

## MAINSTREAM MINERALS CORPORATION

Suite 400, 365 Bay Street  
Toronto, Ontario M5H 2V1

### NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN** that an annual and special meeting (the "**Meeting**") of the shareholders of **Mainstream Minerals Corporation** (the "**Company**") will be held on **Tuesday, September 25, 2018**, at the hour of 4:00 p.m. (Eastern time), at the office of Irwin Lowy LLP at Suite 400, 365 Bay Street, Toronto, Ontario M5H 2V1, for the following purposes:

1. to receive and consider the audited consolidated financial statements of the Company for the years ended November 30, 2013, 2014, 2015, 2016 and 2017 and the respective report of the auditors thereon;
2. to elect the directors of the Company;
3. to appoint the auditors of the Company and to authorize the directors to fix their remuneration;
4. to consider and, if deemed advisable, pass, with or without variation, a special resolution to amend the articles of incorporation of the Company to empower the directors of the Company, by resolution of the directors, to determine the number of directors within the minimum and maximum number set out in the articles of incorporation of the Company;
5. to consider and, if deemed advisable, pass, with or without variation, a special resolution to amend the articles of incorporation of the Company to consolidate each of the issued and outstanding common shares of the Company by changing a maximum of 50 pre-consolidation common shares of the Company, or such lesser number of pre-consolidation common shares as the directors of the Company in their discretion may determine, into one post-consolidation common share of the Company, as more fully described in the accompanying management information circular dated August 23<sup>rd</sup>, 2018 of the Company;
6. to consider and, if deemed advisable, pass, with or without variation, a special resolution to amend the articles of amalgamation of the Company to change the name of the Company to such name as the directors of the Company, in their sole discretion, may determine and as may be acceptable to the Director appointed under the *Canada Business Corporations Act*; and
7. to transact such other business as may properly come before the Meeting or any adjournments or postponements thereof.

The full text of each of the special resolutions referred to in items 4, 5 and 6 above are attached to this notice of the Meeting as exhibits A, B and C, respectively.

A shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must deposit his, her or its duly executed form of proxy with the Company's transfer agent and registrar, Computershare Investor Services Inc., Attention: Proxy Department, 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1 not later than 4:00 p.m. (Eastern time) on Friday, September 21, 2018 or, if the Meeting is adjourned, not later than 48 hours, excluding Saturdays, Sundays and holidays, preceding the time of such adjourned meeting.

Shareholders who are unable to attend the Meeting in person, are requested to date, complete, sign and return the enclosed form of proxy so that as large a representation as possible may be had at the Meeting.

The board of directors of the Company has by resolution fixed the close of business on Tuesday, August 21, 2018 as the record date, being the date for the determination of the registered holders of common shares of the Company entitled to receive notice of, and to vote at, the Meeting and any adjournment thereof.

The accompanying management information circular provides additional detailed information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this notice of annual and special meeting. Additional information about the Company and its financial statements are also available on the Company's profile at [www.sedar.com](http://www.sedar.com).

**DATED** this 23<sup>rd</sup> day of August, 2018.

**BY ORDER OF THE BOARD**

*"Lisa McCormack" (signed)*

President, Chief Executive Officer, Secretary and Director

**EXHIBIT A**

**SPECIAL RESOLUTION OF THE SHAREHOLDERS**

**OF**

**MAINSTREAM MINERALS CORPORATION**

**AMENDMENT TO ARTICLES OF INCORPORATION – NUMBER OF DIRECTORS**

**"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:**

1. the articles of incorporation of the Company be amended to empower the directors of the Company, by resolution of the directors, to determine, from time to time, the number of directors of the Company and the number of directors to be elected at meetings of the shareholders of the Company subsequent to September 25, 2018, within the minimum and maximum number of directors of the Company provided for in the articles of incorporation of the Company; and
2. any director or officer of the Company be and he or she is hereby authorized and directed, for and on behalf of the Company, to execute and deliver all such documents and to do all such other acts or things as he or she may determine to be necessary or advisable to give effect to this resolution, including, without limitation, the execution and delivery of the articles of amendment in the prescribed form to the Director appointed under the *Canada Business Corporations Act*, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination."

**EXHIBIT B**  
**SPECIAL RESOLUTION OF THE SHAREHOLDERS**  
**OF**  
**MAINSTREAM MINERALS CORPORATION**  
**AMENDMENT TO ARTICLES OF INCORPORATION – CONSOLIDATION**

**"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:**

1. the articles of incorporation of the Company be amended to consolidate each of the issued and outstanding common shares of the Company by changing a maximum of 50 pre-consolidation common shares of the Company, or such lesser number of pre-consolidation common shares as the directors of the Company in their discretion may determine, into one post-consolidation common share of the Company (the "**Consolidation**"), and further authorizing the directors in their sole discretion when and if to effect the Consolidation, in each case without requirement for further approval, ratification or confirmation by shareholders, as more particularly described in the management information circular dated August 23<sup>rd</sup>, 2018 of the Company, provided that in the event the Consolidation would result in a shareholder of the Company holding a fraction of a common share, a shareholder shall not receive a whole common share of the Company for each such fraction;
2. notwithstanding that this resolution has been duly passed by the shareholders of the Company, the directors of the Company be, and they are hereby authorized and empowered to revoke this resolution at any time prior to the issue of a certificate of amendment giving effect to the Consolidation and to determine not to proceed with the amendment of the articles of incorporation of the Company without further approval of the shareholders of the Company; and
3. any director or officer of the Company be and he or she is hereby authorized and directed, for and on behalf of the Company, to execute and deliver all such documents and to do all such other acts or things as he or she may determine to be necessary or advisable to give effect to this resolution, including, without limitation, the execution and delivery of the articles of amendment in the prescribed form to the Director appointed under the *Canada Business Corporations Act*, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination."

**EXHIBIT C**  
**SPECIAL RESOLUTION OF THE SHAREHOLDERS**  
**OF**  
**MAINSTREAM MINERALS CORPORATION**  
**AMENDMENT TO ARTICLES OF INCORPORATION – NAME CHANGE**

**"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:**

1. the articles of amalgamation of the Company be amended to change the name of the Company to such name as the directors of the Company, in their sole discretion, may determine and as may be acceptable to the Director appointed under the *Canada Business Corporations Act* (the "**Name Change**");
2. notwithstanding that this resolution has been duly passed by the shareholders of the Company, the directors of the Company be, and they are hereby authorized and empowered to revoke this resolution at any time prior to the issue of a certificate of amendment giving effect to the Name Change and to determine not to proceed with the amendment of the articles of incorporation of the Company without further approval of the shareholders of the Company; and
3. any director or officer of the Company be and he or she is hereby authorized and directed, for and on behalf of the Company, to execute and deliver all such documents and to do all such other acts or things as he or she may determine to be necessary or advisable to give effect to this resolution, including, without limitation, the execution and delivery of the articles of amendment in the prescribed form to the Director appointed under the *Canada Business Corporations Act*, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination."

# MAINSTREAM MINERALS CORPORATION

Suite 400, 365 Bay Street  
Toronto, Ontario M5H 2V1

## MANAGEMENT INFORMATION CIRCULAR

As at August 23<sup>rd</sup>, 2018

### SOLICITATION OF PROXIES

THIS MANAGEMENT INFORMATION CIRCULAR ("CIRCULAR") IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY MANAGEMENT OF MAINSTREAM MINERALS CORPORATION (the "**Company**") of proxies to be used at the annual and special meeting of shareholders of the Company to be held on Tuesday, September 25, 2018 at the office of Irwin Lowy LLP, Suite 400, 365 Bay Street, Toronto, Ontario M5H 2V1 at the hour of 4:00 p.m. (Eastern time), and at any adjournment or postponement thereof (the "**Meeting**") for the purposes set out in the enclosed notice of meeting (the "**Notice**"). Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or other proxy solicitation services. In accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), arrangements have been made with brokerage houses and clearing agencies, custodians, nominees, fiduciaries or other intermediaries to send the Company's proxy solicitation materials (the "**Meeting Materials**") to the beneficial owners of the common shares of the Company (the "**Common Shares**") held of record by such parties. The Company may reimburse such parties for reasonable fees and disbursements incurred by them in doing so. The costs of the solicitation of proxies will be borne by the Company. The Company may also retain, and pay a fee to, one or more professional proxy solicitation firms to solicit proxies from the shareholders of the Company in favour of the matters set forth in the Notice.

### APPOINTMENT AND REVOCATION OF PROXIES

A holder of Common Shares who appears on the records maintained by the Company's registrar and transfer agent as a registered holder of Common Shares (each a "**Registered Shareholder**") may vote in person at the Meeting or may appoint another person to represent such Registered Shareholder as proxy and to vote the Common Shares of such Registered Shareholder at the Meeting. In order to appoint another person as proxy, a Registered Shareholder must complete, execute and deliver the form of proxy accompanying this Circular, or another proper form of proxy, in the manner specified in the Notice.

The purpose of a form of proxy is to designate persons who will vote on the shareholder's behalf in accordance with the instructions given by the shareholder in the form of proxy. The persons named in the enclosed form of proxy are officers or directors of the Company. **A REGISTERED SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON, WHO NEED NOT BE A SHAREHOLDER OF THE COMPANY, TO REPRESENT HIM OR HER AT THE MEETING MAY DO SO BY FILLING IN THE NAME OF SUCH PERSON IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER PROPER FORM OF PROXY.** A Registered Shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must, in all cases, deposit the completed form of proxy with the Company's transfer agent and registrar, Computershare Investor Services Inc. (the "**Transfer Agent**"), not later than 4:00 p.m. (Eastern time) on Friday, September 21, 2018 or, if the Meeting is adjourned, not later than 48 hours, excluding Saturdays, Sundays and holidays, preceding the time of such adjourned Meeting at which the form of proxy is to be used. A form of proxy should be executed by the Registered Shareholder or his or her attorney duly authorized in writing or, if the Registered Shareholder is a corporation, by an officer or attorney thereof duly authorized.

Proxies may be deposited with the Transfer Agent using one of the following methods:

<b>By Mail or Hand Delivery:</b>	Computershare Investor Services Inc. 8 <sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1
<b>Telephone:</b>	1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America)  You will need to provide your 15 digit control number (located on the form of proxy accompanying this Circular)
<b>Smartphone:</b>	Scan the QR code (located on the form of proxy accompanying this Circular)
<b>By Internet:</b>	<a href="http://www.investorvote.com">www.investorvote.com</a>  You will need to provide your 15 digit control number (located on the form of proxy accompanying this Circular)

A Registered Shareholder attending the Meeting has the right to vote in person and, if he or she does so, his or her form of proxy is nullified with respect to the matters such person votes upon at the Meeting and any subsequent matters thereafter to be voted upon at the Meeting or any adjournment thereof.

A Registered Shareholder who has given a form of proxy may revoke the form of proxy at any time prior to using it by: (a) depositing an instrument in writing, including another completed form of proxy, executed by such Registered Shareholder or by his or her attorney authorized in writing or, if the Registered Shareholder is a corporation, by an authorized officer or attorney thereof, to (i) the registered office of the Company, located at Suite 400, 365 Bay Street, Toronto, Ontario M5H 4H1, at any time prior to 5:00 p.m. (Eastern time) on the last business day preceding the day of the Meeting or any adjournment thereof or (ii) with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof; or (b) any other manner permitted by law.

### EXERCISE OF DISCRETION BY PROXIES

The Common Shares represented by proxies in favour of management nominees will be voted or withheld from voting in accordance with the instructions of the Registered Shareholder on any ballot that may be called for and, if a Registered Shareholder specifies a choice with respect to any matter to be acted upon at the meeting, the Common Shares represented by the proxy shall be voted accordingly. Where no choice is specified, the proxy will confer discretionary authority and will be voted for the election of directors, for the appointment of auditors and the authorization of the directors to fix their remuneration and for each item of special business, as stated elsewhere in this Circular.

The enclosed form of proxy also confers discretionary authority upon the persons named therein to vote with respect to any amendments or variations to the matters identified in the Notice and with respect to other matters which may properly come before the Meeting in such manner as such nominee in his judgment may determine. At the time of printing this Circular, the management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

### ADVICE TO NON-REGISTERED SHAREHOLDERS

**The information set forth in this section is of significant importance to many shareholders of the Company, as a substantial number of shareholders of the Company do not hold Common Shares in their own name.** Only Registered Shareholders or the persons they appoint as their proxies are permitted to attend and vote at the Meeting and only forms of proxy deposited by Registered Shareholders will be recognized and acted upon at the Meeting. Common Shares beneficially owned by a beneficial holder of Common Shares who does not appear on the records maintained by the Corporation's registrar and transfer agent as a registered holder of Common Shares (each a "**Non-Registered Holder**") are registered either: (i) in the name of an intermediary (an "**Intermediary**") with whom the Non-Registered Holder deals in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs

and similar plans); or (ii) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.) (each a "**Clearing Agency**") of which the Intermediary is a participant. Accordingly, such Intermediaries and Clearing Agencies would be the Registered Shareholders and would appear as such on the list maintained by the Transfer Agent. Non-Registered Holders do not appear on the list of the Registered Shareholders maintained by the Transfer Agent.

#### ***Distribution of Meeting Materials to Non-Registered Holders***

In accordance with the requirements of NI 54-101, the Company has distributed copies of the Meeting Materials to the Clearing Agencies and Intermediaries for onward distribution to Non-Registered Holders as well as directly to NOBOs (as defined below).

Non-Registered Holders fall into two categories - those who object to their identity being known to the issuers of securities which they own ("**OBOs**") and those who do not object to their identity being made known to the issuers of the securities which they own ("**NOBOs**"). Subject to the provisions of NI 54-101, issuers may request and obtain a list of their NOBOs from Intermediaries directly or via their transfer agent and may obtain and use the NOBO list for the distribution of proxy-related materials to such NOBOs. If you are a NOBO and the Company or its agent has sent the Meeting Materials directly to you, your name, address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding the Common Shares on your behalf.

The Company's OBOs can expect to be contacted by their Intermediary. The Company does not intend to pay for Intermediaries to deliver the Meeting Materials to OBOs and it is the responsibility of such Intermediaries to ensure delivery of the Meeting Materials to their OBOs.

#### ***Voting by Non-Registered Holders***

The Common Shares held by Non-Registered Holders can only be voted or withheld from voting at the direction of the Non-Registered Holder. Without specific instructions, Intermediaries or Clearing Agencies are prohibited from voting Common Shares on behalf of Non-Registered Holders. Therefore, each Non-Registered Holder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

The various Intermediaries have their own mailing procedures and provide their own return instructions to Non-Registered Holders, which should be carefully followed by Non-Registered Holders in order to ensure that their Common Shares are voted at the Meeting.

Non-Registered Holders will receive either a voting instruction form or, less frequently, a form of proxy. The purpose of these forms is to permit Non-Registered Holders to direct the voting of the Common Shares they beneficially own. Non-Registered Holders should follow the procedures set out below, depending on which type of form they receive.

**Voting Instruction Form.** In most cases, a Non-Registered Holder will receive, as part of the Meeting Materials, a voting instruction form (a "**VIF**"). If the Non-Registered Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Non-Registered Holder's behalf), the VIF must be completed, signed and returned in accordance with the directions on the form.

or,

**Form of Proxy.** Less frequently, a Non-Registered Holder will receive, as part of the Meeting Materials, a form of proxy that has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. If the Non-Registered Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Non-Registered Holder's behalf), the Non-Registered Holder must complete and sign the form of proxy and in accordance with the directions on the form.

#### ***Voting by Non-Registered Holders at the Meeting***



Although a Non-Registered Holder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of an Intermediary or a Clearing Agency, a Non-Registered Holder may attend the Meeting as proxyholder for the Registered Shareholder who holds Common Shares beneficially owned by such Non-Registered Holder and vote such Common Shares as a proxyholder. A Non-Registered Holder who wishes to attend the Meeting and to vote their Common Shares as proxyholder for the Registered Shareholder who holds Common Shares beneficially owned by such Non-Registered Holder, should (a) if they received a VIF, follow the directions indicated on the VIF; or (b) if they received a form of proxy strike out the names of the persons named in the form of proxy and insert the Non-Registered Holder's or its nominee's name in the blank space provided. Non-Registered Holders should carefully follow the instructions of their Intermediaries, including those instructions regarding when and where the VIF or the form of proxy is to be delivered.

All references to shareholders in the Meeting Materials are to Registered Shareholders as set forth on the list of registered shareholders of the Company as maintained by the Transfer Agent, unless specifically stated otherwise.

## **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The authorized share capital of the Company consists of an unlimited number of Common Shares without par value. As of Tuesday, August 21, 2018 (the "**Record Date**"), there were a total of 67, 102,130 Common Shares issued and outstanding. Each Common Share outstanding on the Record Date carries the right to one vote at the Meeting.

Only Registered Shareholders as of the Record Date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting. On a show of hands, every Registered Shareholder and proxy holder will have one vote and, on a poll, every Registered Shareholder present in person or represented by proxy will have one vote for each Common Share held.

To the knowledge of the Company's directors and executive officers, as of the date hereof, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attached to the outstanding Common Shares.

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

Except as set out under the heading "*Particulars of Matters to be Acted Upon*" below, no person who has been a director or an officer of the Company at any time since the beginning of its last completed financial year or any associate of any such director or officer has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the meeting, except as disclosed in this Circular.

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

To the knowledge of the board of directors of the Company (the "**Board**"), the only matters to be brought before the Meeting are those matters set forth in the accompanying Notice.

### **1. RECEIPT OF FINANCIAL STATEMENTS**

The audited consolidated financial statements of the Company for the years ended November 30, 2013, 2014, 2015, 2016 and 2017 and the respective report of the auditors thereon will be placed before the shareholders at the Meeting. No vote will be taken on the financial statements. The financial statements and additional information concerning the Company are available under the Company's profile at [www.sedar.com](http://www.sedar.com).

### **2. ELECTION OF DIRECTORS**

The board currently consists of three directors. It is proposed that at the Meeting four directors be elected. The following table states the names of the persons nominated by management for election as directors, any offices with the Company currently held by them, their principal occupations or employment, the period or periods of service as directors of the Company and the approximate number of voting securities of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised as of the date hereof.

Name, province or state and country of residence and position, if any, held in the Company	Principal Occupation	Served as Director of the Company since	Number of Common Shares beneficially owned, directly or indirectly, or controlled or directed at present <sup>(1)</sup>	Percentage of Voting Shares Owned or Controlled
Lisa McCormack <sup>(2)</sup> Ontario, Canada  President, Chief Executive Officer, Secretary and Director	Corporate Securities Law Clerk, Irwin Lowy LLP	April 7, 2018	nil	n/a
Arvin Ramos <sup>(2)</sup> Ontario, Canada  Chief Financial Officer and Director	Self-employed, Chartered Professional Accountant	June 4, 2018	nil	n/a
Kelly Malcolm <sup>(2)</sup> Ontario Canada  Director	President and Chief Executive Officer of Generic Gold Corp	June 4, 2018	nil	n/a
James Fairbairn Ontario, Canada  Director	Self-employed, Chartered Professional Accountant	Proposed Nominee	nil	n/a

*Notes:*

- (1) *The information as to voting securities beneficially owned, controlled or directed, not being within the knowledge of the Company, has been furnished by the respective nominees individually.*
- (2) *Member of the Audit Committee.*
- (3) *The principal occupations during the past five years of each of the directors of the Company, each of whom were not elected to their present term of office by the shareholders of the Company, and of the proposed director nominee are as set out below.*

**Lisa McCormack, Director:** Ms. McCormack has been a Corporate Securities Law Clerk with Irwin Lowy LLP from August 2006 to December 2010 and from September 20, 2013 to present. Ms. McCormack was also Corporate Secretary of Barkerville Gold Mines Ltd. from April 2015 to August 2017. Prior thereto Ms. McCormack served as Corporate Secretary of Kerr Mines Inc. from December 2013 to July 2016, Vice-President, Legal of Northern Gold Mining Inc. from October 2012 to June 2013, Corporate Secretary of Trelawney Mining and Exploration Inc. from January 2011 to June 2012. Ms. McCormack has also serves as a director and/or officer of several reporting issuer and publicly listed companies.

**Arvin Ramos, Director:** Mr. Ramos is a self-employed Chartered Accountant and has served as an officer and/or director of several private and public corporations over the last 15 years. Currently he serves as chief financial officer of several junior mining companies. Mr. Ramos holds a degree in commerce and is a member of the Chartered Professional Accountants of Ontario. Mr. Ramos has over 15 years of business experience, having supported a broad range of industries, including mining, technology and banking.

**Kelly Malcolm, Director:** Mr. Malcolm is a professional geologist who specializes in the integration and interpretation of geological, geochemical and geophysical data to guide exploration and development activities. Since June 2017 he has been the president and chief executive officer of Generic Gold Corp., a mineral exploration company listed on the Canadian Securities Exchange. Prior to his current role, Mr. Malcolm was employed from March 2014 to June 2017 at Detour Gold Corporation as exploration geologist where he was involved in the discovery and delineation of the 58N gold deposit. Prior thereto, Mr. Malcolm has worked in the mineral exploration industry as a geologist or advisor for several junior explorers and mid-tier producers. Mr. Malcolm acts as a consultant to several boutique Toronto-based finance firms. He holds a Bachelor of Science Honours degree in geology and a Bachelor of Arts degree in economics, both from Laurentian University.

**James Fairbairn, Proposed Director Nominee:** Mr. Fairbairn is a finance professional with over 25 years of experience in corporate governance, leadership, mergers and acquisitions, corporate finance and financial and

management reporting. Mr. Fairbairn is a Chartered Accountant who brings strong financial skills and who has served as a senior officer and/or a director in both public and privately held companies. He has served as a senior officer and/or director and Chairman of the audit committees of a number of public and private companies.

The term of office of each director will be from the date of the annual meeting of the shareholders of the Company at which he is elected until the next annual meeting of the shareholders of the Company, or until his successor is elected or appointed.

**PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE ELECTION OF THE ABOVE-NAMED NOMINEES, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF. Management has no reason to believe that any of the nominees will be unable to serve as a director but, IF A NOMINEE IS FOR ANY REASON UNAVAILABLE TO SERVE AS A DIRECTOR, PROXIES IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE REMAINING NOMINEES AND MAY BE VOTED FOR A SUBSTITUTE NOMINEE UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF THE ELECTION OF DIRECTORS.**

#### ***Corporate Cease Trade Orders or Bankruptcies***

Other than as set forth below, no proposed director, within 10 years before the date of this Circular, has been a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (collectively an "**Order**") and that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No proposed director, within 10 years before the date of this Circular, has been a director or executive officer of any company that, while the proposed director was acting in that capacity, or within a year of the proposed director 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.

#### ***Personal Bankruptcies***

None of the directors of the Company have, 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, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

#### ***Penalties and Sanctions***

None of the directors of the Company have been subject to 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 been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

### **3. APPOINTMENT OF AUDITORS**

Management proposes to nominate Jones & O'Connell LLP, Chartered Accountants ("**Jones**"), as auditor of the Company to hold office until the next annual meeting of shareholders and to authorize the directors of the Company to fix the remuneration of the auditor.

Jones was appointed as auditor of the Company effective May 1, 2018, following the resignation of Magnus Chartered Accountants LLP, Chartered Accountants, ("**Magnus**"), the former auditor of the Company. Magnus was first appointed as the auditor of the Company in November 2007.

In accordance with National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**"), a copy of the complete reporting package, including the Company's Notice of Change of Auditor, together with response letters from Magnus and Jones, was filed on SEDAR and is also attached as appendix "B" to this Circular. There were no "reportable events" within the meaning of NI 51-102.

**PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE APPOINTMENT OF JONES & O'CONNELL LLP, CHARTERED ACCOUNTANTS, AS AUDITORS OF THE COMPANY TO HOLD OFFICE UNTIL THE NEXT ANNUAL MEETING OF SHAREHOLDERS AND THE AUTHORIZATION OF THE DIRECTORS TO FIX THEIR REMUNERATION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF.**

#### **4. AMENDMENT TO THE ARTICLES OF THE COMPANY – NUMBER OF DIRECTORS**

The articles of incorporation of the Company provide that the minimum number of directors of the Company be one and the maximum number of directors of the Company be 10, however, the articles of incorporation of the Company do not allow the directors sufficient flexibility in increasing the number of directors between shareholder meetings. At the Meeting, shareholders are being asked to consider and, if deemed advisable, pass, with or without variation, a special resolution, the text of which is attached as exhibit A to the Notice of Meeting (the "**Number of Directors Resolution**"), to amend the articles of incorporation of the Company (the "**Number of Directors Amendment**") to empower the directors of the Company, by resolution of the directors, to determine, from time to time, the number of directors of the Company and the number of directors to be elected at meetings of the shareholders of the Company subsequent to the Meeting, within the minimum and maximum number of directors of the Company provided for in the articles of incorporation of the Company

Empowering the directors to determine the number of directors within the minimum and maximum range between shareholder meetings will permit management of the Company to offer seats on the Board to qualified and interested individuals without the delay and expense of seeking shareholder approval to an increase in the size of the Board or alternatively without requesting an incumbent director to resign in order to create a vacancy.

In order to pass the Number of Directors Resolution, at least two-thirds of the votes cast by the shareholders present at the Meeting in person or by proxy must be voted in favour of the Number of Directors Resolution. If the Number of Directors Resolution does not receive the requisite shareholder approval, the Company will not amend its articles of incorporation to give effect to the Number of Directors Amendment.

The Board recommends that shareholders vote in favour of the Number of Directors Resolution to approve the Number of Directors Amendment as set out above.

**PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE NUMBER OF DIRECTORS RESOLUTION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.**

#### **5. AMENDMENT TO THE ARTICLES OF THE COMPANY – CONSOLIDATION**

At the Meeting, shareholders are being asked to consider and, if deemed advisable, pass, with or without variation, a special resolution, the text of which is attached as exhibit B to the Notice of Meeting (the "**Consolidation Resolution**"), which would authorize the Company to amend the articles of incorporation of the Company to

consolidate each of the issued and outstanding Common Shares by changing a maximum of 50 pre-consolidation Common Shares, or such lesser number of pre-consolidation Common Shares as the directors of the Company in their discretion may determine, into one post-consolidation Common Share (the "**Consolidation**"). In the event that shareholders pass the Consolidation Resolution and the Board determines to consolidate on a one for 50 basis, the presently issued and outstanding 67,102,130 Common Shares will be consolidated into approximately 1,342,042 Common Shares. If the Board determines to consolidate the Common Shares on a lesser basis, more Common Shares will remain outstanding following the Consolidation. If the Consolidation would otherwise result in a shareholder holding a fraction of a Common Share, no fraction or fractional certificate will be issued and the shareholder will not receive a whole Common Share for each such fraction held. In all other respects, the post-consolidated Common Shares will have the same attributes as the existing Common Shares.

In order to pass the Consolidation Resolution, at least two-thirds of the votes cast by the shareholders present at the Meeting in person or by proxy must be voted in favour of the Consolidation Resolution. If the Consolidation Resolution does not receive the requisite shareholder approval, the Company will continue with its present share capital.

The Board recommends that shareholders vote in favour of the Consolidation Resolution to approve the Consolidation as set out above.

**PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE CONSOLIDATION RESOLUTION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.**

## **6. AMENDMENT TO THE ARTICLES OF THE COMPANY – NAME CHANGE**

The Company intends to change its name to such name as the Board, in its sole discretion, may determine and as may be acceptable to the Director appointed under the *Canada Business Corporation Act* (the "**Name Change**"). Management feels that the Name Change is in the best interests of the Company in order to reflect contemplated changes in the business activities of the Company.

At the Meeting, shareholders will be asked to consider and, if deemed advisable, to pass, with or without variation, a special resolution, the text of which is attached as exhibit C to the Notice of Meeting (the "**Name Change Resolution**"), authorizing the amendment of the articles of incorporation of the Company to effect the Name Change.

In order to pass the Name Change Resolution, at least two thirds of the votes cast by the shareholders present at the Meeting in person or by proxy must be voted in favour of the Name Change Resolution. If the Name Change Resolution does not receive the requisite shareholder approval, the Company will continue under its present name.

The Board recommends that shareholders vote in favour of the Name Change Resolution to approve the Name Change as set out above.

**PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE NAME CHANGE RESOLUTION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.**

## **STATEMENT OF EXECUTIVE COMPENSATION**

Under applicable securities legislation, the Company is required to disclose certain financial and other information relating to the compensation of the Chief Executive Officer, the Chief Financial Officer and the most highly compensated executive officer of the Company as at November 30, 2017 whose total compensation was more than \$150,000 for the financial year of the Company ended November 30, 2017 (collectively the "**Named Executive Officers**") and for the directors of the Company.

## Summary Compensation Table

The following table provides a summary of compensation paid, directly or indirectly, for each of the two most recently completed financial years to the Named Executive Officers and the directors of the Company:

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES <sup>(1)</sup>							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Lisa McCormack <sup>(2)</sup> President, Chief Executive Officer, Secretary and Director	2017	n/a	n/a	n/a	n/a	n/a	n/a
	2016	n/a	n/a	n/a	n/a	n/a	n/a
Arvin Ramos <sup>(3)</sup> Chief Financial Officer and Director	2017	n/a	n/a	n/a	n/a	n/a	n/a
	2016	n/a	n/a	n/a	n/a	n/a	n/a
David Reid <sup>(2)</sup> Former President, Chief Executive Officer and Director	2017	nil	nil	nil	nil	nil	nil
	2016	nil	nil	nil	nil	nil	nil
Chris Hopkins <sup>(3)</sup> Former Chief Financial Officer	2017	nil	nil	nil	nil	nil	nil
	2016	nil	nil	nil	nil	nil	nil
Kelly Malcolm <sup>(4)</sup> Director	2017	n/a	n/a	n/a	n/a	n/a	n/a
	2016	n/a	n/a	n/a	n/a	n/a	n/a
Greg Gibson <sup>(5)</sup> Former Director	2017	nil	nil	nil	nil	nil	nil
	2016	nil	nil	nil	nil	nil	nil

Notes:

- (1) This table does not include any amount paid as reimbursement for expenses.
- (2) Mr. Reid resigned as President, Chief Executive Officer Chief Financial Officer and a director on April 10, 2018 and Ms. McCormack was appointed in his stead.
- (3) Mr. Hopkins resigned as Chief Financial Officer on June 4, 2018 and Mr. Arvin was appointed in his stead.
- (4) Mr. Malcolm became a director of the Company on June 4, 2018.
- (5) Mr. Gibson resigned as a director of the Company on April 7, 2018.

## Stock Options and Other Compensation Securities

No compensation securities were granted to any Named Executive Officer or any director of the Company during the most recently completed financial year of the Company. There are no stock options issued under the Stock Option Plan (as defined below).

## Stock Option Plan and other Incentive Plans

The Company has in place a stock option plan (the "**Stock Option Plan**") which was last approved by the shareholders of the Company on January 14, 2014.

The Company currently has no long-term incentive plans, other than stock options granted from time to time by the Board under the provisions of the Stock Option Plan. The purpose of the Stock Option Plan is to, among other things, encourage Common Share ownership in the Company by directors, officers, employees and consultants of the Company and its affiliates and other designated persons. Stock options may be granted under the Stock Option Plan only to directors, officers, employees and consultants of the Company and its subsidiaries and other designated persons as designated from time to time by the Board.

The number of Common Shares which may be reserved for issue under the Stock Option Plan is limited to 10% of the issued and outstanding number of Common Shares as at the date of the grant of stock options. As at the date hereof, 6,710,213 stock options may be reserved and are still available for issue pursuant to the Stock Option Plan.

Any Common Shares subject to a stock option which is exercised, or for any reason is cancelled or terminated prior to exercise, will be available for a subsequent grant under the Stock Option Plan. The option price of any Common Shares cannot be less than the market price of the Common Shares at the time of grant. Stock options granted under the Stock Option Plan may be exercised during a period not exceeding 10 years, subject to earlier termination upon the termination of the optionee's employment, upon the optionee ceasing to be an employee, officer, director or consultant of the Company or any of its subsidiaries or ceasing to have a designated relationship with the Company, as applicable, or upon the optionee retiring, becoming permanently disabled or dying. The stock options are non-transferable. The Stock Option Plan contains provisions for adjustment in the number of Common Shares issuable thereunder in the event of a subdivision, consolidation, reclassification or change of the Common Shares, a merger or other relevant changes in the Company's capitalization. Subject to shareholder approval in certain circumstances, the Board may from time to time amend or revise the terms of the Stock Option Plan or may terminate the Stock Option Plan at any time. The Stock Option Plan does not contain any provision for financial assistance by the Company in respect of stock options granted under the Stock Option Plan.

The Company has no equity compensation plans other than the Stock Option Plan.

### **Employment, Consulting and Management Agreements**

The Company does not have in place any employment agreements between the Company or any subsidiary or affiliate thereof and its Named Executive Officers.

There are no employment agreements in place with any of the directors of the Company.

### **Oversight and Description of Director and Named Executive Officer Compensation**

#### ***Compensation of Directors***

The Board determines the compensation payable to the directors of the Company and reviews such compensation periodically throughout the year. For their role as directors of the Company, each director of the Company who is not a Named Executive Officer may, from time to time, be awarded stock options under the provisions of the Stock Option Plan. There are no other arrangements under which the directors of the Company who are not Named Executive Officers were compensated by the Company or its subsidiaries during the most recently completed financial year end for their services in their capacity as directors of the Company.

#### ***Compensation of Named Executive Officers***

##### **Principles of Executive Compensation**

The Company believes in linking an individual's compensation to his or her performance and contribution as well as to the performance of the Company as a whole. The primary components of the Company's executive compensation are base salary and option-based awards. The Board believes that the mix between base salary and incentives must be reviewed and tailored to each executive based on their role within the organization as well as their own personal circumstances. The overall goal is to successfully link compensation to the interests of the shareholders. The following principles form the basis of the Company's executive compensation program:

1. align interest of executives and shareholders;
2. attract and motivate executives who are instrumental to the success of the Company and the enhancement of shareholder value;
3. pay for performance;

4. ensure compensation methods have the effect of retaining those executives whose performance has enhanced the Company's long term value; and
5. connect, if possible, the Company's employees into principles 1 through 4 above.

The Board is responsible for the Company's compensation policies and practices. The Board has the responsibility to review and make recommendations concerning the compensation of the directors of the Company and the Named Executive Officers. The Board also has the responsibility to make recommendations concerning annual bonuses and grants to eligible persons under the Stock Option Plan. The Board also reviews and approves the hiring of executive officers.

#### Base Salary

The Board approves the salary ranges for the Named Executive Officers. The base salary review for each Named Executive Officer is based on assessment of factors such as current competitive market conditions, compensation levels within the peer group and particular skills, such as leadership ability and management effectiveness, experience, responsibility and proven or expected performance of the particular individual. Comparative data for the Company's peer group is also accumulated from a number of external sources including independent consultants. The Company's policy for determining salary for executive officers of the Company is consistent with the administration of salaries for all other employees.

#### Annual Incentives

The Company is not currently awarding any annual incentives by way of cash bonuses. However, the Company, in its discretion, may award such incentives in order to motivate executives to achieve short-term corporate goals. The Board approves annual incentives.

The success of Named Executive Officers in achieving their individual objectives and their contribution to the Company in reaching its overall goals are factors in the determination of their annual bonus. The Board assesses each Named Executive Officers' performance on the basis of his or her respective contribution to the achievement of the predetermined corporate objectives, as well as to needs of the Company that arise on a day to day basis. This assessment is used by the Board in developing its recommendations with respect to the determination of annual bonuses for the Named Executive Officers.

#### Compensation and Measurements of Performance

It is the intention of the Board to approve targeted amounts of annual incentives for each Named Executive Officer during each financial year. The targeted amounts will be determined by the Board based on a number of factors, including comparable compensation of similar companies.

Achieving predetermined individual and/or corporate targets and objectives, as well as general performance in day to day corporate activities, will trigger the award of a cash bonus to the Named Executive Officers. The Named Executive Officers will receive a partial or full cash bonus depending on the number of the predetermined targets met and the Board's assessment of overall performance. The determination as to whether a target has been met is ultimately made by the Board and the Board reserves the right to make positive or negative adjustments to any cash bonus payment if they consider them to be appropriate.

#### Long Term Compensation

The Company currently has no long-term incentive plans, other than stock options granted from time to time by the Board under the provisions of the Stock Option Plan.

#### **Pension Disclosure**



There are no pension plan benefits in place for the Named Executive Officers or the directors of the Company.

### **Termination and Change of Control Benefits**

The Company does not have in place any pension or retirement plan. The Company has not provided compensation, monetary or otherwise, during the preceding fiscal year, to any person who now acts or has previously acted as a Named Executive Officer or director of the Company in connection with or related to the retirement, termination or resignation of such person. The Company has not provided any compensation to such persons as a result of a change of control of the Company, its subsidiaries or affiliates.

## **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

### **Equity Compensation Plan Information**

The following table sets forth information with respect to all compensation plans of the Company under which equity securities are authorized for issue as of November 30, 2017:

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights (#)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights (\$)</b>	<b>Number of securities remaining available for future issue under equity compensation plans (#)</b>
Equity compensation plans approved by securityholders	nil	n/a	6,710,213
Equity compensation plans not approved by securityholders	n/a	n/a	n/a
<b>Total</b>	<b>nil</b>	<b>n/a</b>	<b>6,710,213</b>

Notes:

- (1) *The Stock Option Plan is a "rolling" stock option plan whereby the maximum number of Common Shares that may be reserved for issue pursuant to the Stock Option Plan will not exceed 10% of the outstanding Common Shares at the time of the stock option grant. As at the date of this Circular, 6,710,213 are reserved for issue and remain available for future issue under the Stock Option Plan.*

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

Other than as otherwise disclosed in this Circular, no director, executive officer or principal shareholder of the Company, or associate or affiliate of any of the foregoing, has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year end or in any proposed transaction that has materially affected or will materially affect the Company.

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

No director or officer of the Company or person who acted in such capacity in the last financial year of the Company, or any other individual who at any time during the most recently completed financial year of the Company was a director of the Company or any associate of the Company, is indebted to the Company, nor is any indebtedness of any such person to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

## **AUDIT COMMITTEE INFORMATION REQUIRED IN THE INFORMATION CIRCULAR OF A VENTURE ISSUER**

National Instrument 52-110 - *Audit Committees* ("**NI 52-110**") requires that certain information regarding the Audit Committee of a "venture issuer" (as that term is defined in NI 52-110) be included in the management information circular sent to shareholders in connection with the issuer's annual meeting. The Company is a "venture issuer" for the purposes of NI 52-110.

### **Audit Committee Charter**

The full text of the charter of the Company's Audit Committee (the "**Audit Committee Charter**") is attached hereto as appendix A.

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

The Audit Committee members are currently Kelly Malcolm (Chair), Lisa McCormack and Arvin Ramos, each of whom is a director and financially literate. Mr. Malcolm is independent in accordance with NI 52-110. It is proposed that James Fairbairn, the proposed director nominee, will replace Mr. Ramos on the Audit Committee following the Meeting. Mr. Fairbairn will be independent in accordance with NI 52-110.

### **Relevant Education and Experience**

The following is a description of the education and experience of each member of the Audit Committee that is relevant to the performance of his responsibilities as an Audit Committee member and, in particular, any education or experience that would provide the member with:

1. an understanding of the accounting principles used by the Company to prepare its financial statements;
2. the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
3. 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 one or more persons engaged in such activities; and
4. an understanding of internal controls and procedures for financial reporting.

**Kelly Malcolm, Director** – Mr. Malcolm acts as a consultant to several boutique Toronto-based finance firms. He is currently the President and Chief Executive Officer of Generic Gold Corp., a mining exploration company listed on the Canadian Securities Exchange. Mr. Malcolm holds a Bachelor of Science Honours degree in geology and a Bachelor of Arts degree in economics, both from Laurentian University.

**Lisa McCormack, President, Chief Executive Officer, Secretary and Director** – Ms. McCormack has been a Corporate Securities Law Clerk with Irwin Lowy LLP from August 2006 to December 2010 and from September 20, 2013 to present. Ms. McCormack was also Corporate Secretary of Barkerville Gold Mines Ltd. from April 2015 to August 2017. Prior thereto Ms. McCormack served as Corporate Secretary of Kerr Mines Inc. from December 2013 to July 2016, Vice-President, Legal of Northern Gold Mining Inc. from October 2012 to June 2013, Corporate Secretary of Trelawney Mining and Exploration Inc. from January 2011 to June 2012. Ms. McCormack has also serves as a director and/or officer of several reporting issuers and publicly traded companies.

**Arvin Ramos, Chief Financial Officer and Director** – Mr. Ramos is a self-employed Chartered Accountant and has served as an officer and/or director of several private and public corporations over the last 15 years. Currently he serves as chief financial officer of several junior mining companies. Mr. Ramos holds a degree in commerce and is a member of the Chartered Professional Accountants of Ontario. Mr. Ramos has over 15 years of business experience, having supported a broad range of industries, including mining, technology and banking.

It is proposed that James Fairbairn, the proposed director nominee, will replace Mr. Ramos on the Audit Committee following the Meeting. Mr. Fairbairn is a finance professional with over 25 years of experience in corporate

governance, leadership, mergers and acquisitions, corporate finance and financial and management reporting. Mr. Fairbairn is a Chartered Accountant who brings strong financial skills and who has served as a senior officer and/or a director in both public and privately held companies. He has served as a senior officer and/or director and Chairman of the audit committees of a number of public and private companies.

### **Audit Committee Oversight**

Since the commencement of the Company's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

### **Reliance on Exemptions in NI 52-110 regarding**

#### ***De Minimis* Non-audit Services or on a Regulatory Order Generally**

Since the commencement of the Company's most recently completed financial year, the Company has not relied on:

1. the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110 (which exempts all non-audit services provided by the Company's auditor from the requirement to be pre-approved by the Audit Committee if such services are less than 5% of the auditor's annual fees charged to the Company, are not recognized as non-audit services at the time of the engagement of the auditor to perform them and are subsequently approved by the Audit Committee prior to the completion of that year's audit); or
2. an exemption from the requirements of NI 52-110, in whole or in part, granted by a securities regulator under Part 8 (*Exemptions*) of NI 52-110.

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

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Audit Committee Charter.

### **Audit Fees**

The following table provides details in respect of audit, audit related, tax and other fees billed by the external auditor of the Company for professional services rendered to the Company during the fiscal years ended November 30, 2017 and November 30, 2016:

	<b>Audit Fees (\$)</b>	<b>Audit-Related Fees (\$)</b>	<b>Tax Fees (\$)</b>	<b>All Other Fees (\$)</b>
<b>Year ended November 30, 2017</b>	4,000	nil	nil	nil
<b>Year ended November 30, 2016</b>	4,000	nil	nil	nil

Audit Fees – aggregate fees billed for professional services rendered by the auditor for the audit of the Company's annual financial statements as well as services provided in connection with statutory and regulatory filings.

Audit-Related Fees – aggregate fees billed for professional services rendered by the auditor and were comprised primarily of audit procedures performed related to the review of quarterly financial statements and related documents.

Tax Fees – aggregate fees billed for tax compliance, tax advice and tax planning professional services. These services included reviewing tax returns and assisting in responses to government tax authorities.

All Other Fees – aggregate fees billed for professional services which included accounting advice.

## REPORT ON CORPORATE GOVERNANCE

The Company believes that adopting and maintaining appropriate governance practices is fundamental to a well-run company, to the execution of its chosen strategies and to its successful business and financial performance. National Instrument 58-101 - *Disclosure of Corporate Governance Practices* and National Policy 58-201 – *Corporate Governance Guidelines* (collectively the "**Governance Guidelines**") of the Canadian Securities Administrators set out a list of non-binding corporate governance guidelines that issuers are encouraged to follow in developing their own corporate governance guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. The Company will continue to review and implement corporate governance guidelines as the business of the Company progresses and becomes more active in operations.

The following disclosure is required by the Governance Guidelines and describes the Company's approach to governance and outlines the various procedures, policies and practices that the Company and the Board have implemented.

### Board of Directors

The Board is currently composed of four directors. Form 58-101F2 – *Corporate Governance Disclosure (Venture Issuers)* ("**Form 58-101F2**") requires disclosure regarding how the Board facilitates its exercise of independent supervision over management of the Company by providing the identity of directors who are independent and the identity of directors who are not independent and the basis for that determination. NI 52-110 provides that a director is independent if he or she has no direct or indirect "material relationship" with the company. "Material relationship" is defined as a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgment. In addition, under NI 52-110, an individual who is, or has been within the last three years, an employee or executive officer of an issuer, is deemed to have a "material relationship" with the issuer. Accordingly, of the proposed director nominees, Ms. McCormack, the President and Chief Executive Officer of the Company and Mr. Ramos, the Chief Financial Officer of the Company, are each considered not to be "independent". The remaining two proposed director nominees are considered by the Board to be "independent" within the meaning of NI 52-110. In assessing Form 58-101F2 and making the foregoing determinations, the Board has examined the circumstances of each director in relation to a number of factors.

### Directorships

The following table sets forth the directors, and proposed directors, of the Company who currently hold directorships with other reporting issuers:

Name of Director	Reporting Issuer
Lisa McCormack	Royal Standard Minerals Inc., Ateba Resources Inc. and Schyan Exploration Inc.
Arvin Ramos	Ateba Resources Inc. and Schyan Exploration Inc.
James Fairbairn	Crown Mining Corp., Kapuskasing Gold Corp. and Ateba Resources Inc.
Kelly Malcolm	Northern Sphere Mining, Ateba Resources Inc. and Schyan Exploration Inc.

### Orientation and Continuing Education

The Board does not have a formal orientation or education program for its members. 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. Additionally, historically board members have been nominated who are familiar with the Company and the nature of its business.

### Ethical Business Conduct

The Board has not adopted guidelines or attempted to quantify or stipulate steps to encourage and promote a culture of ethical business conduct, but does promote ethical business conduct through the nomination of Board members it considers ethical, through avoiding or minimizing conflicts of interest, and by having at least two of its Board members independent of corporate matters.

### **Nomination of Directors**

The recruitment of new directors has generally resulted from recommendations made by directors and shareholders. The assessment of the contributions of individual directors has principally been the responsibility of the Board. Prior to standing for election, new nominees to the Board of directors are reviewed by the entire Board.

### **Other Board Committees**

The Company has established one Board committee, the Audit Committee.

### **Assessments**

Currently the Board has not implemented a formal process for assessing directors.

## **OTHER MATTERS**

The management of the Company knows of no other matters to come before the Meeting other than as set forth in the Notice of Meeting. **However, if other matters which are not known to management should properly come before the Meeting, the accompanying term of proxy will be voted on such matters in accordance with the best judgment of the person or persons voting the proxy.**

## **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Company in order to request copies of: (i) this Circular; and (ii) the Company's consolidated financial statements and the related management's discussion and analysis (the "MD&A") which will be sent to the shareholder without charge upon request. Financial information is provided in the Company's consolidated financial statements and MD&A for its financial year ended November 30, 2017.

## **APPROVAL OF THE BOARD OF DIRECTORS**

The contents of this Circular have been approved, and the delivery of it to each shareholder entitled thereto and to the appropriate regulatory agencies has been authorized by the Board.

**DATED** this 23<sup>rd</sup> day of August, 2018.

### **BY ORDER OF THE BOARD**

*"Lisa McCormack" (signed)*

President, Chief Executive Officer, Secretary and Director

## APPENDIX A

### MAINSTREAM MINERALS CORPORATION

#### CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

##### *Name*

There shall be a committee of the board of directors (the “Board”) of Mainstream Minerals Corporation (the “**Company**”) known as the Audit Committee (the “Committee”).

##### *Purpose*

The Committee has been established to assist the Board in fulfilling its oversight responsibilities and fiduciary obligations. The primary functions and areas of responsibility of the Committee are to:

- review, report and provide recommendations to the Board on the annual and interim consolidated financial statements and related Management’s Discussion and Analysis (“MD&A”);
- identify and monitor the management of the principal risks that could impact the financial reporting of the Company;
- make recommendations to the Board regarding the appointment, terms of engagement and compensation of the external auditor;
- monitor the integrity of the Company’s financial reporting process and system of internal controls regarding financial reporting and accounting compliance;
- oversee the work of the external auditors engaged for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company;
- resolve disagreements between management and the external auditor regarding financial reporting;
- receive the report of the external auditors, who must report directly to the Committee; and
- provide an avenue of communication among the Company’s external auditors, management, and the Board.

##### *Composition and Qualifications*

All Committee members shall meet all applicable requirements prescribed under the *Canada Business Corporations Act*, as well as any requirements or guidelines prescribed from time to time under applicable securities legislation, including National Instrument 52-110 as amended, restated or superseded. The Committee shall be comprised of not less than three directors as determined from time to time by the Board. Each member shall be a director and a majority of the members shall be independent directors who are free from any direct or indirect relationship that would, in the view of the Board, reasonably interfere with the exercise of the member’s independent judgment. While it is not necessary for members to have a comprehensive knowledge of generally accepted accounting principles and standards, all members of the Committee shall be “financially literate” so as to be able to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the issues raised by the Company’s financial statements. A director who is not financially literate may be appointed to the Committee by the Board provided that such director becomes financially literate within a reasonable period following his or her appointment, and provided that the Board has determined that such appointment will not materially adversely affect the ability of the Committee to act independently.

Committee members shall be appointed by the Board. The Board shall designate the Chair of the Committee. If a Chair is not designated or present at any meeting, the members of the Committee may designate a Chair by majority vote. The Chair shall have responsibility for ensuring that the Committee fulfills its mandate and duties effectively.

Each member of the Committee shall continue to be a member until a successor is appointed, unless the member resigns, is removed or ceases to be a director. The Board may fill a vacancy at any time.

### ***Meetings***

The Committee shall meet at least four times annually, or more frequently as circumstances dictate, and at least once in each fiscal quarter. A notification for each of the meetings shall be disseminated to Committee members two days prior to each meeting. A majority of the members of the Committee shall constitute a quorum for meetings.

An agenda shall be prepared by the Chair of the Committee as far in advance of each meeting as reasonably practicable. Minutes of all meetings of the Committee shall be prepared as soon as possible following the meeting and submitted for approval at or prior to the next following meeting.

The Committee should meet privately at least once per year with management of the Company, the Company's external auditors, and as a committee to discuss any matters that the Committee or any of these groups believe should be discussed.

### ***Specific Responsibilities and Duties***

Specific responsibilities and duties of the Committee shall include, without limitation, the following:

#### **General Review Procedures**

1. Review and reassess the adequacy of this Charter at least annually and submit any proposed amendments to the Board for approval.
2. Review the Company's annual audited financial statements, related MD&A, and other documents prior to filing or distribution of such documents or issuing a press release in respect of the financial statements and MD&A. Review should include discussion with management and external auditors of significant issues regarding accounting principles, practices, and significant management estimates and judgments.
3. Annually, in consultation with management and external auditors, consider the integrity of the Company's financial reporting processes and controls. Discuss significant financial risk exposures and the steps management has taken to monitor, control and report such exposures. Review significant findings prepared by the external auditors and the internal auditing department together with management's responses.
4. Review the effectiveness of the overall process for identifying the principal risks affecting financial reporting and provide the Committee's views to the Board of Directors.
5. Review with financial management and the external auditors the Company's quarterly financial results, related MD&A and other documents prior to the filing or distribution of such documents or issuing a press release in respect of the financial statements and MD&A. Discuss any significant changes to the Company's accounting principles. The Chair of the Committee may represent the entire Committee for purposes of this review.

### **External Auditors**

6. The external auditors are ultimately accountable to the Committee, as representatives of the shareholders. The external auditors must report directly to the Committee, who shall review the independence and performance of the auditors and annually recommend to the Board the appointment of the external auditors or approve any discharge of auditors when circumstances warrant. The Committee shall approve the compensation of the external auditors.
7. The Committee must approve all non-audit and non-tax services to be provided to the Company or its subsidiary entities, unless such non-audit and non-tax services are reasonably expected to constitute not more than twenty (20) percent of the total fees paid by the Company to the external auditor during the particular fiscal year.
8. On an annual basis, the Committee should review and discuss with the external auditors all significant relationships they have with the Company that could impair the auditors' independence.
9. Review the external auditors' audit plan and discuss and approve the audit scope, staffing, locations, reliance upon management, and general audit approach.
10. Prior to releasing the year-end earnings, discuss the results of the audit with the external auditors. Discuss any matters that are required to be communicated to audit committees in accordance with the standards established by the Canadian Institute of Chartered Accountants.
11. Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in the Company's financial reporting.

### **Legal Compliance**

12. On at least an annual basis, review with the Company's counsel any legal matters that could have a significant impact on the organization's financial statements, the Company's compliance with applicable laws and regulations and inquiries received from regulators or governmental agencies.

### **Other Miscellaneous Responsibilities**

13. Annually assess the effectiveness of the Committee against its Mandate and report the results of the assessment to the Board.
14. Prepare and disclose a summary of the Mandate to shareholders.
15. Perform any other activities consistent with this Mandate, the Company's by-laws and governing law, as the Committee or the Board deems necessary or appropriate.

### ***Authority***

The Committee shall have the authority to:

1. delegate approval-granting authority to pre-approve non-audit services by the external auditor to one or more of its members;
2. engage independent counsel and other advisors as it determines necessary to carry out its duties;
3. set and pay the compensation for any advisors employed by the Committee;



4. communicate directly with the external auditors;

### ***Reporting***

The Committee shall report its deliberations and discussions regularly to the Board and shall submit to the Board the minutes of its meetings.

### ***Resources***

The Committee shall have full and unrestricted access to all of the Company's books, records, facilities and personnel as well as the Company's external auditors and shall have the authority, in its sole discretion, to conduct any investigation appropriate to fulfilling its responsibilities. The Committee shall further have the authority to retain, at the Company's expense, such special legal, accounting or other consultants or experts as it deems necessary in the performance of its duties and to request any officer or employee of the Company or the Company's external counsel or auditors to attend a meeting of the Committee.

### ***Limitation on the Oversight Role of the Committee***

Nothing in this Charter is intended, or may be construed, to impose on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all members of the Board are subject.

Each member of the Committee shall be entitled, to the fullest extent permitted by law, to rely on the integrity of those persons and organizations within and outside the Company from whom he or she receives information, and the accuracy of the information provided to the Company by such persons or organizations.

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and in accordance with generally accepted accounting principles and applicable rules and regulations, each of which is the responsibility of management and the Company's external auditors.

**APPENDIX B**

**MAINSTREAM MINERALS CORPORATION**

**CHANGE OF AUDITOR PACKAGE**

**MAINSTREAM MINERALS CORPORATION**

**NOTICE OF CHANGE OF AUDITORS**

**PURSUANT TO NATIONAL INSTRUMENT 51-102 ("NI 51-102")**

**TO: MANITOBA SECURITIES COMMISSION**

**AND TO: ONTARIO SECURITIES COMMISSION**

**AND TO: ALBERTA SECURITIES COMMISSION**

**AND TO: BRITISH COLUMBIA SECURITIES COMMISSION**

**AND TO: FINANCIAL AND CONSUMER AFFAIRS AUTHORITY**

**AND TO: THE SHAREHOLDERS OF THE CORPORATION**

**RE: Notice Regarding Proposed Change of Auditor Pursuant to NI 51-102**

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Notice is hereby given that on May 1, 2018 the Board of Directors of Mainstream Minerals Corporation (the "**Company**") determined:

1. to accept the resignation at the request of the Company, dated May 1, 2018, of Magnus LLP, Chartered Professional Accountants (the "**Former Auditor**"), as auditor of the Company; and
2. to engage Jones & O'Connell LLP, Chartered Professional Accountants, as auditor of the Company, effective May 1, 2018.

There have been no reservations in the Report of the Former Auditor on any of financial statements of the Company commencing at the beginning of the two most recently completed fiscal years and ending on November 30, 2014. The Former Auditor did not audit any financial statements of the Company subsequent to the fiscal year ended November 30, 2014 of the Company.

In the opinion of the Company, prior to the resignation, and as at the date hereof, there were no reportable events, including disagreements, consultations, or unresolved matters as defined in NI 51-102, Continuous Disclosure Obligations, between the Former Auditor and the Company.

The contents of this Notice and the attached letters from Magnus LLP, Chartered Professional Accountants, and Jones & O'Connell LLP, Chartered Professional Accountants, have been reviewed by the Board of Directors.

**DATED** at Toronto, Ontario this 2<sup>nd</sup> day of May, 2018.

**BY ORDER OF THE BOARD OF DIRECTORS OF  
MAINSTREAM MINERALS CORPORATION**

*"Lisa McCormack"* (Signed)

Lisa McCormack

President



May 2, 2018

British Columbia Securities Commission  
Alberta Securities Commission  
Ontario Securities Commission  
Manitoba Securities Commission  
Financial and Consumers Affairs Authority

Dear Sirs/Mesdames:

**Re: Mainstream Minerals Corporation – Change of Auditor Notice**

We have read the statements made by Mainstream Minerals Corporation in the attached copy of change of auditor notice dated May 1, 2018, which we understand will be filed pursuant to Section 4.11 of National Instrument 51-102.

We agree with the statement in the change of auditor notice dated May 1, 2018.

Yours very truly,

Chartered Professional Accountants

May 2, 2018

Manitoba Securities Commission  
Ontario Securities Commission  
Alberta Securities Commission  
British Columbia Securities Commission  
Financial and Consumers Affairs Authority

Dear Sirs/Mesdames:

**Re: Mainstream Minerals Corporation (the "Company")**  
**Notice of Change of Auditors ("Notice")**

We have read the Company's Notice pursuant to National Instrument 51-102 ("NI 51-102"), dated May 1, 2018 and are in agreement with the statements contained in such Notice, other than we are not in a position to agree or disagree with the Company's statement that there were no reportable events, including disagreements, consultations, or unresolved matters as defined in NI 51-102 Continuous Disclosure Obligations, between the former auditor and the Company, that have occurred prior to May 1, 2018.

Yours truly,

*Jones & O'Connell LLP*

Jones & O'Connell LLP  
Chartered Professional Accountants  
Licensed Public Accountants