

## WESTSTAR RESOURCES CORP.

### INFORMATION CIRCULAR

(containing information as of December 16<sup>th</sup>, 2013, unless otherwise stated)

#### INTRODUCTION

**This Information Circular is furnished to you in connection with the solicitation of proxies by management of Weststar Resources Corp. (“we”, “us” or the “Company”) for use at the Annual General and Special Meeting (the “Meeting”) of shareholders of the Company to be held on Wednesday, January 15, 2014 and at any adjournment of the Meeting.** The Company will conduct its solicitation by mail and our officers, directors and employees may, without receiving special compensation, contact shareholders by telephone, electronic means or other personal contact. We will not specifically engage employees or soliciting agents to solicit proxies. We do not reimburse shareholders, nominees or agents (including brokers holding shares on behalf of clients) for their costs of obtaining authorization from their principals to sign forms of proxy. We will pay the expenses of this solicitation.

#### APPOINTMENT OF PROXY HOLDER

The persons named as **proxy holders** in the enclosed form of proxy are the Company’s directors or officers. **As a shareholder, you have the right to appoint a person (who need not be a shareholder) in place of the persons named in the form of proxy to attend and act on your behalf at the Meeting. To exercise this right, you must either insert the name of your representative in the blank space provided in the form of proxy and strike out the other names or complete and deliver another appropriate form of proxy.**

A proxy will not be valid unless it is dated and signed by you or your attorney duly authorized in writing or, if you are a corporation, by an authorized director, officer, or attorney of the corporation.

#### VOTING BY PROXY

**The persons named in the accompanying form of proxy will vote or withhold from voting the shares represented by the proxy in accordance with your instructions, provided your instructions are clear. If you have specified a choice on any matter to be acted on at the Meeting, your shares will be voted or withheld from voting accordingly. If you do not specify a choice or where you specify both choices for any matter to be acted on, your shares will be voted in favour of all matters.**

**The enclosed form of proxy gives the persons named as proxy holders discretionary authority regarding amendments or variations to matters identified in the Notice of Meeting and any other matter that may properly come before the Meeting. As of the date of this Information Circular, our management is not aware of any such amendment, variation or other matter proposed or likely to come before the Meeting. However, if any amendment, variation or other matter properly comes before the Meeting, the persons named in the form of proxy intend to vote on such other business in accordance with their judgement.**

You may indicate the manner in which the persons named in the enclosed proxy are to vote on any matter by marking an “X” in the appropriate space. If you wish to give the persons named in the proxy a discretionary authority on any matter described in the proxy, then you should leave the space blank. **In that case, the proxy holders nominated by management will vote the shares represented by your proxy in accordance with their judgment.**

#### RETURN OF PROXY

You must deliver the completed form of proxy to the office of the Company’s registrar and transfer agent, Computershare Investor Services Inc., 3rd floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9, not less than 48 hours (excluding Saturdays, Sundays, and holidays) before the scheduled time of the Meeting or any adjournment.

## **ADVICE TO NON-REGISTERED SHAREHOLDERS**

Only shareholders whose names appear on our records or validly appointed proxy holders are permitted to vote at the Meeting. Most of our shareholders are “non-registered” shareholders because their shares are registered in the name of a nominee, such as a brokerage firm, bank, trust company, trustee or administrator of a self-administered RRSP, RRIF, RESP or similar plan or a clearing agency such as CDS Clearing and Depository Services Inc. (a “Nominee”). If you purchased your shares through a broker, you are likely a non-registered shareholder.

Non-registered holders who have not objected to their Nominee disclosing certain ownership information about themselves to us are referred to as “NOBOs”. Those non-registered holders who have objected to their Nominee disclosing ownership information about themselves to us are referred to as “OBOs”.

In accordance with the securities regulatory policy, we will have distributed copies of the Meeting materials, being the Notice of Meeting, this Information Circular, and the form of proxy directly to NOBOs and to the Nominees for onward distribution to OBOs.

Nominees are required to forward the Meeting materials to each OBO unless the OBO has waived the right to receive them. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered shareholder. Meeting materials sent to non-registered holders who have not waived the right to receive Meeting materials are accompanied by a request for voting instructions (a “VIF”). This form is instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a non-registered holder is able to instruct the registered shareholder (or Nominee) how to vote on behalf of the non-registered shareholder. VIF’s, whether provided by the Company or by a Nominee, should be completed and returned in accordance with the specific instructions noted on the VIF.

In either case, the purpose of this procedure is to permit non-registered holders to direct the voting of the shares which they beneficially own. Should a non-registered holder who receives a VIF wish to attend the Meeting or have someone else attend on his/her behalf, the non-registered holder may request a legal proxy as set forth in the VIF, which will grant the non-registered holder or his/her nominee the right to attend and vote at the Meeting. Non-registered holders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.

## **REVOCATION OF PROXY**

If you are a registered shareholder who has returned a proxy, you may revoke your proxy at any time before it is exercised. In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by either:

- a) signing a proxy bearing a later date; or
- b) signing a written notice of revocation in the same manner as the form of proxy is required to be signed as set out in the notes to the proxy.

The later proxy or the notice of revocation must be delivered to the office of the Company’s registrar and transfer agent or to the Company’s head office at any time up to and including the last business day before the scheduled time of the Meeting or any adjournment, or to the Chairman of the Meeting on the day of the Meeting or any adjournment.

If you are a non-registered shareholder who wishes to revoke a VIF or to revoke a waiver of your right to receive Meeting materials and to give voting instructions, you must give written instructions to your Nominee at least seven days before the Meeting.

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

None of the directors or executive officers of the Company, nor any person who has held such a position since the beginning of the last completed financial year of the Company, nor any proposed 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 director, and the ratification and re-approval of the Company's 2014 stock option plan, approval of which will be sought at the Meeting. See "Particulars of Matters to be Acted Upon".

### VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

Persons who are registered shareholders of common shares at the close of business on December 16, 2013, are entitled to receive notice of and to attend and vote at the Meeting or any adjournment of the Meeting (see "Voting of Shares and Proxies and Exercise of Discretion by Proxyholders" above).

The authorized capital of the Company consists of an unlimited number of common shares without par value. As of December 16, 2013, the Company had 31,373,492 common shares issued and outstanding.

To the knowledge of the directors and executive officers of the Company, the only person/corporation who holds, directly or indirectly, or exercises control or direction, over more than 10% of the issued and outstanding Common Shares, is as follows:

Name	Number of Voting Securities	Percentage
CDS & CO <sup>(1)</sup>	29,295,991	94.41%

(1) Management of the Company is unaware of the beneficial shareholders of the common shares registered in the name of CDS & CO.

### Approval of Resolutions

On a show of hands, every shareholder and proxy holder will have one vote and, on a poll, every shareholder present in person or represented by proxy will have one vote for each common share. To approve a motion for an ordinary resolution, a majority of the votes cast by shareholders in person or by proxy who vote in respect of that resolution will be required. To approve a motion for a special resolution, a majority of not less than two-thirds of the votes cast in person or by proxy be those shareholders who vote in respect of that resolution will be required.

### EXECUTIVE COMPENSATION

Under this heading, the Company is including the disclosure required by Form 51-102F6 *Statement of Executive Compensation*.

As at December 31, 2012, the end of the most recently completed financial year of the Company, the Company had four Named Executive Officers, as defined below, Mitchell Adam, the Company's CEO until his resignation on May 16, 2012, William Rascan, the Company's CEO since May 16, 2012 on Mr. Mitchell's resignation, J. Casey Forward, the Company's CFO until his resignation on June 15, 2012 and Joseph Meagher, the Company's CFO since June 15, 2012 on Mr. Forward's resignation.

The summary compensation table below sets out particulars of compensation paid to the following executive officers for services to the Company during the three most recently completed financial years:

- (a) the individual who served as our chief executive officer ("CEO") or acted in a similar capacity during the most recently completed financial year;
- (b) the individual who served as our chief financial officer ("CFO") or acted in a similar capacity during the most recently completed financial year;
- (c) each of our three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined by 1.3(6) of Form 51-102F6 and

(d) each individual who would be an Named Executive Officer under paragraph (c) but for the fact that the individual was neither an executive officer of the company, nor acting in a similar capacity, at the end of that financial year,

(each of whom is a “**Named Executive Officer**”).

### **Compensation Discussion and Analysis**

The Board reviews and gives final approvals with respect to compensation paid to the Company’s Named Executive Officers. Because the Company is an early-stage exploration company, the Board does not feel that the Company’s size warrants a compensation committee to evaluate compensation.

The Company’s compensation objectives include the following:

- to assist the Company in attracting and retaining highly-qualified individuals;
- to create among directors, officers, consultants and employees a sense of ownership in the Company and to align their interests with those of the shareholders; and
- to ensure competitive compensation that is also financially affordable for the Company.

The compensation program is designed to provide competitive levels of compensation. The Company recognizes the need to provide a total compensation package that will attract and retain qualified and experienced executives as well as align the compensation level of each executive to that executive’s level of responsibility. In general, the Company’s Named Executive Officers may receive compensation that is comprised of three components:

- salary, wages or contractor payments;
- stock option grants; and
- bonuses.

The objectives and reasons for this system of compensation are to allow the Company to remain competitive compared to its peers in attracting experienced personnel. The salaries are set on a basis of a review and comparison of salaries paid to executives at similar companies.

Stock option grants are designed to reward the Named Executive Officers for success on a similar basis as the shareholders of the Company, although the level of reward provided by a particular stock option grant is dependent upon the volatile stock market.

Any bonuses paid to the Named Executive Officers are allocated on an individual basis and are based on review by the Board of the work planned during the year and the work achieved during the year, including work related to mineral exploration, administration, financing, shareholder relations and overall performance. The bonuses are paid to reward work done above the base level of expectations set by the base salary, wages or contractor payments.

### ***Option-Based Awards***

The Board believes that eligible persons working with the Company as Named Executive Officers, directors, consultants or employees should have a stake in the Company’s future and that their interests should be aligned with the interests of the shareholders. To this end, the Board determines the overall amount of stock option grants and reviews and recommends to the Board the allocation of such grants to directors, officers, consultants and employees, primarily based on whose decisions and actions can have the greatest impact on the Company’s performance.

These option-based awards are granted under the Company’s stock option plan. The Company considers previous grants of stock options when considering new grants. For information about the Company’s stock option plan, please see “Particulars of Matters to be Acted Upon”.

**Summary Compensation Table**

The following table is a summary of compensation paid to the Named Executive Officers for the financial years ended December 31, 2012 and 2011:

<i>Name and Principal Position</i>	<i>Year<sup>(1)</sup></i>	<i>Salary (\$)</i>	<i>Share-based awards (\$)</i>	<i>Option-based awards (\$)<sup>(2)</sup></i>	<i>Non-equity incentive plan compensation (\$)</i>		<i>Pension value (\$)</i>	<i>All other compensation (\$)</i>	<i>Total compensation (\$)</i>
					<i>Annual incentive plans</i>	<i>Long term incentive plans<sup>(3)</sup></i>			
<b>Mitchell Adam</b> Former CEO and President	2012	\$50,000	Nil	Nil	Nil	N/A	Nil	Nil	\$50,000
	2011	\$120,000	Nil	Nil	Nil	N/A	Nil	Nil	\$120,000
<b>William Rascan</b> CEO and President	2012	\$60,129	Nil	\$44,009	Nil	N/A	Nil	Nil	\$104,138
	2011	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>J. Casey Forward</b> Former CFO	2012	\$37,500 <sup>(4)</sup>	Nil	Nil	Nil	N/A	Nil	Nil	\$37,500
	2011	\$60,000	Nil	Nil	Nil	N/A	Nil	Nil	\$60,000
<b>Joseph Meagher</b> CFO	2012	\$9,750	Nil	\$11,736	Nil	N/A	Nil	Nil	\$21,486
	2011	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(1) Includes salary paid or accrued during the financial year.

(2) The value of option-based awards is calculated using a Black-Scholes option pricing model and applying the following key inputs:

Risk-free rate: 1.14%  
 Expected dividend yield: Nil  
 Expected stock price volatility: 166%  
 Expected option life, based on terms of the grants: 5.0 years

Option pricing models require the input of highly subjective assumptions, particularly as to the expected volatility of the stock. Changes in these assumptions can materially affect the fair value estimate, and therefore it is management's view that the existing models may not provide a single reliable measure of the fair value of the Company's stock option grants. The Company uses an option-pricing model because there is no market for which employee options may be freely traded. Readers are cautioned not to assume that the value derived from the model is the value that an employee might receive if the options were freely traded, nor assume that these amounts are the same as those reported for income tax purposes.

(3) LTIP or long term incentive plan means any plan that provides compensation intended to motivate performance to occur over a period greater than one financial year, but does not include option or stock appreciate right plans or plans to compensate through restricted shares or restrict share units.

(4) Paid to Mr. Forward for accounting services.

**Incentive Plan Awards**

***Outstanding Option-Based Awards***

The following table sets out all option-based awards outstanding as of December 31, 2012:

Name	Option-based awards			
	Number of securities underlying unexercised Options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>
Mitchell Adam	18,750	1.68	August 22, 2013	Nil
	12,500	1.80	October 15, 2013	Nil
William Rascan	600,000	0.15	July 9, 2017	Nil
J.Casey Forward	Nil	N/A	N/A	Nil
Joseph Meagher	160,000	0.15	July 9, 2017	Nil

(1) Calculated using the closing price of the Company's shares on the TSX Venture Exchange (the "Exchange") at December 31, 2012.

***Value Vested or Earned During the Year***

The following table sets out the aggregate dollar value of incentive stock options that would have been realized if the options under the option-based award had been exercised on the vesting date for the Named Executive Officers during the most recently completed financial year ended December 31, 2012:

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 (\$)
Mitchell Adam	Nil	N/A	N/A
William Rascan	Nil	N/A	N/A
J.Casey Forward	Nil	N/A	N/A
Joseph Meagher	Nil	N/A	N/A

**Termination and Change of Control Benefits**

The Company has not entered into any plans or arrangements in respect of remuneration received or that may be received by the Named Executive Officers in the Company's most recently completed financial year or current financial year in respect of compensating such officers or directors in the event of termination of employment (as a result of resignation, retirement, change of control, etc.) or a change in responsibilities following a change of control.

**Pension Plan Benefits**

The Company does not have in place any deferred compensation plan or pension plan that provides for payments or benefits at, following or in connection with retirement.

**Director Compensation**

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 in accordance with the policies of the Exchange.

During the most recently completed financial year ended December 31, 2012, the directors who were not Named Executive Officers received the following compensation for services provided to the Company:

Name	Fees earned (\$) <sup>(1)</sup>	Share-based awards (\$)	Option-based awards (\$) <sup>(2)</sup>	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Nav Dhaliwal <sup>(5)</sup>	\$50,000 <sup>(3)</sup>	Nil	Nil	N/A	N/A	N/A	\$50,000
Thomas Clarke <sup>(9)</sup>	\$25,000 <sup>(4)</sup>	Nil	\$11,736	N/A	N/A	N/A	\$36,736
Patrick Morris <sup>(6)</sup>	Nil	Nil	Nil	N/A	N/A	N/A	Nil
Keith Anderson <sup>(7)</sup>	Nil	Nil	\$11,736	N/A	N/A	N/A	\$11,736
Steven Feldman <sup>(8)</sup>	Nil	Nil	\$11,736	N/A	N/A	N/A	\$11,736

- (1) Includes fees paid or accrued during the financial year.
- (2) Refer to discussion in footnote (2) in the “Summary of Compensation” table for Named Executive Officers for the method of determining the value of option-based awards.
- (3) Paid to RSD Capital Corp., a private company wholly owned by Mr. Dhaliwal.
- (4) Paid to Twillar Resources Limited, a private company wholly owned by Mr. Clarke.
- (5) Mr. Dhaliwal resigned from the Board of Directors on May 16, 2012.
- (6) Mr. Morris resigned from the Board of Directors on June 15, 2012.
- (7) Mr. Anderson was appointed to the Board of Directors on June 15, 2012.
- (8) Mr. Feldman was appointed to the Board of Directors on May 16, 2012.
- (9) Mr. Clarke resigned from the Board of Directors on July 18, 2013.

### **Incentive Plan Awards**

#### ***Outstanding Option-Based Awards***

The following table sets out all option-based awards outstanding as of December 31, 2012 (no share-based awards are outstanding) to directors who were not Named Executive Officers:

Name	Option-based awards			
	Number of securities underlying unexercised Options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>
Nav Dhaliwal	Nil	N/A	N/A	Nil
Thomas Clarke	160,000	\$0.15	July 9, 2017	Nil
Patrick Morris	Nil	N/A	N/A	Nil
Keith Anderson	160,000	\$0.15	July 9, 2017	Nil
Steven Feldman	160,000	\$0.15	July 9, 2017	Nil

- (1) Calculated using the closing price of the Company’s shares on the Exchange at December 31, 2012.

#### ***Value Vested or Earned During the Year***

The following table sets out the aggregate dollar value of incentive stock options that would have been realized if the options under the option-based award had been exercised on the vesting date for directors who were not Named Executive Officers during the most recently completed financial year ended December 31, 2012:

Name	Option-based awards – Value vested during the year (\$) <sup>(1)</sup>	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Nav Dhaliwal	Nil	N/A	N/A
Thomas Clarke	Nil	N/A	N/A
Patrick Morris	Nil	N/A	N/A
Keith Anderson	Nil	N/A	N/A
Steven Feldman	Nil	N/A	N/A

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out equity compensation plan information as at the end of the financial year ended December 31, 2012:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	2,031,250	\$0.17	382,099
Equity compensation plans not approved by securityholders	None	N/A	N/A
<b>Total</b>	<b>2,031,250</b>		<b>382,099</b>

### AUDIT COMMITTEE

The Company is including the disclosure required by Form 52-110F2 of National Instrument 52-110 *Audit Committees* (“NI 52-110”) under this heading. The Company is a “venture issuer” under NI 52-110 and is relying on the exemption in section 6.1 of NI 52-110.

#### Audit Committee Charter

The Charter of the Company’s audit committee is included as Schedule “A” to this Information Circular.

#### Composition of the Audit Committee

The Audit Committee is currently composed of the following three directors: William Rascan, Steven Feldman and Keith Anderson. William Rascan is an executive officer of the Company and not considered to be independent. Keith Anderson and Steven Feldman are not executive officers and therefore is considered to be independent. All three members are financially literate.

#### Relevant Education and Experience

All of the members of the Audit Committee are financially literate, in that they have the ability to read and understand a balance sheet, an income statement, a cash flow statement and the notes attached thereto. Additionally, all of the members of the Audit Committee have accounting or related financial experience and are able to analyze and interpret a full set of financial statements, including the notes attached thereto, in accordance with international financial reporting standards. The Audit Committee met 4 times in the 2012 financial year.



## **External Auditor Service Fees by Category**

### **Audit Fees and Audit-Related Fees**

The aggregate fees billed/unbilled by the Company's external auditor for the financial year ended December 31, 2012 for audit and assurance and related services is approximately \$21,000 (2011: \$30,000).

### **Tax Fees**

The aggregate fees unbilled/billed for tax compliance, tax advice and tax planning services by the Company's external auditor for the financial year ended December 31, 2012 were \$NIL (2011: NIL).

### **All Other Fees**

The aggregate fees billed by the Company's external auditor for the financial year ended December 31, 2012 for review of unaudited interim financial statements, compilation of consolidated financial statements and related services were \$NIL (2011: NIL)

The aggregate fees billed by the Company's external auditor for the financial year ended December 30, 2010 for review of unaudited interim financial statements, compilation of consolidated financial statements and related services were \$NIL.

### **Exemption**

The Company is relying on the exemption in section 6.1 of NI 52-110, which exempts issuers whose shares are listed on the Exchange from the requirements of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations) of NI 52-110.

## **CORPORATE GOVERNANCE**

*National Instrument 58-101 Disclosure of Corporate Governance Practices* ("NI 58-101") requires issuers to disclose their governance practices in accordance with NI 58-101. The Company is a "venture issuer" within the meaning of NI 58-101. A discussion of the Company's governance practices within the context of NI 58-101 is set out below.

### **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 that could, in the view of the Company's Board of Directors, be reasonably expected to interfere with the exercise of a director's independent judgment.

Steven Feldman and Keith Anderson are "independent" directors in that they are independent and free from any interest and any business or other relationship which could or could reasonably be perceived to materially interfere with his ability to act within the best interests of the Company, other than the interests and relationships arising from his shareholdings. William Rascan and Joseph Meagher are also executive officers of the Company and are therefore not considered to be "independent".

The Board of Directors facilitates its exercise of independent supervision over management by carefully examining issues and consulting with outside counsel and other advisors in appropriate circumstances. The Board of Directors believes that sufficient policies and procedures have been implemented to ensure that the directors exercise independent judgment in carrying out his responsibilities. Directors are required to be of sufficient stature and security of employment to express independent views on any matter.

### **Directorship**

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

William Rascan	Alchemist Mining Inc.
Joseph Meagher	Alchemist Mining Inc.

Steven Feldman	None
Keith Anderson	Alchemist Mining Inc. Windfire Capital Corp.

### **Board Mandate**

The Board does not have a written mandate. The Board is responsible for approving long-term strategic plans and annual operating plans and budgets recommended by management. Board consideration and approval is also required for material contracts and business transactions, and all debt and equity financing transactions.

The Board delegates to management responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Company's business in the ordinary course, managing the Company's cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements. The Board also looks to management to furnish recommendations respecting corporate objectives, long-term strategic plans and annual operating plans.

### **Position Descriptions**

The Board has not developed written position descriptions for the President and CEO of the Company or for the Chair of the Audit Committee. The size and nature of the Company's business allows each director or officer to understand his role in progressing the Company's operations.

### **Orientation and Continuing Education**

When new directors are appointed, they receive 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. Individual directors are responsible for maintaining their own education, skills and knowledge at an appropriate level. Board members are encouraged to attend educational courses or presentations in relation to the Company's projects or the industry within which the Company operates.

### **Ethical Business Conduct**

The Board of Directors has not, to date, adopted a formal written Code of Ethical Business Conduct. The current limited size of the Company's operations, and the small number of officers and employees allow the Board to monitor, on an ongoing basis, the activities of management and to ensure that the highest standard of ethical conduct is maintained. The Board is aware of the recommendation in National Policy 58-201 *Corporate Governance Guidelines* to adopt a written code of business conduct and ethics and is reviewing different standards that may be appropriate for the Company to adopt.

To date, 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 director's 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. Under the corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. A director must disclose to the Board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction. The disclosure must be evidenced in writing by being included in the consent resolutions or minutes of the meeting that approved the transaction or in a written disclosure delivered to the Company's records office. Unless the director properly discloses his interest and has the transaction properly approved, he may be liable to account to the Company for any profit he makes as a result of the transaction, unless the court finds that the transaction was fair and reasonable to the Company. Once the appropriate disclosure has been made by the interested director, the transaction must be approved by the directors or by the shareholders by special resolution. An interested director would not be entitled to vote at meetings of directors which evoke any such conflict.

### **Nomination of Directors**

The Board of Directors is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees to fill vacancies and for the next annual meeting the shareholders. 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. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required, shown 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, this policy may be reviewed in the future depending on the circumstances of the Company.

### **Compensation**

The Board periodically reviews the compensation paid to directors, management and other employees based on such factors as time commitment and level of responsibility, comparative fees paid by other companies in the industry in North America and the Company's current position as an exploration company with limited operating revenue.

The Board does not have a compensation committee, and these functions are currently performed by the Board as a whole. However, this policy may be reviewed in the future depending on the circumstances of the Company.

### **Other Board Committees**

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

### **Assessments**

The Board of Directors conducts periodic assessments of its members including individual assessments to determine if the board, its committee and the individual directors are performing efficiently. Based on the Company's size, stage of development and the limited number of individuals on the Board of Directors, the Board considers a formal assessment process to be inappropriate at this time. As the activities of the Company develop, it will consider the establishment of more formal evaluation procedures, including more quantitative measures of performance.

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

During the last completed financial year, no director, executive officer, or nominee for director of the Company or any of their associates has been indebted to the Company or any of its subsidiaries, nor has any of these individuals been indebted to another entity which indebtedness is the subject of a guarantee, support in 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 informed person of the Company, no proposed nominee for election as a director of the Company, and no associate or affiliate of any of these persons, has any material interest, direct or indirect, in any transaction since the commencement of our last financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or any of our subsidiaries.

An "informed person" means:

- (a) a director or executive officer of the Company;
- (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;
- (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more

than 10 percent of the voting rights attached to all outstanding voting securities of the Company other than voting securities held by the person or company as underwriter in the course of a distribution; and

(d) the Company if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

### MANAGEMENT CONTRACTS

Management functions of the Company are generally performed by directors and executive officers of the Company and not, to any substantial degree, by any other person to whom the Company has contracted.

### PARTICULARS OF MATTERS TO BE ACTED UPON

#### Election of Directors

The Company's Board of Directors proposes to nominate the persons named in the table below for election as directors of the Company. Each director elected will hold office until the next annual general meeting of the Company or until his successor is duly elected or appointed, unless the office is earlier vacated in accordance with the Articles of the Company or the *Business Corporations Act* (British Columbia) (the "BCBCA") or he becomes disqualified to act as a director.

Management of the Company proposes that the number of directors for the Company be determined at five (5) for the ensuing year, subject to such increases as may be permitted by the Articles of the Company.

The following table sets out the names of management's nominees for election as directors, the jurisdiction in which each is ordinarily resident, the positions and offices which each presently holds with the Company, the period of time for which each has been a director of the Company, the respective principal occupations or employments during the past five years (if such nominee is not presently a director who was elected to his present term of office by a vote of shareholders) and the number of shares of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of this Information Circular.

<b>Name, Jurisdiction of Residence and Position Held with the Company</b>	<b>Principal Occupation During the Past Five Years<sup>(1)(2)</sup></b>	<b>Director Since</b>	<b>Number of Shares Owned<sup>(1)</sup></b>
<b>William Rascan<sup>(3)</sup></b> Coquitlam, British Columbia <i>President, Secretary and Director</i>	President and Director of the Company; Director of Alchemist Mining Inc.; former Senior Investment Advisor at Northern Securities from 2008 to 2012; former Investment Advisor at Jennings Capital from 2005 to 2008.	May 16, 2012	789,000
<b>Joseph Meagher</b> Vancouver, British Columbia <i>Chief Financial Officer and Director</i>	CFO and Director of the Company; CFO and Director of Alchemist Mining Inc.; CFO of Good Life Networks Inc.; Controller of Scieue Ventures Inc.; Director of Triumvirate Consulting Corp.; former Manager to Smythe Ratcliffe LLP from 2005 to 2011	June 15, 2012	0
<b>Steven Feldman<sup>(3)</sup></b> Surrey, British Columbia <i>Director</i>	Director of the Company; Investor and Corporate Communications Consultant and Manager of Investor Relations for Barisan Gold Corp.; former Manager of Investor Relations for SouthGobi Resources Ltd. From 2005 to 2012	May 16, 2012	0
<b>Keith Anderson<sup>(3)</sup></b> Coquitlam, British Columbia <i>Director</i>	Director of the Company and Windfire Capital Corp.; President and Director of Alchemist Mining Inc.; former Investment Advisor at Canacord Genuity Corp. from 1987 to 2012	June 15, 2012	0

(1) This information as to principal occupation and number of shares owned, not being within the knowledge of the Company, has been furnished by the respective directors individually.

- (2) Unless otherwise stated above, any nominee named above not elected at the last annual general meeting has held the principal occupation or employment indicated for at least five years.
- (3) Member of the Audit Committee.

### **Appointment and Remuneration of Auditor**

Unless otherwise instructed, the proxies given in this solicitation will be voted for the re-appointment of Smythe Ratcliffe LLP, of Vancouver, British Columbia, as auditors for the Company to hold office until the next annual general meeting, at a remuneration to be fixed by the directors.

### **Incentive Stock Option Plan**

The only equity compensation plan which the Company currently has in place is the 2010 stock option plan (the “**2010 Plan**”). The 2010 Plan was established to provide incentive to employees, directors, officers, management companies and consultants who provide services to the Company. The TSXV policies respecting the granting of stock options require that all companies listed on the TSXV adopt a stock option plan and that any stock option plan that reserves a maximum of 10% of the issued and outstanding share capital of the Company at the time of grant (a “**Rolling Plan**”), which must be approved and ratified by shareholders on an annual basis. The 2010 Plan was a Rolling Plan and Management seeks shareholder approval for a renewal of the 2010 Plan, as the Company’s 2013 Plan (the “**2013 Plan**”) in accordance with and subject to the rules and policies of the TSXV. The intention of management in proposing the 2013 Plan is to increase the proprietary interest of such persons in the Company and thereby aid the Company in attracting, retaining and encouraging the continued involvement of such persons with the Company.

It is proposed that under the 2013 Plan, which will be subject to approval by the TSXV, the total number of common shares allotted and reserved for future issuance will be equivalent to 10% of the issued and outstanding share capital of the Company from time to time. The Company is presently classified as a Tier 2 Issuer by the TSXV.

### ***Terms of the 2013 Plan***

A full copy of the 2013 Plan will be available at the Meeting for review by shareholders. Shareholders may also obtain copies of the 2013 Plan from the Company prior to the Meeting on written request. The following is a summary of the material terms of 2013 Plan:

**Number of Shares Reserved.** The number of common shares reserved for issuance under the 2013 Plan is 10% of the number of common shares outstanding at any given time.

**Administration.** The 2013 Plan is to be administered by the Board of Directors of the Company or by a committee to which such authority is delegated by the Board from time to time.

**Eligible Persons.** The 2013 Plan provides that stock options may be issued only to directors, officers, employees and consultants and part-time dependent contractors of the Company or of any of its affiliates or subsidiaries, to employees of consultant companies providing management or administrative services to the Company, and to consultant companies themselves. Such persons and entities are referred to herein as “Eligible Persons”.

**Board Discretion.** The 2013 Plan provides that, generally, the number of shares subject to each option, the exercise price, the expiry time, the extent to which such option is exercisable and other terms and conditions relating to such options shall be determined by the Board of Directors of the Company or any committee to which such authority is delegated by the Board from time to time.

**Maximum Term of Options.** Options granted under the 2013 Plan will be for a term not exceeding ten years from the date of grant.

**Maximum Options per Person.** The number of shares reserved for issuance to any one option holder pursuant to options granted under the 2013 Plan during any twelve month period may not exceed 5% (or, in the case of a Consultant, 2%) of the outstanding shares of the Company at the time of grant. The number of shares reserved for issuance to consultants and employees who are engaged in investor relations activities is limited to an aggregate of 2% of the outstanding shares of the Company at the time of grant, and must vest in stages over a period of 12 months, with no more than ¼ of those options vesting in any three month period.

**No Assignment.** The options may not be assigned or transferred.

**Termination Prior to Expiry.** If an optionee ceases to be a director, officer, employee or consultant for any reason other than death, then such optionee's option will terminate within a reasonable period to be determined by the administrator of the 2013 Plan (the "**Exercise Period**") commencing on the effective date the optionee ceases to be employed by or provide services to the Company (but only to the extent that such option has vested on or before the date the optionee ceased to be so employed or provide services to the Company) as provided for in the written option agreement between the Company and the optionee, and all rights to purchase shares under such option will expire as of the last day of such Exercise Period. If an option holder dies, the options of the deceased option holder will be exercisable by his or her estate for a period not exceeding 12 months or the balance of the term of the options, whichever is shorter.

**Exercise Price.** Options granted under the terms of the 2013 Plan will be exercisable at a price which is not less than the Discounted Market Price, as that term is defined in the TSXV policy manual as of the date hereof, or such other minimum price as is permitted by the TSXV in accordance with its policies from time to time.

**Full Payment for Shares.** The Company will not issue shares pursuant to options granted under the 2013 Plan unless and until the shares have been fully paid for. The Company will not provide financial assistance to option holders to assist them in exercising their options.

**Reduction of Exercise Price.** The exercise price of stock options granted to Insiders may not be decreased without disinterested shareholder approval (as described above).

**Termination of Plan.** The 2013 Plan will terminate pursuant to a resolution of the Board or the Company's shareholders.

At the Meeting, shareholders will be asked to pass an ordinary resolution approving the 2013 Plan in the following form:

"BE IT RESOLVED that the Company's 2013 Plan pursuant to which directors may, from time to time reserve for issuance and issue up to 10% of the then issued and outstanding common shares of the Company pursuant to incentive stock options granted to directors, officers, employees and consultants of the Company and its subsidiaries, as more particularly described in the Company's Information Circular dated December 23, 2013, is approved, ratified and confirmed, subject to regulatory approval."

In order to be effective, the foregoing ordinary resolutions must be approved by a simple majority of the votes cast by those shareholders of the Company who, being entitled to do so, vote in person or by proxy at the Meeting in respect of such resolution.

**It is the intention of the persons named in the accompanying Proxy, if not expressly directed to the contrary in such Proxy, to vote such proxies FOR the ordinary resolution authorizing the approval of the 2013 Plan.**

The Directors of the Company believe the passing of the foregoing ordinary resolution is in the best interests of the Company and recommend that shareholders of the Company 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 2013 Plan.**

#### **Adoption of New Articles**

The Board believes that the existing Articles of the Company do not allow for maximum efficiency in the Company's operations and do not reflect the current provisions of the BCBCA. For example, the existing Articles of the Company do not permit the Company to change its share structure, except by a special resolution of the shareholders, whereas the BCBCA permits a company to change its share structure by resolution of the directors if so permitted by its Articles. The proposed new form of Articles (the "**New Articles**") will be substantially similar to the Company's existing Articles.

A copy of the proposed New Articles of the Company will be available for inspection at the Meeting and via email, by calling (604) 945-6749 or emailing info@weststarresources.com, up to the day before the Meeting.

Shareholders will be asked to consider and if thought fit, approve the adoption of New Articles by ordinary resolution as set forth below:

“BE IT RESOLVED, as a ordinary resolution that:

1. The existing Articles of the Company be cancelled and the new form of Articles made available to shareholders for review before and at the Annual General and Special Meeting to be held on January 15 2014, be adopted as the Articles of the Company in substitution for, and to the exclusion of the existing Articles;
2. Any one director of the Company, signing alone, be authorized to execute and deliver all such documents and instruments, including the new form of Articles, and to do such further acts, as may be necessary to give full effect to these resolutions or as may be required to carry out the full intent and meaning thereof;
3. Despite that this ordinary resolution has been duly passed by the shareholders of the Company, the Board is authorized and empowered to revoke this resolution at any time before giving effect to the adoption of the new form of Articles and to determine not to proceed with the without further approval of the shareholders; and
4. It is a condition of this resolution that the alteration to the Articles of the Company referred to in paragraph 1 does not take effect until this resolution is deposited with the records of the Company as prescribed by the *Business Corporations Act* (British Columbia).”

In order to be effective, the foregoing special resolution must be approved by a two-thirds majority of the votes cast by those shareholders of the Company who, being entitled to do so, vote in person or by proxy at the Meeting in respect of such resolution.

**It is the intention of the persons named in the accompanying Proxy, if not expressly directed to the contrary in such Proxy, to vote such proxies FOR the special resolution adopting the New Articles.**

The Directors of the Company believe the passing of the foregoing special resolution is in the best interests of the Company and recommend that shareholders of the Company vote in favour of the resolution.

**Unless such authority is withheld, the persons named in the enclosed Proxy intend to vote FOR the adoption of the New Articles.**

#### **Confirmation and Approval of Advance Notice Provisions**

##### *Background*

On August 9, 2013, the Board adopted advance notice provisions (the “**Advance Notice Provisions**”) with immediate effect, as disclosed by press release dated October 4, 2013. A copy of the Advance Notice Provisions are attached to this Information Circular as Schedule “B”. In order for the Advance Notice Provisions to remain in effect following termination of the Meeting, the Advance Notice Provisions must be ratified, confirmed and approved by the Company’s shareholders at the Meeting.

##### *Purpose of the Advance Notice Provisions*

The Company’s Board is committed to: (a) facilitating an orderly and efficient annual or, where the need arises, special meeting, process; (b) ensuring that all shareholders receive adequate notice of the director nominations and sufficient information with respect to all nominees; and (c) allowing shareholders to register an informed vote having been afforded reasonable time for appropriate deliberation.

The purpose of the Advance Notice Provisions is to provide the Company’s shareholders, Board and management with a clear framework for nominating directors. The Advance Notice Provisions fix a deadline by which holders of record of common shares of the Company must submit director nominations to the Company prior to any annual or

special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Company in order for any director nominee to be eligible for election at any annual or special meeting of the Company's shareholders.

*Terms of the Advance Notice Provisions*

The following information is intended as a brief description of the Advance Notice Provisions and is qualified in its entirety by the full text of the Advance Notice Provisions, a copy of which is attached to this Information Circular as Schedule "B".

***The terms of the Advance Notice Provisions are summarized below:***

The Advance Notice Provisions provide that advance notice to the Company must be given in circumstances where nominations of persons for election to the Board are made by shareholders of the Company other than pursuant to: (i) a "proposal" made in accordance with Division 7 of Part 5 of the BCBCA; or (ii) a requisition of the shareholders made in accordance with section 167 of the BCBCA.

Among other things, the Advance Notice Provisions fix a deadline by which holders of record of common shares of the Company must submit director nominations to the Company prior to any annual or special meeting of shareholders and sets forth the specific information that a shareholder must include in the written notice to the secretary of the Company for an effective nomination to occur. No person will be eligible for election as a director of the Company unless nominated in accordance with the provisions of the Advance Notice Provisions.

In the case of an annual meeting of shareholders, notice to the Company must be made not less than 30 days or more than 65 days prior to the date of the annual meeting; provided, however, that in the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, notice may be made not later than the close of business on the 10th day following such public announcement.

In the case of a special meeting (which is not also an annual meeting) of shareholders, notice to the Company must be made not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made.

The Board may, in its sole discretion, waive any requirement of the Advance Notice Provisions.

*Confirmation and Approval of Advance Notice Provisions by Shareholders*

At the Meeting, the shareholders of the Company will be asked to approve a motion to include in the Articles of the Company the Advance Notice Provisions such that the Company receive adequate notice of nominations of people to be elected to serve as directors of the Company.

If the Advance Notice Provisions are approved at the Meeting, the Advance Notice Provisions will continue to be effective and in full force and effect in accordance with its terms and conditions beyond the termination of the Meeting. Thereafter, the Advance Notice Provisions will be subject to periodic review by the Board, and will be updated to the extent needed to reflect changes required by securities regulatory agencies or stock exchanges, or so as to meet industry standards.

If the Advance Notice Provisions are not approved at the Meeting, the Advance Notice Provisions will terminate and be of no further force or effect from and after the termination of the Meeting.

At the Meeting, the shareholders will be asked to approve the following by ordinary resolution (the "**Advance Notice Provisions Resolution**"):

"BE IT RESOLVED, as an ordinary resolution, that:

1. the Advance Notice Provisions (the "**Advance Notice Provisions**") adopted by the Company effective August 9, 2013, attached as Schedule "B" to the Information Circular of the Company dated December 23, 2013 be ratified, confirmed is hereby approved;



2. the Articles of the Company be altered by adding the text substantially as set forth in Schedule “B” to the Information Circular of the Company dated December 23, 2013 to the Articles of the Company;
3. the board of directors (the “**Board**”) of the Company be authorized in its absolute discretion to administer the Advance Notice Provisions and amend or modify the Advance Notice Provisions in accordance with its terms and conditions to the extent needed to reflect changes required by securities regulatory agencies or stock exchanges, so as to meet industry standards;
4. the Board reserves the right to abandon the Advance Notice Provisions should they deem it appropriate and in the best interests of the Company to do so;
5. the Company be authorized to revoke this resolution and abandon or terminate the alteration of the Articles of the Company if the Board deems it appropriate and in the best interests of the Company to do so without further confirmation, ratification or approval of its shareholders; and
6. any director or officer of the Company be authorized and directed to do all acts and things and to execute and deliver all documents required which, in the opinion of such director or officer, may be necessary or appropriate in order to give effect to these resolutions.”

In order to be effective, the foregoing ordinary resolution must be approved by a simple majority of the votes cast by those shareholders of the Company who, being entitled to do so, vote in person or by proxy at the Meeting in respect of such resolution.

**It is the intention of the persons named in the accompanying Proxy, if not expressly directed to the contrary in such Proxy, to vote such Proxies FOR the Advance Notice Provisions Resolution.**

The Board reserves the right to abandon the Advance Notice Provisions Resolution should it deem it appropriate and in the best interests of the Company to do so.

**Approval of Re-Pricing of Previously Granted Stock Options**

At the meeting the Shareholders will be asked to consider, and, if deemed advisable, to approve, with or without amendment, an Ordinary Resolution amending the exercise price of 1,290,000 currently issued and outstanding stock options to an exercise price per Common Share equal to the greater of: (i) the Discounted Market Price at the time of the amendment, as defined in TSXV Policy 1.1; and (ii) \$0.05.

All of these options were granted to officers, directors and consultants on July 9, 2012.

The goal of this process is to create an effective incentive for those officers, directors and consultants in respect of the future performance of the Company's share price, given the current market conditions and market price of the Company's Common Shares.

Name of Insider	Number of securities underlying unexercised options (#)	Original Option exercise price (\$)	Option expiration date
William Rascan	600,000	\$0.15	July 9, 2017
Joseph Meagher	160,000	\$0.15	July 9, 2017
Keith Anderson	160,000	\$0.15	July 9, 2017
Steven Feldman	160,000	\$0.15	July 9, 2017
Previously granted options to consultants not	160,000	\$0.15	July 9, 2017

deemed to be insiders	50,000	\$0.15	July 9, 2017
<b>Total</b>	<b>1,290,000</b>		

The resolution approving the re-pricing of the stock options requires confirmation by a majority of the votes cast by disinterested shareholders at the Meeting (as determined pursuant to TSXV Policy 4.4).

**It is the intention of the persons named in the accompanying Proxy, if not expressly directed to the contrary in such Proxy, to vote such proxies FOR the ordinary resolution authorizing the approval of the re-pricing of previously granted stock options.**

The Directors of the Company believe the passing of the foregoing ordinary resolution is in the best interests of the Company and recommend that shareholders of the Company 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 re-pricing of previously granted stock options.**

#### **OTHER BUSINESS**

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

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is provided in the Company's financial statements and management's discussion and analysis ("**MD&A**") for the most recently completed financial year.

The Company will provide to any securityholder upon request, copies of the Company's financial statements and MD&A for the most recently completed financial year. Please direct your request to the Company at 1656 Scarborough Crescent, Port Coquitlam, British Columbia, V3C 2R1.

The contents of this Circular and the sending thereof to the Shareholders of the Company have been approved by the Board of Directors.

DATED at Port Coquitlam, British Columbia, this 23<sup>rd</sup> day of December, 2013

#### **ON BEHALF OF THE BOARD**

*"William Rascan"*  
President

**SCHEDULE “A”  
AUDIT COMMITTEE CHARTER**

**1.0 Purpose of the Committee**

1.1 The purpose of the Audit Committee is to assist the Board in its oversight of the integrity of the Company’s financial statements and other relevant public disclosures, the Company’s compliance with legal and regulatory requirements relating to financial reporting, the external auditors’ qualifications and independence and the performance of the internal audit function and the external auditors.

**2.0 Members of the Audit Committee**

2.1 At least one Member must be “financially literate” as defined under MI 52-110, having sufficient accounting or related financial management expertise to read and understand a set of financial statements, including the related notes, that present a breadth and level of complexity of the 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.

2.2 The Audit Committee shall consist of no less than three Directors.

2.3 At least one Member of the Audit Committee shall be “independent” as defined under MI 52-110, while the Company is in the developmental stage of its business.

**3.0 Relationship with External Auditors**

3.1 The external auditors are the independent representatives of the shareholders, but the external auditors are also accountable to the Board of Directors and the Audit Committee.

3.2 The external auditors must be able to complete their audit procedures and reviews with professional independence, free from any undue interference from the management or directors.

3.3 The Audit Committee must direct and ensure that the management fully co-operates with the external auditors in the course of carrying out their professional duties.

3.4 The Audit Committee will have direct communications access at all times with the external auditors.

**4.0 Non-Audit Services**

4.1 The external auditors are prohibited from providing any non-audit services to the Company, without the express written consent of the Audit Committee. In determining whether the external auditors will be granted permission to provide non-audit services to the Company, the Audit Committee must consider that the benefits to the Company from the provision of such services, outweighs the risk of any compromise to or loss of the independence of the external auditors in carrying out their auditing mandate.

4.2 Notwithstanding section 4.1, the external auditors are prohibited at all times from carrying out any of the following services, while they are appointed the external auditors of the Company:

- (i) acting as an agent of the Company for the sale of all or substantially all of the undertaking of the Company; and
- (ii) performing any non-audit consulting work for any director or senior officer of the Company in their personal capacity, but not as a director, officer or insider of any other entity not associated or related to the Company.

**5.0 Appointment of Auditors**

5.1 The external auditors will be appointed each year by the shareholders of the Company at the annual general meeting of the shareholders.

5.2 The Audit Committee will nominate the external auditors for appointment, such nomination to be approved by the Board of Directors.

## **6.0 Evaluation of Auditors**

6.1 The Audit Committee will review the performance of the external auditors on at least an annual basis, and notify the Board and the external auditors in writing of any concerns in regards to the performance of the external auditors, or the accounting or auditing methods, procedures, standards, or principles applied by the external auditors, or any other accounting or auditing issues which come to the attention of the Audit Committee.

## **7.0 Remuneration of the Auditors**

7.1 The remuneration of the external auditors will be determined by the Board of Directors, upon the annual authorization of the shareholders at each general meeting of the shareholders.

7.2 The remuneration of the external auditors will be determined based on the time required to complete the audit and preparation of the audited financial statements, and the difficulty of the audit and performance of the standard auditing procedures under generally accepted auditing standards and generally accepted accounting principles of Canada.

## **8.0 Termination of the Auditors**

8.1 The Audit Committee has the power to terminate the services of the external auditors, with or without the approval of the Board of Directors, acting reasonably.

## **9.0 Funding of Auditing and Consulting Services**

9.1 Auditing expenses will be funded by the Company. The auditors must not perform any other consulting services for the Company, which could impair or interfere with their role as the independent auditors of the Company.

## **10.0 Role and Responsibilities of the Internal Auditor**

10.1 At this time, due to the Company's size and limited financial resources, the Chief Financial Officer of the Company shall be responsible for implementing internal controls and performing the role as the internal auditor to ensure that such controls are adequate.

## **11.0 Oversight of Internal Controls**

11.1 The Audit Committee will have the oversight responsibility for ensuring that the internal controls are implemented and monitored, and that such internal controls are effective.

## **12.0 Continuous Disclosure Requirements**

12.1 At this time, due to the Company's size and limited financial resources, the Chief Financial Officer of the Company is responsible for ensuring that the Company's continuous reporting requirements are met and in compliance with applicable regulatory requirements.

## **13.0 Other Auditing Matters**

13.1 The Audit Committee may meet with the external auditors independently of the management of the Company at any time, acting reasonably.

13.2 The Auditors are authorized and directed to respond to all enquiries from the Audit Committee in a thorough and timely fashion, without reporting these enquiries or actions to the Board of Directors or the management of the Company.

**14.0 Annual Review**

14.1 The Audit Committee Charter will be reviewed annually by the Board of Directors and the Audit Committee to assess the adequacy of this Charter.

**15.0 Independent Advisers**

15.1 The Audit Committee shall have the power to retain legal, accounting or other advisors to assist the Committee.

**SCHEDULE “B”**

**WESTSTAR RESOURCES CORP.**

(the “**Company**”)

Advance Notice Policy for Nomination of Directors.

- (1) Subject only to the *Business Corporations Act* (British Columbia) and the Company’s Articles, only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company. Nominations of persons for election to the board of directors at any annual meeting of shareholders, or at any special meeting of shareholders called for the purpose of electing directors as set forth in the Company’s notice of such special meeting, may be made (i) by or at the direction of the board of directors, including pursuant to a notice of meeting, (ii) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the *Business Corporations Act* (British Columbia), or a requisition of the shareholders made in accordance with the provisions of the *Business Corporations Act* (British Columbia) or, (iii) by any shareholder of the Company (a “**Nominating Shareholder**”) (x) who, at the close of business on the date of the giving of the notice provided for below in this Policy and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting, and (y) who complies with the notice procedures set forth in this Policy.
  - (a) In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, such person must have given timely notice thereof in proper written form to the secretary at the principal executive offices of the Company in accordance with this Policy.
  - (b) To be timely, a Nominating Shareholder’s notice must be received by the secretary of the Company (i) in the case of an annual meeting, not less than 30 days or more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made (the “**Meeting Notice Date**”), the Nominating Shareholder’s notice must be so received not later than the close of business on the 10th day following the Meeting Notice Date; and (ii) in the case of a special meeting of shareholders (which is not also an annual meeting) called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the 15th day following the day on which public announcement of the date of the special meeting is first made. In no event shall the public announcement of an adjournment of an annual meeting or special meeting commence a new time period for the giving of a Nominating Shareholder’s notice as described in this Policy.
  - (c) To be in proper written form, a Nominating Shareholder’s notice must set forth: (i) as to each person whom the Nominating Shareholder proposes to nominate for election as a director (A) the name, age, business address and residence address of the person, (B) the principal occupation or employment of the person, (C) the class or series and number of shares of the Company that are owned beneficially or of record by the person and (D) any other information relating to the person that would be required to be disclosed in a dissident’s proxy circular in connection with solicitations of proxies for election of directors pursuant to the *Business Corporations Act* (British Columbia) and Applicable Securities Laws; and (ii) as to the Nominating Shareholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Company and any other information relating to such Nominating Shareholder that would be required to be made in a dissident’s proxy circular in connection with solicitations of proxies for election of directors pursuant to the *Business Corporations Act* (British Columbia) and Applicable Securities Laws. The Company may require any proposed nominee to furnish such other information as may reasonably be required by the Company to determine the eligibility of such proposed nominee to serve as an independent director of the Company or that could be material to a reasonable shareholder’s

understanding of the independence, or lack thereof, of such proposed nominee. The Nominating Shareholder's notice must be accompanied by a written consent of each proposed nominee to being named as a nominee and to serve as a director if elected.

- (d) No person shall be eligible for election as a director of the Company unless nominated in accordance with the procedures set forth in this Policy; provided, however, that nothing in this Policy shall be deemed to preclude a shareholder from discussing (as distinct from nominating directors) at a meeting of shareholders any matter in respect of which the shareholder would have been entitled to submit a proposal pursuant to the provisions of the *Business Corporations Act* (British Columbia). The chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.
- (e) For purposes of this Policy, (i) “**public announcement**” shall mean disclosure in a press release disseminated by a nationally recognized news service in Canada, or in a document publicly filed by the Company under its profile on the System of Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com); and (ii) “**Applicable Securities Laws**” means the applicable securities legislation in each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada.
- (f) Notice given to the secretary of the Company pursuant to this Policy may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the secretary of the Company for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address aforesaid) or sent by facsimile transmission (provided the receipt of confirmation of such transmission has been received) to the secretary at the address of the principal executive offices of the Company; provided that if such delivery or electronic communication is made on a day which is not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been on the subsequent day that is a business day.
- (g) Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement in this Policy.