respect to the taxation years ended December 31, 2017 and 2016 as well as the period beginning on January 1, 2018 and ending on the Closing Date, including, without limitation, other federal and provincial refundable tax credits under the ITA and the *Taxation Act* (Québec), and the GST and QST refunds under the QSTA, the ETA or otherwise deriving from any other Governmental Entity;

“**Tax**” means (i) any and all domestic and foreign federal, state, provincial, territorial, municipal and local taxes, assessments and other governmental charges, duties, impositions and Liabilities imposed by any Governmental Entity, including Canada Pension Plan and provincial pension plan contributions, tax instalment payments, unemployment insurance contributions and employment insurance contributions, social security, worker’s compensation and deductions at source, including taxes based on or measured by gross receipts, income, profits, sales, harmonized sales, business license, capital, use or occupation, and including goods and services, value added, *ad valorem*, sales, product, capital, transfer, escheat, environmental, stamp, document, franchise, non-resident withholding, customs, payroll, recapture, employment, health fund, disability, severances, excise and property duties and taxes, and other taxes, duties, assessment of any nature whatsoever, together with all interest, penalties, fines and additions imposed with respect to such amounts, any interest in respect of such penalties and additions, whether disputed or not, and (ii) any liability for the payment of any amounts of the type described in clause (i) as a result of being a member of an affiliated, consolidated, combined or unitary group for any period, as a result of any Tax-sharing or Tax-allocation agreement, arrangement or understanding, or as a result of being liable for another person’s Tax as a transferee or successor, by contract or otherwise; and includes any amount payable by the Vendor as a result of an assessment, reassessment or claim by a Governmental Entity for the repayment of amounts received or receivable by the Vendor on account of refundable tax credit or deemed payment on account of Tax payable;

“**Time of Closing**” means the closing on the Closing Date of the purchase and sale provided for in this Agreement, as agreed to by the Parties; and

“**Vendor’s Indemnified Parties**” means the Vendor and its directors, officers, employees and agents; “**Vendor**” has the meaning ascribed to it in the Recitals.

1.2. Schedules

The following Schedules are annexed to and form part of this Agreement:

Schedule 2.1(a): List of all mining rights, titles and interests owned by the Vendor

2. PURCHASE AND SALE OF PURCHASED ASSETS

2.1. Purchased Assets

Subject to the provisions of this Agreement, the Vendor hereby sells, assigns and transfers to the Purchaser, free and clear of all Liens, and the Purchaser hereby purchases, acquires and accepts from the Vendor, effective as of the Time of Closing, all of the Vendor's right, title and interest in and to all of the property and assets owned by the Vendor as at the Time of Closing, whether real or personal, tangible or intangible, of every kind and description and wheresoever situated, including, without limitation, the following, but excluding the Excluded Assets as set forth in Section 2.2:

- (a) all of the Vendor's mining rights, titles and interests, listed in Schedule 2.1(a);
- (b) the universality of the Vendor's equipment, including all fixtures, machinery, tools, furniture and computer hardware, as well as all manuals, books, records and other documents related thereto;
- (c) the universality of the Vendor's inventory, including, without limitation, samples, promotional materials, spare parts, packaging and shipping material, supplies, stationery and office supplies used by it in the Genius Business whether or not they are recorded in the Books and Records of the Vendor as inventory on the Closing Date (collectively the "Inventory");
- (d) the universality of prepaid expenses;
- (e) the universality of all accounts receivable claims of the Vendor;
- (f) the Intellectual Property;
- (g) all Permits;
- (h) all benefits under all insurance policies in respect of claims based on occurrences on or prior to the Time of Closing;
- (i) all Tax Receivables in accordance with Section 9.6;
- (j) all Books and Records pertaining to the Purchased Assets, the Assumed Liabilities, the Employees and Employee plans, including budgets, technical reports, results of exploration programs, assay results, vendor/supplier history, other than such Books and Records as may be required by Applicable Law to be retained by the Vendor and excluding, for greater certainty, any books and records pertaining to Excluded Assets, copies of which will be made available to the Purchaser, as required;
- (k) all rights of the Vendor under express or implied warranties from the vendors of the Purchased Assets, to the extent that such rights are assignable or transferable; and
- (l) the right to receive any refund of Taxes paid by the Vendor, including exploration credits, and filed for (or to be filed for) by it, and all interest thereon.

The property and assets sold, assigned and transferred to the Purchaser hereunder are hereinafter referred to as the "Purchased Assets".

2.2. Excluded Assets

All property and assets owned by the Vendor that is not sold, assigned and transferred to the Purchase as at the Time of Closing shall remain the property and assets of the Vendor (the "Excluded Assets"),

including, without limitation:

- (a) all cash on hand or on deposit with banks or other depositories or cheques received for deposit in the Vendor's bank accounts or other accounts held for the benefit of the Vendor, and all term deposits and money-market instruments held by or for the benefit of the Vendor, as at the Time of Closing, together with the ownership of the bank accounts;
- (b) the goodwill of the Vendor, including its telephone and fax numbers, domain names, electronic addresses and Web sites, and all business records, such as all client lists, price lists, supplier lists, as well as a copy of all agreements with clients or suppliers, together with the exclusive right of the Purchaser to represent itself as carrying on the Genius Business in continuation of and in succession to the Vendor and the right to use any words and indications that the said Genius Business is so carried on; and
- (c) the shares held by the Vendor in the capital of Zippler Inc. and Zencig Corp. which are two non-material subsidiaries of the Vendor in the process of being dissolved.

3. PURCHASE PRICE

3.1. Purchase Price

The purchase price payable by the Purchaser to the Vendor for the Purchased Assets shall be equal to \$5,153,638 which aggregate amount the Parties agree, to the best of the knowledge of each of them, is the aggregate fair market value of the Purchased Assets (the "Purchase Price").

3.2. Payment of Purchase Price

The Purchase Price shall be paid in full at the Time of Closing by the assumption of the Assumed Liabilities and by the issuance and delivery to the Vendor by the Purchaser of 9,797,790 shares of the Purchaser at a deemed issue price of \$0.526 per share.

4. TAX MATTERS

4.1. ETA and QSTA

The Purchaser and Vendor shall, on the Closing Date, elect jointly under the applicable sections of the ETA and QSTA, in the prescribed form and containing the prescribed information, to permit the Purchased Assets to be conveyed without any GST and QST being payable in respect of the purchase and sale thereof hereunder. The Purchaser and Vendor shall jointly complete the election forms in respect of such elections and the Purchaser shall file said election forms as required by law.

The Vendor hereby confirms and represents that its GST business number is 879830206RT0001, its QST business number is 1220958121TQ0001 and its registration number under the *Act Respecting the Legal Publicity of Enterprises* (Québec) is NEQ 1169570893. The Purchaser undertakes to provide the Vendor with its registration number under the *Act Respecting the Legal Publicity of Enterprises* (Québec), its GST business number and its QST business number as soon as they are obtained by the Purchaser.

4.2. Section 22 of the ITA

Upon the Vendor's request, the Purchaser and Vendor shall jointly complete the election forms in connection with the election under section 22 of the ITA and the equivalent provision of the *Taxation Act* (Québec) and the Vendor hereby appoints the Purchaser as its agent to file said election forms.

4.3. Section 85 of the ITA

The Purchaser and Vendor shall jointly complete the election forms in connection with the election under section 85 of the ITA and the equivalent provision of the *Taxation Act* (Québec) and the Vendor hereby appoints the Purchaser as its agent to file said election forms within the time prescribed for filing such elections. The aggregate elected amount to be set out in such election forms shall be equal to the aggregate purchase price for the Purchased Assets set out in section 3.1 hereof.

5. ASSUMPTION OF LIABILITIES AND OBLIGATIONS

5.1 Assumption of Liabilities by the Purchaser

Subject to the provisions of this Agreement, the Purchaser hereby agrees to assume, and agrees to pay, satisfy, discharge, perform and fulfill, as and from the Time of Closing, to the full and complete exoneration of the Vendor and in accordance with all of the terms and conditions thereof, all of the following Liabilities:

- (a) the Assumed Liabilities;
- (b) the Assumed Contracts and all obligations of any nature whatsoever thereunder;
- (c) all accounts payable due, owing or accruing due by the Vendor as at the Time of Closing whether generally or resulting from the transactions contemplated in this Agreement, including for greater certainty all amounts owing in respect of GST and QST; and
- (d) all obligations of the Vendor arising out of any employment agreements with any Employees and the obligation to assume, as and from the Time of Closing, all of the Vendor's obligations towards the Employees, and to the extent applicable, any severance payments or indemnity in lieu of notice, the whole as more fully described at section 10.2 hereof.

5.2 Ratification of the Debt Settlement Agreements

The Purchaser hereby ratifies the Debt Settlement Agreements and agrees to issue common shares of its share capital as final settlement for debts of the Vendor, as provided under the Debt Settlement Agreements.

5.3 Acceptance of the Transfer of All Employees

The Purchaser shall accept the transfer of all Employees by the Vendor immediately prior to the Time of Closing, in accordance with section 10.2 hereof.

6. REPRESENTATIONS AND WARRANTIES OF THE VENDOR

The Vendor represents and warrants to the Purchaser as follows and acknowledges that the Purchaser is relying on the accuracy of each such representation and warranty in entering into this Agreement and completing the purchase of the Purchased Assets, it being understood that the Purchaser is familiar with the Purchased Assets, has examined same, is fully satisfied therewith and is purchasing same hereunder on an "as is, where is" basis, without any representations or warranties whatsoever as to the Purchased Assets nor any statutory or legal warranty under the *Civil Code of Québec* as to the quality thereof.

6.1 Organization

The Vendor is a corporation duly incorporated and organized and validly existing under the CBCA and has the corporate power and capacity and is duly qualified to enter into this Agreement and each of the agreements, documents and instruments to be entered into by the Vendor in connection with this

Agreement and to perform its obligations hereunder and thereunder.

6.2 Authorization

This Agreement and each of the agreements, documents and instruments of the Vendor contemplated hereby has been duly authorized, executed and delivered by the Vendor, and is a legal, valid and binding obligation of the Vendor. Other than approval by the shareholders of the Vendor in accordance with the CBCA, no other corporate proceedings or approvals on the part of the Vendor are necessary to authorize this Agreement and each of the agreements, documents and instruments contemplated hereby.

6.3 Right to Sell

The Vendor is the beneficial owner of the Purchased Assets, with good and marketable title thereto, free and clear of any Liens, subject always to the Assumed Liabilities and to the proprietary rights of landlords or lessors thereunder, and is exclusively entitled to possess and dispose of same.

6.4 Employee Plans

There are no retirement, pension, bonus, stock purchase, profit sharing, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, incentive or other compensation plans or arrangements or other employee benefits that are maintained, or otherwise contributed to or required to be contributed to by the Vendor for the benefit of the Employees, other than the Stock Option Plan.

6.5 No Violation

Other than as set out in this Agreement, the execution and delivery of this Agreement by the Vendor and the consummation of the transactions herein provided for will not result in the breach or violation of any of the provisions of, or constitute a default under, or conflict with or cause a right of termination, cancellation or the acceleration of, any obligation of the Vendor under:

- (a) any judgment, decree, order or award of any Governmental Entity having jurisdiction over the Vendor; or
- (b) any Applicable Law.

6.6 Residency

The Vendor is not a non-resident of Canada within the meaning of the ITA.

7. REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

The Purchaser represents and warrants to the Vendor as follows and acknowledges that the Vendor is relying on the accuracy of each such representation and warranty in entering into this Agreement and completing the purchase of the Purchased Assets.

7.1 Organization

The Purchaser is a corporation duly incorporated and organized and validly existing under the CBCA and has the corporate power to enter into this Agreement and each of the agreements, documents and instruments to be entered into by the Purchaser in connection with this Agreement and to perform its obligations hereunder and thereunder.

7.2 Authorization

This Agreement and each of the agreements, documents and instruments of the Purchaser contemplated hereby has been duly authorized, executed and delivered by the Purchaser and is a legal, valid and binding obligation of the Purchaser. No other corporate proceedings or approvals on the part of the Purchaser or its shareholder are necessary to authorize this Agreement and each of the agreements, documents and instruments contemplated hereby.

7.3 No Violation

The execution and delivery of this Agreement by the Purchaser and the consummation of the transactions herein provided for will not result in the breach or violation of any of the provisions of, or constitute a default under, or conflict with or cause a right of termination, cancellation or the acceleration of, any obligation of the Purchaser under:

- (a) any judgment, decree, order or award of any Governmental Entity having jurisdiction over the Purchaser; or
- (b) any Applicable Law.

7.4 Investment Canada

The Purchaser is a Canadian within the meaning of the Investment Canada Act.

8. NATURE AND SURVIVAL OF REPRESENTATIONS AND WARRANTIES

All statements contained in any certificate or other instrument delivered by or on behalf of a Party pursuant to or in connection with the transactions contemplated by this Agreement shall be deemed to be made by such Party hereunder.

8.1 Survival of Representations and Warranties of the Parties

All representations, warranties, covenants and agreements contained in this Agreement on the part of each of the Parties shall survive the closing, the execution and delivery hereunder of any bills of sale, instruments of conveyance, assignments or other instruments of transfer of title to any of the Purchased Assets and the payment of the consideration therefor, for a period of twelve (12) months following the Closing Date.

8.2 Indemnity by the Vendor

The Vendor shall indemnify the Purchaser's Indemnified Parties and save them fully harmless against, and shall reimburse them for, any Losses arising from, in connection with or related in any manner whatsoever to:

- (a) any incorrectness in or breach of any representation or warranty of the Vendor contained in this Agreement or in any other agreement, certificate or instrument executed and delivered pursuant to this Agreement; and
- (b) any breach or non-fulfilment of any covenant or agreement on the part of the Vendor contained in this Agreement or in any other agreement, certificate or instrument executed and delivered pursuant to this Agreement.

8.3 Indemnity by the Purchaser

The Purchaser shall indemnify the Vendor's Indemnified Parties and save them fully harmless against, and shall reimburse them for, any Losses arising from, in connection with or related in any manner

whatsoever to:

- (a) any incorrectness in or breach of any representation or warranty of the Purchaser contained in this Agreement or in any other agreement, certificate or instrument executed and delivered pursuant to this Agreement;
- (b) any breach or non-fulfilment of any covenant or agreement on the part of the Purchaser contained in this Agreement or in any other agreement, certificate or instrument executed and delivered pursuant to this Agreement;
- (c) any liability arising from the ownership or operation of the Purchased Assets or the Genius Business prior to the Time of Closing, including, but not limited to, any litigation, action, suit, investigation, hearing, claim, complaint, grievance, arbitration proceeding or other proceeding, including any proceeding by any governmental or administrative authority, or any appeal, review or application for same to which the Vendor becomes or is made a party after the Closing Date, arising from facts or circumstances that existed at any time prior to the Closing Date;
- (d) any liability or Losses related to or arising from the relationship between the Vendor and its Employees, any obligations of the Vendor to such Employees, including in respect of the remuneration, benefits or other terms and conditions of such Employees' employment, the termination of such Employees' employment or service relationship or arising from any claim that such Employees may make in respect of continuation of service or reinstatement with the Purchaser, lost salary, benefits or other employment related advantages of any nature whatsoever; and
- (e) the Assumed Liabilities.

9. CONDITIONS PRECEDENT AND COVENANTS OF THE VENDOR

9.1 Conditions of Closing

The closing of the transaction contemplated by this Agreement shall be subject to the completion of the following conditions, to the satisfaction of both Parties;

- (a) the obtaining of all Approvals required in order to effect the transfer of the Purchased Assets, including, without limitation, that of the CSE;
- (b) approval by the shareholders of the Vendor in accordance with section 189 of the CBCA;
- (c) conditional listing of the common shares of the Purchaser on the CSE;
- (d) completion of a private placement of common shares by the Purchaser in an amount not less than seven hundred and fifty thousand dollars (\$750,000); and
- (e) the satisfaction of all conditions necessary for the closing of the RTO pursuant to the Merger Agreement.

9.2 Stock Options and Warrants

At the time of closing, all the outstanding stock options of the Vendor issued pursuant to the Stock Option Plan and the common share purchase warrants, including broker warrants, of the Vendor shall remain unchanged and in effect in accordance with the respective resolutions granting such stock options and the Stock Option Plan and the certificates evidencing such common share purchase warrants and broker warrants, as the case may be.

In addition, all holders of common share purchase warrants and broker common share purchase warrants issued by the Vendor outstanding at the record date for the RTO, each of which entitles the holder thereof to purchase one common share of the Vendor at a price of \$0.25 until April 27, 2019, will also receive one common share purchase warrant at a ratio of 6:1, each of which will entitle the holder thereof to purchase one common share of the Purchaser at a price of \$0.40 until April 27, 2019.

9.3 Approvals and Conveyance Documents

The Vendor shall promptly after the date of this Agreement use its commercially-reasonable best efforts to obtain all Approvals and, at the Time of Closing, shall execute and deliver to Purchaser all Conveyance Documents as may be necessary in order to:

- (a) permit the Vendor to validly and effectually convey to the Purchaser the Purchased Assets at the Time of Closing, and
- (b) permit the Purchaser to acquire the Purchased Assets and the Genius Business and operate same thereafter, in accordance with all requirements of Applicable Law.

To the extent that the transfer and assignment of any Purchased Asset(s) requires an Approval and that such Approval has not been obtained as of the Time of Closing, then: (i) the Parties shall cooperate and use their best efforts to obtain such Approval as soon as practicable following the Closing Date, and (ii) this Agreement shall not constitute a contract to assign the same if an attempted assignment would constitute a breach thereof. In such event:

- (a) the Vendor shall hold the benefit of the Purchased Assets in trust for the benefit of the Purchaser and shall cooperate with the Purchaser in any reasonable arrangements designed to provide the Purchaser with the benefit of such Purchased Asset(s);
- (b) the Vendor shall perform all of its obligations under any applicable Permits and Contracts and shall enforce any rights of the Vendor arising from such Purchased Asset(s); and
- (c) at the request of the Purchaser, the Vendor shall take all such actions and do, or cause to be done, all such things as shall reasonably be necessary in order that the value of such Purchased Asset(s) shall be preserved and shall enure to the benefit of the Purchaser, including without restriction, the execution and delivery of all necessary assignments and the taking of such further actions as may be required to transfer and assign to the Purchaser all Purchased Assets, including all Permits, Intellectual Property and Assumed Contracts, in the manner contemplated herein.

9.4 Delivery of Books and Records

At the Time of Closing, the Vendor shall deliver to the Purchaser all the Books and Records described in subsection 2.1(i).

9.5 Benefits and Possession

As of and with effect from the Time of Closing, the Purchaser shall:

- (a) be entitled to all of the benefits accruing to the Vendor under the provisions contained in each of the Assumed Contracts;
- (b) be bound by all of the obligations imposed on the Vendor under such provisions; and
- (c) be entitled to possession of all of the Purchased Assets and any premise occupied by the Vendor as lessee.

9.6 Payment of Tax Receivables

To the extent that any Tax Receivable is not assignable or is paid to the Vendor despite the assignment of same hereunder, the Vendor shall pay the Purchaser an amount equal to the amount of the Tax Receivable within seven (7) calendar days of the date on which the Vendor receives payment of the Tax Receivable.

In the event that the Vendor shall have suffered any Losses related in any manner to the matters discussed above, any amounts received by the Vendor in respect of Tax Receivables shall become the property of the Vendor as setoff for the amounts of such Losses and any balance thereof, if applicable, shall thereafter be paid to Purchaser in accordance with this section 9.6.

For greater certainty, in order to facilitate the rights and obligations set out in this section 9.6, the Purchaser shall not be entitled to take any action, including the sending of notices to the relevant taxation authorities, or otherwise, to seek or cause the payment of the Tax Receivables to be made to the Purchaser, until such time as all of the rights of retention of the Tax Receivables set out in this section 9.6 have lapsed, and, prior to such time, the Vendor may take any action, including the sending of notices to the relevant taxation authorities, or otherwise, to ensure the preservation of the rights of retention provided for in this section 9.6.

9.7 Disclosure by the Purchaser

The Vendor consents to disclosure by the Purchaser (and any affiliate thereof or successor thereto) in any offering memorandum, information circular, prospectus, take-over bid circular, press release or other document, the form and content of which are subject to or prescribed by Applicable Law (collectively, “**Disclosure Documents**”), of a description of the assets held, and the businesses conducted, by the Vendor before the Time of Closing and such historical financial and operational information of the Vendor in respect of any period prior to Time of Closing as may be required by Applicable Law to be included in any Disclosure Documents. The Vendor shall make reasonable commercial efforts to obtain the cooperation of its auditors or accounting advisors with the Purchaser and/or its agents, including the Purchaser’s auditors, in connection with the review and audit of the financial information respecting the Vendor to be contained in any Disclosure Document. The provisions of this section 9.7 shall survive the Time of Closing for a period of three (3) years, provided that all costs associated with such audits or reviews shall be borne by the Purchaser.

9.8 Change of Corporate Name by the Vendor

Immediately following the Time of Closing, the Vendor (i) shall, by amalgamation, articles of amendment or otherwise, cause its corporate name to be changed from Genius Properties Ltd. to a corporate name that does not include the name “Genius” and (ii) shall cease all public use or use with third parties of the word “Genius” and any word that is confusingly similar thereto.

9.9 Disclosure by the Vendor

The Purchaser consents to disclosure by the Vendor of this Agreement in the management information circular prepared by the Vendor in connection with an annual and special meeting of shareholders of the Vendor called to consider this Agreement, among other things, and acknowledges that it has reviewed the said management information circular and is satisfied with the disclosure of this Agreement therein.

10. COVENANTS OF THE PURCHASER

10.1 Books and Records

The Purchaser agrees that it will preserve all of the Books and Records described in subsection 2.1(i) and delivered to it at the Time of Closing for a period of three (3) years from the Time of Closing, or for such longer period as is required by any Applicable Law, and will permit the Vendor or its authorized

representatives reasonable access thereto in connection with the affairs of the Vendor, but the Purchaser shall not be responsible or liable to the Vendor for or as a result of any accidental loss or destruction of or damage to any such books or records.

10.2 Employees

The Employees of the Vendor shall be in the employ of the Purchaser as of and from the Time of Closing and they shall be employed on terms and conditions of employment (or, as the case may be, contractual terms for contracts for services to the extent that an Employee is engaged on contract, a consultant or contractor of services or sales or an agent or representative of the Vendor) that are in the aggregate and in all material respects, substantially the same as those in effect as between the Vendor and such Employee. The Purchaser shall advise such Employees of the change of designation of their employer without delay.

11. ADDITIONAL COVENANTS

11.1. Post-Closing Tax Filings

- (a) The Purchaser shall take all reasonable measures to assist the Vendor in the filing of income tax returns for the taxation year in which the purchase and sale hereunder shall occur.
- (b) The Purchaser shall, on behalf of the Vendor, prepare the appropriate tax returns in respect of the calendar month in which the Closing Date occurs, to recover GST and QST refunds due or accruing due to the Vendor as at the Time of Closing for such period to which Purchaser is entitled as provided for herein.

12. CLOSING DATE AND TRANSFER OF POSSESSION

12.1 Transfer

Subject to compliance with the terms hereof, the transfer of possession and ownership of the Purchased Assets shall take effect as at the Time of Closing.

12.2 Place of Closing

The closing shall take place at the Time of Closing on the Closing Date at the offices of Lavery, de Billy, L.L.P., 1 Place Ville Marie, Suite 4000, Montréal, Québec H3B 4M4.

12.3 Delivery of Closing Documents

At the Time of Closing, the Vendor shall execute and deliver to Purchaser all Conveyance Documents required to be delivered under section 9.2 hereof, as well as all such other documents relevant to the closing of the transactions contemplated hereby.

12.4 Further Assurances

Each of the Parties hereby covenants and agrees to promptly execute and deliver, at any time and from time to time after the Closing Date, all such documents, including, without limitation, all such additional conveyances, transfers, consents and other assurances and to do all such other acts and things as the other Party, acting reasonably, may from time to time request be executed or done in order to better evidence or perfect or effectuate any provision of this Agreement or of any agreement or other document executed pursuant to this Agreement or any of the respective obligations intended to be created hereby or thereby.

13. MISCELLANEOUS

13.1 Notices

(a) Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered in person, transmitted by telecopy or similar means of recorded electronic communication or sent by registered mail, charges prepaid, addressed as follows with the mention "Strictly Confidential":

(i) if to the Vendor *before* the Time of Closing:

GENIUS PROPERTIES LTD.
22 Lafeur N. Street
Suite 203
Saint-Sauveur, Québec J0R 1R0
Attention: Guy Goulet

E-mail: ggoulet@geniusproperties.ca

(ii) if to the Vendor *after* the Time of Closing:

CERRO DE PASCO RESOURCES INC.
Calle Manuel Gonzales Olaechea 401
San Isidro, Lima, Peru
Attention: Steven Zadka

E-mail: Szadka@pascoresources.com

(iii) if to the Purchaser:

GENIUS METALS INC.
22 Lafeur N. Street
Suite 203
Saint-Sauveur, Québec J0R 1R0
Attention: Guy Goulet

E-mail: ggoulet@geniusproperties.ca

(b) Any such notice or other communication shall be deemed to have been given and received on the day on which it was delivered, transmitted (or, if such day is not a Business Day, on the next following Business Day) or, if mailed, on the third Business Day following the date of mailing; provided, however, that if at the time of mailing or within three (3) Business Days thereafter there is or occurs a labor dispute or other event that might reasonably be expected to disrupt the delivery of documents by mail, any notice or other communication hereunder shall be delivered or transmitted by means of recorded electronic communication as aforesaid.

(c) Either Party may at any time change its address for service from time to time by giving notice to the other Party in accordance with this section 13.1.

13.2 Headings

The section and article headings in this Agreement have been inserted for convenience of reference only and shall not be construed to affect the meaning, construction or effect of this Agreement.

13.3 Interpretation

Words importing the singular number only shall include the plural and vice versa. Words importing gender shall include all genders. Where the word “including” or “includes” is used in this Agreement it means “including without limitation” or “includes without limitation”, respectively.

The words “herein”, “hereof”, “hereby”, “hereunder” and similar expressions refer to this Agreement and include every instrument supplemental or ancillary to or in implementation of this Agreement and, except where the context otherwise requires, not to any particular article, section or other portion hereof or thereof. Any reference to any document shall include a reference to any schedule, amendment or supplement thereto or any agreement in replacement thereof, all as permitted under such document.

13.4 Currency

All dollar amounts referred to in this Agreement are in lawful money of Canada.

13.5 Entire Agreement

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether written or oral.

13.6 Time of Essence

Time shall be of the essence of this Agreement. Unless otherwise specified, references to time of day or date mean local time or date in the City of Montréal.

13.7 Applicable Law

This Agreement shall be construed, interpreted and enforced in accordance with, and the respective rights and obligations of the Parties shall be governed by, the laws of the Province of Québec and the federal laws of Canada applicable therein.

13.8 Successors and Assigns

This Agreement shall enure to the benefit of and shall be binding on and enforceable by the Parties and, where the context so permits, their respective successors and permitted assigns.

13.9 Severability

Each provision of this Agreement is hereby declared to be separate, severable and distinct. If any provision of this Agreement is determined to be invalid, illegal or unenforceable in any respect, the remainder of this Agreement shall not be affected thereby and shall be applied and construed as if such invalid, illegal or unenforceable provision had been omitted unless such provision or provisions are so material that its or their invalidity, illegality or unenforceability would materially change the transactions contemplated hereby so as to make them unreasonable and contrary to the intentions of the Parties.

13.10 Accounting Matters

Unless otherwise stated, all accounting terms used in this Agreement shall have the meanings attributable thereto under International Financial Reporting Standards (the “IFRS”) and all determinations of an accounting nature required to be made shall be made in a manner consistent with IFRS.

13.11 Statutory Reference

A reference to a statute includes all regulations made pursuant to such statute and, unless otherwise specified, the provisions of any statute or regulation which amends, supplements or supersedes any such statute or any such regulation.

[Remainder of page left intentionally blank. Signature page follows.]

IN WITNESS WHEREOF THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES AS OF THE DATE FIRST WRITTEN ABOVE.

GENIUS PROPERTIES LTD.

Per: (s) Guy Goulet
duly authorized

GENIUS METALS INC.

Per: (s) Guy Goulet
duly authorized

SCHEDULE 2.1(A)
LIST OF VENDOR'S MINING RIGHTS, TITLES AND INTERESTS

QUÉBEC LIST OF CLAIMS

Project	Title Number	Expiration Date
Dissimieux Phosphate Project	2156191	2020-05-28
Dissimieux Phosphate Project	2156193	2020-05-28
Dissimieux Phosphate Project	2156195	2020-05-28
Dissimieux Phosphate Project	2156199	2020-05-28
Dissimieux Phosphate Project	2156201	2020-05-28
Dissimieux Phosphate Project	2156203	2020-05-28
Dissimieux Phosphate Project	2156207	2020-05-28
Dissimieux Phosphate Project	2156209	2020-05-28
Dissimieux Phosphate Project	2156211	2020-05-28
Dissimieux Phosphate Project	2156217	2020-05-28
Dissimieux Phosphate Project	2156219	2020-05-28
Dissimieux Phosphate Project	2156221	2020-05-28
Dissimieux Phosphate Project	2156225	2020-05-28
Dissimieux Phosphate Project	2156228	2020-05-28
Dissimieux Phosphate Project	2156230	2020-05-28
Kuujjuaq Zinc Project	2395415	2019-12-03
Kuujjuaq Zinc Project	2434876	2019-12-03
Kuujjuaq Zinc Project	2434877	2019-12-03
Kuujjuaq Zinc Project	2434878	2019-12-03
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Kuujjuaq Zinc Project	2434887	2019-12-03
Kuujjuaq Zinc Project	2434888	2019-12-03
Kuujjuaq Zinc Project	2434889	2019-12-03
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Kuujjuaq Zinc Project	2434896	2019-12-03
Kuujjuaq Zinc Project	2434897	2019-12-03
Kuujjuaq Zinc Project	2434898	2019-12-03
Kuujjuaq Zinc Project	2434899	2019-12-03
Kuujjuaq Zinc Project	2434900	2019-12-03
Kuujjuaq Zinc Project	2434901	2019-12-03
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Kuujjuaq Zinc Project	2434903	2019-12-03
Kuujjuaq Zinc Project	2438570	2020-03-22
Kuujjuaq Zinc Project	2438571	2020-03-22
Kuujjuaq Zinc Project	2438572	2020-03-22
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Sakami Bloc Nord Gold Project	2461190	2018-09-05
Sakami Bloc Nord Gold Project	2461191	2018-09-05
Sakami Bloc Nord Gold Project	2461192	2018-09-05
Sakami Bloc Nord Gold Project	2461193	2018-09-05
Sakami Bloc Nord Gold Project	2461194	2018-09-05
Sakami Bloc Nord Gold Project	2461195	2018-09-05
Sakami Bloc Nord Gold Project	2461196	2018-09-05
Sakami Bloc Nord Gold Project	2461197	2018-09-05
Sakami Bloc Nord Gold Project	2461198	2018-09-05
Sakami Bloc Nord Gold Project	2461199	2018-09-05
Sakami Bloc Nord Gold Project	2461200	2018-09-05
Sakami Bloc Nord Gold Project	2461201	2018-09-05
Sakami Bloc Nord Gold Project	2461202	2018-09-05
Sakami Bloc Nord Gold Project	2461203	2018-09-05
Sakami Bloc Nord Gold Project	2461204	2018-09-05
Sakami Bloc Nord Gold Project	2461205	2018-09-05

Sakami Bloc Nord Gold Project	2461206	2018-09-05
Sakami Bloc Nord Gold Project	2461207	2018-09-05
Sakami Bloc Nord Gold Project	2461208	2018-09-05
Sakami Bloc Nord Gold Project	2461209	2018-09-05
Sakami Bloc Nord Gold Project	2461210	2018-09-05
Sakami Bloc Nord Gold Project	2461211	2018-09-05
Sakami Bloc Nord Gold Project	2461212	2018-09-05
Sakami Bloc Nord Gold Project	2461213	2018-09-05
Sakami Bloc Nord Gold Project	2461214	2018-09-05
Sakami Bloc Nord Gold Project	2461215	2018-09-05
Sakami Bloc Nord Gold Project	2461216	2018-09-05
Sakami Bloc Nord Gold Project	2461217	2018-09-05
Sakami Bloc Nord Gold Project	2461218	2018-09-05
Sakami Bloc Nord Gold Project	2461219	2018-09-05
Sakami Bloc Nord Gold Project	2461220	2018-09-05
Sakami Bloc Nord Gold Project	2461221	2018-09-05
Sakami Bloc Nord Gold Project	2472327	2019-01-08
Sakami Bloc Nord Gold Project	2472328	2019-01-08
Sakami Bloc Nord Gold Project	2472329	2019-01-08
Sakami Bloc Sud-1 Gold Project	2461143	2018-09-05
Sakami Bloc Sud-1 Gold Project	2461144	2018-09-05
Sakami Bloc Sud-1 Gold Project	2461145	2018-09-05
Sakami Bloc Sud-1 Gold Project	2461146	2018-09-05
Sakami Bloc Sud-1 Gold Project	2461147	2018-09-05
Sakami Bloc Sud-1 Gold Project	2461148	2018-09-05
Sakami Bloc Sud-1 Gold Project	2461149	2018-09-05
Sakami Bloc Sud-1 Gold Project	2461150	2018-09-05
Sakami Bloc Sud-1 Gold Project	2461151	2018-09-05
Sakami Bloc Sud-1 Gold Project	2461152	2018-09-05
Sakami Bloc Sud-1 Gold Project	2461153	2018-09-05
Sakami Bloc Sud-1 Gold Project	2461154	2018-09-05
Sakami Bloc Sud-1 Gold Project	2461155	2018-09-05
Sakami Bloc Sud-1 Gold Project	2461156	2018-09-05
Sakami Bloc Sud-1 Gold Project	2461157	2018-09-05
Sakami Bloc Sud-1 Gold Project	2461158	2018-09-05
Sakami Bloc Sud-1 Gold Project	2461159	2018-09-05

Sakami Bloc Sud-1 Gold Project	2461160	2018-09-05
Sakami Bloc Sud-1 Gold Project	2461161	2018-09-05
Sakami Bloc Sud-1 Gold Project	2461162	2018-09-05
Sakami Bloc Sud-1 Gold Project	2461163	2018-09-05
Sakami Bloc Sud-1 Gold Project	2461164	2018-09-05
Sakami Bloc Sud-1 Gold Project	2461165	2018-09-05
Sakami Bloc Sud-1 Gold Project	2461166	2018-09-05
Sakami Bloc Sud-1 Gold Project	2461167	2018-09-05
Sakami Bloc Sud-1 Gold Project	2461168	2018-09-05
Sakami Bloc Sud-1 Gold Project	2461169	2018-09-05
Sakami Bloc Sud-2 Gold Project	2507861	2019-12-14
Sakami Bloc Sud-2 Gold Project	2507862	2019-12-14
Sakami Bloc Sud-2 Gold Project	2507863	2019-12-14
Sakami Bloc Sud-2 Gold Project	2507864	2019-12-14
Sakami Bloc Sud-2 Gold Project	2507865	2019-12-14
Sakami Bloc Sud-2 Gold Project	2507866	2019-12-14
Sakami Bloc Sud-2 Gold Project	2507867	2019-12-14
Sakami Bloc Sud-2 Gold Project	2507868	2019-12-14
Sakami Bloc Sud-2 Gold Project	2507869	2019-12-14
Sakami Bloc Sud-2 Gold Project	2507870	2019-12-14
Sakami Bloc Sud-2 Gold Project	2507871	2019-12-14
Sakami Bloc Sud-2 Gold Project	2507872	2019-12-14
Sakami Bloc Sud-2 Gold Project	2507873	2019-12-14
Sakami Bloc Sud-2 Gold Project	2507874	2019-12-14
Sakami Bloc Sud-2 Gold Project	2507875	2019-12-14
Sakami Bloc Sud-2 Gold Project	2507876	2019-12-14
Sakami Bloc Sud-2 Gold Project	2507877	2019-12-14
Sakami Bloc Sud-2 Gold Project	2507878	2019-12-14
Sakami Bloc Sud-2 Gold Project	2507879	2019-12-14
Sakami Bloc Sud-2 Gold Project	2507880	2019-12-14
Sakami Bloc Sud-2 Gold Project	2507881	2019-12-14
Sakami Bloc Sud-2 Gold Project	2507882	2019-12-14
Sakami Bloc Sud-2 Gold Project	2507883	2019-12-14
Sakami Bloc Sud-2 Gold Project	2507884	2019-12-14
Sakami Bloc Sud-2 Gold Project	2507885	2019-12-14
Sakami Bloc Sud-2 Gold Project	2507886	2019-12-14

Sakami Bloc Sud-2 Gold Project	2507887	2019-12-14
Sakami Bloc Sud-2 Gold Project	2507888	2019-12-14
Sakami Bloc Sud-2 Gold Project	2507889	2019-12-14
Wapoos Mica Project	2378061	2019-02-10
Wapoos Mica Project	2378094	2019-02-10
Wapoos Mica Project	2378096	2019-02-10
Wapoos Mica Project	2378097	2019-02-10

NOVA SCOTIA LIST OF LICENCE

Project	Licence Number	Type	Expiry Date
Gold River Gold Project	50552	Licence	2019-02-12
Block House Gold Project	50564	Licence	2019-02-27
	50637	Licence	2018-05-26
	50938	Licence	2019-04-05
Chocolat Gold Project	50821	Licence	2018-12-31
Dares Lake Gold Project	51019	Licence	2018-05-10
Kemptville Gold Project	51283	Licence	2018-12-21
Meaghers Gold Project	51774	Licence	2018-08-10
	51775	Licence	2018-08-10
	51776	Licence	2018-08-10
	51777	Licence	2018-08-10
	51778	Licence	2018-08-10
	51779	Licence	2018-08-10
	51780	Licence	2018-08-10
Mt. Cameron Graphite Deposit	07288	Option with Mt. Cameron Minerals Inc.	2018-10-08
	50124	Option with Mt. Cameron Minerals Inc.	2018-05-06

	50181	Option with Mt. Cameron Minerals Inc.	2018-10-08
	50869	Option with Mt. Cameron Minerals Inc.	2018-02-09
	51148	Option with Mt. Cameron Minerals Inc.	2018-09-23
	51149	Option with Mt. Cameron Minerals Inc.	2018-09-23
	51150	Option with Mt. Cameron Minerals Inc.	2018-09-23

SCHEDULE C - RIGHT OF DISSENTING SHAREHOLDERS PURSUANT TO THE *CANADA BUSINESS CORPORATIONS ACT*

190. (1) Subject to sections 191 and 241, a holder of shares of any class of a corporation may dissent if the corporation is subject to an order under paragraph 192(4)(d) that affects the holder or if the corporation resolves to

- (a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue, transfer or ownership of shares of that class;
- (b) amend its articles under section 173 to add, change or remove any restriction on the business or businesses that the corporation may carry on;
- (c) amalgamate otherwise than under section 184;
- (d) be continued under section 188;
- (e) sell, lease or exchange all or substantially all its property under subsection 189(3); or
- (f) carry out a going-private transaction or a squeeze-out transaction.

(2) A holder of shares of any class or series of shares entitled to vote under section 176 may dissent if the corporation resolves to amend its articles in a manner described in that section.

(2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares.

(3) In addition to any other right the shareholder may have, but subject to subsection (26), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents or an order made under subsection 192(4) becomes effective, to be paid by the corporation the fair value of the shares in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted or the order was made.

(4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

(5) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting and of their right to dissent.

(6) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (5) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn their objection.

(7) A dissenting shareholder shall, within twenty days after receiving a notice under subsection (6) or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing

- (a) the shareholder's name and address;
- (b) the number and class of shares in respect of which the shareholder dissents; and
- (c) a demand for payment of the fair value of such shares. M-2

(8) A dissenting shareholder shall, within thirty days after sending a notice under subsection (7), send the certificates representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent.

(9) A dissenting shareholder who fails to comply with subsection (8) has no right to make a claim under this section.

(10) A corporation or its transfer agent shall endorse on any share certificate received under subsection (8) a notice that the holder is a dissenting shareholder under this section and shall forthwith return the share certificates to the dissenting shareholder.

(11) On sending a notice under subsection (7), a dissenting shareholder ceases to have any rights as a shareholder other than to be paid the fair value of their shares as determined under this section except where

(a) the shareholder withdraws that notice before the corporation makes an offer under subsection (12),

(b) the corporation fails to make an offer in accordance with subsection (12) and the shareholder withdraws the notice, or

(c) the directors revoke a resolution to amend the articles under subsection 173(2) or 174(5), terminate an amalgamation agreement under subsection 183(6) or an application for continuance under subsection 188(6), or abandon a sale, lease or exchange under subsection 189(9),

in which case the shareholder's rights are reinstated as of the date the notice was sent.

(12) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (7), send to each dissenting shareholder who has sent such notice

(a) a written offer to pay for their shares in an amount considered by the directors of the corporation to be the fair value, accompanied by a statement showing how the fair value was determined; or

(b) if subsection (26) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.

(13) Every offer made under subsection (12) for shares of the same class or series shall be on the same terms.

(14) Subject to subsection (26), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (12) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made.

(15) Where a corporation fails to make an offer under subsection (12), or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as a court may allow, apply to a court to fix a fair value for the shares of any dissenting shareholder.

(16) If a corporation fails to apply to a court under subsection (15), a dissenting shareholder may apply to a court for the same purpose within a further period of twenty days or within such further period as a court may allow.

(17) An application under subsection (15) or (16) shall be made to a court having jurisdiction in the place where the corporation has its registered office or in the province where the dissenting shareholder resides if the corporation carries on business in that province.

(18) A dissenting shareholder is not required to give security for costs in an application made under subsection (15) or (16).

(19) On an application to a court under subsection (15) or (16), M-3

(a) all dissenting shareholders whose shares have not been purchased by the corporation shall be joined as parties and are bound by the decision of the court; and

(b) the corporation shall notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to appear and be heard in person or by counsel.

(20) On an application to a court under subsection (15) or (16), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall then fix a fair value for the shares of all dissenting shareholders.

(21) A court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders.

(22) The final order of a court shall be rendered against the corporation in favor of each dissenting shareholder and for the amount of the shares as fixed by the court.

(23) A court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment.

(24) If subsection (26) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (22), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

(25) If subsection (26) applies, a dissenting shareholder, by written notice delivered to the corporation within thirty days after receiving a notice under subsection (24), may

(a) withdraw their notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to their full rights as a shareholder; or

(b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

(26) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that

(a) the corporation is or would after the payment be unable to pay its liabilities as they become due; or

(b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.

**SCHEDULE D - UNAUDITED PRO FORMA CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS OF SPINCO**

[See attached]

Genius Metals Inc.
Unaudited Pro Forma Financial Statements
December 31, 2017
(Expressed in Canadian dollars)

Unaudited Pro Forma Financial Statements	
Pro Forma Statement of Financial Position as at December 31, 2017	2
Notes to Pro Forma Financial Statements	3 - 4

Genius Metals Inc.
Unaudited Pro Forma Statement of Financial Position
As at December 31, 2017
(Expressed in Canadian dollars)

	Genius Metals Inc. December 31, 2017 \$	Note	Pro forma Adjustments \$	Pro forma December 31, 2017 \$
ASSETS				
Current				
Cash and cash equivalents	100	2a)	304 536	
		2c)	750 000	
		2c)	(37 500)	1 017 136
Other receivables		2a)	101 713	101 713
Prepays expenses		2a)	23 615	23 615
	100		1 142 364	1 142 464
Non-current				
Property, plant and equipment		2a)	18 512	18 512
Other intangible assets		2a)	4 600 000	4 600 000
Total assets	100		5 760 876	5 760 976
LIABILITIES				
Current				
Trade accounts payable and other liabilities		2a)	695 263	
		2b)	(49 500)	645 763
Other liability related to flow-through financings		2a)	42 500	42 500
Current portion of obligation under capital lease		2a)	2 058	2 058
			690 321	690 321
Non-current				
Obligation under capital lease		2a)	4 894	4 894
Total liabilities			695 215	695 215
SHAREHOLDERS' EQUITY				
Share Capital	100	2a)	4 303 661	
		2b)	49 500	
		2c)	750 000	
		2c)	(37 500)	5 065 761
Total shareholders' equity	100		5 065 661	5 065 761
Total liabilities, shareholders' equity and capital	100		5 760 876	5 760 976

The accompanying notes are an integral part of the unaudited pro forma financial statements.

Genius Metals Inc.

Notes to Unaudited Pro Forma Financial Statements

As at December 31, 2017

(Expressed in Canadian dollars)

1 - BASIS OF PRESENTATION

The unaudited Pro Forma financial statements of Genius Metals Inc. have been prepared by management from information available to the company. The unaudited pro forma financial statements have been prepared from the inclusion in the management information circular dated May 22, 2018. In the opinion of the company's management the unaudited pro forma financial statements include all adjustments necessarily for the transaction described in the management information circular.

The unaudited pro forma financial statements have been prepared as if the transactions described in Note 2 had occurred on December 31, 2017

The unaudited pro forma financial statements are not necessarily indicative of the financial position that would have been attained had the transactions actually taken place at the dates indicated and do not purport to be indicative of the effects that may be expected to occur in the future.

2 - PRO FORMA ASSUMPTIONS

The unaudited pro forma financial statements give effect to the following assumptions and adjustments:

- a) Pursuant to the Asset Transfer Agreement entered into between Genius Properties Ltd and Genius Metals Inc., Genius Properties Ltd. will transfer the ownership of all mining rights and titles, cash, other receivables, prepaid expenses and the property and equipment from Genius Properties Ltd to Genius Metals Inc/Métaux Genius Inc ("Genius Metals"). Genius Properties Ltd. will also transfer to Genius Metals the trade accounts payable and other liabilities, the other liability related to flow-through shares of \$42,500 and obligation under capital lease. In consideration for such transfer, Genius Metal will issue to Genius 9,797,970 Genius Metals common shares at a deemed price of \$0.526 per common shares representing an aggregate consideration of \$4,303,661.

The fair value of the net assets to be transferred was established at \$4,303,661.

The mining rights will be transferred at book value of \$4,600,000

Genius Metals will be accounted at the fair value of the net asset transferred of \$4,303,661.

The pro-forma statements do not include the following assets of Genius Canadian Properties ("Properties").

Loan to a non-related company	\$ 649 000
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The above assets were not transferred. In addition, all the liabilities of Genius Canadian Properties were transferred.

Genius Metals Inc.

Notes to Unaudited Pro Forma Financial Statements

As at December 31, 2017

(Expressed in Canadian dollars)

2 - PRO FORMA ASSUMPTIONS (continued)

- b) Prior to the closing of the Transaction, Genius Metals will enter into shares for debt agreements, pursuant to which they will convert the aggregate \$49,500 into shares of Cerro de Pasco.
- c) The Issuer intends to arrange a private placement of shares for a minimum of \$750,000 and a maximum of \$3,000,000. The expenses of the spin-off and Genius Metals Private Placements are estimated at \$37,500 in the case of a minimum Private Placement and \$150,000 in the case of a maximum Private Placement.
- k) The pro forma effective income tax rate will be approximately 27%.

3 - SHARE CAPITAL

A continuity of issued share capital and related recorded values after giving effect to the pro forma adjustments described in Note 2 is set out as follows:

	Notes	Number of Shares	Amount \$
Shares for debt agreements	2 a)	9 797 790	4 303 661
Issuer private placements	2 b)	TBD	750 000
	2 c)	TBD	49 500
Pro forma share capital as at December 31, 2017		<u>9 797 790</u>	<u>5 103 161</u>

**SCHEDULE E - UNAUDITED PRO FORMA CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS OF THE RESULTING ISSUER**

[See attached]

Genius Properties Ltd.
Unaudited Pro Forma Consolidated
Financial Statements
December 31, 2017
(Expressed in Canadian dollars)

Unaudited Pro Forma Consolidated Financial Statements

Pro Forma Consolidated Statement of Financial Position as at December 31, 2017	2 - 3
Notes to Pro Forma Consolidated Financial Statements	4 - 9

Genius Properties Ltd.
Unaudited Pro Forma Consolidated Statement of Financial Position
As at December 31, 2017
(Expressed in Canadian dollars)

	Cerro De Pasco Resources S.A December 31, 2017 \$	Genius Properties Ltd December 31, 2017 \$	Note	Pro forma Adjustments \$	Pro forma consolidated December 31, 2017 \$
ASSETS					
Current					
Cash and cash equivalents	35 320	304 536	2a) 2c) 2g) 2h) 2i.1) 2i.2)	(196 323) (230 142) (65 514) (100 000) 2 336 250 3 300 000	5 384 127
Other receivables	231 991	101 713			333 704
Prepays expenses		23 615			23 615
Loan to a non-related company		649 000	2f)	(649 000)	
	267 311	1 078 864		4 395 271	5 741 446
Non-current					
Property, plant and equipment	947	18 512			19 459
Other intangible assets	1 621 676		2a) 2d)	(4 600 000) 4 600 000	1 621 676
Deferred income tax asset	45 219				45 219
Total assets	1 935 153	1 097 376		4 395 271	7 427 800
LIABILITIES					
Current					
Trade accounts payable and other liabilities	2 311 126	695 263	2c) 2e) 2f) 2g) 2a)	(230 142) (777 644) (596 376) (65 514) (42 500)	1 336 713
Other liability related to flow-through financings		42 500			
Current portion of obligation under capital lease		2 058			2 058
	2 311 126	739 821		(1 712 176)	1 338 771
Non-current					
Obligation under capital lease		4 894			4 894
Total liabilities	2 311 126	744 715		(1 712 176)	1 343 665

Genius Properties Ltd.
Unaudited Pro Forma Consolidated Statement of Financial Position
As at December 31, 2017
(Expressed in Canadian dollars)

	Cerro De Pasco Resources S.A December 31, 2017 \$	Genius Properties Ltd December 31, 2017 \$	Note	Pro forma Adjustments \$	Pro forma consolidated December 31, 2017 \$
SHAREHOLDERS' EQUITY					
Share Capital	185 523	13 604 399	2b)	(15 725 056)	
			2b)	4 252 056	
			2b)	810 888	
			2e)	777 644	
			2i.1)	2 088 657	
			2i.2)	3 300 000	
			2j)	32 000	9 326 111
Share Capital Premium	810 888		2b)	(810 888)	
Warrants		263 542	2b)	(511 135)	1 002 567
			2b)	1 002 567	
			2i.1)	247 593	
			2i.2)	TBD	
Share options		14 640	2b)	(14 640)	24 812
			2b)	24 812	
Contributed surplus		4 328 102	2b)	(4 328 102)	
Deficit	(1 372 384)	(17 703 249)	2a)	(5 153 823)	
			2a)	400 000	
			2b)	17 889 072	
			2b)	(2 589 574)	
			2d)	4 600 000	
			2f)	(52 624)	
			2h)	(100 000)	
			2j)	(32 000)	(4 114 582)
Non-controlling interests		(154 773)			(154 773)
Total shareholders' equity	(375 973)	352 661		6 107 447	6 084 135
Total liabilities, shareholders' equity and capital	1 935 153	1 097 376		4 395 271	7 427 800

The accompanying notes are an integral part of the unaudited pro forma consolidated financial statements.

Genius Properties Ltd.

Notes to Unaudited Pro Forma Consolidated Financial Statements

As at December 31, 2017

(Expressed in Canadian dollars)

1 - BASIS OF PRESENTATION

On November 9th 2017, Genius Properties Ltd. ("Genius") and Cerro de Pasco Resources S.A. ("Cerro de Pasco") signed a merger agreement (the "Merger Agreement") with the intention to merge their businesses to become one single company (the "Transaction"). The Transaction is an arm's length fundamental change of Genius within the meaning of the Canadian Securities Exchange policies. As a result of the Transaction, existing security holders of Cerro de Pasco will become security holders of Genius and will hold in the aggregate a minimum of 75% of the total number of common shares of Genius issued and outstanding after the Transaction.

The closing of the Transaction is subject to the satisfaction of certain conditions included in the Merger Agreement and obtaining required approvals.

In accordance with IFRS 3, Business Combinations, the substance of the Transaction is a reverse acquisition of Genius by Cerro de Pasco as the shareholders of Cerro de Pasco will hold de majority of the shares of the resulting company. The Transaction of Genius does not constitute a business combination as Genius does not meet the definition of a business under that standard. As a result, the Transaction is accounted for as a capital transaction with Cerro de Pasco being identified as the acquirer and the equity consideration being measured at fair value. The resulting financial statements are presented as a continuation of Cerro de Pasco.

The accompanying pro forma consolidated financial statements have been prepared in accordance with IFRS. The unaudited pro forma consolidated financial statements have been prepared from information derived from the audited consolidated financial statements of Cerro de Pasco as at December 31, 2017 and the audited Consolidated financial statements of Genius as at December 31, 2017.

Management believes that the assumptions used provide a reasonable basis for presenting all of the significant effects of the Transaction and that the pro forma adjustments give appropriate effect to those assumptions and are appropriately applied in the unaudited pro forma consolidated financial statements.

The unaudited pro forma consolidated financial information is not intended to be indicative of the results that would actually have occurred, or the results expected in future periods, had the events reflected herein occurred on the dates indicated. Actual amounts recorded upon consummation of the transaction will differ from those recorded in the unaudited pro forma consolidated financial statement information.

Genius Properties Ltd.

Notes to Unaudited Pro Forma Consolidated Financial Statements

As at December 31, 2017

(Expressed in Canadian dollars)

2 - PRO FORMA ASSUMPTIONS

The unaudited pro forma consolidated financial statements give effect to the following assumptions and adjustments:

- a) Pursuant to the Merger Agreement entered into between Genius and Cerro de Pasco, Genius will transfer the ownership of all mining rights and titles and \$196,323 from Genius to Genius Metal Inc/Métaux Genius Inc ("Genius Metal"). The amount of \$196,323 represent the net proceed of a flow-through financing concluded in December 2017 by Genius. Genius will also transfer to Genius Metal the other liability related to flow-through shares of \$42,500. In consideration for such transfer, Genius Metal will issue to Genius 9,797,970 Genius Metal common shares at a deemed price of \$0.526 per common shares representing an aggregate consideration of \$5,153,823.

The fair value of the net assets to be transferred was established at \$5,153,823.

The mining rights will be transferred at book value of \$4,600,000 and the dividend paid in shares of Genius Metal will be accounted at the fair value of the net asset transferred of \$5,153,823.

The pro-forma statements do not include the following assets of Genius Canadian Properties ("Properties").

	\$
Cash	304 536
Taxes receivable	98 849
Prepaid expenses	23 615

The above assets were not transferred. In addition, the liabilities of Properties were not transferred except the following :

	\$
Trade accounts payable and other liabilities	
Other liability related to flow-through financings	42 500

- b) The fair value of the consideration for the net assets acquired by Cerro De Pasco is as follows:

	\$
58,251,744 shares issued and outstanding of Genius	9 405 879
Fair value of options issued to officers and directors of Genius	24 812
Fair value of outstanding warrants of Genius	1 002 567
Fair value of the net assets transferred to Genius Metal (Note 2a))	<u>(5 153 823)</u>
	<u>5 279 435</u>

The fair value of the Genius shares issued and outstanding has been determined based on the fair value the Genius shares were trading at prior to the announcement of the Transaction at \$0.16 per share.

Genius Properties Ltd.

Notes to Unaudited Pro Forma Consolidated Financial Statements

As at December 31, 2017

(Expressed in Canadian dollars)

2 - PRO FORMA ASSUMPTIONS (continued)

b) Continued

The estimated fair value of the net assets acquired by Cerro de Pasco is:

	\$
Cash and cash equivalents	2 444 463
Other receivables	101 713
Prepaid Expenses	23 615
Loan to a non-related entity	649 000
Property, Plant and equipment	18 512
Trade accounts payables and other liabilities	(695 263)
Obligation under capital lease	(6 952)
Non controlling-interests	154 773
Listing costs expensed	2 589 574
	<u>5 279 435</u>

Following the closing of the Transaction, the issued and outstanding options to officers and directors of Genius will continue to be in effect with their original terms and conditions and are deemed to be issued as part of the Transaction. The fair value has been estimated at \$24,812 using the Black-Scholes option pricing model with the following assumptions:

Exercise price	\$0.25
Risk free interest rate	1.58%
Expected dividend yield	Nil
Expected volatility	232%
Expected life	3,7 years

Following the closing of the Transaction, the outstanding warrants of Genius will continue to be in effect will continue to be in effect with their original terms and conditions and are deemed to be issued as part of the Transaction. The fair value has been estimated at \$980,828 using the Black-Scholes option pricing model with the following assumptions:

Exercise price	\$0.265
Risk free interest rate	1.51%
Expected dividend yield	Nil
Expected volatility	167,00%
Expected life	0.87 year

As a result of this Transaction the share capital, options, warrants and deficit of Genius are eliminated.

c) After the Transaction, Cerro de Pasco paid in full the balance owed of \$230,142 for acquiring mining concession with Victor Freundt.

Genius Properties Ltd.

Notes to Unaudited Pro Forma Consolidated Financial Statements

As at December 31, 2017

(Expressed in Canadian dollars)

2 - PRO FORMA ASSUMPTIONS (continued)

- d) Genius will change its accounting policy for exploration and evaluation expenses. previously, the company accounted for these expenses in Statement of Comprehensive Loss. the resulting issuer will use the accounting policy to capitalize the exploration and evaluation assets. This accounting change will result in an increase in exploration and evaluation assets and a reduction in deficit of \$4,600,000.
- e) Prior to the closing of the Transaction, Cerro de Pasco will enter into shares for debt agreements with Alpha and Assameka, pursuant to which they will convert the aggregate \$ 777,644 into shares of Cerro de Pasco.
- f) Upon closing of the Transaction, the loan receivable from Genius to Cerro de Pasco of \$649,000 will be cancelled.
- g) Prior to the closing of the Transaction, Cerro de Pasco paid in full a debt of \$65,514 to Manuel Rodriguez.
- h) Total Transaction costs will be approximately \$100,000. Transaction costs are joined to the entire organization and cannot be attributed to any single transaction and are therefore expensed and recorded as an increase to the deficit.

Genius Properties Ltd.

Notes to Unaudited Pro Forma Consolidated Financial Statements

As at December 31, 2017

(Expressed in Canadian dollars)

2 - PRO FORMA ASSUMPTIONS (continued)

- i) The Issuer intends to arrange a private placement of units, at a minimum price per unit of \$0.15, for minimum gross proceeds of approximately \$2,250,000 prior to filing the Listing Statement and another financing of gross proceed of \$3,500,000 (net proceeds of \$3,300,000) after the completion of the Transaction.

i.1) *Private placement prior to filing the Listing Statement*

On April 6, 2018, Genius completed of a private placement of 15,575,000 units for gross proceeds of \$2,336,250 at a price of \$0.15 per unit. Each unit include a common share of Genius and one-half of one Comme Share purchase warrant. Each such warrant entitles its holder to purchase one additionnal Common Share at a price of \$0.25 per Common Share for a period of 12 months from the date of its issuance.

The value of the warrants was estimate at \$247,593 using the Black-Scholes option pricing model. The assumptions used for the calculation were :

Expected dividend yield	0,00%
Share price at grant date	\$0,16
Expected volatility	95,00%
Risk-free interest rate	1,50%
Expected life	1,0 year

i.2) *Private placement after the Completion of the Transaction*

Terms and conditions of the of this private placement are to be determined

- j) In April 2018, Genius issued 200,000 common shares as consideration under an amendment agreement on the Mont Cameron Property
- k) The pro forma effective income tax rate will be approximately 27%.

3 - SHARE CAPITAL

A continuity of issued share capital and related recorded values after giv adjustments described in Note 2 is set out as follows:

	Notes	Number of Shares	Amount \$
	2 b)	176 360 229	996 411
	2 b)	43 011 743	13 604 399
Cerro de Pasco shares, issued and outstanding	2 k.1)	15 575 000	2 088 657
Genius shares, issued and outstanding	2 m)	200 000	32 000
Issuer private placements in units	2 b)	(58 786 743)	(15 725 056)
Shares issued as consideration for amendment	2 b)	58 786 743	4 252 056
Genius Shares deemed cancelled	2 f)	-	777 644
Genius deemed issuance of replacement shares	2 k.2)	TBD	3 300 000
Cerro de Pasco shares for debt agreements		<u>235 146 972</u>	<u>9 326 111</u>
Issuer private placements in units			
Pro forma share capital as at December 31, 2017			

Genius Properties Ltd.

Notes to Unaudited Pro Forma Consolidated Financial Statements

As at December 31, 2017

(Expressed in Canadian dollars)

4 - OPTIONS

A continuity of options and related recorded values after giving effect to 1 adjustments described in Note 2 is set out as follows:	Notes	Number of Options	Amount
			\$
		160 000	14 640
	2 b)	(160 000)	(14 640)
Genius options, issued and outstanding	2 b)	160 000	24 812
Genius options deemed cancelled		160 000	24 812
Deemed issuance of replacement options			
Pro forma options as at December 31, 2017			

5 - WARRANTS

A continuity of warrants and related recorded values after giving effect to adjustments described in Note 2 is set out as follows:	Notes	Number of Options	Amount
			\$
		5 598 211	263 542
	2 k.1)	7 787 500	247 593
Genius warrants, issued and outstanding	2 b)	(13 385 711)	(511 135)
Issuer private placements in units	2 b)	13 385 711	1 002 567
Genius warrants deemed cancelled	2 k.2)	TBD	TBD
Deemed issuance of replacement warrants		13 385 711	1 002 567
Issuer private placements in units			
Pro forma warrants as at December 31, 2017			

SCHEDULE F - NARRATIVE DESCRIPTION OF THE MAIN GENIUS PROPERTIES

SAKAMI PROPERTY

AUTHOR

The Corporation commissioned Michel Boily, PhD., P. geo. to prepare a technical report in accordance with NI 43-101 - *Standards of Disclosure for Mineral Projects* regarding the Sakami Property (the “**Sakami Report**”). The Sakami Report titled “The Sakami Property, La Grande Subprovince, James Bay Territory, Québec, NTS 33F07,08,09,10”, was issued on October 10, 2017 with an effective date of April 30, 2017 and is available on the Corporation’s profile at www.sedar.com

While the author has not visited the site yet due to weather conditions prevailing at the Sakami property during the winter 2016-2017, the author is planning to travel to the property during the month of August 2018 when the weather conditions will provide complete access to the property.

The following information concerning the Sakami property is derived from the Sakami Report and is qualified in its entirety by the full Sakami Report.

PROPERTY DESCRIPTION AND LOCATION

The Sakami property, located in the James Bay area of the Province of Québec, straddles the structural contact between the Opinaca and La Grande Archean subprovinces which exposes a significant number of gold showings related to sulphide-rich quartz veins in iron formations and shear zones.

The core of the property claims is positioned 14 km directly south of the Trans-Taiga Road, a 765 km gravel road linking the town of Radisson to the Caniapiscou Reservoir to the extreme east. Radisson (population 350) is 75 km as the crow flies from the property. The property consists of two distinct blocks of 128 non-continuous mineral claims totalling 6,574 ha or 65.7 km² which are 100% owned by the Corporation. The Corporation acquired a 100% interest in the Sakami property from Abalor Minerals Ltd. (“**Abalor**”), an arm’s length party to the Corporation having its head office at 1132 De Chambord, St-Jérôme, Québec, J5L 2S7.

Pursuant to an Agreement dated April 5, 2017, Abalor transferred its interest in the Sakami property to the Corporation in consideration for the issuance to Abalor of 6,000,000 shares of the Corporation at a deemed price of \$0.15 per share, and the grant of a 2% Net Smelter Returns Royalty (the “**Sakami NSR**”) on the property. 1.0% of the Sakami NSR may be bought back by the Corporation for \$1,000,000.

Except for the Sakami NSR, the property is devoid of royalties, back in rights, payments or other encumbrances. The Sakami property is not subject to environmental liabilities except for those specified in the *Mining Act* (L.R.Q. chapter M-13.1) (the “**Mining Act**”). Mining exploration is currently permitted on the entire surface.

Obligations of the Corporation that must be met to retain the Sakami property are those of the *Mining Act*, including payment of the claim renewal fee every two year and compliance with minimum exploration work requirements (i.e. geological mapping, geophysical survey, drilling, etc.).

There are no mineral resources or mineral reserves on the Sakami property according to the 2005 CIM Definition Standards. There are no existing mine workings, tailing ponds, waste deposits nor important natural features and improvements relative to the outside property boundaries.

However, the property contains mineralized zones manifested by stripped outcrops, small pits and/or trenches and blasted zones. There is sufficient unused land within both Sakami claim blocks for waste and tailing disposal and the construction of a mine and milling installations.

The claims owned by the Corporation allow legal access to all parts of the land staked and provide surface rights to conduct exploration work year round. As of the date of the Sakami Report, the claims were valid and in good standing, with expiry dates ranging from October 2017 to January 2019. Permitting from the Québec Government to conduct overburden stripping and drilling is in the process of being obtained.

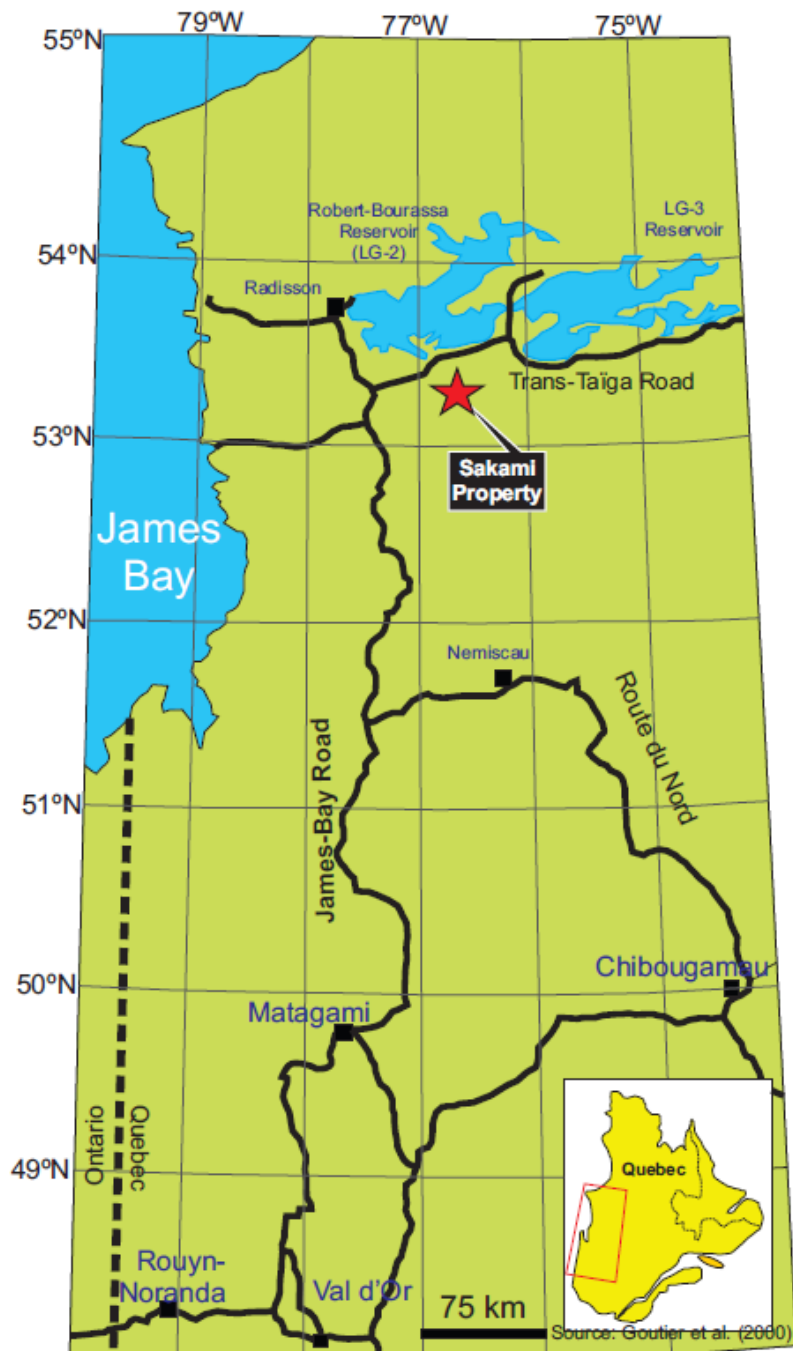
In the opinion of the author of the Sakami Report, there are no other significant factors and risks that may affect access, title, or the right or ability to perform work on the Sakami property.

ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

Abalor built two summer fly camps (north and South) on the banks of the Sakami Lake. Access to both camps is possible via the Trans-Taiga road which intersects the NS-oriented main James Bay road at km 544. A 56 km drive on the Trans-Taiga road is followed by a turn south on a dirt road for 1.5 km to the Sakami Lake pier. From there, a 6 km boat ride to the south brings us to the northern camp, where a 25 km south-west nautical trip is needed to reach the southern camp. The Sakami property is also accessible via helicopter or float plane from the Radisson airport or from the small LG2 airport located near the Trans-Taiga Road.

The major infrastructures of the James Bay area consist of a string of dams, water reservoirs, dykes and hydroelectric power plants (LG1 to LG4) distributed in an east-west direction from the main LG2 site near Radisson to the eastern Caniapiscou Reservoir. The Trans-Taiga road is the lifeline to the sparsely populated area and is a vital link to the hydropower centrals. Radisson is a small village with a regional airport nearby with daily access to the major cities of Montreal and Québec, 1600 km to the south. There are very little resources in the area. However, Radisson offers several services, including lodging, food, gas, hospital, car and truck rental. Manpower and expertise to conduct any exploration campaign have to be brought from Val d'Or, Rouyn-Noranda or Mattagami. Water for drilling can be obtained from the numerous streams and lake throughout the property including from the Sakami Lake. A Hydro-Québec 720 kV power line runs east-west just north of the Trans-Taiga Road from the LG3 generating station to the distribution center along the James-Bay road. The line is roughly 20 km as the crow flies from the core of the Sakami property.

Schematic map of the road system of the James Bay Territory



The James Bay area is characterized by a continental climate. Summers (early June to late August) are very short but temperate with average maximum and minimum of 20.0°C and 7.4°C (July). Winter is harsh and starts in September and last until May, with extensive snow precipitations (267 cm) from October to May. Average temperatures reach -28.5°C (min) and - 18.3°C (max) in January.

The optimum length of the operating season in the James Bay area ranges from late June to mid-October, when mining companies usually conduct their field work such as geological mapping, drilling, overburden stripping, trenching, soil survey and sampling. However, airborne and ground-based geophysical surveys and drilling can be carried out yearlong, except for radiometric surveys.

The topography is not accentuated but can be mountainous in regions occupied by the Proterozoic Sakami Formation. The terrain rises gradually to the east to reach 245 m above sea level. In the areas occupied by granitic and volcanic rocks the glacial cover is very thin, whereas in the areas occupied by volcano sedimentary rocks and migmatites, the glacial cover is more extensive and thicker. Sand and clay deposits are common along rivers and lakes. The area belongs to the La Grande River hydrographic basin. The Sakami Lake waters empty to the north into the La Grande Reservoir (Robert-Bourassa reservoir) which drains westward into the La Grande River which in turn flows into James Bay.

The vegetation, adapted to the harsh climate, typifies the Taiga forest where the trees are sparse and small. The cover is quite irregular and may vary from heavily to low-forested. The dominant species are black spruce and jack pine, but larch, birch, aspen and tamarack are also present. Alders grow abundantly near lake shores. The ground is covered by pale green lichen commonly called reindeer moss that is highly inflammable during the dry season.

History¹

A large segment of the Sakami property straddles the contact between the Opinaca metasedimentary Subprovince and the La Grande volcanoplutonic Subprovince. This boundary has been sporadically explored over the last decade leading to the discovery of significant numbers of gold showings related to sulphide-rich quartz veins in iron formations and shear zones. There is still a vast area of terrain to explore notably in the northeast segment of the property where the mapping and rock sampling were sporadic at best (see: Lavallée, 2003: GM60046). With this promising geological environment, it is expected that further prospecting and geological mapping, along with geochemistry and geophysical surveys could identify drilling targets.

Abalor performed exploration work during the 2011 and 2012 summer seasons which initially consisted of putting up gridlines in the southwestern and northeastern (Sipanikaw) sectors of the property. Abalor installed two bush camps on the banks of Sakami Lake from which prospectors, line cutters and geologists could reach the area of exploration within the property.

Survey lines were cut out in the Northern Section (Sipanikaw) prior to the rock sampling survey along NE-SW direction at 200 m intervals with the starting point on an 8 km NW-oriented baseline. Two tie-lines of 2.2 and 8 km in length, with the same orientation, were also established. In total, 74 km of gridlines were cut, chained and picketed.

In the southwestern section, survey lines were cut out prior to the humus survey along NE-SW direction at 100 m intervals with the starting point on a 1.4 km NW-oriented baseline. The largest gridline was cut on the western shore of Lake Sakami with 14 NE-SW-oriented lines of various length (125 to 1,550 m) due to swampy terrane or the presence of water. In total, 17 km of gridlines were cut, chained and picketed.

Grab rock samples were collected from the northern grid (Sipanikaw). Lithologies of the southwestern claim block were also sampled. Diverse lithologies, mostly showing signs of alteration and/or mineralization were gathered. The most common types are mylonitic or sheared schists and volcanic rocks showing sericitization, tourmalinitization, oxidation, silicification or brecciation (Boily, 2013a,c). Quartz veins in shear or mylonitic zones were also collected. Commonly, the mineralized zones contain by decreasing abundance: pyrite (1-15 %), chalcopyrite, arsenopyrite and bornite. The volcanic rocks encountered are basaltic to rhyolitic in composition.

¹ For a complete review of historical geological work performed in the Sakami property area and a complete biography, please refer to the Sakami Report, which is available on the Corporation's profile at www.sedar.com.

Past results from Abalor indicate more than 35% of all samples (67) are at or below the detection limit for gold assays (< 5 ppb), with 39% (72 samples) ranging between 5 to 20 ppb Au and 17% (33) presenting concentrations between 20 and 90 ppb Au. Eighteen samples (9%) display gold values > 100 ppb, with three rock specimens with significant concentrations: 214038=1.42 g/t Au; 268312=1.22 g/t Au, 214021=0.90 g/t Au ppb Au. The table below presents the most significant gold values obtained from the analyses of the grab samples (Boily, 2013a).

Significant gold assay values for grab rock samples collected from the northern Sakami property during the 2012 summer campaign of Abalor.

Sample	Easting*	Northing	Description	Au (ppb)	Year
214038	390443	5921938	Mylonitized basalt with 5% pyrite+chalcocopyrite	1415	2012
268312	391945	5922886	As 268305	1215	2012
214021	389750	5919526	On strike with 11 to 18 but at eastern extremity, with garnet and 10% pyrite	900	2012
696246	390732	5920940	Altered, amphibolite, mylonite, rusty	542	2011
100842	390727	5920927	Altered mylonite	365	2012
100843	390729	5920927	Altered zone in mylonite	323	2012
100806	376529	5903071	Mineralized veinlets, near granite contact	239	2011
100832	376418	5903068	Fine grained amphibolite (100803)	183	2012
214044	387535	5916973	Garnet metabasalt with 3% pyrite, arsenopyrite, chalcocopyrite	180	2012
214039	390413	5921915	Mylonite	167	2012
100837	375935	5903014	Fault zone between tonalite and brecciated andesite	158	2012
100841	390728	5920929	Sericitized mylonite	147	2012
696228	376093	5904144	Silicified basalt with 1% fine grained pyrite	141	2011
100838	375968	5903003	As #100836 with 10 cm qtz vein	136	2012
100833	376416	5903067	Siliceous zones (100803)	123	2012
214030	390892	5921145	Andesite near sericitized & silicified zone	118	2012
214046	387550	5916973	7 cm vein in metabasalt with >20% pyrite+arsenopyrite	111	2012
214014	389621	5919416	Altered zone near shore lake	106	2012

*NAD83; Zone 18N

Significant gold mineralized samples with values greater than 100 ppb occurred principally in sheared or mylonitized hydrothermally altered (pyritized, sericitized) metavolcanic rocks. The Minister of Energy and Natural Resources (Québec) (“MENR”) geological compilation map indicates the presence of a stratigraphically bounded, > 8 km long band of iron formation within the Yasinski group near the contact with the main shear/mylonite corridor. The iron formation are commonly gold-bearing in certain stratigraphic layers of the Yasinski group (ex: Lavallée, 2003; GM60046 and Leclerc, 2005, 2006: GM61634 and 62497). However, only one sample of iron formation, devoid of gold, was collected during the 2012 summer campaign.

All humus samples were collected on gridlines established on an eastern peninsula jutting in the Lake Sakami within the southwestern block of claims. The humus data indicate more than 76% of all samples (395) are at or below the detection limit for gold assays (< 0.005 g/t), with 19% (98 samples) ranging between 0.006 to 0.020 g/t Au. Only 11 samples (2 %) display concentrations greater than 0.020 g/t (0.020 to 0.552 g/t), with three humus specimen with significant concentrations: M100055=0.102 g/t Au, M100233=0.288 g/t Au and M100347=0.552 g/t Au. Another interesting area is found on the northeastern branch of L14W.

Overall, the geochemical contour maps, define two “anomalous zones” (A and B) which are characterized by clusters of gold values > 0.020 g/t Au. Two anomalous rock samples collected from outcrops exposed within the grid area are reported. Only one grab rock samples with a gold content of 0.141 g/t occurs in

the general are of anomalous zone B. No anomalous gold values are correlated with the trace of shear zones/deformations zones delimiting the contact between hornblende-biotite tonalitic intrusive rocks and mafic volcanic rocks.

Unfortunately, Anomalous zone A is underlain by bogs and swampland with virtually no outcrop zone. Anomalous zone A overlies a biotite-hornblende tonalitic pluton in contact with the mafic volcanic rocks of the Yasinski group defined by shear/deformation zones (See Goutier et al., 2000). Gold mineralization found in volcanosedimentary and plutonic rocks of the La Grande Subprovince is commonly genetically or spatially associated with major crustal breaks (ex: the La Grande Sud Au-Cu deposit; Mercier-Langevin et al., 2012). Furthermore, there are several significant gold showings and prospects adjacent to the southeastern boundaries of the Sakami property and occurring in mafic volcanic assemblages of the Yasinski group, some of which are associated with mylonitic or shear zones (ex: JR, De l'Île and EX43; Lavallée, 2003: GM60046; Lavallée and Lavallée, 2004: GM61190; Leclerc, 2005, 2006: GM61634 and 62497).

GEOLOGICAL SETTING²

La Grande Subprovince

The La Grande Subprovince is an Archean volcanoplutonic assemblage composed of an ancient tonalitic basement (2.79-3.36 Ga), several westward-younging volcano sedimentary assemblages and of multiple ultramafic to felsic intrusions (Card and Ciesielski, 1986; Goutier et al., 2002). It is limited to the south by the Opinaca Subprovince, formed by metasedimentary and plutonic rocks comparable to that exposed in the English River and Quetico subprovinces of Ontario (Card and Ciesielski, 1986). The northern boundary of the La Grande subprovince is defined by the Bienville Subprovince which is composed of voluminous hornblende-biotite TTG (Tonalite- Trondhjemite-Granodiorite), granite-granodiorite plutonic suites and their pyroxene-bearing equivalents (ca. 2.74-2.69 Ga) (Ciesielski, 2000; Simard et al., 2004; Roy et al., 2004). In the La Grande hydrographic basin, the La Grande Subprovince is divided in two large structural, metamorphic and lithological domains. The Northern Domain is dominated by plutonic and gneissic rocks whilst the Southern Domain encloses the volcano-sedimentary sequences (Goutier et al., 2002).

The basement rocks of the La Grande Greenstone Belt (LGB) are formed by gneissic and foliated tonalites of the Langelier Complex (2788-3360 Ma). The complex is in structural contact with younger supracrustal sequences composing the Yasinski (2733 Ma) and the Lac Guyer (2820 Ma) groups. The former is constituted of tholeiitic basalt, feldspathic wacke, magnetitebearing iron formation, andesitic and felsic pyroclastite of calco-alkaline affinity (Goutier et al., 2001a, b, 2002). The Yasinski group (2732 Ma), which is represented upwards by the Aya 1 to Aya4 units (Goutier et al., 2001a). The Aya 1 unit consists of a basal iron formation represented by an oxide facies (magnetite) often metamorphosed into a garnet amphibolite.

Metric bands of wacke and polygenic conglomerate intercalated with volcanic flows form the bulk of the Aya2 unit. The wacke is metamorphosed locally into a biotite-actinolite schist and the conglomerate contains volcanic, gabbroic and iron formation fragments. The basalt and andesitic basalts (Aya3) are the dominant lithologies encountered in the Yasinski group. These are tholeiitic in affinity and occur principally as pillowed, less frequently as massive or brecciated flows. Metamorphosed into foliated amphibolites, these volcanic rocks were erupted in a deep oceanic environment. The Aya4 unit contains andesitic flows and tuffs of intermediate composition. The clastic rocks of the Ekomiak Formation rest

² For a complete biography, please refer to the Sakami Report, which is available on the Corporation's profile at www.sedar.com.

unconformably on the Yasinski group and are limited by numerous faults. The principal lithology is represented by a polygenic conglomerate characterized by tonalite clasts.

The supracrustal rocks are intruded by diorites, quartz diorites and hornblende-biotite tonalites of the Duncan intrusions (2709-2716 Ma), ultramafic intrusions, the vast Radisson batholith (2712 Ma) and by late to post-tectonic intrusions, such as the Vieux-Comptoir Granite (2618 Ma) and the quartz monzodiorite and porphyritic granodiorite of the Bezier Pluton (2674 Ma). Regional metamorphism, principally affecting the supracrustal rocks, varies from lower greenschist to upper amphibolite. The Langelier Complex was first affected by a ductile deformation and the latter supracrustal sequences were complexly deformed into kilometric folds and thrust faults and transformed by a regional dome and basin tectonic phase (Goutier et al., 2002).

The Opinaca Subprovince

In the area of investigation, the Opinaca Subprovince exposes several injections of white-pink monzogranites and pegmatitic monzogranites in a vast assemblage of metamorphosed sediments assigned to the Laguiche group (Goutier et al., 2000). The metasediments consist principally of biotite paragneiss interstratified with arkosic arenite layers. Migmatites appear further south toward the center of the Opinaca basin. In this sea of paragneiss, formerly a feldspathic wacke presenting turbidite textures (ex: sorting), some layers of polygenic conglomerates, quartz arenites, biotite schist, amphibolite and felsic volcanic rocks were recognized.

Proterozoic Rocks

The Proterozoic rocks comprised three networks of gabbroic dykes dated between 2.07 and 2.5 Ga (Ernst et al., 1998). The Proterozoic deformation associated with a brittle deformation event generated dextral shears leading to tensional basins along a 330 km span of the La Grande hydrographic basin. The basins were filled by quartz arenites, red sandstones, conglomerates and sandstones of the Sakami Formation (2216-2510 Ma).

Geology of the Sakami Property

The geology of the southeastern Sakami property is dominated by two rock types. Mafic volcanic rocks of the Yasinski group are essentially basalts and amphibolites striking N270° to N300° and dipping sharply to the north (70° to 90°). The mafic rocks are folded along a N300° axis dipping 35° (P2) (Digonet, 2001; GM59019). The basalts and amphibolites are often massive and recrystallized showing a microgabbroic texture. Some basalts contain biotite and garnet and are highly schistose. They are intercalated with iron formations. The second rock type is a hornblende-biotite tonalite intrusive rock of the Duncan Intrusive Suite (Goutier et al., 2000). The tonalite post-date the volcanic rocks and is variably deformed. The pink to grey pluton is homogeneous, affecting a white patina. It is a medium-grained plutonic rock composed of 40- 50 % plagioclase, 35-45 % quartz, 5-15 % hornblende and biotite with < 5 % of K-feldspar. Accessory minerals are epidote, titanite, and apatite.

The northeastern segment of the property straddles the sheared/thrusted and deformed contact between the la Grande (Yasinski group) and Opinaca (Laguiche group) subprovinces.

Geological mapping carried out by Lavallée (2003; GM60046) identified this contact in the Sipanikaw south, central and north sectors. The Yasinski group exposes principally massive to pillowed metabasaltic rocks injected by gabbroic sills/ bodies. Layers of garnet amphibolite and ultramafic rocks are observed near the shear contact. Felsic schists and dykes are commonly associated with mylonite zones. Hydrothermally-altered exhalites, sulphide-rich cherts and sulphide/oxyde iron formations are also observed. These are most likely to contain gold mineralization. The main schistosity is oriented NE-SW and dips moderately to sharply to the NE (235° /50° -70°).

Structure

The structure of the Sakami area is dominated by thrust faults, dextral shearing and large folds involving all crustal rocks. The Langelier Complex tonalites form a large EW-oriented dome to the southwest in structural contact with the volcanic rocks. These are folded along a vast synform, plunging to the NE and tilted toward the SE. The metasediments of the Laguiche group (Opinaca Subprovince) are folded and overturned to the SE, whereas the southern Opinaca basin underwent a complex polyphase NS and ESE folding.

The metavolcanic rocks of the Yasinski group are separated from the Laguiche group metasediments by a narrow NE-oriented thrust. A dextral, NW-SE shear zone to the west affected the Langelier basement rocks as well as the Laguiche group metasediments and La Grande Subprovince metavolcanic rocks. The earliest tectonism affected the gneiss du Complex de Langelier Complex tonalite gneiss before the extrusion of the volcanic assemblages. A second deformation phase involved the volcanosedimentary rocks (Yasinski and Lac Guyer groups) with substantial transport from the NW to the SE. This event resulted in tectonic imbrications and kilometer-scale folding. The third tectonic phase occurred after the intrusion of the Duncan suite intrusives and generated a strong foliation and thrusting of the volcanosedimentary assemblages on the Laguiche metasediments. A late polyphase deformation, perhaps related to the intrusion of granitic plutons in the Opinaca basin, is associated with a system of dextral NE-NW-oriented shears.

EXPLORATION INFORMATION

No exploration work was conducted by, or on behalf of, the Corporation on the Sakami property.

MINERALIZATION

There are no "mineralized bodies" *per se* within the confines of the Sakami property. There are a few areas in the Île and Sipanikaw-North sectors where grab rock sampling yielded some interesting gold values. In the Île sector, 18 rock samples produced gold concentrations >100 ppb, with one sample having 5.17 g/t. The latter was sampled from an EW-oriented, 1 m wide shear zone containing 5-6% pyrite-pyrrhotite within a paragneiss.

In the Sipanikaw north sector, two interesting zones were recognized by Lavallée (2003; GM60046). The first one is a mylonitized and sheared zone containing 6-7% pyrite-pyrrhotite with traces of chalcopyrite. Best gold values obtained were: 639, 115 and 857 ppb respectively. The second zone located 4.5 km north is a quartz vein containing pyrite and chalcopyrite and yielding 757 ppb Au. Other samples collected from the same zone and associated with a mylonitized corridor showed a maximum gold content of 723 ppb.

DRILLING

No drilling was performed by, or on behalf of, the Corporation on the Sakami property.

SAMPLING AND ANALYSIS

No sampling and assaying was conducted by, or on behalf of, the Corporation on the Sakami property.

SECURITY OF SAMPLES

This is not applicable.

MINERAL RESOURCES AND MINERAL RESERVES

There are no mineral resources nor mineral reserves identified on the Sakami property.

EXPLORATION AND DEVELOPMENT

No exploration or development activities are currently being carried on by the Corporation at the Sakami property.

The author recommends performing a magnetic survey on the former gridlines which will easily identified the high magnetic signature of the iron formation and the trace of various shear zones present in the area. If successful, the Corporation may consider doing some stripping to unearth the area underlain to conduct some detail rock sampling. In the southeastern section of the property, the anomalous A and B zones, defined by humus sample analyses, may or may not be related to gold mineralization at depth. Nonetheless, if further exploration work is considered, the author recommends a ground-based mag survey along the refurbished gridlines. This cost-effective survey could be completed in conjunction with an IP survey depending on the available exploration funds. The principal objective of these surveys is twofold: 1) define the imprint of the major structures present and 2), find conductors associated with sulphide mineralization.

This campaign would constitute Phase I of an exploration campaign which ultimate aim is to produce drilling targets at a cost of \$361,342. If successful, the Corporation should consider implementing a 1,500 m drilling campaign to test these targets. The drilling cost is estimated at \$455,070.

ROBELIN PROPERTY

AUTHOR

The Corporation commissioned Michel Boily, PhD., P. geo. to prepare a technical report in accordance with NI 43-101 - *Standards of Disclosure for Mineral Projects* regarding the Robelin property (the “Robelin Report”). The Robelin Report titled “The Robelin Property, Northern Labrador Through, Kativik, Koksoak River, Québec, NTS 24F12 and 13”, was issued on October 18, 2017 with an effective date of April 30, 2017 and is available on the Corporation’s profile at www.sedar.com.

While the author has not visited the site yet due to weather conditions prevailing at the Robelin property during the winter of 2016-2017, the author is planning to travel to the property during the month of August 2018 when the weather conditions will provide complete access to the property.

The following information concerning the Robelin property is derived from the Robelin Report and is qualified in its entirety by the full Robelin Report.

PROPERTY DESCRIPTION AND LOCATION

The Robelin property is located in the northwestern Labrador Through (New Québec Orogen) in the Province of Québec and contained within NTS sheets 24F12 and 13. The core of the property is positioned 85 km WSW from the town of Kujjuuaq (pop. 2375). It consists of one block of 78 continuous mineral claims totalling 3586 ha or 35.9 km². The approximate center of the property is located at 462043 mE and 6405320 mN (NAD83; Zone 19 N) or Lat: 57° 47'18" and Long: 69° 38'18". The claims are 100% owned by the Corporation.

The Corporation acquired a 100% interest in the Robelin property from Patricia Lafontaine/9248-7792 Québec Inc. (“Patricia”) having its head office PO Box 130, Chester Basin, Nova Scotia, B0J 1K0, Canada.

Pursuant to an agreement dated April 5, 2017, Patricia transferred its interest in the Robelin property in consideration for the issuance by the Corporation 6,500,000 shares of Genius at \$0.15 per share to Patricia, and the grant to Patricia a 2% Net Smelter Returns Royalty (“Robelin NSR”) on the property. 1.0% of the Robelin NSR may be bought back for \$1,000,000 by the Corporation

According to Québec government records, no part of the land covered by the property is a park or mineral reserve. Except for the Robelin NSR, the property is devoid of royalties, back in rights, payments or other

encumbrances. The Corporation does hold the claim titles of the Robelin property. The Robelin property is not subject to environmental liabilities except for those specified in the *Mining Act* (L.R.Q. chapter M-13.1) (“**Mining Act**”). According to the author, there are no other significant factors and risks that may affect, access, title, or the right or ability to perform work on the property. The author is unaware of any environmental liabilities, public hazards or any other liabilities associated with the property.

Obligations of the Corporation that must be met to retain the Robelin property are those of the *Mining Act*, including payment of the claim renewal fee every two year and compliance with minimum exploration work requirements (i.e. geological mapping, geophysical survey, drilling, etc.)

The claims allow legal access to all parts of the land staked and provide surface rights to conduct exploration work year round. The claims owned by the Corporation are currently valid and in good standing. The claims expiring dates range from December 2017 to June 2019. Permitting from the Québec Government to conduct overburden stripping and drilling is in the process of being obtained. According to the author, there are no other significant factors and risks that may affect access, title, or the right or ability to perform work on the Robelin property.

There are no mineral resources or mineral reserves on the Robelin property according to the 2005 CIM Definition Standards. There are no existing mine workings, tailing ponds, waste deposits and important natural features and improvements relative to the outside property boundaries. There is sufficient unused land within the Robelin claims for waste and tailing disposal and the construction of a mine and milling installations.

ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

The region covered by this report tilts smoothly and regularly towards the NE of the Ungava Bay. The terrane exposes N to NW-oriented ridges that follow the contacts of the geological formations. The western side of the ridges are commonly steep with the eastern side falling more gently reflecting the dip of the geological beds. To the west, the granitic rocks define elevated and undulated plateaux, with steep mesas attributed to dolomitic formations. In the center of the region, sandstone and silt rocks form alternating ridges and valleys. The gabbroic sills occur as high-crested ridges associated with deep valleys constituted of sedimentary rocks. The highest point reaches 325 m ASL, but the elevation of the Proterozoic rocks usually varies between 25 and 125 m.

Lakes and ponds are abundant. Several ponds occur on top of rocky ridges without feeder stream and are desiccated during the summer months. Water courses are small, since the region straddles the watershed between the Koksoak River hydrographic basin and that of the Lake aux Feuilles and Bay aux Feuilles. The streams feeding the Gerido, Harveng, Rougemont, Thêvenet and Robelin lakes are the more important watercourses. Water flows generally toward the Bay aux Feuilles. However, some of the drainage near lakes Thêvenet, Léopard and Gerido occurs toward the Koksoak River to the south.

The Nunavik possesses four terrestrial ecozones: 1) Taiga Shield, 2) Arctic Cordillera, 3) Low Arctic and 4), High Arctic. The Robelin property is located within the Taiga Shield near the upper boundary of the tree line marking the transition between the forest tundra and the shrub vegetation of the arctic tundra. The Taiga Shield or the Boreal Zone includes the Taiga subzone and forest tundra subzone. The former is characterized by a low-density forest cover, dominated by black spruce with a lichen understory. In the forest tundra subzone shrubby barrens grow with scattered forests, whose size is limited by forest fires and the presence of discontinuous permafrost. Alder, willow and larch groves occur in boggy areas.

Rain is particularly scarce ranging from 175 mm to 300 mm/yr. For instance, in Kuujjuaq located 80 km to the NE, rain totals 277 mm a year falling mainly from May to October. Snowfall is however abundant and lasts from October to May with an average of 257 cm. Thus the climate is harsh; Kuujjuaq registers extremely low temperatures in winter with average minimum and maximum in January of -28.8°C and -19.7°C, respectively. Summers are short and last a few months with average minimum and maximum daily temperature of 5.8 °C and 17.1°C in July. Accordingly, drilling campaign can only be carried out from the end of June to late August.

Access to the Robelin property is exclusively by helicopter or floatplane since no road brings access to the Northern Labrador Through. There is no infrastructure in the immediate region surrounding the Robelin property. The town of Kuujjuaq located 80 km NE along the Koksoak River serves as an airbase for all transportation needs to the site. Kuujjuaq is a modern Inuit city designed as the capital of the Kativik region. With ocean access and two runways at the Kuujjuaq Airport, the city is the transportation hub of the entire region. Air Inuit and First Air have regular flights from Montréal to Kuujjuaq. The city hosts a number of hotels, restaurants, stores, food, gas and hospital. Manpower and expertise to conduct any exploration campaign have to be brought from Val d'Or, Rouyn-Noranda or Montreal.

Water for drilling can be obtained from the numerous streams and lakes throughout the property including the Ducreux and Robelin lakes. There are no powerlines in the vicinity of the property. The optimum length of the operating season in the Kativik area is short, ranging from the end of June to Mid-September, when mining companies usually conduct their field work such as geological mapping, overburden stripping, trenching, drilling, soil survey and sampling. However, airborne geophysical surveys can be carried out year long, except for radiometric surveys.

HISTORY³

The first regional mapping of the Labrador Through in the Québec Province happened during the 1950s and 1960s, leading for instance to the publication of a 1:250,000 scale map of NTS sheet 24F (Fahrig, 1962).

In 1961, Boylen Engineering prospector discovered Pb-Zn-Cu-Ag-Au mineralization and staked the Koke property located 15 km to the SE of the Robelin property. The company conducted 152.4m of trenching and detailed mapping. Additional claims were staked to constitute four separate properties.

In 1962, Boylen Engineering staked an area covering a strong local magnetic anomaly on the Robelin property determined by a 1961 helicopter survey. The anomaly occurs within similar sedimentary formations that hosts the Koke Zn-Cu-Ag deposit. 35 km of gridline were cut and a magnetometer survey completed revealing a huge 1,500 x 920 m anomaly with a relief over 5,000 nT (Baldwin, A. 1962; GM17613). 500 m west of the magnetic anomaly there is a 490 m- long conductor zone. A 229 m DDH was collared on the site of the main anomaly. The drillhole first intersected phyllite and quartzite rocks. The magnetic anomaly is attributed to the presence of 140 m of interbedded magnetite-rich graphitic schists and quartzites (chert?) containing 10 to 15 % sulphides; mainly pyrite and pyrrhotite with minor sphalerite. Accessory chalcopyrite was noted in various parts of the hole.

In 1963, Boylen Engineering pursued further exploration on the Koke property involving property scale grid mapping, an helicopter-borne magnetic survey, ground-based magnetometer and electromagnetic surveys. Two drilling programs totaling 30 DDH were implemented. The first phase including 14 holes and totaling 1,691 m of core allowed the outline of an historical resource of 0.9Mt@ 6.9 wt. % Zn, 1 wt. % Pb, 0.7 wt. % Cu, 55 g/t Ag and 1 g/t Au. Another 16 holes program totaling 1,670 m of core was conducted along strike north and south of the Koke deposit (GM 13334-B, A).

In 1965, Geologic report of the Gerido and Thêvenet lakes areas (Sauvé and Bergeron, 1965; RG104).

In 1974, Cominco Ltd. purchased 50% of the Koke property from Telestar Metal Mines. The Koke deposit was remapped, drill core re-logged and electromagnetic, magnetometer and gravity surveys completed.

³ For the full bibliography, please refer to the Robelin Report, which is available the Corporation's profile at www.sedar.com.

In 1977, Cominco Ltd. sunk one 200 m drill hole on the Koke property to test the down plunge potential of the disseminated sulphides in the cherty horizon. The best drilling intersection obtained was 1.22 m @ 1.4 wt. % Zn and 0.48 wt. % Cu.

In 1979, Preliminary geological report on the Herodier Lake Area carried out by the ME (Clark, 1979; T, DPV-568). Geology of the Napier Lake (Clark, 1979; DPV-663).

In 1981, Inventory of the Cu-Zn et Cu-Ni deposits in the northern section of the Labrador Through (Fournier, 1981; DPV-835).

In 1988, Stratigraphy, petrography and petrochemistry of the Baby iron formation in the Lake Hérodier area (Clark, 1987; ET87-13).

In 1989, Metallogeny of sulphide showings north of latitude 57° in the Labrador Trough (Wares, and Goutier, 1989; MB89-38).

In 1993, Kennecott Canada completed a combined helicopter-borne magnetic electromagnetic survey and VLF-EM survey on a suite of claims containing the Koke deposit and part of the GENIUS claims to the northwest. The magnetic survey shows an extensive bull's eye-type anomaly having an amplitude of over 12,000 nT above background in at the center of the Robelin property. It was suggested the overall magnetic patterns reflect thrust faulting of a sequence of magnetic units one over the other, explaining the intense magnetic response (Woolham 1993; GM52215).

There are a great many highly conductive intercepts throughout the survey block, including at the northern end. It was mentioned almost all the magnetic linears within wide conductive zones are associated with the higher amplitude conductive responses (Woolham, 1993; GM52215). The zones probably reflect iron formation in the sulphide facies and intercalated magnetic/pyritic/graphitic sedimentary units indicated by geology.

In 1995, Kennecott Canada carried some prospection in and around GENIUS Robelin's claims (Rostalli, 1995; GM53513). At the northern claim boundary, Kennecott discovered a northsouth trending 1.6 km x 0.5 km zone of weakly anomalous gold and zinc mineralization was partially defined by 23 samples. Limited sampling of graphitic shale outcrops yielded three results ranging from 270 ppm to 110 ppm Zn, exceeding the background value calculated at 35 ppm. Further south, approximately 4.2 km to the west of Lac Ducreux, a second gold anomalous zone was outlined. A quartz vein averaging 1 m to 2 m in width with locally semi-massive to massive pyrrhotite-pyrite was prospected and sampled over 90 m of exposure. Sampling showed elevated gold values in the host silicate iron formation up to 743 ppb gold from a rock-chip sample.

A possible on-strike extension of the zone located 2.2 km to the southwest was also prospected and sampled. Siliceous graphitic shale with fine disseminated pyrite in fractures and quartz veins were sampled over an exposure of 100 m. The lithology is composed of brecciated and folded graphitic shales and intercalated with sericite schists. Zinc concentrations including quartz vein material and sericite schists averaged 1,980 ppm zinc. Remobilized sphalerite was noted in quartz veining assaying 7 100 ppm and 11 ,200 ppm zinc. Remobilized chalcopryite in quartz veining was occasionally recognized.

In 2000, Noranda Inc. performed a ground-based gravimetric survey accompanied by stream sediment, soil sampling and collection of erratic blocks fragments on the Koke property. Block sampling yielded average assay values of 10 wt. % Zn, 7 wt. % Pb, 250 g/t Ag, 1.0 g/t Au et 0.5 wt. % As. Eleven DDH were collared on the entire property, with three drill holes intersecting massive stratiform sulphides on 15 to 30 cm at 300 m depth near the Koke deposit. Best values yielded 0.3 m @ 10.80 wt. % Zn, 7.36 wt. % Pb, 270 g/t Ag and 0.76 g/t Au. In the Abner sector, sulphide-rich breccias and massive sulphide zones were discovered containing pyrite, sphalerite and galena in stromatolithic dolomites, with the best value obtained from three DDH being 0.1 m @ 6.85 wt. % (Trépanier and Dessureault, 2000; GM58601).

In 2005, Lithotectonic and metallogenic synthesis of the Québec portion of the Labrador Through (Clark and Wares, 2005).

In 2012, Airborne magnetic and spectrometric surveys in the Koksoak River area (D'Amours and Intissar, 2012). Aeromagnetic surveys allowed D'Amours and Simard (2012) the identification of exploration targets in the La Moyne Lake and Koksoak River area.

In 2014, a geological study of the Lake Saffray region was conducted by the Ministère de l'Énergie et des Ressources Naturelles du Québec (SNRC 24G, 24F).

GEOLOGICAL SETTING - THE REGIONAL, LOCAL AND PROPERTY GEOLOGY⁴

The structural and geological setting of the Robelin property within the framework of the Labrador Through indicates a good potential for discovering exhalative Zn-Pb-Cu-Ag-Au-bearing massive sulfides mineralization.

1.1 - Lithotectonic Zones

Lithotectonic zones in the Labrador Trough are separated from each other by major thrust faults and composed of either autochthonous/parautochthonous or allochthonous assemblages. In all, there are three autochthonous/parautochthonous, sedimentary zones lying on the craton margin (Bérard, Cambrien, and Tamarack; Wares et al., 1989; Wares and Goutier, 1990; Skulski et al., 1993); three allochthonous, sedimentary zones (Mélèzes, Schefferville, and Wheeler) ; one allochthonous, volcanosedimentary zone composed mostly of first-cycle formations (Howse); three allochthonous, volcanosedimentary zones composed mainly of second-cycle formations (Payne, Gerido, and Retty); one allochthonous, volcanosedimentary zone defined by first- and second-cycle formations (Hurst).

Wares and Goutier (1990) have divided the northern segment of the Labrador through into four zones from west to east : the Chioak and Baby zones (foreland) and the Rachel and Kuujjuaq zones (hinterland) (Figure 1). The Chioak Zone forms an autochthonous-parautochthonous belt resting unconformably on the Superior craton. The lower Ferriman Sub-group, a shallow water shelf sequence, is overlain unconformably by the Menihek Formation turbidites and syntectonic, immature Chioak Formation continental clastic sediments. The Baby Zone comprises rift-derived volcanosedimentary sequence within a strongly folded and thrust-faulted belt. The lower Abner Dolomite Fm is overlain by the Baby Fm turbidites and iron formations and the Hellancourt basalts (Koksoak Group). Tholeiitic gabbroic sills intrude the sequence. Meta-argillite and quartzite layers devoid of gabbroic sills of the Thêvenet Formation, overlies the Hellancourt basalts and may represent syn-tectonic foredeep sediments. The Rachel Zone defines the western edge of the hinterland and is composed of amphibolite grade thrust-imblicated Baby Zone rocks, metasedimentary rocks and Archean basement (Moorehead and Hynes, 1990; Poirier et al., 1990). The Kuujjuaq Zone contains remobilized Archean basement, early Proterozoic amphibolite to granulite metasedimentary and metavolcanic rocks, syn-tectonic intrusions and minor post-kinematic dykes, probably representing the root of a continental arc terrain (Machado et al., 1989 ; Perreault and Hynes, 1990; Poirier et al., 1990).

The Chioak, Baby and Rachel zones are bounded by three major faults. The low-angle Garique fault separates the Chioak and Baby zones and represents the basal décollement of the Baby Zone (Clark et al., 1990). The Baby and Rachel zones are separated by the Rachel high-angle reverse fault (Moorehead and Hynes, 1990) and the Turcotte Fault divides the Rachel and Kuujjuaq zones (Perreault and Hynes, 1990).

⁴ *Id.*

1.1.1 - *The Baby Zone*

The Baby Zone is subdivided into three domains. In the western segment, the Mèlèzes domain build-up of thrust imbricated Abner dolomite and Baby turbidites. Folds are isoclinal, overturned to recumbent near thrust faults, open and upright within allochthons, and are west-vergent. The Gerido domain occupies the central volcanosedimentary sector and is characterized by imbricated synclines and duplexes and low- to high-angle reverse faults with dips increasing towards the east. Synclines are tight and overturned towards the west. The eastern portion (Thêvenet domain) presents similar lithologies to that of the Gerido domain and is dominated by large scale tight to open, inclined to upright anticlines and synclines.

1.2 - *Geology of the Robelin property*

The Robelin property straddles parts of the Mèlèzes and western Gerido domains which are separated by the Robelin fault. The latter thrusts carbonate-rich iron formations over the Abner Dolomite near the western property boundary. East of the fault, silicate iron formations, pyritic graphitic shales or sulphide facies iron formations, phyllitic sediments (rythmites), minor basalt/sericite schists, and gabbros occur in a series of folds and thrusts.

1.2.1 - *The Abner Formation (Denault Formation)*

The Abner Formation (Denault Fm) is dominated by grey, massive and thick beds of dolomite interlayered with "boudinaged" chert commonly overlying layers of laminated dolomite, dolomitic sandstone, stromatolite-bearing dolomite, conglomerate with chert and dolomite clasts, calcarenite and oolites dolomites (Clark, 1979; Wares and Goutier, 1990).

1.2.2 - *Baby Formation (Lower Member)*

This is the most abundant lithofacies of the Baby Formation. The latter presents a sequence of mudstones, siltstones and interlayered sandstones showing a rhythmic texture. The Lower Member rhythmites consist of cm- to m-thick layers of slates, chloritic mudstones interlayered with white colored siltstones and quartzofeldspathic sandstones. Observed sedimentary textures are limited to graded bedding and parallel laminations (Wares and Goutier, 1990).

1.2.3 - *Baby Formation (Median Member)*

The Median formation consists of iron formations defined as marker horizons within the allochthonous portions of the Northern Labrador Through (Wares and Goutier, 1990). Their thickness varies from 30 to 200 m and the iron formation exposes a principal silico-carbonated facies, with secondary facies of : 1) mudstone and magnetite sandstones rich in chlorite and grunerite, 2) chlorite-grunerite (>50%), accompanied by stilplomelane, quartz, ankerite, magnetite and pyrite forming laminated cm-thick bands, 3) a magnetite sub-facies containing nodules and cm-thick beds of carbonated chert interlayered with beds of massive magnetite or laminated fine-grained magnetite (70%) with ankerite and stilplomelane and 4), ankerite sub-facies revealing a porphyroblastic assemblage of ankerite in a fine-grained ankeritic matrix (> 60 %) containing quartz + chlorite + stilplomelane + magnetite + pyrrhotite + pyrite and chert nodules.

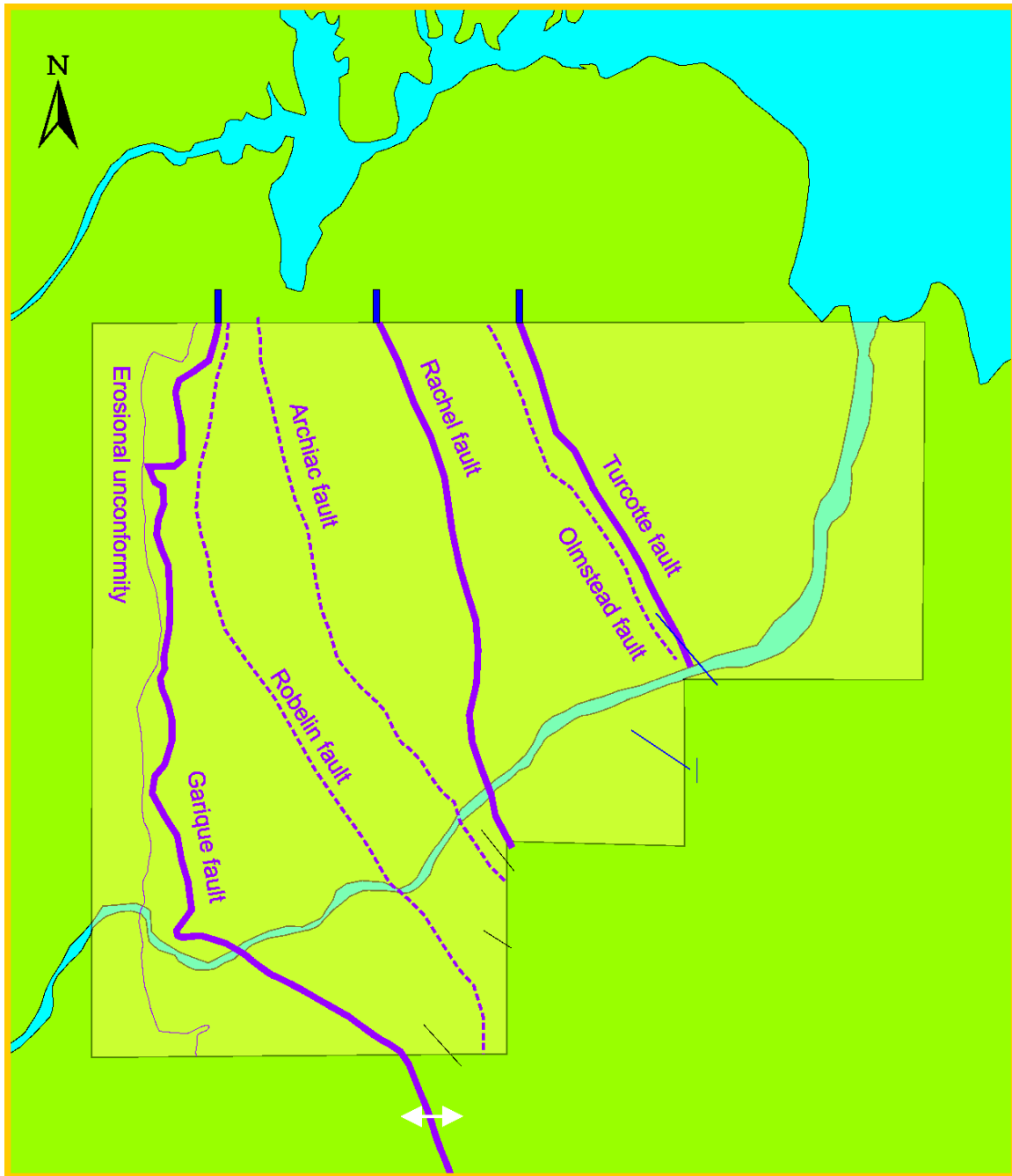


Figure 1. Lithotectonic zones and domains of the northern segment of the Labrador Through

1.2.4 - Baby Formation (Upper Member)

The maximum thickness of the Baby Upper Member is estimated at 800 m. The member is composed of five units. The most important includes rhythmic sedimentary beds having lost their sedimentary textures and exposing banded quartz+ plagioclase+biotite±muscovite slates and schists. Another unit consists of a quartzite band interlayered with the rhytmities. This a massive quartzite with trace of plagioclase and including thin layers of sandstones. A third unit (maximum of 200 m-thick) is constituted of rhytmities and cherty and sulphide-bearing slates representing the top layers of the Upper Member underlying the volcanic rocks of the Hellancourt Fm. The schists are composed of cm-thick beds of quartz + biotite +

plagioclase + pyrrhotine ± graphite ± chlorite ± chalcopyrite with occasional almandine garnet porphyroblasts (Wares and Goutier, 1990).

1.2.5 - Hellancourt Formation

The Hellancourt Formation consists of basal glomeroporphyritic massive and pillowed basaltic flows overlain by massive equigranular to pillowed tholeiitic basaltic flows. The formation thickness is estimated at 900 m.

1.2.6 - The Montagnais Sills

The sills outcrop throughout the sector and are injected in the Baby and Hellancourt formations. They present four different varieties: 1) mesocratic equigranular gabbros; 2) peridotite, 3) pyroxenite and 4), glomeroporphyritic sills. The sill thicknesses are variable but commonly reach 100 m extending for several kilometers on strike. They display a massive aspect being undeformed and competent. The sills develop a schistosity when injected in fold hinges or in faults.

The mineralogy is metamorphic but with observable residual textures (Clark, 1990; Wares and Goutier, 1990).

1.2.6.1 - Peridotite

The peridotite unit is observed within the Upper Member of the Baby Fm and in the Hellancourt volcanic rocks. It is associated with the formation of a basal cumulate within thick equigranular sills of gabbroic composition. The peridotite is a medium-grained greenish rock composed of a serpentine+chlorite+actinote±talc± carbonate mineral assemblage.

1.3.6.2 - Equigranular Mesocratic Gabbro

The most common gabbroic sills cropping in the Northern Labrador Through are mediumgrained, mesocratic and equigranular presenting a sub-ophitic texture. They are massive and poorly differentiated being composed of idiomorphic saussuritized plagioclase included in a actinote+chlorite+epidote+quartz±biotite matrix. In certain cases, the primary mineralogy is replaced by a metamorphic assemblage of hornblende+plagioclase+quartz.

1.2.6.3 - Pyroxenite

The Hellancourt Formation consists of basal glomeroporphyritic massive and pillowed basaltic flows overlain by massive equigranular to pillowed tholeiitic basaltic flows. The formation thickness is estimated at 900 m.

1.2.6 - The Montagnais Sills

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1.2.6.3 - Pyroxenite

Pyrrhotite-pyrite was prospected and sampled over 90 m of exposure. Sampling showed elevated gold values in the host silicate iron formation up to 743 ppb gold from a rock-chip sample (Rosatelli, 1995; GM53515).

A possible on-strike extension of the zone located 2.2 km to the southwest was also prospected and sampled by Kennecott. Siliceous graphitic shales with finely disseminated pyrite in fractures and quartz veins were sampled over an exposure of 100 m. The lithology is made of brecciated and folded graphitic shales and intercalated with sericite schists. Zinc concentrations including quartz vein material and sericite schists averaged 1,980 ppm zinc. Remobilized sphalerite was noted in quartz veining assaying 7, 100 ppm and 11,200 ppm zinc. Remobilized chalcopyrite in quartz veining was occasionally recognized (Rosatelli, 1995; GM53515).

EXPLORATION INFORMATION

No exploration work was conducted by, or on behalf of, the Corporation on the Robelin property.

MINERALIZATION

Mineralization of the type encountered on the Robelin property presents similar geological characteristics to that of the Koke (Boylen) and Kan deposits, the former located just 15 km to the southeast of the property. These deposits were classified into the type 3B exhalative Zn-Pb-Cu-Ag-Au-bearing massive sulfides in graphitic mudstones (Clark and Wares (2005)). The Kan and Koke deposits contain polymetallic massive sulfides and are hosted in a sequence of black, graphitic mudstones and chert belonging to the middle iron-rich member of the Baby Formation (Wares et al., 1988; Trépanier and Dessureault, 2000).

The Koke deposit forms a 10 m thick and 275 m long highly deformed, stratiform massive sulfide body located in the hinge zone of an isoclinal syncline, which is probably a sheath fold in a down-plunge direction (Wares et al., 1988). The present shape of the body is that of an undulating, east-plunging tongue. A minor thrust fault is located in the footwall of the deposit. The trace of the Robelin Fault, a regionally important thrust fault, is located approximately 1 km southwest of the deposit. The massive sulfide is contained within a 400 m-long layer of disseminated sulfides (Trépanier and Dessureault, 2000). In the Koke deposit, the massive sulfides and sulfidic mudstone beds are hosted in carbonate facies iron formations overlying silicate facies iron formations. The sulfides are associated with cherts, iron carbonates, graphitic mudstones and sericite schists. They are fine-grained and granoblastic, due to metamorphic recrystallization and consist of an allotriomorphic assemblage of sphalerite, galena, pyrrhotite, chalcopyrite, and arsenopyrite, with disseminated pyrite crystals. Layers of metabasalts and sericite schists intercalated in carbonate facies iron formations below the Koke deposit provide clues to coeval volcanic and hydrothermal activity. A horizon of finely laminated and banded sulfidic chert (pyrite and sphalerite) lying immediately below the deposit is interpreted by (Wares et al., 1988) as chemical exhalite of submarine hydrothermal origin.

In the Labrador Through, Zn-Pb-Cu-Ag-Au deposits are viewed as exhalative in origin and associated with local mafic volcanic and hydrothermal activity. The concordant nature of the deposits and their association with graphitic and sulfidic layers imply a syngenetic origin. Laminated pyrite and graphitic-sulfidic mudstone units, closely related to the massive sulfide bodies, were formed by sedimentary accumulation of pelagic matter and pyrite micro-particles. The pyrite micro-particles are interpreted as

chemical precipitates resulting from the saturation of seawater in iron sulfides close to hydrothermal vents (Barrett et al., 1988).

These deposits are contained in a stratigraphic assemblage dominated by platform sedimentary rocks. Above and below the deposits layers of basalts occur, suggesting the deposits formed in a volcanosedimentary environment. Volcanism and associated chemical sedimentation (iron formation, chert) occurred sporadically, in deep water on a collapsing continental-margin platform. This volcanism was a precursor to extensive rifting and eruption of voluminous, MORB-like basaltic lava emplaced at the summit of cycle 2. The numerous gabbro sills intruding the cycle 2 sequence are probably related to this volcanism (Clark and Wares, 2005).

The Zn-Pb-Cu-Ag-Au deposits define volcanogenic, exhalative sulfide bodies similar to those commonly found in volcanosedimentary terrains. They present certain similarities with the Zn-Pb-Cu deposits of the Bathurst-Newcastle camp in New Brunswick (Peter, 2003). For example, the Koke deposit is hosted in iron formation, like the Bathurst-Newcastle deposits (Clark and Wares, 2005).

DRILLING

No drilling was performed by, or on behalf of, the Corporation on the Robelin property.

SAMPLING AND ANALYSIS

No sampling and assaying was conducted by, or on behalf of, the Corporation on the Robelin property.

MINERAL RESOURCES AND MINERAL RESERVES

There are no mineral resources or mineral reserves on the Robelin property according to the 2005 CIM Definition Standards.

EXPLORATION AND DEVELOPMENT

No exploration or development activities are currently being carried on by the Corporation at the Robelin property.

The author recommends carrying a sophisticated high resolution VTEM or ZTEM airborne survey of the property while geologists will roam the site to map and sample the different lithologies in order to complete the exploratory work of Kennecott Canada. This will constitute Phase I of the exploration work estimated at \$191,637. Contingent upon a successful outcome of the geophysical survey, a 1,500 m drilling campaign is proposed and expected to cost \$496,246.