

CHLORMET TECHNOLOGIES, INC.

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INFORMATION CIRCULAR

(Containing information as at July 10, 2015 unless indicated otherwise)

This Information Circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by the management of Chlormet Technologies, Inc. (the “**Company**”) for use at the annual general and special meeting (the “**Meeting**”) of its shareholders to be held on **August 14, 2015** 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 Chlormet Technologies, 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.

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. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the common shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

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 or where both choices have been specified, in favour of all matters described herein, the persons named in the Proxy will vote the common shares represented by the Proxy for the approval of such matter.

Notice and Access

The Company is not sending this Circular to registered or beneficial shareholders using “notice-and-access” as defined under National Instrument 54-101.

Registered Shareholders

A registered shareholder, or a non-objecting beneficial owner (“**NOBO**”) whose name has been provided to the Company’s registrar and transfer agent, Computershare Investor Services Inc. (“**Computershare**”), will appear on a list of shareholders prepared by the registrar and transfer agent for purposes of the Meeting. To vote in person at the Meeting each registered shareholder or NOBO will be required to register for the Meeting by identifying themselves at the registration desk. Non-registered beneficial shareholders (other than NOBOs) must appoint themselves as a proxyholder to vote in person at the Meeting.

Registered Shareholders may wish to vote by Proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a Proxy may do so by:

- (a) completing, dating and signing the enclosed form of Proxy and returning it to the Company’s transfer agent, Computershare, by mail or by hand to 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1; or
- (b) using the Internet through the website of the Company’s transfer agent at <http://www.investorvote.com>. Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed Proxy form for the holder’s account number and the Proxy control number.

In all cases 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.

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).

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).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

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**”).

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.

Beneficial Shareholders who are OBOs should follow the instructions of their intermediary carefully to ensure that their common shares are voted at the Meeting.

The form of Proxy supplied to you by your broker 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. 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 similar voting information form (the “**Broadridge VIF**”) in lieu of a Proxy provided by the Company. 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 Beneficial 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.

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 Computershare, by mail or by hand to 100 University Avenue, Toronto, Ontario, M5J 2Y1, or at the address of the head office of the Company at Suite 459 – 409 Granville Street, Vancouver, British Columbia, V6C 1T2, 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. Directors and executive officers may, however, be interested in the annual approval of the Company's stock option plan as detailed in "Particulars of Matters to be Acted Upon –Re-approval of Stock Option Plan".

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors (the "**Board**") of the Company has fixed July 10, 2015 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 62,969,574 common shares issued and outstanding, each carrying the right to one vote.

On a show of hands, every individual who is present and is entitled to vote as a shareholder or as a representative of one or more corporate shareholders will have one vote, and on a poll every shareholder present in person or represented by a Proxy and every person who is a representative of one or more corporate shareholders, will have one vote for each Common Share registered in that shareholder's name on the list of shareholders as at the Record Date, which is available for inspection during normal business hours at Computershare and will be available at the Meeting.

To the knowledge of the directors and executive officers of the Company, 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 three (3). The Board proposes that the number of directors remain at three (3). Shareholders will therefore be asked to approve an ordinary resolution that the number of directors elected be fixed at three (3).

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.

Name of Nominee, Province and Country of Ordinary Residence and Positions Held with the Company	Occupation, Business or Employment ⁽¹⁾	Director of the Company Since	Common Shares Beneficially Owned or Controlled, or Directed, Directly or Indirectly ⁽¹⁾
Yari Nieken⁽²⁾ British Columbia, Canada <i>Interim President, CEO and Director</i>	Business Consultant.	April 11, 2013	1,172,000 ⁽³⁾
Ian Foreman⁽²⁾ British Columbia, Canada <i>Director</i>	Businessman; Principal of Foremost Geological Consulting.	January 4, 2011	1,047,600
Christopher Hornung⁽²⁾ Ontario, Canada <i>Director</i>	Businessman.	February 6, 2014	100,000

- (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. Unless otherwise indicated, each nominee has held the same or a similar principal occupation with the organization indicated or a predecessor thereof for the last five years. The number of common shares beneficially owned by the above nominees for directors, directly or indirectly, is based on information furnished by the nominees themselves.
- (2) Member of Audit Committee.
- (3) Of these shares, 1,010,000 common shares are held in the name of Yari Nieken and 162,000 common shares are held in the name of Foremost Capital Corp., a company controlled by Mr. Nieken.

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

Except as disclosed below, 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, executive officer 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.

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.

Ian Foreman was a director of Golden Sun Mining Corp. On September 8, 2013, the British Columbia Securities Commission issued a cease trade order against the company for failure to file an independent technical report supporting its disclosure of the mineral resource estimate and results of the Preliminary Economic Assessment for its Cherry Hill Mine property pursuant to subsections 4.2(1)(j)(i) and 5.3(1)(c)(i) of National Instrument 43-101 *Standards of Disclosure for Mineral Projects*. Golden Sun Mining Corp. has since been dissolved by the BC Registrar of Companies.

Christopher Hornung was an officer of two private companies, Elmira Wood Products Inc. and Westwood Garage Doors Inc., that declared bankruptcy in March, 2008 and March, 2012, respectively.

APPOINTMENT OF AUDITOR

Wolrige Mahon LLP, Chartered Accountants, of 9th Floor, 400 Burrard Street, Vancouver, British Columbia, V6C 3B7, will be nominated at the Meeting for re-appointment as auditor of the Company at a remuneration to be fixed by the Board. Wolrige Mahon LLP, Chartered Accountants, was first appointed the auditor of the Company on March 20, 2014.

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. The following disclosure relates to the constitution of the Company’s audit committee and its relationship with its independent auditor is required by Form 52-110F1, which includes the text of the audit committee’s charter, the composition of the audit committee, the relevant education and experience of each audit committee member and the fees paid to the external auditor.

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

As of the date hereof, the following are the members of the Company’s audit committee:

<u>Member</u>	<u>Independent</u> ⁽¹⁾	<u>Financially literate</u> ⁽²⁾
Yari Nieken	No	Yes
Ian Foreman	Yes	Yes
Christopher Hornung	Yes	Yes

- (1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. Mr. Nieken is not independent as he is the Interim President and CEO of the Company.
- (2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth 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's financial statements.

Relevant Education and Experience

Yari Nieken (age 31) has a wide range of public company and financial experience. He is Interim President and CEO of the Company and concurrently serves as President and CFO of Foremost Capital Corp., an Exempt Market Dealer. He is a public company consultant with Paradigm Shift Consulting and a director of Wolfeye Resource Corp. He holds an MBA from the Sydney Graduate School of Management and a BA from the University of British Columbia. He was formerly an investment advisor at Union Securities Corp.

Ian Foreman (age 46) has been managing public companies for over 10 years. He has worked for various junior mining and exploration companies in North and South America. Throughout the mid 1990s, Mr. Foreman worked on a series of large multi-million dollar exploration programs in British Columbia, the Yukon and Mexico. From 1998 through 2002 Mr. Foreman worked on various projects exclusively in Peru. As Chief Geologist, he was a key figure in putting the 1,000 tonne-per-day Santa Rosa open pit gold-silver mine into production. Mr. Foreman graduated with honours from Queen's University in 1992.

Christopher Hornung (age 40) is Vice President of Kenex Manufacturing Co., of Brampton, Ontario and has been since 1999. During his time with the company, he has co-founded and built several new divisions. Kenex Coatings in Mississauga, Ontario, is the premier service provider in finishing technology. Fluid Concepts and Design Inc. in Oakville, Ontario, is a leading designer, distributor, and manufacturer of contract office furniture with distribution throughout North America. Mr. Hornung is also a principal of AAA Heidelberg Inc., and is a partner in and responsible for several real estate holding companies in Ontario.

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 an external 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

The audit committee is authorized by the Board to review the performance of the Company's external auditors and approve in advance provision of services other than auditing and to consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the Company. The audit committee is authorized to approve any non-audit services or additional work which the Chairman of the audit committee deems as necessary who will notify the other members of the audit committee of such non-audit or additional work.

External Auditor Service Fees (By Category)

The aggregate fees billed by the Company's external auditors in each of the last two fiscal years for audit fees are as follows:

Financial Year Ending	Audit Fees ⁽¹⁾	Audit Related Fees ⁽²⁾	Tax Fees ⁽³⁾	All Other Fees ⁽⁴⁾
2014	\$16,000	Nil	\$1,000	Nil
2013	\$14,500	Nil	\$1,000	Nil

- (1) The aggregate audit fees billed.
- (2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and which are not included under the heading "Audit Fees".
- (3) Fees billed for preparation of Company's corporate tax return.
- (4) The aggregate fees billed for products and services other than as set out under the headings "Audit Fees", "Audit Related Fees" and "Tax Fees".

Exemption

The Company has relied upon the exemption provided by section 6.1 of NI 52-110 which exempts venture issuers from the requirement to comply with the restrictions on the composition of its audit committee and the disclosure requirements of its audit committee in an annual information form as prescribed 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 majority of the directors of the Company are independent. The independent members of the Board are Ian Foreman and Christopher Hornung. The non-independent member is Yari Nieken, who is the Interim President and CEO of the Company.

Directorships

The following directors of the Company are directors of other reporting issuers:

Yari Nieken

Reporting Issuer	Exchange & Symbol	Date Appointed
Wolfeye Resources Inc.	TSX-V: WEY	June 4, 2015

Ian Foreman

Reporting Issuer	Exchange & Symbol	Date Appointed
Alta Vista Ventures Inc.	TSX-V: AVV	January 20, 2005

Orientation and Continuing Education

When new directors are appointed, they receive an orientation, commensurate with their previous experience, on the Company's properties, business, technology and industry and on the responsibilities of directors.

Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business.

The Board's continuing education is typically derived from correspondence with the Company's legal counsel to remain up-to-date with developments in relevant corporate and securities law matters. The Board does not provide any continuing education.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual directors' participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company. Further, the Company's auditor has full and unrestricted access to the audit committee at all times to discuss the audit of the Company's financial statements and any related findings as to the integrity of the financial reporting process.

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. Recruitment of new Board members has generally resulted from recommendations made by directors, management and shareholders. The Board assess potential Board

candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. The Company nominates Board members it considers ethical.

Generally, the Board seeks nominees that have the following characteristics: a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the required time, support for the Company's mission and strategic objectives, and a willingness to serve.

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.

Compensation

The Board as a whole determines compensation for the directors and officers. To make its recommendations on such compensation, the Board takes into account the types of compensation and the amounts paid to directors and officers of comparable publicly traded Canadian companies, as well as the success of the directors and officers in helping the Company to achieve its objectives and the Company's financial resources.

Other Board Committees

The Board has no other committees other than the audit committee.

Assessments

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committees. The Board does not consider that formal assessments would be useful at this stage of the Company's development. The Board conducts informal periodic assessments of the effectiveness of the Board, its committees and the individual directors to satisfy itself that they are performing effectively. The assessment of the Board relates to the ongoing governance and operation of the Board and its effectiveness in discharging its responsibilities. The assessment of individual directors is comprised of an examination of each individual director's ability to contribute to the effective decision-making of the Board.

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The Company does not have a formal compensation program. The Board meets to discuss and determine management compensation, without reference to formal objectives, criteria or analysis. The general objectives of the Company's compensation strategy are to (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value; (b) align management's interests with the long-term interests of shareholders; (c) provide a compensation package that is commensurate with other junior mineral exploration companies to enable the Company to attract and retain talent; and (d) ensure that the total compensation package is designed in a manner that takes into account the constraints that the Company is under by virtue of the fact that it is a junior mineral exploration company without a history of earnings.

The Board, as a whole, ensures that total compensation paid to all Named Executive Officers ("NEOs"), as hereinafter defined, is fair and reasonable. The Board relies on the experience of its members as officers and directors with other junior mining companies in assessing compensation levels.

Analysis of Elements

Base salary is used to provide the NEOs a set amount of money during the year with the expectation that each NEO will perform his responsibilities to the best of his ability and in the best interests of the Company.

The Company considers the granting of incentive stock options to be a significant component of executive compensation as it allows the Company to reward each NEO's efforts to increase value for shareholders without requiring the Company to use cash from its treasury. Stock options are generally awarded to executive officers at the commencement of employment and periodically thereafter. The terms and conditions of the Company's stock option grants, including vesting provisions and exercise prices, are governed by the terms of the Company's stock option plan (the "**Plan**").

Long Term Compensation and Option-Based Awards

The Company has no long-term incentive plans other than its Plan. The Company's directors and officers and certain consultants are entitled to participate in the Plan. The Plan is designed to encourage share ownership and entrepreneurship on the part of the senior management and other employees. The Board believes that the Plan aligns the interests of the NEO and the Board with shareholders by linking a component of executive compensation to the longer term performance of the Company's common shares.

Options are granted by the Board. In monitoring or adjusting the option allotments, the Board takes into account its own observations on individual performance (where possible) and its assessment of individual contribution to shareholder value, previous option grants and the objectives set for the NEOs and the Board. The scale of options is generally commensurate to the appropriate level of base compensation for each level of responsibility.

In addition to determining the number of options to be granted pursuant to the methodology outlined above, the Board also makes the following determinations:

- parties who are entitled to participate in the Plan;
- The exercise price of stock options granted under the Plan will be set by the Board in its sole discretion, provided that such price shall not be less than the greater of the closing market price of the underlying securities on (i) the trading day prior to the date of grant, and (ii) the date of grant of the option.
- the date on which each option is granted;
- the vesting period, if any, for each stock option;
- the other material terms and conditions of each stock option grant; and
- any re-pricing or amendment to a stock option grant.

The Board makes these determinations subject to and in accordance with the provisions of the Plan. The Board reviews and approves grants of options on an annual basis and periodically during a financial year.

Summary Compensation Table

In this section, an 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, 2014, 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.

The following table sets forth compensation paid to the Company's NEOs during the financial years ended December 31, 2014, 2013, and 2012:

Name and principal position	Year ⁽¹⁾	Salary (\$) ⁽²⁾	Share-based awards (\$)	Option-based awards (\$) ⁽³⁾	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$) ⁽²⁾
					Annual incentive plans (\$)	Long-term incentive plans (\$)			
Yari Nieken Interim President and CEO ⁽⁴⁾	2014	84,125	N/A	36,700	N/A	N/A	N/A	N/A	120,828
	2013	17,000	N/A	1,244	N/A	N/A	N/A	N/A	18,244
Tracey St. Denis CFO ⁽⁴⁾	2014	23,245	N/A	22,050	N/A	N/A	N/A	N/A	45,265
	2013	25,170	N/A	N/A	N/A	N/A	N/A	N/A	25,170
	2012	15,240	N/A	N/A	N/A	N/A	N/A	N/A	15,240
Mark McLeary Former CEO ⁽⁵⁾	2014	13,000	N/A	Nil	N/A	N/A	N/A	N/A	13,000
	2013	78,000	N/A	Nil	N/A	N/A	N/A	N/A	78,000
	2012	78,000	N/A	Nil	N/A	N/A	N/A	N/A	78,000

- (1) Financial year ended December 31.
- (2) All amounts shown were paid in Canadian currency, the reporting currency of the Company.
- (3) The Black-Scholes valuation method is used to calculate the value of the options granted.
- (4) Ms. St. Denis was appointed CFO of the Company on May 2, 2013. In 2012, Ms. St. Denis was paid fees as an accountant to the Company.
- (5) Mr. McLeary resigned as CEO on March 3, 2014, and Mr. Nieken was appointed in his place as Interim President and CEO.

Narrative Description

On April 1, 2014, the Company entered into a Management Consulting Services Agreement with Paradigm Shift Consulting (the “consultant”), a private business owned by Yari Nieken. The consultant acts as the Interim President and CEO and a director of the Company. A monthly consulting fee of \$6,500 is payable to the consultant plus \$200 per day when required to travel from Vancouver, British Columbia. The contract is on a month-to-month basis until such time that the agreement is replaced or as soon as “interim” is removed from the title. The agreement may be cancelled by either party on 30 days’ written notice. On termination of the contract the consultant will be immediately retained by the Company as a non-paid advisor/consultant to the Company until such time as the consultant still holds unexercised stock options in the Company.

T. St. Denis, Inc. is a private accounting firm owned by Tracey A. St. Denis, the CFO of the Company. T. St. Denis, Inc. provides accounting services to the Company.

On January 28, 2011, the Company entered into a contract with McLeary Capital Management, Inc. (the “consultant”), a company controlled by Mr. McLeary. Under the terms of the contract, Mr. McLeary acted as the CEO and a director of the Company at a monthly rate of \$6,500 for an indefinite term. The contract could be cancelled by either party on 30 days’ written notice and, if cancelled by the Company, by payment of an amount equal to two years’ annual salary. On termination of the contract, the consultant would immediately be retained by the Company as a non-paid advisor/consultant to the Company until January 5, 2016 or for such time as the consultant or Mr. McLeary holds unexercised stock options in the Company. On exercise of such options, the relationship between the consultant and the Company would cease. On March 3, 2014, the contract was terminated and the termination clause waived. Mr. McLeary resigned as an officer and director of the Company effective March 3, 2014.

INCENTIVE PLAN AWARDS

Outstanding Option-Based Awards

The following table sets out all option-based awards outstanding as at December 31, 2014 for each NEO. There were no share-based 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 (\$)⁽¹⁾
Yari Nieken Interim President and CEO	250,000	0.16	March 11, 2019	N/A
Tracey St. Denis CFO	150,000	0.16	March 11, 2019	N/A
Mark McLeary Former CEO	80,000	0.875	January 4, 2016	N/A

(1) This amount is based on the difference between the market value of the securities underlying the options on December 31, 2014, which was \$0.085, being the last trading day of the Company's shares for the financial year, and the exercise price of any outstanding options.

Incentive Plan Awards - Value Vested or Earned During the Year

The following table sets forth for the NEOs, the value vested during the financial year ended on December 31, 2014 for options awarded under the Plan, as well as the value earned under non-equity incentive plans for the same period:

Name	Option-based awards - Value vested during the year (\$)⁽¹⁾	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
Yari Nieken Interim President and CEO	N/A	N/A	N/A
Tracey St. Denis CFO	Nil	N/A	N/A
Mark McLeary Former CEO	Nil	N/A	N/A

(1) This amount is based on the difference between the market value of the securities underlying the options on the date of vesting of the options and the exercise price of the options. All options vested on their grant date.

PENSION PLAN BENEFITS

The Company does not have any non-cash compensation plans, long-term incentive plans, pension or retirement plans for its officers or directors and it did not pay or distribute any non-cash compensation during the financial year ended December 31, 2014.

TERMINATION AND CHANGE OF CONTROL BENEFITS

Termination and Change of Control Benefits

The Company does not have any plan contract, agreement or plan or arrangement that provides for payments to an NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, a change in control of the Company or a change in the NEO's responsibilities.

DIRECTOR COMPENSATION

Director Compensation Table

The Company has no standard arrangement pursuant to which directors are compensated by the Company for their services in their capacity as directors except for the granting from time to time of incentive stock options.

During the most recently completed financial year ended December 31, 2014, the directors who were not NEOs received the following compensation for services provided to the Company:

Name	Fees earned (\$) ⁽¹⁾	Share based awards (\$)	Option based awards (\$) ⁽²⁾	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Ian Foreman ⁽³⁾	85,972	N/A	73,400	N/A	N/A	Nil	159,372
Christopher Hornung	Nil	N/A	36,700	N/A	N/A	Nil	36,700

(1) Includes fees paid or accrued during the fiscal year.

(2) Refer to footnote (2) in the “Summary Compensation Table” for NEOs for the method of determining the value of options based awards.

(3) Mr. Foreman is a Principal of Foremost Management Services Inc. that provides consulting and administrative services to the Company.

Narrative Description

Effective January 1, 2013, the Company entered into an agreement with Foremost Management Services Inc. to earn an administration fee calculated as 10% of all incurred monthly expenses in exchange for managing the affairs of the Company. On November 1, 2014, the Company entered a sublease agreement with Foremost Management Services Inc. for \$1,500 per month not including the goods and services tax when they moved to larger premises.

On March 1, 2014, the Company entered into a Management Consulting Services Agreement with Foremost Management Services Inc. to provide management consulting services to the Company for a one year period and then on a month to month basis thereafter. The contract may be cancelled by either party after the first year on 30 days written notice and, if cancelled by the Company, by payment of an amount equivalent to one year’s annual fees. In the event the management consultant breaches the terms of the agreement, no notice is required by the Company. Upon termination of the contract, the management consultant will be immediately retained by the Company as a non-paid advisor/consultant to the Company until such time as the management consultant no longer holds unexercised stock options in the Company. The options will not be cancelled upon termination. On exercise of the management consultant’s options, the relationship between the consultant and the Company will cease. A monthly consulting fee of \$7,500 is payable along with the issuance of 500,000 stock options in the Company.

Outstanding Option-Based Awards

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, 2014, 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⁾
Ian Foreman ⁽²⁾	80,000	0.875	January 4, 2016	N/A
	500,000	0.16	March 11, 2019	N/A
Christopher Hornung	250,000	0.16	March 11, 2019	N/A

- (1) This amount is based on the difference between the market value of the securities underlying the options on December 31, 2014, which was \$0.085, being the last trading day of the Company's shares for the financial year and the exercise price of any outstanding options.
- (2) Mr. Foreman is a Principal of Foremost Management Services Inc. that provides consulting and administrative services to the Company.

Incentive Plan Awards – Value Vested or Earned During The Year

The following table sets forth, for each director, other than those who are also NEOs of the Company, the value of all incentive plan awards vested during the year ended December 31, 2014:

Name	Option-based awards - Value vested during the year (\$) ⁽¹⁾	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
Ian Foreman	Nil	N/A	N/A
Christopher Hornung	Nil	N/A	N/A

- (1) This amount is based on the difference between the market value of the securities underlying the options on the date of vesting of the options and the exercise price of the options. All options fully vested on their grant date.

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.

As disclosed elsewhere in this Circular, the Company has a Stock Option Plan for the granting of options to its officers, employees, directors and consultants. The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the directors of the Company and to closely align the personal interests of such persons to that of the shareholders.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out equity compensation plan information as at the end of the year ended December 31, 2014. See Particulars of Other Matters to be Acted Upon – Re-approval of Stock Option Plan.

Plan Category	Number of securities to be issued upon exercise of outstanding options	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))⁽¹⁾
Equity compensation plans approved by securityholders - (the Stock Option Plan as approved by shareholders October 2, 2014)	3,060,000	\$0.23	3,170,715
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
TOTAL:	3,060,000⁽²⁾		3,170,715⁽³⁾

- (1) This figure is based on the total number of shares authorized for issuance under the Stock Option Plan, less the number of stock options outstanding as at the Company's financial year ended December 31, 2014.
- (2) As at the Record Date, the number of securities to be issued upon the exercise of outstanding options is 6,645,000.
- (3) As at the Record Date, the number of securities remaining available for future issuance under the Plan is 5,948,915, pursuant to the 20% rolling stock option plan, as described under Particulars of Matters to be Acted Upon – Re-approval of Stock Option Plan.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

At no time during the Company's last completed financial year or as of the Record Date, 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

No director, officer or principal shareholder of the Company or any associate or affiliate of the foregoing persons, has any direct or indirect material interest in any transactions in which the Company has participated within the three year period prior to the date of this Circular that has materially affected or will materially affect the Company except as follows:

Christopher Hornung is a director of the Company and a Principal of AAA Heidelberg Inc., a company which the Company has an agreement to acquire a 100% interest.

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

The Company's Stock Option Plan (the "**Plan**") is a "rolling" stock option plan, such that a maximum of 20% of the issued common shares of the Company, from time to time, may be reserved for issuance pursuant to the exercise of

options granted under the Plan. The Plan requires shareholder approval on a yearly basis at the Company's annual shareholder meeting. Accordingly, shareholders of the Company will be asked to approve the Plan at the Meeting.

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 of Directors.

The following information is intended as a brief description of the Plan:

1. The exercise price of stock options granted under the Plan will be set by the Board in its sole discretion, provided that such price shall not be less than the greater of the closing market price of the underlying securities on (i) the trading day prior to the date of grant, and (ii) the date of grant of the option.
2. Upon expiry of an option, or in the event an option is otherwise terminated for any reason, without having been exercised in full, the number of common shares in respect of the expired or terminated option shall again be available for the purpose of the Plan.
3. All options granted under the Plan may not have an expiry date exceeding five years from the date on which the option is granted.
4. Options granted to any one individual in any 12 month period cannot exceed more than 5% of the issued shares of the Company.
5. The aggregate number of common shares reserved for issuance pursuant to options granted to Insiders, as a group, at any point in time, may not exceed 10% of the issued common shares. An Insider is general defined as a director or senior officer of the Company or a person holding greater than 10% of the issued common shares of the Company.
6. The aggregate number of common shares reserved for issuance pursuant to options granted to Insiders, as a group, within a twelve month period, may not exceed 10% of the issued common shares calculated at the date an option is granted to any Insider.
7. If the option holder ceases to be a director, officer, employee or other service provider of the Company (other than by reason of death, disability and termination of services for cause), as the case may be, then the option granted must expire on the earlier of the expiry date and the date that is 90 days following the date that the option holder ceases to be a director, officer, employee or service provider of the Company.
8. If the option holder ceases to be a director, officer, employee or other service provider of the Company by reason of termination of services for cause, then the option granted shall cease to be exercisable upon such termination for cause.
9. Notwithstanding items 7 and 8 above, an optionee's heirs or administrators shall have until the earlier of (i) one year from the death of the optionee, and (ii) the expiry date of the option, in which to exercise any options outstanding at the time of death of the optionee.
10. The Plan will be administered by the Board of the Company who will have the full authority and sole discretion to grant options under the Plan to any eligible party, including themselves.
11. The options shall not be assignable or transferable by an optionee.
12. The approval of the holders of a majority of the common shares present and voting in person or by proxy at a meeting of the holders of common shares must be obtained for any amendment that would have the effect of:
 - (a) expanding the categories of persons eligible for participation in the Plan;

- (b) increasing the maximum percentage of common shares that may be reserved for issuance under the Plan;
 - (c) increasing the maximum percentage of common shares that may be reserved for issuance to any one person or category of persons;
 - (d) amending the maximum term of options;
 - (e) amending the expiry date of an outstanding option;
 - (f) amending the termination provisions applicable to options;
 - (g) increasing the maximum percentage of common shares that may be reserved for issuance, as set out in items 4 and 5 above; or
 - (h) reducing the exercise price of any outstanding options held by Insiders.
13. The Plan contains the following provisions in the event of a change of control of the Company:
- (a) In the event of a change of control, all options that have not vested in accordance with their terms shall vest and be exercisable at such time as is determined by the Board;
 - (b) In the event of a take-over proposal and upon the approval of the Board, all outstanding options may be exercised as to all or any of the common shares in respect of which such options have not previously been exercised;
 - (c) In the event of a take-over bid proposal, the Company shall immediately advise each option holder whereupon any options may be exercised in whole or in part so as to permit the option holder to tender the common shares received upon such exercise to the take-over proposal. If the take-over proposal is not completed within the time specified therein or all of the common shares tendered by the option holder pursuant to the take-over proposal are not taken up and paid for by the offeror pursuant thereto, they may be returned by the option holder to the Company and reinstated as authorized but unissued common shares and with respect to such returned common shares, the option shall be reinstated as if it had not been exercised and the Company shall refund the option price for such common shares;
 - (d) If an option holder elects to exercise an option following the merger or consolidation of the Company with any other corporation, whether by amalgamation, plan of arrangement or otherwise, the option holder shall be entitled to receive, and shall accept, in lieu of the number of common shares of the Company to which he was entitled upon such exercise, either, at the discretion of the Board, (i) the kind and amount of shares and other securities or property which such holder could have been entitled to receive as a result of such merger or consolidation if, on the effective date thereof, he had been the registered holder of the number of common shares of the Company to which he was entitled to purchase upon exercise of his options; or (ii) a cash amount determined by the Board to be equal to the fair value of the common shares, securities or property referred to in (i) on the effective date of the merger or consolidation.

The Plan provides that other terms and conditions may be attached to a particular stock option at the discretion of the Board.

As at Record Date, there is an aggregate of 6,645,000 options outstanding, which is equal to 10.6% of the issued common shares of the Company.

Shareholder Approval

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

“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. the Stock Option Plan of the Company (the “Plan”), as more particularly described in the Information Circular of the Company dated for reference July 10, 2015, be ratified, confirmed and approved;
2. to the extent permitted by law, the Company be authorized to abandon all or any part of the Plan if the directors of the Company deem it appropriate and in the best interests of the Company to do so; and
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 re-approval of the Plan. Unless such authority is withheld, the persons named in the enclosed Proxy intend to vote FOR the approval of the foregoing ordinary resolutions.

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.

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

Adoption of New Articles

The Company is seeking shareholder approval to replace its articles dated June 24, 2004 (the “**Current Articles**”) with a new form of articles (the “**New Articles**”), with a view to incorporating the latest changes in laws and procedures and to providing the Company with greater flexibility in certain circumstances. The directors believe that adopting the New Articles will enable the Company to be more efficient and cost-effective, will provide the Company with greater flexibility in communicating with shareholders and in holding meetings and will provide shareholders with certain rights not provided for in the Current Articles.

The resolution approving the Articles must be passed by not less than two-thirds of the votes cast by the shareholders present in person or by proxy at the Meeting.

Copies of the proposed Articles will be available at the Company's offices at #459 – 409 Granville Street, Vancouver, British Columbia, V6C 1T2, and will also be available for viewing at the Meeting.

Summary of the New Articles

The provisions of the New Articles are substantially similar to those of the Current Articles. The substantive changes from the Current Articles are as follows:

- (a) The Company may use the uncertificated shares and electronic records keeping systems currently in use worldwide and that are being increasingly adopted in Canada. The system, now known as the “Direct Registration” system, will provide a cost benefit to the Company as well as make share transactions more expedient and efficient.
- (b) The Company may communicate by mail, fax or email with other persons including directors, officers and shareholders, and delivery of notices to such persons shall be deemed to have occurred if the notice is mailed, faxed or emailed to the address or number, as applicable, provided by such person to the Company.

- (c) In the event of a redemption of some but not all of the shares of any class, the directors may, subject to any special rights and restrictions attached to such shares, determine the manner of selecting the shares to be redeemed.
- (d) The Company may, by directors' resolution, alter its articles and share structure to (a) create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares, (b) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares or establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established, (c) subdivide or consolidate all or any of its unissued, or fully paid issued, shares, (d) if the Company is authorized to issue shares of a class of shares with par value (i) decrease the par value of those shares; or (ii) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares; (e) change all or any of its unissued shares, or fully paid issued, shares with par value into shares without par value or any of its unissued shares share without par value into shares with par value; and (f) alter the identifying name of any of its shares; and by ordinary resolution otherwise alter its shares or authorized share structure when required or permitted to do so by the *Business Corporations Act* (British Columbia).
- (e) The quorum for shareholders' meetings is changed from two shareholders, present in person or represented by proxy, who hold at least 5% of the issued and outstanding shares, to one shareholder present in person or represented by proxy.
- (f) Shareholder meetings may, if authorized by directors' resolution, be held in jurisdictions outside British Columbia.

Shareholder Approval

At the Meeting, shareholders will be asked to pass the following resolution:

“BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

- (a) the Company create and adopt new Articles in substitution for and cancellation of the existing Articles; and
- (b) any director or officer of the Company is authorized to execute and file such documents and take such further action, including any filings with the Registrar of Companies, that may be necessary to effect the adoption of the New Articles.”

The New Articles shall have effect immediately on the date and time the Articles are deposited for filing in the Company's records office.

The Board believes the passing of the foregoing special resolution is in the best interests of the Company and recommends that shareholders vote in favour of the resolution. Unless such authority is withheld, the persons named in the enclosed Proxy intend to vote FOR the approval of the foregoing special resolution.

To pass the proposed special resolution, an affirmative vote of not less than two-thirds (2/3) of the votes cast by the shareholders of the Company present in person or by proxy at the Meeting is required.

ADDITIONAL INFORMATION

Financial information is provided in the audited financial statements of the Company and in the related management discussion and analysis (together, the “**Financial Statements**”). Additional information relating to the Company and a copy of the Financial Statements may be obtained at www.sedar.com, and upon request from the Company at Suite 459 – 409 Granville Street, Vancouver, BC, V6C 1T2, telephone: (604) 678-2531 or fax: (604) 678-2532. Copies of the above documents will be provided, upon request, free of charge to security holders of the Company. The Company may require

the payment of a reasonable charge from any person or company who is not a security holder of the Company, who requests a copy of any such document.

OTHER MATTERS

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

DIRECTORS' APPROVAL

The contents of this Circular and its distribution to shareholders have been approved by the Board.

DATED at Vancouver, British Columbia, this 10th day of July, 2015.

BY ORDER OF THE BOARD OF DIRECTORS

“Yari Nieken”

Yari Nieken,
Interim President and Chief Executive Officer

SCHEDULE “A”
CHLORMET TECHNOLOGIES INC.
(the “Company”)
AUDIT COMMITTEE CHARTER

1. Overall Purpose / Objectives

The Audit Committee will assist the Board of Directors in fulfilling its responsibilities. The Audit Committee will review the financial reporting process, the system of internal control and management of financial risks and the audit process. In performing its duties, the committee will maintain effective working relationships with the Board of Directors, management, and the external auditors and monitor the independence of those auditors. To perform his or her role effectively, each committee member will obtain an understanding of the responsibilities of committee membership as well as the Company’s business, operations and risks.

2. Authority

The Board authorizes the audit committee, within the scope of its responsibilities, to seek any information it requires from any employee and from external parties, to obtain outside legal or professional advice, to set and pay the compensation for any advisors employed by the Audit Committee, to ensure the attendance of Company officers at meetings as appropriate and to communicate directly with the Company’s external auditors.

3. Organization

Membership

The Audit Committee will be comprised of at least three members, a majority of which are not officers or employees of the Company.

The chairman of the Audit Committee will be nominated by the Audit Committee from the members of the Audit Committee which are not officers or employees of the Company, or a company associated or affiliated with the Company, from time to time.

A quorum for any meeting will be two members.

The secretary of the Audit Committee will be the Company secretary, or such person as nominated by the Chairman.

Attendance at Meetings

The Audit Committee may invite such other persons (e.g. the President or Chief Financial Officer) to its meetings, as it deems appropriate.

Meetings shall be held not less than four times a year. Special meetings shall be convened as required. External auditors may convene a meeting if they consider that it is necessary.

The proceedings of all meetings will be minuted.

4. Roles and Responsibilities

The Audit Committee will:

- Gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.

- Gain an understanding of the current areas of greatest financial risk and whether management is managing these effectively.
- Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- Review any legal matters which could significantly impact the financial statements as reported on by the general counsel and meet with outside counsel whenever deemed appropriate.
- Review the annual and quarterly financial statements including Management's Discussion and Analysis and annual and interim earnings press releases prior to public dissemination, including any certification, report, opinion, or review rendered by the external auditors and determine whether they are complete and consistent with the information known to committee members; determine that the auditors are satisfied that the financial statements have been prepared in accordance with accounting policies consistent with International Financial Reporting Standards.
- Pay particular attention to complex and/or unusual transactions such as those involving derivative instruments and consider the adequacy of disclosure thereof.
- Focus on judgmental areas, for example those involving valuation of assets and liabilities and other commitments and contingencies.
- Review audit issues related to the Company's material associated and affiliated companies that may have a significant impact on the Company's equity investment.
- Meet with management and the external auditors to review the annual financial statements and the results of the audit.
- Review the interim financial statements and disclosures, and obtain explanations from management on whether:
 - (a) actual financial results for the interim period varied significantly from budgeted or projected results;
 - (b) accounting policies consistent with International Financial Reporting Standards have been consistently applied;
 - (c) there are any actual or proposed changes in accounting or financial reporting practices;
 - (d) there are any significant or unusual events or transactions which require disclosure and, if so, consider the adequacy of that disclosure; and
 - (e) review the external auditors' proposed audit scope and approach and ensure no unjustifiable restriction or limitations have been placed on the scope.
- Review the performance of the external auditors and approve in advance provision of services other than auditing. Consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the Company. The Board authorizes the Chairman of the Audit Committee to pre-approve any non-audit or additional audit work which the Chairman deems as necessary and to notify the other members of the Audit Committee of such non-audit or additional work.

- Make recommendations to the Board regarding the reappointment of the external auditors and the compensation to be paid to the external auditor.
- Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- Establish a procedure for:
 - (a) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
 - (b) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters.
- Meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately.
- Endeavor to cause the receipt and discussion on a timely basis of any significant findings and recommendations made by the external auditors.
- Ensure that the Board is aware of matters which may significantly impact the financial condition or affairs of the business.
- Perform other functions as requested by the full Board.
- If necessary, institute special investigations and, if appropriate, hire special counsel or experts to assist, and set the compensation to be paid to such special counsel or other experts.
- Review and recommend updates to the charter; receive approval of changes from the Board.