

**KING GLOBAL VENTURES INC.**

20th floor, 250 Howe Street  
Vancouver, BC V6C 3R8

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

Take Notice that the annual general meeting of shareholders of **King Global Ventures Inc.** (the “Company”) will be held at Suite 702 – 777 Hornby Street, Vancouver, British Columbia, Canada, by In Person / Teleconference Call meeting, on Friday, March 31, 2021, at 11:00 a.m. Pacific Time (the “Meeting” and herein the “Notice”). In light of the ongoing public health concern related to COVID-19 and in order to comply with measures imposed by the federal and provincial governments, the Company is encouraging shareholders and others not to attend the Meeting in person.

The Company is offering shareholders the option to listen and participate (but not vote) at the Meeting in real time by conference call. Simply join the meeting at + 1 778 907 2071 (Vancouver), or find your local number at <https://us02web.zoom.us/j/keguidIJTZ>. The Meeting ID is 841 5690 5583 and Passcode is 694739.

The Meeting is to be held for the following purposes:

1. to receive and consider the audited consolidated financial statements of the Company for its financial year ended December 31, 2019 and the report of the auditor thereon;
2. to set the number of directors for election at the Meeting at four;
3. to elect directors of the Company for the ensuing year;
4. to appoint an auditor of the Corporation for the ensuing year and to authorize the directors to fix the auditor’s remuneration;
5. to approve the continuation of the Company’s stock option plan as more particularly set out in the attached Information Circular;
6. to consider any amendment to or variation of a matter identified in this Notice; and
7. to transact such other business as may properly come before the Meeting or adjournments thereof.

NOTE OF CAUTION CONCERNING COVID-19 OUTBREAK

At the date of this Notice and the accompanying Information Circular, it is the intention of the Company to hold the Meeting at the location stated above in this Notice. We are continuously monitoring development of current coronavirus (COVID-19) outbreak (“COVID-19”). In light of the rapidly evolving public health guidelines related to COVID-19, we ask shareholders to consider voting their shares by proxy and not attending the Meeting in person. Those shareholders who do wish to attend the Meeting in person, should carefully consider and follow the instructions of the federal Public Health Agency of Canada available at: <https://www.canada.ca/en/publichealth/services/diseases/coronavirus-disease-covid-19.html>.

We ask that shareholders also review and follow the instructions of any regional health authorities of the Province of British Columbia, including the Vancouver Coastal Health Authority, the Fraser Health Authority and any other health authority holding jurisdiction over the areas you must travel through to attend the Meeting. Do not attend the Meeting in person if you are experiencing any cold or flu-like symptoms, or if you or someone with whom you have been in close contact has travelled to/from outside of Canada within the 14 days immediately prior to the Meeting. All shareholders are strongly encouraged to vote by submitting their completed form of proxy (or voting instruction

form) prior to the Meeting by one of the means described in the Information Circular accompanying this Notice.

The Company reserves the right to take any additional pre-cautionary measures deemed to be appropriate, necessary or advisable in relation to the Meeting in response to further developments in the COVID-19 outbreak, including: (i) holding the Meeting virtually or by providing a webcast of the Meeting; (ii) hosting the Meeting solely by means of remote communication; (iii) changing the Meeting date and/or changing the means of holding the Meeting; (iv) denying access to persons who exhibit cold or flu-like symptoms, or who have, or have been in close contact with someone who has, travelled to/from outside of Canada within the 14 days immediately prior to the Meeting; and (v) such other measures as may be recommended by public health authorities in connection with gatherings of persons such as the Meeting. Should any such changes to the Meeting format occur, the Company will announce any and all of these changes by way of news release, which will be filed under the Company's profile on SEDAR. We strongly recommend you check the Company's SEDAR profile prior to the Meeting for the most current information. In the event of any changes to the Meeting format due to the COVID-19 outbreak, the Company will not prepare or mail amended Meeting Proxy Materials.

**THE BOARD OF DIRECTORS AND MANAGEMENT REQUEST ALL SHAREHOLDERS VOTE BY PROXY AND NOT ATTEND THE MEETING IN PERSON.**

In order to be valid and acted upon at the Meeting, proxies must be received no later than 11:00 a.m., Pacific Time, on Wednesday, March 29, 2021, or not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the time for holding the Meeting or any postponement(s) or adjournment(s) thereof. Failure to so deposit a form of proxy will result in its invalidation. Notwithstanding the foregoing, the chair of the Meeting has the discretion to accept proxies received after such deadline.

An Information Circular accompanies this Notice. The Information Circular contains details of matters to be considered at the Meeting. No other matters are contemplated, however any permitted amendment to or variation of any matter identified in this Notice may properly be considered at the Meeting. The Meeting may also consider the transaction of such other business as may properly come before the Meeting or any adjournment thereof.

The financial statements for the year ended December 31, 2019, the report of the auditor and the related management discussion and analysis will be made available at the Meeting and are available on [www.sedar.com](http://www.sedar.com).

Registered shareholders who are unable to attend the Meeting in person and who wish to ensure that their shares will be voted at the Meeting are requested to complete, date and sign the enclosed form of proxy, or another suitable form of proxy and deliver it in accordance with the instructions set out in the form of proxy and in the Information Circular.

Non-registered shareholders who plan to attend the Meeting must follow the instructions set out in the form of proxy or voting instruction form to ensure that their shares will be voted at the Meeting. If you hold your shares in a brokerage account, you are a non-registered shareholder.

Shareholders who wish to attend the Meeting in person must call Dentons Canada LLP at (403) 268-7000 at least 48 hours prior to the date of the Meeting for further instructions on in-person attendance procedures.

DATED at Vancouver, British Columbia, Canada, on this 26th day of February, 2021.

BY ORDER OF THE BOARD

"John F. Cook"

John F. Cook  
Chief Executive Officer

# KING GLOBAL VENTURES INC.

## MANAGEMENT INFORMATION CIRCULAR (Containing information as at February 4, 2021 unless indicated otherwise)

This Management Information Circular (the “**Circular**”) furnished in connection with the solicitation of proxies by the management of King Global Ventures Inc. (the “**Company**”) for use at the annual general meeting (the “**Meeting**”) of its shareholders to be held on **Friday, March 31, 2021 at 11:00 am PST** at the time and place and for the purposes set forth in the accompanying Notice of the Meeting.

In this Circular, references to “the Company”, “we” and “our” refer to King Global Ventures Inc. “**common shares**” means common shares without par value in the capital of the Company. “**Beneficial Shareholders**” means shareholders who do not hold common shares in their own name and “intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

In order to comply with measures imposed by the federal and provincial governments related to the COVID-19 pandemic, and to mitigate risks to the health and safety of the Company’s shareholders and the community, unless we advise otherwise by way of a news release, the Meeting will be held in virtual only format, which will be conducted via telephone conference. Registered Shareholders who attend the Meeting will have an opportunity to participate at the Meeting, regardless of their geographic location.

## GENERAL PROXY INFORMATION

### Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company at nominal cost. The Company will bear all costs of this solicitation.

### Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the “**Proxy**”) are officers and/or directors of the Company. **IF YOU ARE A SHAREHOLDER ENTITLED TO VOTE AT THE MEETING, YOU HAVE THE RIGHT TO APPOINT A PERSON OR COMPANY OTHER THAN EITHER OF THE PERSONS DESIGNATED IN THE PROXY, WHO NEED NOT BE A SHAREHOLDER, TO ATTEND AND ACT FOR YOU AND ON YOUR BEHALF AT THE MEETING. YOU MAY DO SO EITHER BY INSERTING THE NAME OF THAT OTHER PERSON IN THE BLANK SPACE PROVIDED IN THE PROXY OR BY COMPLETING AND DELIVERING ANOTHER SUITABLE FORM OF PROXY. If your common shares are held in physical form (ie paper form) and are registered in your name, then you are a registered shareholder (“Registered Shareholder”). However, if, like most shareholders, you keep your common shares in a brokerage account, then you are a Beneficial Shareholder. The manner for voting is different for Registered Shareholders and Beneficial Shareholders. The instructions below should be read carefully by all shareholders.**

### Voting by Proxyholder

The persons named in the Proxy will vote or withhold from voting the common shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your common shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors,
- (b) any amendment to or variation of any matter identified therein, and

- (c) any other matter that properly comes before the Meeting.

**In respect of a matter for which a choice is not specified, the persons named in the Proxy will vote the common shares represented by the Proxy for the approval of such matter.**

### **Registered Shareholders**

If you are a Registered Shareholder and wish to have your common shares voted at the Meeting, you will be required to submit your vote by proxy. **Due to the COVID-19 pandemic and issues related to the verification of shareholder identity via teleconference, in-person voting will not be permitted at the Meeting.** Registered Shareholders electing to submit a proxy may do so by completing, dating and signing the Proxy and returning it to the Company's transfer agent, Endeavor Trust Corporation ("**Endeavor Trust**"), in accordance with the instructions on the Proxy. Alternatively, Registered Shareholders may vote their common shares via the internet or by telephone as per the instructions provided on the Proxy.

**In all cases you should ensure that the Proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the Proxy is to be used.**

Registered Shareholders electing to submit a Proxy may do so by:

- (a) mail or by hand to Suite 702 - 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4;
- (b) facsimile to 604.559.8908;
- (c) email to [proxy@endeavortrust.com](mailto:proxy@endeavortrust.com); or
- (d) [www.eproxy.ca](http://www.eproxy.ca)

### **Beneficial Shareholders**

The following information is of significant importance to shareholders who do not hold common shares in their own name. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders (those whose names appear on the records of the Company as the registered holders of common shares).

These securityholder materials are being sent to both registered and non-registered owners of the securities of the Company. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in your request for voting instructions.

If common shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those common shares will not be registered in the shareholder's name on the records of the Company. Such common shares will more likely be registered under the names of the shareholder's broker or an agent of that broker. In the United States, the vast majority of such common shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

There are two kinds of beneficial owners - those who object to their name being made known to the issuers of securities which they own (called "**OBOs**" for "**Objecting Beneficial Owners**") and those who do not object to the issuers of the securities they own knowing who they are (called "**NOBOs**" for "**Non-Objecting Beneficial Owners**").

Pursuant to National Instrument 54-101 of the Canadian Securities Administrators, the Company is sending proxy-related materials directly to NOBOs, which materials will include a scannable Voting Instruction Form (a "**VIF**"). These VIFs are to be completed and returned to Endeavor Trust in the envelope provided or by facsimile. In addition, Endeavor Trust provides both telephone voting and Internet voting as described on the VIF itself which contain complete instructions.

Endeavor Trust will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

Management of the Company does not intend to pay for intermediaries to forward to OBOs under National Instrument 54101 the proxy-related materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary*, and, in the case of an OBO, the OBO will not receive the materials unless the OBO's intermediary assumes the cost of delivery.

Every intermediary that mails proxy-related materials to Beneficial Shareholders has its own mailing procedures and provides its own return instructions to clients. Beneficial Shareholders should follow the instructions of their intermediary carefully to ensure that their common shares are voted at the Meeting.

Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in the United States and in Canada. Broadridge mails a voting instruction form (the “**Broadridge VIF**”) which will be similar to the Proxy provided to Registered Shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. The Broadridge VIF will appoint the same persons as the Company's Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a shareholder of the Company), other than the persons designated in the Broadridge VIF, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the Broadridge VIF. The completed Broadridge 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 common shares to be represented at the Meeting. **If you receive a Broadridge VIF, you cannot use it to vote common shares directly at the Meeting – the Broadridge VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have the common shares voted.**

Although as a Beneficial Shareholder you may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of your broker, you, or a person designated by you, may attend at the Meeting as proxyholder for your broker and vote your common shares in that capacity. **If you wish to attend at the Meeting and indirectly vote your common shares as proxyholder for your broker, or have a person designated by you do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the voting instruction form provided to you and return the same to your broker in accordance with the instructions provided by such broker, well in advance of the Meeting.**

Alternatively, you can request in writing that your broker send you a legal Proxy which would enable you, or a person designated by you, to attend at the Meeting and vote your common shares.

### **Voting by Proxy Generally**

Proxyholders other than the individuals named in the accompanying Proxy will be required to identify themselves by notice in writing to the Company by 4:00 p.m. (Vancouver time) on **Friday, March 24, 2021** so that the Company can confirm their identity prior to the Meeting and facilitate their voting of the Proxies that they hold at the Meeting. Notice may be provided by mail to the Company at Suite 200, 82 Richmond Street East, Toronto, Ontario, Canada, M5C 1P1. **Proxies will not be accepted at the Meeting. All Proxies must be submitted to Endeavor Trust by 11:00 a.m. (Vancouver time) on Wednesday, March 29, 2021 (the “Proxy Deadline”).**

As there will be no in person attendance or voting at the Meeting, votes received by the Proxy Deadline for each matter set out in the notice of meeting will be tabulated in advance of the Meeting by Endeavor Trust and compiled in a proxy report respecting Proxies held by the individuals named in the accompanying Proxy or voting instruction form and an appointee summary respecting proxies held by non-management proxyholders (collectively, the “**Proxy Report**”). The determination as to whether a particular matter has been approved, a particular individual has been appointed or a particular resolution has been passed will be made solely on the basis of the voting results set out in the Proxy Report. Since no in person voting will be permitted due to the COVID-19 pandemic and voting results respecting matters set out in the notice of meeting will be determined solely on the basis of the voting results set out in the Proxy Report, no ballots will be permitted at the Meeting. All results will be determined by reference to the Proxy Report. Management will advise at the Meeting, the voting results for each matter set out in the Proxy Report and shareholders will be entitled to request a copy of the Proxy Report from management after the Meeting.

## Revocation of Proxies

In addition to revocation in any other manner permitted by law, a Registered Shareholder who has given a Proxy may revoke it by executing a Proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder's authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the Proxy bearing a later date to Endeavor Trust at Suite 702 - 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4, or to the address of the registered and records office of the Company at 20<sup>th</sup> Floor, 250 Howe Street, Vancouver, British Columbia V6C 3R8, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof.

A revocation of a Proxy will not affect a matter on which a vote is taken before the revocation.

## INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year end of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors, the appointment of the auditor and as may be set out herein.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors (the "**Board**") of the Company has fixed February 4, 2021 as the record date (the "**Record Date**") for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of Proxy in the manner and subject to the provisions described above will be entitled to vote or to have their common shares voted at the Meeting.

As at the Record Date, there were 121,375,781 common shares issued and outstanding, each carrying the right to one vote.

To the knowledge of the directors and executive officers of the Company, as at the Record Date, no person or corporation beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company carrying 10% or more of the voting rights attached to any class of outstanding voting securities of the Company.

## SETTING NUMBER OF DIRECTORS

The persons named in the enclosed Proxy intend to vote in favour of fixing the number of directors at four (4). The Board proposes that the number of directors be fixed at four (4). Shareholders will therefore be asked to approve an ordinary resolution that the number of directors elected be fixed at four (4).

## ELECTION OF DIRECTORS

The term of office of each of the current directors expires at the conclusion of the Meeting. Unless the director's office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (British Columbia), each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

The following table sets out the names of management's nominees for election as a director (a "proposed director"), the province and country in which he is ordinarily resident, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment for the five preceding years for new director nominees, the period of time during which each has been a director of the Company and the number of common shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the Record Date.

<b>Name of Nominee, Province and Country of Ordinary Residence and Positions Held with the Company</b>	<b>Occupation, Business or Employment<sup>(1)</sup></b>	<b>Director Since</b>	<b>Common Shares Beneficially Owned or Controlled<sup>(1)</sup></b>
<b>John F. Cook<sup>(2)</sup></b> Ontario, Canada <i>CEO and Director</i>	Self-employed business executive, officer & director of several junior resource and non-resource public companies.	October 2014	6,137,000(4)
<b>Nick Watters<sup>(2)</sup></b> British Columbia, Canada <i>Director</i>	Self-employed business executive, former officer & director of several junior resource and non-resource public companies.	January, 2017	Nil
<b>Ken Ralfs<sup>(2)</sup></b> British Columbia, Canada <i>Director</i>	Retired businessperson; director and/or senior officer of various TSX Venture Exchange and CSE listed companies.	June, 2018	Nil
<b>Volodymyr (Vlad) Bondarenko</b> British Columbia, Canada <i>Director</i>	Self-employed business executive, director of several junior resource and non-resource public companies.	February, 2020	Nil

- (1) The information as to principal occupation, business or employment and common shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees. Each nominee has held the same or a similar principal occupation with the organization indicated or a predecessor thereof for the last five years.
- (2) Member of Audit Committee.
- (3) In addition, Mr Cook holds 5,00,000 warrants to acquire 5,000,000 common shares at \$0.05 until May 22, 2022

None of the proposed directors of the Company is to be elected under any arrangement or understanding between the proposed director and any other person or company, except the directors and officers of the Company acting solely in such capacity.

#### **CORPORATE CEASE TRADE ORDERS OR BANKRUPTCIES**

As at the date of this Circular, and within the last 10 years before the date of this Circular, no proposed director (or any of their personal holding companies) of the Company was a director, CEO or CFO of any company (including the Company) that:

- (a) was subject to a cease trade or similar order or an order denying the relevant company access to any exemptions under securities legislation, for more than 30 consecutive days while that person was acting in the capacity as director, CEO or CFO; or
- (b) was the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under securities legislation in each case for a period of 30 consecutive days, that was issued after the person ceased to be a director, CEO or CFO in the company and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO; or
- (c) is as at the date of this Circular or has been within 10 years before the date of this Circular, a director or executive officer of any company, including the Company, that, while that person 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
- (d) has within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager as trustee appointed to hold the assets of that individual.

Each of Messrs. Cook(CEO), Watters, Ralfs and Bondarenko were directors of King Global Ventures Inc (King”), when it was subject to an order of the Ontario Securities Commission dated June 22, 2020 ceasing all trading in King securities in connection with a failure to file audited financial statements and MDA for the year ended December 31, 2019, which order

was revoked on August 13, 2020. Include this for all then directors. None of the proposed directors (or any of their personal holding companies) 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 a regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

### **APPOINTMENT OF AUDITOR**

Saturna Group Chartered Accountants LLP, (“SGCA”), of Suites 1250, 1066 West Hastings Street, Vancouver, British Columbia V6E 4G1, will be nominated at the Meeting for re-appointment as auditor of the Company at a remuneration to be fixed by the Board. SGCA was first appointed the auditor of the Company on December 19, 2017.

### **AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR**

National Instrument 52-110 *Audit Committees* (“NI 52-110”) requires the Company, as a venture issuer, to disclose annually in its Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth in the following:

#### **The Audit Committee’s Charter**

The Audit Committee has a charter. A copy of the Audit Committee charter is attached hereto as Schedule “A”.

#### **Composition of the Audit Committee**

The members of the Audit Committee are John Cook, Ken Ralfs and Nick Watters. Mr. Cook is the CEO of the Company and is not considered independent. Messrs. Watters and Ralfs are not executive officers of the Company and are, therefore, considered independent.

All members are considered to be financially literate and are independent directors as all members are not executive officers of the Company.

A member of the Audit Committee is considered financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company.

A member of the Audit Committee is independent if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the view of the Company’s Board, reasonably interfere with the exercise of a member’s independent judgment.

None of the members of the Audit Committee were, during the most recently completed financial year, an officer or employee of the Company or any of its subsidiaries, except for John Cook, who serves as an executive officer of the Company. None of the members of the Audit Committee are or have been indebted to the Company or any of their respective subsidiaries nor had any interest in any material transaction involving the Company or its subsidiaries.

The mandate of the Audit Committee is to review and make recommendations to the Board concerning the appointment of executive officers of the Company and the hiring, compensation, benefit and termination of senior executive officers and all other key employees of the Company.

#### **Relevant Education and Experience**

**Nick Watters, Director** is a seasoned entrepreneur with more than 25 years experience in corporate leadership. Mr. Watters has twenty years of experience in the exploration and mining field and is a cofounder of several successful mining enterprises. He has been an integral part of raising nearly \$260 million for start-up and development opportunities in his career and has been part of a Team that have brought several projects from initial discoveries to full development.



**Ken Ralfs . Director** Mr. Ralfs has experience with public companies as a director and through several types of officer positions held with various reporting issuers. Mr. Ralfs often participated on each Company's audit committee. Mr. Ralfs has a B.Sc. (Geology) (1975) from the University of British Columbia

**John F. Cook, CEO and a Director** – Mr. Cook has been a director of the Corporation since October of 2014 and has been the CEO since November of 2015. Mr. Cook is President and CEO of Tormin Resources Ltd., a private mining consulting company. Mr. Cook has more than 45 years of professional experience in all facets of mining development, operations and management. Mr. Cook was Chairman of Wolfden Resources Inc. until it was purchased by Zinifex Limited in June, 2007 and then Chairman of Premier Gold Mines Limited until May of 2010. Mr. Cook has been the President of Tormin Resources Limited, since May 1995, and is a graduate of Sheffield University in mining engineering. Mr. Cook is also on the board of AI/ML Innovations Inc., a CSE listed technology company.

Each member of the Audit Committee has adequate education and experience that would provide the member with:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising individuals engaged in such activities; and
- (c) an understanding of internal controls and procedures for financial reporting.

#### **Audit Committee Oversight**

At no time since the commencement of the Company's most recently completed financial year has the Audit Committee made any recommendations to the Board to nominate or compensate its auditor which were not adopted by the Board.

#### **Reliance on Certain Exemptions**

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*) or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110. Part 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

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

All services to be performed by the independent auditor of the Company must be approved in advance by the Audit Committee. The Audit Committee has considered whether the provisions of services other than audit services is compatible with maintaining the auditor's independence and has adopted a policy governing the provision of these services. This policy requires that pre-approval by the Audit Committee of all audit and non-audit services provide by any external auditor, other than any de minimus non-audit services allowed by applicable law or regulation.

#### **External Auditor Service Fees**

The Audit Committee has reviewed the nature and amount of the non-audited services provided by SGCA for the financial year ended December 31, 2019 to the Company to ensure auditor independence. Fees billed for audit and non-audit services in the last three fiscal years for audit fees are outlined in the following table:

<b>Nature of Services</b>	<b>Fees Billed by Auditor for the Financial Year Ended December 31, 2019</b>	<b>Fees Billed by Auditor for the Financial Year Ended December 31, 2018</b>	<b>Fees Billed by Auditor for the Financial Year Ended December 31, 2017</b>
Audit Fees <sup>(1)</sup>	\$16,500	\$14,500	\$9,500

Audit-Related Fees <sup>(2)</sup>	\$Nil	\$Nil	\$Nil
Tax Fees <sup>(3)</sup>	\$Nil	\$1,250	\$Nil
All Other Fees <sup>(4)</sup>	\$Nil	\$Nil	\$Nil
<b>TOTAL:</b>	<b>\$16,500</b>	<b>\$15,750</b>	<b>\$9,500</b>

- (1) “Audit Fees” include fees necessary to perform the annual audit and quarterly reviews of the Company’s financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) “Audit-Related Fees” include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) “Tax Fees” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) “All Other Fees” include all other non-audit services.

### Exemption

The Company is relying upon the exemption in section 6.1 of NI 52-110 in respect of the composition of its Audit Committee and in respect of its reporting obligations under NI 52-110 for the financial year ended December 31, 2019. This exemption exempts a “venture issuer” from the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of that instrument, as would otherwise be required by NI 52-110.

## CORPORATE GOVERNANCE

### General

Corporate governance refers to the policies and structure of the Board of a company whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the Board from executive management and the adoption of policies to ensure the Board recognizes the principles of good management. The Board is committed to sound corporate governance practices, as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

Effective June 30, 2005, National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) and National Policy 58-201 *Corporate Governance Guidelines* (“**NP 58-201**”) were adopted in each of the provinces and territories of Canada. NI 58-101 requires issuers to disclose the corporate governance practices that they have adopted. NP 58-201 provides guidance on corporate governance practices. This section sets out the Company’s approach to corporate governance and addresses the Company’s compliance with NI 58-101.

### Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of the Company’s Board, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The Company’s Board facilitates its exercise of independent judgement in carrying out its responsibilities by carefully examining issues and consulting with outside counsel and other advisors in appropriate circumstances. The Company’s Board requires management to provide complete and accurate information with respect to the Company’s activities and to provide relevant information concerning the industry in which the Company operates in order to identify and manage risks. The Company’s Board is responsible for monitoring the Company’s officers, who in turn are responsible for the maintenance of internal controls and management information systems.

The independent members of the Board are Nick Watters and Ken Ralfs. The non-independent member of the Board is John Cook, the CEO of the Company.

### Directorships

As at the date of this Circular, the following directors of the Company are directors of other reporting issuers (or in the past 5 years), as follows.

<b>Name</b>	<b>Issuer</b>	<b>Role</b>	<b>Exchange</b>	<b>Term</b>
Nick Watters	Yorkton Ventures Inc.	Director	TSXV	2018 to Present
	ESG Global Impact Capital Inc.	Director	TSXV	2020 to Present
John F. Cook	AI/ML Innovations Inc. formerly AIML Resources Inc.	Director	CSE	March 2011 to present
Ken Ralfs	AuQ Gold Mining Inc.	Director	TSXV	2016 to Present
	Columbus Energy Limited	Director	NEX	2015 to Present
	Lightspeed Discoveries Inc.	Director	NEX	2016 to Present
	True North Gems Inc.	Director and Officer	TSXV	2017 to Present
	Razore Rock Resources Inc.	Director	CSE	2019 to Present
Volodymyr Bondarenko	Clydesdale Resources Inc.	Director	NEX	2020 to Present

### **Orientation and Continuing Education**

Due to the Company's small size and the fact that the Company recruits only directors with public company experience, the Company does not currently have a formal orientation program. However, existing members of the Board will provide any new director with a review of a director's fiduciary duties and the Company's expectations of its directors in terms of time and effort, as well as the Company's business, strategic plans, management issues, and corporate governance policies.

In terms of continuing education, directors are encouraged to keep themselves current with industry trends and changes in legislation by liaising with management and the Company's counsel, attending industry-related events and other educational seminars. The cost of continuing education activities will be borne by the Company.

### **Ethical Business Conduct**

The Board has adopted and maintains a code of ethics which is applicable to the Company's directors, officers and employees. The purpose of the code is to provide guidance and to prohibit unethical behaviour with respect to issues such as conflicts of interest, confidentiality, whistleblowing, protection of corporate assets and opportunities, and compliance with laws and regulations. Furthermore, directors are frequently reminded to consider whether they are in a conflict of interest by virtue of serving as directors or officers in other companies or holding an interest in a transaction or agreement. A director in such circumstances is advised to disclose his or her interest in a transaction or agreement, and if the Board considers the interest to be material, such director must abstain from discussing and voting on the matter.

### **Nomination of Directors**

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

The Board does not have a nominating committee and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

### **Other Board Committees**

The Board has no other committees other than the Audit Committee.

### **Assessments**

Members of the Board are expected to continually evaluate the effectiveness of the Board, its committees and fellow directors by considering the accomplishment, or lack thereof, of the Company's goals.

## **STATEMENT OF EXECUTIVE COMPENSATION**

### **Compensation Discussion and Analysis**

The Board has not appointed a compensation committee so the responsibilities relating to executive and director compensation, including reviewing and recommending director compensation, overseeing the Company's base compensation structure and equity-based compensation programs, recommending compensation of the Company's officers and employees, and evaluating the performance of officers generally and in light of annual goals and objectives, is performed by the Board as a whole.

The Board also assumes responsibility for reviewing and monitoring the long-range compensation strategy for the senior management of the Company. The Board receives independent competitive market information on compensation levels for executives.

The compensation for executives includes four components: base consulting fees, bonus (if applicable), stock options and perquisites. As a package, the compensation components are intended to satisfy the objectives of the compensation program (that is, to attract, retain and motivate qualified executives). There are no predefined or standard termination payments, change of control arrangements or employment contracts.

### **Philosophy and Objectives**

The Company's compensation policies and programs are designed to be competitive with similar mining exploration companies and to recognize and reward executive performance consistent with the success of the Company's business. The compensation program for the senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including (a) attracting and retaining talented, qualified and effective executives, (b) motivating the short and long-term performance of these executives; and (c) better aligning their interests with those of the Company's shareholders.

In compensating its senior management, the Company has encouraged equity participation and in furtherance thereof employs its stock option plan.

### **Equity Participation**

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation has been accomplished through the issuance of founder's shares and the Company's stock option plan. Stock options are granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base consulting fees and bonuses and competitive factors. The amounts and terms of options granted are determined by the Board.

Given the evolving nature of the Company's business, the Board continues to review the overall compensation plan for senior management so as to continue to address the objectives identified above.

### **Option-Based Awards**

At the annual general meeting of the Company held on June 28, 2018, the shareholders of the Company approved the Company's 10% rolling stock option plan (the "**Plan**") as previously approved by the Board on May 19, 2004.

The Plan provides incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. Management proposes stock option grants to the Board based on such criteria as performance, previous grants, and hiring incentives. All stock option grants require approval of the Board.

The stock option plan is administered by the Board and provides that options will be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company.

See *Particulars of Matters to be Acted Upon – Re-Approval of Stock Option Plan* for further information on the Company’s stock option plan.

## Summary Compensation Table

In this section, a “Named Executive Officer” (“NEO”) includes (i) the CEO, (ii) the CFO, (iii) each of the three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers as at the end of the most recently completed financial year of December 31, 2019, and whose total compensation was more than \$150,000; and (iv) any additional individuals for whom disclosure would have been required except that the individual was not serving as an officer of the Company at the end of the most recently completed financial year.

During the financial year-ended December 31, 2019, the most recently completed financial year of the Company, the Company had the following NEOs, whose names and positions held within the Company are set out in the summary compensation table below.

The compensation for the NEOs for the Company’s three most recently completed financial years is as set out below:

Name and principal position	Year <sup>(1)</sup>	Salary (\$) <sup>(2)</sup>	Sharebased awards (\$)	Optionbased awards (\$) <sup>(3)</sup>	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$) <sup>(2)</sup>
					Annual incentive plans (\$)	Long-term incentive plans (\$)			
John F. Cook <sup>(5)</sup> CEO, and, Director	2019	Nil	Nil	Nil	Nil	Nil	Nil	\$48,000	\$48,000
	2018	Nil	Nil	Nil	Nil	Nil	Nil	\$48,000	\$48,000
	2017	Nil	Nil	Nil	Nil	Nil	Nil	\$48,000	\$48,000
Glen Macdonald <sup>(4)</sup> Former CFO	2019	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(1) Financial years ended December 31.

(2) These amounts include annual non-equity incentive plan compensation, such as bonuses and discretionary amounts for the year end.

(3) These amounts include all compensation relating to defined benefit or contribution plans and include all service costs and other compensatory items.

(4) Glen Macdonald resigned as CFO on August 2020

(5) The amounts shown here reflect fees payable directly to Mr. Cook and his company Tormin Resources Ltd.

## INCENTIVE PLAN AWARDS

### Outstanding Option-Based Awards

The Company currently has in place a 10% Plan that was adopted by the Board on December 20, 2010 and approved by the shareholders of the Company at the annual general meeting held on February 28, 2019. The purpose of granting stock options is to assist the Company in compensating, attracting, retaining and motivating its NEOs and to closely align the personal interests of such persons to that of the shareholders. In determining the number of options to be granted to the NEOs, the Board will take into account the number of options, if any, previously granted to each NEO and the exercise price of any outstanding options to ensure that such grants are in accordance with the TSX Venture Exchange (the “CSE”).

The following table sets out all option-based awards outstanding as at December 31, 2019 for each NEO. There were no sharebased awards granted to any of the NEOs:

Option-based Awards				
Name and Principal Position	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>
<b>John F. Cook</b> CEO	800,000 600,000	\$0.11 \$0.06	08/15/ 21 08/20/21	NIL NIL
<b>Glen Macdonald<sup>(1)</sup></b> Former CFO	400,000	\$0.06	08/20/21	NIL

(1) Glen Macdonald served as CFO of the Company from November 1, 2018 to August 10, 2020.

### Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth details of the value of option-based awards that vested or were earned during the most recently completed financial year ended December 31, 2019:

Name	Option-based awards- Value vested during the year (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
<b>Glen Macdonald<sup>(1)</sup></b> Former Director	Nil	N/A	N/A
<b>Ken Ralfs</b> Director	Nil	N/A	N/A
<b>Nick Watters</b> Director	Nil	N/A	N/A

(1) Mr. Macdonald has served as a director of the Company from June 28, 2018 to February 5, 2020.

### Pension Plan Benefits

No pension, retirement or deferred compensation plans, including defined contribution plans, have been instituted by the Company and none are proposed at this time.

## TERMINATION AND CHANGE OF CONTROL BENEFITS

### Termination and Change of Control Benefits

There are employment contracts in place between the Company and each of the NEOs. The employment contracts were entered into on various dates and are revolving. The notice provision should the Company decide not to continue to engage the executives is not less than 60 days' written notice. The employment of the NEOs can be terminated with cause, and no notice is required to be given, in the event of certain acts of dishonesty or material breach. If the employment is terminated without cause, the Company is obligated to pay the NEO one year's salary and all accrued and unpaid vacation leave. There are no change of control provisions in the NEOs' employment contracts.

## DIRECTOR COMPENSATION

### Director Compensation Table

The following table sets forth for each director, other than those who are also NEOs of the Company, all awards outstanding at the end of the most recently completed financial year ended December 31, 2019, including awards granted before the most recently completed financial year.

Name	Option-based Awards			
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)(1)
Volodmyr (Vlad) Bondarenko	Nil	N/A	N/A	N/A
Ken Ralfs	400,000	\$0.06	08/20/21	Nil
Nick Watters	600,000	\$0.06	08/20/21	Nil
Glen Macdonald <sup>(1)</sup>	400,000	\$0.06	08/20/21	Nil

(1) Mr. Macdonald has served as a director of the Company from June 28, 2018 to February 5, 2020.

### Narrative Discussion

The Company has no arrangements, standard or otherwise, pursuant to which directors were compensated by the Company for their services as directors, for committee participation, for involvement in special assignments during the most recently completed financial year.

The Company has a Plan for the granting of incentive stock options to the directors, officers, employees and consultants. The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the directors, officers, employees and consultants and to closely align the personal interests of such persons to that of the shareholders.

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The only equity compensation plan which the Company has in place is the stock option plan (the “Plan”) which was previously approved by the Board and the shareholders of the Company. The Plan has been established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. The Plan is administered by the Board. The Plan provides that options may be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company.

The following table sets out equity compensation plan information as at the financial year ended December 31, 2019.

Plan Category	Number of securities to be issued upon exercise of outstanding options <sup>(1)</sup>	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by securityholders - (the Share Option Plan)	3,789,050	\$0.08	2,621,178
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
<b>TOTAL:</b>	<b>Nil</b>		<b>2,621,178</b>

(1) As at the date hereof, 8,348,528 options remain unallocated.

### Stock Option Plan

The Company currently has a 10% rolling stock option plan, previously defined as the Plan. A maximum of 10% of the issued and outstanding common shares of the Company at the time an option is granted, less common shares reserved for issuance on exercise of options then outstanding under the Plan, are reserved for options to be granted at the discretion of the Board to eligible optionees (an “Optionee”). As at the date of this Circular, there were no incentive stock options (the “Options”) outstanding.

The Plan was established to provide incentive to directors, officers and employees and consultants. The purpose of the Plan is to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of common shares of the Company. Options are granted at the discretion of the Board to eligible Optionees.

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

At no time during the Company's last completed financial year or as at the date of this Circular, was any director, executive officer, employee, proposed management nominee for election as a director of the Company nor any associate of any such director, executive officer, or proposed management nominee of the Company or any former director, executive officer or employee of the Company or any of its subsidiaries indebted to the Company or any of its subsidiaries or indebted to another entity where such indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

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

To the knowledge of management of the Company, no informed person (a director, officer or holder of 10% or more of the common shares) or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Company or any of its subsidiaries since January 1, 2020 (being the commencement of the Company's last completed financial year), or has any interest in any material transaction in the current year other than as set out herein.

### **MANAGEMENT CONTRACTS**

There are no management functions of the Company, which are to any substantial degree performed by a person or company other than the directors or executive officers of the Company.

### **PARTICULARS OF MATTERS TO BE ACTED UPON**

#### **Re-Approval of Stock Option Plan**

On May 19, 2004, the Directors adopted the Stock Option Plan, in substantially its current form, which was subsequently approved by the Shareholders. The purpose of the Stock Option Plan is to attract, retain and motivate Directors, Officers, employees and consultants (collectively, the "Participants") by providing them with the opportunity, through the granting of Options, to acquire a proprietary interest in the Corporation and benefit from its growth. In Management's view, the ability to grant Options as a means of compensating Participants contributes to the Corporation's overall financial performance. As such, Management considers that the Stock Option Plan is beneficial to the Corporation as it provides the Corporation with greater flexibility to compensate eligible Participants with grants of Options and encourage Participant ownership of the Corporation.

The Stock Option Plan is a "rolling" plan. The policies of the TSXV require that a "rolling" stock option plan (where a specific maximum number of shares issuable under the plan is not fixed), such as that of the Corporation, be ratified by the Shareholders at each annual and special meeting.

The Stock Option Plan provides that eligible persons include any Director, employee, (full-time or parttime), Officer (as defined in the Stock Option Plan) or consultant of the Corporation or any subsidiary thereof, may be granted Options by the Corporation. A consultant means an individual (including an individual whose services are contracted through a personal holding company) with whom the Corporation or a subsidiary has a contract for substantial services. The TSXV policy requires all of its listed companies to have a stock option plan if a company intends to grant Options. Pursuant to the policies of the TSXV, the Plan requires shareholder approval for continuation at every annual meeting of the Company by ordinary resolution. The Board approved the Plan on May 19, 2004, and the shareholders of the Company re-approved the Plan at the annual general meeting of the Company held on June 28, 2018.

The Plan is a rolling plan, and a maximum of 10% of the issued and outstanding common shares of the Company at the time an Option is granted, less common shares reserved for issuance on exercise of Options then outstanding under the Plan, are reserved for options to be granted at the discretion of the Board to eligible Optionees. As at the date of this Circular, there were 3,789,050 Options outstanding.

A copy of the Plan will be available for inspection at the Meeting.



## Summary of Stock Option Plan

The full Stock Option Plan is available from the Corporation upon request.

The material terms of the Stock Option Plan are as follows:

1. The number of Common Shares which may be reserved for issuance to eligible persons (as defined in the Stock Option Plan) is a maximum of 10% of the issued and outstanding Common Shares.
2. No one person shall be issued Options representing more than 5% of the issued and outstanding Common Shares in any 12 month period.
3. All Options will be non-assignable and non-transferable and may be granted for a term not exceeding five years, unless the Corporation is listed on Tier 1 of the TSXV in which case the Options may be granted for a term not exceeding ten years.
4. The exercise price of Options issued will not be less than the market price of the Common Shares listed on the TSXV, less any discounts permitted by applicable legislative and regulatory requirements.
5. No financial assistance can be provided by the Corporation to Option holders to facilitate the purchase of Common Shares under the Stock Option Plan.
6. The Stock Option Plan also contains anti-dilution provisions usual to plans of this type.
7. If an Option holder ceases to be a Director, Officer, or employee or consultant of the Corporation (other than by reason of death), then the Options will expire no later than three months following that date, provided that any Options held by investor relations persons will expire no later than 30 days following that date.
8. Options will expire one year following the death of an Option holder, provided that the Options may only be exercised by the Option holder's legal representative or other person to whom such rights should pass, and only to the extent the Option holder would have been entitled to exercise them at the time of death.
9. Options will expire three months days after termination of an Option holder's employment due to permanent disability or retirement under any retirement plan, provided that the Options may only be exercised to the extent the Option holder would have been entitled to exercise them at the time of such termination, provided further that in the event of the death of the Option holder within such three month period, such right will be extended to six months following the death of the Option holder.
10. Options are non-transferrable.
11. Investor relations persons may not be granted Options exceeding 2% of outstanding Common Shares and such Options must vest over one year with no more than 25% of the Options vesting in each quarter.

## Shareholder Approval

At the Meeting, Shareholders will be asked to consider and vote on the ordinary resolution to approve the Plan, with or without variation, as follows:

**“UPON MOTION DULY MADE, IT WAS RESOLVED AS AN ORDINARY RESOLUTION THAT:**

1. The Stock Option Plan (the “**Plan**”), the material terms of which are summarized in this Information Circular and a copy of which can be found on SEDAR in the Management Information Circular dated June 15, 2005, is hereby ratified and the Board is hereby authorized, without further approval of the Shareholders, to make any further amendments to the Stock Option Plan as may be required by the TSXV
2. To the extent permitted by law, the Company be authorized to abandon all or any part of the Plan if the board of directors deems it appropriate and in the best interests of the Company to do so.
3. Any one or more of the directors and officers of the Company be authorized to perform all such acts, deeds and things and execute, under seal of the Company or otherwise, all such documents as may be required to give effect to these resolutions.”

**The Board recommends that shareholders vote in favour of the Plan.**

An ordinary resolution is a resolution passed by the shareholders of the Company at a general meeting by a simple majority of the votes cast in person or by Proxy.

Management of the Company recommends that shareholders vote in favour of the foregoing ordinary resolution. The persons named in the enclosed form of proxy intend to vote for the approval of the foregoing ordinary resolution at the Meeting unless otherwise directed by the shareholders appointing them.

**Management of the Company recommends that shareholders vote in favour of the foregoing ordinary resolution. The persons named in the enclosed form of proxy intend to vote for the approval of the foregoing ordinary resolution at the Meeting unless otherwise directed by the shareholders appointing them.**

#### ADDITIONAL INFORMATION

The financial statements for the year ended December 31, 2019, report of the auditor were filed on [www.sedar.com](http://www.sedar.com) on July 23, 2020 with the securities commissions or similar regulatory authority in British Columbia, Alberta and Ontario and are specifically incorporated by reference into, and form an integral part of, this Circular.

A copy of the financial statements incorporated herein by reference may be obtained by a shareholder upon request without charge from the Company at Suite 200, 82 Richmond Street East, Toronto, Ontario, M5C 1P1, telephone: (416) 200-8073, or are available through the internet at [www.sedar.com](http://www.sedar.com).

#### OTHER MATTERS

The Board is not aware of any other matters which it anticipates will come before the Meeting as of the date of this Circular.

## Schedule A

### **The Audit Committee's Charter**

#### *Purpose of the Committee*

The purpose of the Audit Committee (the "Committee") of the Board of Directors (the "Board") of the Company is to provide an open avenue of communication between management, the Company's independent auditor and the Board and to assist the Board in its oversight of:

the integrity, adequacy and timeliness of the Company's financial reporting and disclosure practices;

the Company's compliance with legal and regulatory requirements related to financial reporting; and

the independence and performance of the Company's independent auditor.

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

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

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

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

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

#### *Authority and Responsibility*

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

Monitor the adequacy of this Charter and recommend any proposed changes to the Board.

Review the appointments of the Company's Chief Financial Officer and any other key financial executives involved in the financial reporting process.

Review with management and the independent auditor the adequacy and effectiveness of the Company's accounting and financial controls and the adequacy and timeliness of its financial reporting processes.

Review with management and the independent auditor the annual financial statements and related documents and review with management the unaudited quarterly financial statements and related documents, prior to filing or distribution, including matters required to be reviewed under applicable legal or regulatory requirements.

Where appropriate and prior to release, review with management any news releases that disclose annual or interim financial results or contain other significant financial information that has not previously been released to the public.

Review the Company's financial reporting and accounting standards and principles and significant changes in such standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives thereto and the rationale for decisions made.

Review the quality and appropriateness of the accounting policies and the clarity of financial information and disclosure practices adopted by the Company, including consideration of the independent auditor's judgment about the quality and appropriateness of the Company's accounting policies. This review may include discussions with the independent auditor without the presence of management.

Review with management and the independent auditor significant related party transactions and potential conflicts of interest.

Pre-approve all non-audit services to be provided to the Company by the independent auditor.

Monitor the independence of the independent auditor by reviewing all relationships between the independent auditor and the Company and all non-audit work performed for the Company by the independent auditor.

Establish and review the Company's procedures for the:

receipt, retention and treatment of complaints regarding accounting, financial disclosure, internal controls or auditing matters; and

confidential, anonymous submission by employees regarding questionable accounting, auditing and financial reporting and disclosure matters.

Conduct or authorize investigations into any matters that the Committee believes is within the scope of its responsibilities. The Committee has the authority to retain independent counsel, accountants or other advisors to assist it, as it considers necessary, to carry out its duties, and to set and pay the compensation of such advisors at the expense of the Company.

Perform such other functions and exercise such other powers as are prescribed from time to time for the audit committee of a reporting corporation in National Instrument 52-110 of the Canadian Securities Administrators, the Business Corporations Act and the charter documents of the Company.

---