



**AMENDMENT
TO THE MANAGEMENT INFORMATION CIRCULAR
DATED JUNE 6, 2018**

The annual and special meeting of shareholders of Genius Properties Ltd. (“**Genius**” or the “**Corporation**”) was held on July 6, 2018 (the “**Meeting**”). During the Meeting, shareholders received the audited financial statements of the Corporation for the year ended December 31, 2017 (item 1 of the notice of meeting), appointed the auditors of the Corporation for the year 2018 (item 3 on the notice of Meeting), and unanimously approved a resolution to adjourn the Meeting to July 26, 2018.

This amendment (the “**Amendment**”) adds to, supplements and amends the information set forth in the Corporation’s management information circular dated June 6, 2018 (the “**Circular**”) by:

1. incorporating by reference in the Circular the amended and restated listing statement of the Corporation dated July 2018 (the “**Genius Listing Statement**”) for a fundamental change involving the acquisition of Cerro de Pasco S.A. (the “**Target**”);
2. incorporating by reference in the Circular the listing statement of Genius Metals Inc. (“**SpinCo**”) dated July 2018 (the “**SpinCo Listing Statement**”) for the listing of SpinCo; and
3. supplementing the resolution on the election of directors in the Circular, to propose the election of four directors of Cerro de Pasco as directors of the Resulting Issuer effective upon closing of the Reverse Take-Over if the Reverse Take-Over Resolution is adopted;
4. providing an additional resolution to be presented to shareholders at the adjourned Meeting, authorizing the Corporation to proceed to a reduction of its stated capital for the distribution of the common shares of SpinCo to shareholders of the Corporation, and supplementing the Federal Income Tax Considerations section of the Circular in connection with the proposed stated capital reduction; and
5. amending the definition of, and all references to, “Main Genius Properties” in the Circular to refer to the Meaghers gold Property (Nova Scotia, Canada) of the Corporation and by deleting and replacing Schedule F of the Circular.

The Circular is therefore hereby amended to include the information set forth in this Amendment. This Amendment should be read in conjunction with the Circular. All capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Circular.

The Board of Directors of the Corporation has approved the contents of the Amendment and its sending to the shareholders of the Corporation.

Montréal, Québec, July 19, 2018

BY ORDER OF THE BOARD OF DIRECTORS

(s) Guy Goulet
President and Chief Executive Officer

1. DOCUMENTS INCORPORATED BY REFERENCE

The following documents of the Corporation are specifically incorporated by reference into and form an integral part of this Circular:

- (i) the Genius Listing Statement; and
- (ii) the SpinCo Listing Statement.

Copies of the documents incorporated herein by reference in this Circular will be provided free of charge upon request by any shareholder of the Corporation and are also available electronically on the Corporation's profile on SEDAR at www.sedar.com.

2. ELECTION OF DIRECTORS OF THE RESULTING ISSUER

If the Reverse Take-Over Resolution is not approved by Genius Shareholders, the following item, being the election of additional directors of the Resulting Issuer, will be withdrawn and will not be considered at the Meeting.

As a result of the Proposed Transaction, the board of directors of Genius shall be comprised of six directors, four of which will be proposed by Cerro de Pasco and two of which will be current directors of Genius. It is expected that Mr. Hubert Vallée will resign as director of the Corporation upon completion of the Reverse Take-Over.

Subject to approval of the Reverse Take-Over Resolution by Genius Shareholders, Genius Shareholders will be asked to consider and, if thought appropriate, to elect additional directors of the Resulting Issuer effective upon closing of the Reverse Take-Over to hold office until the next annual meeting of Shareholders or until such person's successor is elected or appointed, in the form of the resolution below:

BE IT RESOLVED THAT:

Effective upon and subject to closing of the acquisition of Cerro de Pasco S.A. ("Cerro") by Genius Properties Ltd. (the "Corporation"):

- 1. the number of directors of the Corporation be set at six directors;
- 2. each of Keith Philip Brill, Manuel Lizandro Rodriguez Mariategui Canny, Frank Hodgson and Steven Allen Zadka be appointed as directors of the Corporation.

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 instructed otherwise, 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.

The following table sets out the names of the proposed directors and officers of the Resulting Issuer, the province and municipality in which each is ordinarily resident, all offices of the Resulting Issuer proposed to be held by each of them, their principal occupations during the past five years and the expected number of Resulting Issuer Shares beneficially owned by each, directly or indirectly, or over which control or direction is exercised, following completion of the Proposed Transaction.

Name, Jurisdiction of Residence, Proposed Offices	Principal Occupation During Last Five Years	Prior Director or Officer of the Issuer or Target	Number of Resulting Issuer Shares upon completion of the Proposed Transaction ⁽¹⁾	Percentage of Class Held or Controlled on completion of the Proposed Transaction
Keith Philip Brill ⁽²⁾ New York, United States Director	Management consultant with Gartner, Inc. since 2016. Prior to joining Gartner, Inc., Mr. Brill was a principal consultant for PA Consulting Group, Inc., a leading UK-based global consulting firm	Current Director of the Target Proposed new director of the Resulting Issuer	574,695	0.24%
Manuel Lizandro Rodriguez Mariategui Canny Lima, Peru Director	Director of Austria Duvaz, CEO of Minera Valor, Executive Director of the Peruvian Aquaculture Company and President of the Investment and Risk Committee of Inversiones Don Lizandro	Current Director of the Target Proposed new director of the Resulting Issuer	3,985,198	1.69%
Frank Hodgson ⁽²⁾ Gibraltar, Gibraltar Director	Corporate investor via Small Private Equity Companies based in Mayfair London	Current Director of the Target Proposed new director of the Resulting Issuer	27,067,928	11.51%
Steven Allen Zadka New York, USA Director	President and Director of the Target Managing director at Sunrise Securities LLC / Trump Securities LLC	Current Director and Officer of the Target Proposed new director of the Resulting Issuer	25,068,793	10.66%

Notes:

- (1) Based on the number of Resulting Issuer Shares beneficially owned, directly or indirectly, or over which control or direction is exercised as at the date of the Genius Listing Statement assuming the completion of the Proposed Transaction.
- (2) Proposed members of the Audit Committee. Each proposed member is financially literate as is defined under National Instrument 52-110 - *Audit Committees*.

Except as described below, 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.

Mr. Zadka, current director and officer of the Target and proposed executive Chairman of the board of directors of the Resulting Issuer, entered into compromises with creditors for personal debts and matters in the aggregate amount of US\$ 42,964.00 incurred during 2008 due to a reduction of income. A payment of US\$ 280,218.00 was also paid by Mr. Zadka as settlement for a loan on a home that was sold short of the value of the balance of the loan (US\$ 562,000.00) during the global financial crisis. The foregoing debts were settled directly with the creditors between 2009 and 2013.

3. DISTRIBUTION OF SPINCO SHARES AND REDUCTION OF STATED CAPITAL RESOLUTION

If the Reverse Take-Over Resolution is not approved by Genius Shareholders, the following item, being the approval of the reduction of stated capital of the Corporation, 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 a reduction of the stated capital of the Corporation, in the form of the resolution below:

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. In accordance with Section 38 of the *Canada Business Corporations Act*, the stated capital account maintained for the common shares of Genius Properties Ltd. (“Genius”) be reduced by \$4,703,661 for the purpose of effecting a distribution of the common shares of Genius Metals Inc. to shareholders of Genius;
2. 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 reduction of stated capital 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 reduction of stated capital resolution.

As of the date of this Amendment, the Corporation has no reasonable grounds to believe that, after giving effect to the stated capital reduction, the Corporation would be unable to pay its liabilities as they become due or that the realizable value of the Corporation's assets would be less than the aggregate of its liabilities. For a description of the principal Canadian federal income tax considerations applicable to the Genius Shareholders in connection with the reduction of stated capital, see item 4 "*Federal Income Tax Considerations*".

4. FEDERAL INCOME TAX CONSIDERATIONS

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 that has an interest in 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.

Distribution of SpinCo Shares

In the event that the shareholders approve the special resolution regarding the reduction of stated capital, Genius's directors would make a special distribution to shareholders, up to a maximum of \$4,703,661, as a reduction of paid-up capital in respect of Genius Shares in an amount to be fixed by the directors of Genius, which would generally be equivalent to the fair market value of the proposed options, interests or properties to be assigned, sold or transferred in exchange for 9,797,790 common shares of SpinCo. The directors of Genius would be authorized to distribute the 9,797,790 SpinCo Shares to shareholders of Genius in payment of the reduction of share capital.

The directors could determine the exact date when such proposed reduction would take effect, perform the proposed reduction of stated capital and the distribution of 9,797,790 SpinCo Shares to shareholders.

In Genius's opinion, the value of SpinCo Shares to be distributed to Genius's shareholders in regard to the reduction of capital will not exceed the amount of the reduction of capital, up to a maximum of \$4,703,661. If the value of SpinCo Shares distributed exceeds the amount of the reduction of stated capital, the excess will be deemed to be a taxable dividend on Genius Shares held by the shareholders.

The value of any SpinCo Shares distributed to shareholders of Genius must be deducted from the shareholder's adjusted cost base of Genius Shares. The proposed distribution of SpinCo Shares to the Genius's shareholders does not in itself constitute a disposition for tax purposes unless the amount to be deducted from the adjusted cost base exceeds the shareholder's adjusted cost base for Genius Shares. In such a case, the shareholder would realize a capital gain equal to the amount of such excess.

Resident Shareholders

This portion of the summary is applicable to shareholders who, at all relevant times and for the purposes of the Tax Act, are or are deemed to be residents of Canada (each, a "**Resident Shareholder**").

The amount received by a Resident Shareholder due to the reduction of stated capital must be deducted in computing the adjusted cost base to a Resident Shareholder of such Resident Shareholder's Genius Shares. If the amount so required to be deducted from the adjusted cost base of the Genius Shares to a particular Resident Shareholder exceeds the adjusted cost base of such Genius Shares, the excess will be deemed to be a capital gain of such Resident Shareholder from a disposition of such Genius Shares.

A capital gain realized by a Resident Shareholder who is an individual may give rise to a liability for minimum tax. A Resident Shareholder that is throughout the year a Canadian-controlled private corporation (as defined in the Tax Act) may be liable to pay an additional refundable tax on certain investment income, including taxable capital gains.

Non-Resident Shareholders

This portion of the summary is applicable to shareholders who, at all relevant times and for the purposes of the Tax Act, are not and are not deemed to be residents of Canada (each, a "**Non-Resident Shareholder**"). The amount received by a Non-Resident Shareholder due to the reduction of stated capital must be deducted in computing the adjusted cost base to a Non-Resident Shareholder of such Non-Resident Shareholder's Genius Shares. If the amount so required to be deducted from the adjusted cost base of the Genius Shares to a particular Non-Resident Shareholder exceeds the adjusted cost base of such Genius Shares, the excess will be deemed to be a capital gain of such Non-Resident Shareholder from a disposition of such Genius Shares.

A Non-Resident Shareholder will not be subject to Canadian income tax under the Tax Act on any capital gain realized on any deemed disposition of Genius Shares that results from the reduction of stated capital unless such Genius Shares constitute “taxable Canadian property” (as defined by the Tax Act) to the Non-Resident Shareholder. Provided that the Genius Shares are listed on a “designated stock exchange” (as defined in the Tax Act), at the time of the Return of Capital, the Genius Shares generally will not be taxable Canadian property to the Non-Resident Shareholder unless:

- (a) at any time during the 60-month period immediately preceding the reduction of stated capital, the Non-Resident Shareholder and/or persons with whom the Non-Resident Shareholder did not deal at arm’s length, held 25% or more of the issued shares of any class of Genius Shares; or
- (b) the Shares are used by the Non-Resident Shareholder in carrying on business in Canada.

Where Genius Shares represent taxable Canadian property to a Non-Resident Shareholder, any capital gains realized on any deemed disposition of the Genius Shares resulting from the reduction of stated capital will be subject to taxation in Canada, except as otherwise provided in any tax treaty between Canada and the country of residence of the Non-Resident Shareholder.

Non-Resident Shareholders whose Genius Shares are or may be taxable Canadian property should consult their own tax advisors regarding the tax consequences and considerations applicable to them in regard to the reduction of stated capital.

5. NARRATIVE DESCRIPTION OF THE MEAGHERS GOLD PROPERTY

Further to the completion of the Spin-Off, the main mining property of SpinCo will be the Meaghers Gold property (the “**Meaghers Property**”) of the Corporation.

All references to the expression “Main Genius Properties” in the Circular are hereby replaced by references to the Meaghers Property.

Schedule F “*Narrative Description of the Main Genius Properties*” of the Circular is hereby deleted and replaced by the disclosure under item 4.3 “Mineral Projects” of the SpinCo Listing Statement which is incorporated by reference in the Amendment.