



Josephine Mining Corp

JOSEPHINE MINING CORP.

700 - 595 Burrard Street | Vancouver, BC V7X 1S8

Telephone: 1-647-501-3290

NOTICE OF MEETING
and
MANAGEMENT INFORMATION CIRCULAR
and
PROXY STATEMENT

with respect to the

Annual General Meeting of Shareholders

to be held on June 25, 2019 at 10:00 a.m. (MST time) at
1500, 850 – 2 Street SW, Calgary, Alberta

Dated: May 10, 2019



Josephine Mining Corp

JOSEPHINE MINING CORP.

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS TO BE HELD AT ON JUNE 25, 2019 (MST)

NOTICE IS HEREBY GIVEN that an annual general meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares ("**Common Shares**") of Josephine Mining Corp. (the "**Company**") will be held at the offices of Dentons Canada LLP, 15th Floor Bankers Court, 850 – 2 Street SW, Calgary, Alberta, on June 25, 2019 at 10:00 a.m. (Mountain Standard time) for the following purposes:

1. to receive the audited financial statements of the Company as at and for the year ended December 31, 2018 together with the report of the auditors thereon;
2. to fix the number of directors of the Company to be elected at the Meeting at four;
3. to elect the directors of the Company for the ensuing year;
4. to appoint the auditors of the Company for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditors;
5. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution approving the Company's stock option plan for the ensuing year, as further described in the management information circular accompanying this notice;
6. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution to alter and amend the Articles of the Company, as more particularly set out in the section of the management information circular entitled "Amendment to Articles";
7. to transact such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

The accompanying management information circular provides additional information relating to the matters to be dealt with at the Meeting.

Only Shareholders of record as at 4:30 p.m. (MST) on May 21, 2019 (the "**Record Date**") will be entitled to vote at the Meeting, unless that Shareholder has transferred any Common Shares subsequent to that date and the transferee Shareholder, not later than 10 days before the Meeting, establishes ownership of the Common Shares and demands that the transferee's name be included on the list of Shareholders entitled to vote at the Meeting, in which case such transferee shall be entitled to vote such Common Shares at the Meeting. To ensure that there is no risk that any of the Common Shares will be voted twice, the transferee must provide written evidence to the Company including, without limitation, providing properly endorsed certificates evidencing the transfer of such Common Shares or having otherwise established ownership of such Common Shares, written evidence of the identification of the relevant transferor and written evidence that the relevant transferor has not exercised and will not exercise their right to vote either by proxy or in person at the Meeting. The Company may refuse the demand by a transferee to be included in the list of Shareholders entitled to vote at the Meeting if the transferee cannot demonstrate to the Company with sufficient certainty that the relevant Common Shares have not already been voted by proxy or will be voted by the relevant transferor at the Meeting.

Shareholders who are unable to be present at the Meeting, are requested to date and sign the enclosed form of proxy and return it to Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, Canada, in the enclosed envelope provided for that purpose, so that it is received no later than 48 hours (excluding Saturdays, Sundays and statutory holidays) prior to the time of the Meeting or any adjournment thereof. Registered shareholders may submit their voting instructions online at www.investorvote.com or by phone at 1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America). Beneficial shareholders may submit their voting instructions online at www.investorvote.com or by phone at 1-866-734-VOTE (8683) (toll free within North America) or 1-312-588-4291 (outside North America). Shareholders are cautioned that the use of mail to transmit proxies is at each Shareholder's risk.

In order to be valid, your proxy or voting instructions must be received in each case no later than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting or any adjournment thereof.

DATED at Vancouver, British Columbia, as of the 10th day of May, 2019.

BY ORDER OF THE BOARD

Signed: *"Richard Buzbuzian"*

Richard Buzbuzian
Director, President, Chief Executive
Officer and Chief Financial Officer



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MANAGEMENT INFORMATION CIRCULAR AND PROXY STATEMENT

GENERAL PROXY MATTERS

Solicitation of Proxies

This information circular (the "**Circular**") is furnished in connection with the solicitation of proxies by the management of Josephine Mining Corp. ("**JMC**" or the "**Company**") for use at the annual general meeting of the holders (the "**Shareholders**") of common shares (the "**Common Shares**") of the Company (the "**Meeting**") to be held at the offices of Dentons Canada LLP, 15th Floor Bankers Court, 830 – 2 Street SW, Calgary, Alberta on June 25, 2019, at 10:00 a.m. (MST) for the purposes set out in the accompanying notice of meeting (the "**Notice**"). As a Shareholder, you are cordially invited to be present at the Meeting. To ensure that you will be represented at the Meeting in the event that you are unable to attend personally, you are requested to complete, date and sign the accompanying form of proxy and return it to Computershare Trust Company of Canada, Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, Canada, in the enclosed envelope provided for that purpose, so that it is received no later than 48 hours (excluding Saturdays, Sundays and statutory holidays) prior to the time of the Meeting or any adjournment thereof. Registered shareholders may submit their voting instructions online at www.investorvote.com or by phone at 1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America). Shareholders are cautioned that the use of mail to transmit proxies is at each Shareholder's risk.

The costs incurred in the preparation and mailing of the form of proxy, the Notice and this Circular will be borne by the Company. The solicitation of proxies is expected to be primarily by mail but may also be made by personal interviews, telephone or other means of communication by the directors, officers and regular employees of the Company, at no additional compensation. The costs of proxy solicitation will be paid by the Company.

No person is authorized to give any information or make any representations other than those contained in this Circular and if given or made, such information or representations must not be relied upon as having been authorized to be given or made. Except where otherwise stated, the information contained herein is given as of May 10, 2019.

Appointment and Revocation of Proxies

The persons named in the enclosed form of proxy are directors or officers of the Company. **A Shareholder has the right to appoint a nominee (who need not be a Shareholder) to represent the Shareholder at the Meeting other than persons designated in the enclosed form of proxy, who are management designees, either by inserting the name of the chosen nominee in the blank space provided in the enclosed form of proxy or by completing another form of proxy.** Such Shareholder should notify the nominee of his or her appointment, obtain his or her consent to act as proxy and instruct him or her on how the Shareholder's shares are to be voted. In any case, the form of proxy should be dated and executed by the Shareholder or his or her attorney authorized in writing or if the shareholder is a corporation, under its corporate seal, or by an officer or attorney thereof duly executed.

A form of proxy will not be valid and not be acted upon or voted unless it is signed and dated and reaches the office of Computershare Trust Company of Canada, Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, Canada, in the enclosed envelope provided for that purpose, so that it is received no later than 48 hours (excluding Saturdays, Sundays and statutory holidays) prior to the time of the Meeting or any adjournment thereof. Registered shareholders may submit their voting instructions online at www.investorvote.com or by phone at 1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America). Shareholders are cautioned that the use of mail to transmit proxies is at each Shareholder's risk.

A Shareholder who has given a proxy may revoke it, in any manner permitted by law including, by instrument in writing executed by the Shareholder or by his attorney authorized in writing or, if the Shareholder is a corporation, executed by a duly authorized officer or attorney of the corporation and deposited either at the head office of the Company at any time up to and including the last business day immediately preceding the day of the Meeting or any adjournment thereof, or with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof.

Voting of Proxies

The Common Shares represented by the enclosed form of proxy, if properly completed and executed, will be voted on any ballot that may be called for and, where a choice with respect to any matter to be acted upon has been specified in the form of proxy, the Common Shares represented by the proxy will be voted for, against or withheld from voting in accordance with the specifications so made. **In the absence of any such instruction, the persons whose names appear on the printed form of proxy, will vote in favour of all the matters set out thereon. If any other business or amendments or variations to matters identified in the Notice properly come before the Meeting and where management of the Company is not aware of these amendments, variations or other matters to be presented to the Meeting, then discretionary authority is conferred upon the persons appointed in the proxy to vote in the manner they see fit.**

At the time of printing of this Circular, management of the Company knows of no such amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice.

Advice to Beneficial Holders of Common Shares

The information set forth in this section is of significant importance to many Shareholders of the Company, as a substantial number of Shareholders do not hold shares in their own name. Shareholders who do not hold shares in their own name (referred to in this Circular as "**Beneficial Shareholders**") should note that only proxies deposited by shareholders whose names appear on the records of the Company as the registered holders of Common Shares in the capital of the Company can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of the Shareholder's broker or an agent of that broker. In Canada,

the majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depositary for Securities, which acts as nominee for many Canadian brokerage firms). Shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person.** Beneficial Shareholders may submit their voting instructions online at www.investorvote.com or by phone at 1-866-734-VOTE (8683) (toll free within North America) or 1-312-588-4291 (outside North America).

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the form of proxy provided to registered Shareholders by the Company. However, its purpose is limited to instructing the registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically asks Beneficial Shareholders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Broadridge proxy cannot use that proxy to vote Common Shares directly at the Meeting; the proxy must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered Shareholder and vote the Common Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Common Shares as proxyholder for the registered Shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

INFORMATION CONCERNING THE COMPANY

Voting Securities and Principal Holders of Voting Securities

The voting securities of JMC are comprised of Common Shares of which 25,551,010 are issued and outstanding as at May 10, 2019. Each Common Share entitles the holder thereof to one vote at meetings of Shareholders of the Company.

To the knowledge of the directors and executive officers of JMC, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the votes attached to the Common Shares of the Company, except as follows:

Name	Voting Securities Held	Percentage of Voting Securities Held
Russell Mining and Minerals, ULC ⁽¹⁾	10,500,010	41.09%
Telluride Investment Trust	3,500,000	13.6%

Notes:

- (1) Robert L. Russell is a director and major shareholder of Russell Mining and Minerals, ULC. ("RMMU"), which holds 10,500,010 Common Shares.

As of May 10, 2019, the directors and officers of the Company, as a group, owned beneficially, directly and indirectly, nil Common Shares.

The directors of the Company have fixed May 21, 2019, at the close of business, as the record date for the determination of Shareholders entitled to receive notice of the Meeting and to vote thereat. All Shareholders of the Company at the close of business on the record date are entitled to attend and vote the Common Shares held by them, either in person or by proxy, at the Meeting or any adjournment thereof. However, a person appointed under a proxy will be entitled to vote the Common Shares represented by that proxy only if it is effectively delivered in the manner set out herein under the heading "*Appointment and Revocation of Proxies*" and has not been revoked.

To the extent that a person has transferred any Common Shares after the record date, and the transferee of those Common Shares produces a properly endorsed share certificate or otherwise establishes ownership no later than 10 days before the Meeting, such person shall be entitled to demand inclusion in the list of Shareholders prepared by the Company before the Meeting and to vote thereat.

Indebtedness of Directors and Executive Officers

There is not as of the date hereof, and has not been since the incorporation of the Company, any indebtedness owing to the Company by the directors, executive officers or other members of management of the Company, or any of their associates or affiliates.

Interest of Informed Persons in Material Transactions

There are no material interests, direct or indirect, of any directors or executive officers of the Company, nominees for director, any Shareholder who beneficially owns more than 10% of the Common Shares of the Company, or any known associate or affiliate of such persons in any transaction since the commencement of the Company's last completed financial year or in any completed or proposed transaction which has had a material affect or would materially affect the Company and which is not otherwise disclosed herein.

Interest of Certain Persons in Matters to be Acted Upon

Management of the Company is not aware of any material interests, direct or indirect, of any director or executive officer or anyone who has held office as such since the beginning of the Company's last financial year, or any associate or affiliate of such persons in any manner to be acted on at the Meeting, other than as described herein.

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 December 31, 2018 whose total compensation was more than \$150,000 for the financial year of the Company ended December 31, 2018 (collectively the "**Named Executive Officers**") and for the directors of the Company. The following statement of executive compensation to the Named Executive Officers was prepared in accordance with Form 51-102F6V.

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							
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 (\$)
Robert L. Russell ⁽¹⁾ <i>President, Chief Executive Officer and Director</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) Mr. Russell ceased to be a director and officer of the Company on January 29, 2019.

Stock Options and Other Compensation Securities

No compensation securities were issued to any Named Executive Officer or director of the Company during the most recently completed financial year. None of the Named Executive Officers or directors of the Company exercised any compensation securities during the most recently completed financial year of the Company.

Stock Option Plan and Other Incentive Plans

The Company has in place a stock option plan (the "**Option Plan**") pursuant to which the Company may grant incentive stock options to directors, officers, employees and consultants of the Company or any subsidiary thereof. The total number of shares issuable pursuant to the Option Plan is up to a maximum of 10% of the issued and outstanding Common Shares of the Company at the time of the grant of the options. As at the date hereof, there are nil Common Shares reserved for issuance under the Option Plan. Any Common Shares subject to an option which is exercised, or for any reason is cancelled or terminated prior to exercise, will be available for a subsequent grant under the Option Plan. The exercise price of each stock option is to be determined in the discretion of the board of directors (the "**Board**") at the time of the granting of the stock option, as is the term and vesting policies, provided that the exercise price shall not be lower than the market price or such discounted market price as may be permitted by the stock exchange on which the Common Shares are listed and provided that no stock option shall have a term exceeding five years (or such longer period as is permitted by the stock exchange on which the Common Shares are listed), 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.

There may not be issued to insiders within a one-year period, a number of Common Shares exceeding 10% of the issued and outstanding Common Shares and no one eligible optionee can receive stock options entitling the eligible optionee to purchase more than 5% of the total Common Shares. Finally,

there may not be issued to any one insider and such insider's associates, within a one-year period, a number of Common Shares of the Company exceeding 5% of the issued and outstanding Common Shares.

The options are non-transferable. The 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 Option Plan or may terminate the Option Plan at any time. The Option Plan does not contain any provision for financial assistance by the Company in respect of options granted under the Option Plan.

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

Employment, Consulting and Management Agreements

The Company does not, and did not during the most recently completed financial year, have in place any employment agreements between the Company or any subsidiary or affiliate thereof and any of its Named Executive Officers or directors.

Oversight and Description of Director and Named Executive Officer

Compensation of Directors

The following description of the compensation practices of the Company is intended to reflect general practices. As the Company has been subject to crease trade orders for the last two financial years no directors or officers of the Company have received any compensation.

The Board, at the recommendation of the management of the Company, 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 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 two most recently completed financial years for their services in their capacity as directors of the Company.

Compensation of Named Executive Officers

The Board determines the compensation to be paid or awarded to the Named Executive Officers of the Company. The Board seeks to encourage advancement of exploration projects and growth in reserves, in order to enhance shareholder value. To achieve these objectives, the Company believes it is critical to create and maintain compensation programs that attract and retain committed, highly qualified personnel by providing appropriate rewards and incentives and that align the interest of the officers of the Company with those of the Shareholders to provide incentive to the officers to enhance shareholder value. However, as a junior exploration company the Company is constrained by the amount of capital it has available to it.

Generally, compensation for the Named Executive Officers will consist of the three elements: base salary, bonus, and long-term equity incentives. The following provides an overview of the elements of compensation:

Compensation Element	Type of Compensation	Name of Plan	Performance Period	Form of Payment
Base Salary	Annual - Fixed Pay	Salary Program	1 year	Cash
Bonus	Annual - Variable Pay	Employee Bonus Plan	1 year	Cash or shares
Long-Term Equity	Long Term - Variable	Option Plan	Up to 5 years	Shares

Incentives	Pay			
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During the fiscal year ended December 31, 2018, the Board had no formal meetings dedicated to compensation.

The Board uses all the data available to ensure that the Company is maintaining a level of compensation that is both commensurate with the size of the Company and sufficient to retain personnel it considers essential to the success of the Company. In reviewing comparative data, the Board does not engage in benchmarking for the purpose of establishing compensation levels relative to any predetermined point. In the Board's view, external and third-party survey data provides an insight into external competitiveness, but it is not an appropriate single basis for establishing compensation levels. This is primarily due to the differences in the size of comparable companies and the lack of sufficient appropriate matches to provide statistical relevance.

In the process used by the Board to establish and adjust executive compensation levels, third-party survey data may be considered, along with an assessment of individual performance, experience and potential to contribute to operations and growth of the Company. The Board can exercise both positive and negative discretion in relation to the compensation awards and its allocation between cash and non-cash awards.

The Chief Executive Officer of the Company makes recommendations to the Board regarding total compensation to the Named Executive Officers of the Company (excluding the Chief Executive Officer), including base salaries, bonuses and long-term equity incentive grants. These recommendations are considered by the Board against information derived from publicly available information and adjusted, as applicable, for inflation and anticipated increases in the current year.

Salary. Base salary represents the fixed element of the Named Executive Officer's cash compensation. The base salary reflects economic considerations for each individual's level of responsibility, expertise, skills, knowledge and performance. Base salaries for the Named Executive Officers of the Company are reviewed annually by the Board.

Annual Cash Bonus Awards. The Board has the authority, based upon management recommendations, to award discretionary annual bonuses to the executive officers. The annual discretionary bonuses are intended to compensate officers for achieving superior financial and operational goals of the Company. The discretionary annual bonus may be paid in cash or shares in an amount reviewed with management and recommended by the Board and approved by the Board. The actual amount of bonus is determined following a review of each executive's individual performance.

Bonuses awarded by the Board are intended to be competitive with the market while rewarding executive officers for meeting qualitative goals, including delivering near-term financial and operating results, developing long-term growth prospects, improving the efficiency and effectiveness of business operations and building a culture of teamwork focused on creating long-term shareholder value. Consistent with the flexible nature of the annual bonus program, the Board does not assign any specific weight to any particular performance goal nor is any specific weight assigned to the performance goals in the aggregate. The Board considers not only the Company's performance during the year with respect to the qualitative goals, but also with respect to market and economic trends and forces, extraordinary internal and market-driven events, unanticipated developments and other extenuating circumstances. In sum, the Board analyzes the total mix of available information on a qualitative, rather than quantitative, basis in making bonus determinations. No bonuses were awarded to the Named Executive Officers for the fiscal year ended December 31, 2018 due to the financial condition of the Company.

Long-Term Incentive Programs. The allocation of stock options and the terms designed in those options are an integral component of the compensation package of the senior officers of the Company. The Company has a stock option plan in place for the purpose of providing stock options to the officers. The Board believes that the grant of options to the executive officers and share ownership by such officers serves to motivate achievement of the Company's long-term strategic objectives and the result

will benefit all Shareholders of the Company. Stock options are awarded to employees of the Company by the Board based upon the recommendation of the Chief Executive Officer, who bases his decision upon the level of responsibility and contribution of the individuals toward the Company's goal and objectives. Also, the Board considers the overall number of stock options that are outstanding relative to the number of outstanding Common Shares of the Company in determining whether to make any new grants of stock options and the size of such grants. The granting of these specific options is reviewed by the Board for final recommendation to the Board for approval.

Pension Disclosure

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

CORPORATE GOVERNANCE DISCLOSURE

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

Our Board is composed of three directors: Richard Buzbuzian, Tony Di Benedetto and Danny Gravelle. Messrs. Di Benedetto and Gravelle are considered to be independent (as determined under National Instrument 52-110 *Audit Committees* ("**NI 52-110**")). Mr. Buzbuzian is not independent as he is an executive officer of the Company. In assessing Form 58-101F2 and making the foregoing determinations, the Board of Directors has examined the circumstances of each director in relation to a number of factors.

Directorships

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

Name of Director	Reporting Issuer
Richard Buzbuzian	CT Developers Ltd.
Tony Di Benedetto	Drone Delivery Canada Corp.

Orientation and Continuing Education

The Board does not have a formal orientation or education program for its members. New directors are made aware of the nature and operation of the business of the Company through interviews with other board members and management during which they are briefed on the Company and its current business issues. Information on continuing education courses pertaining to corporate governance is circulated to directors who are encouraged to attend.

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.

Compensation

The Board periodically reviews the adequacy and form of compensation of directors to ensure that the level of compensation realistically reflects the responsibilities and risks involved in being an effective director.

The non-management directors on the Board set the annual salary, bonus and other benefits, direct and indirect, of the Chief Executive Officer and approve the compensation for all other designated officers after considering the recommendations of the Chief Executive Officer.

Other Board Committees

Given the small number of members, the Board does not have any other committees other than the audit committee.

Assessments

The Board conducts an annual review of its effectiveness as well as the effectiveness and contribution of each committee and each individual director.

Audit Committee Disclosure

The Company's audit committee is composed of three directors: Richard Buzbuzian, Tony Di Benedetto and Danny Gravelle. Messrs. Di Benedetto and Gravelle are considered to be independent (as determined under NI 52-110). The charter of the Company's audit committee is set out in Schedule "A" to this document.

As a "venture issuer" pursuant to applicable securities laws, the Company is exempt from the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110, and is relying on the exception contained in section 6.1 of that instrument.

Relevant Education and Experience of Audit Committee Members

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:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements;
- (b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
- (c) 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
- (d) an understanding of internal controls and procedures for financial reporting.

Richard Buzbuzian

Mr. Buzbuzian is a capital markets executive with 20 plus years of experience in the technology and resource sectors. He has experience in corporate finance, M&A transactions and initial public offerings. In addition, Mr. Buzbuzian is a Capital Markets Consultant for Drone Delivery Canada (FLT: TSX.V), pursuant to which he is responsible for corporate finance matters, investor relations, and day to day finance activities. Mr. Buzbuzian currently sits on the Board of Directors of CT Developers and was the former President of Drone Delivery Canada and formerly, the President and CEO of Oriana Resources Corp. (OUP.H: TSX.V) now Hut 8 Mining. Mr. Buzbuzian has a Bachelors degree from University of Toronto.

Tony Di Benedetto

Mr. Di Benedetto has been actively involved in the Canadian technology services sectors since the early 1990's and has founded and grown a number of technology companies including internet hosting providers, managed service providers, wireless broadband networks and data center facilities. Mr. Di Benedetto is active in a number of other ventures and routinely engages in decisions and analysis regarding financial matters for growth-stage companies. Mr. Di Benedetto brings over 17 years of IT entrepreneurship, technology M&A and capital markets experience to the audit committee, including acting as Chief Executive Officer of Drone Delivery Canada Corp., a TSX-V listed company. He received his degree at York University.

Danny Gravelle

Mr. Gravelle has over 10 years' experience in the financial markets and is the founder, Chief Executive Officer and President of Goal Capital Inc., a consulting and value/investor relations company that specializes in helping small to mid-cap publicly traded companies with strategic development and market awareness within the investment community. Mr. Gravelle has worked with several NYSE, NASDAQ, TSX and OTCQB publicly traded companies over the last decade. He was the Chief Executive Officer and President of Zebra Resources Inc. (ZBRR.OTCBB) from 2008 to 2010 and is a graduate of Merrimack College with a Bachelor of Science in Business Administration.

Pre-Approval Policies and Procedures

The audit committee's charter provides that the audit committee must pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services,

provided by the Company's external auditor and the fees and other compensation related thereto in excess of \$50,000.

Fees Charged by External Auditor

The following table sets out the aggregate fees billed by the Company's external auditor in each of the last two fiscal years for the category of fees described:

	2017	2018
Audit Fees ⁽¹⁾	\$12,500	\$12,500
Audit-Related Fees ⁽²⁾	Nil	Nil
Tax Fees ⁽³⁾	Nil	Nil
All Other Fees ⁽⁴⁾	Nil	Nil
Total	\$12,500	\$12,500

Notes:

- (1) The aggregate fees billed for audit services.
- (2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not disclosed under "Audit Fees".
- (3) The aggregate fees billed for tax compliance, tax advice and tax planning services.
- (4) The aggregate fees billed for professional services other than those listed in the other three categories.

Additional Information

Additional information relating to the Company can be found on SEDAR at www.sedar.com or at the Company's website, www.josephinemining.com. To obtain copies of the Company's financial statements and Management's Discussion and Analysis, please contact Richard Buzbuzian, Chief Executive Officer and Chief Financial Officer at (647) 501-3290 or at 700 - 595 Burrard Street, Vancouver, BC V7X 1S8.

The financial information is provided in the Company's comparative consolidated financial statements and Management's Discussion and Analysis for its most recently completed financial period.

The consolidated financial statements of the Company for the year ended December 31, 2018 with the auditor's report thereon will be placed before the Shareholders at the Meeting. The presentation of such audited financial statements to the Shareholders will not constitute a request for approval or disapproval.

MATTERS TO BE CONSIDERED AT THE MEETING

1. Financial Statements

The audited financial statements of the Company as at and for the year ended December 31, 2018 together with the report of the auditors thereon (the "**Financial Statements**") will be presented to Shareholders at the Meeting. Copies of the Financial Statements, together with the Management's Discussion and Analysis, are available for review on www.sedar.com.

2. Fix the number of Directors

The Board is currently comprised of three members. The Board proposes that the number of directors be fixed at four, and shareholders will be called upon at the Meeting to approve an ordinary resolution fixing the number of directors of the Company at four. Although only three directors will be elected at the Meeting, the Articles of the Company provide that where the shareholders do not elect directors up to that number so fixed at the meeting, then the directors may appoint directors to fill those vacancies.

To be effective, the resolution must be passed by at least a majority of the votes cast at the Meeting. It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxies **FOR** fixing the number of directors at four.

3. Election of Directors

The Articles of the Company provide for a minimum of three directors and maximum of 15 directors. The term of office for each director is from the date of the meeting at which he or she is elected until the annual meeting next following or until his or her successor is elected or appointed. The term of office of each of the present three directors expires at the Meeting.

It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxies **FOR** the election of the nominees specified below as directors of the Company. If, prior to the Meeting, any vacancies occur in the slate of proposed nominees herein submitted, the persons named in the enclosed form of proxy intend to vote **FOR** the election of any substitute nominee or nominees recommended by management of the Company and **FOR** the remaining proposed nominees. Management has been informed that each of the proposed nominees listed below is willing to serve as a director if elected.

The following table states the names of all persons proposed to be nominated for election as directors, the position or office now held by them, if applicable, their principal occupation or employment for the preceding five years, the date on which they became directors of the Company and the number of shares in the capital of the Company owned by them or over which they exercise control or direction as at the date hereof.

Name and Municipality of Residence	Position with the Company	Principal Occupation for the Past Five Years	Date First Elected or Appointed as Director	Common Shares Beneficially Owned or Controlled
Richard Buzbuzian ⁽¹⁾ Toronto, Ontario, Canada	President, Chief Executive Officer, Chief Financial Officer and Director	Capital markets executive with 20 plus years of experience in the technology and resource sectors. Experience in corporate finance, M&A transactions and initial public offerings. Capital Markets Consultant of Drone Delivery Canada (FLT: TSX.V), where he is responsible for corporate finance matters, investor relations, and day to day finance activities. Mr. Buzbuzian currently sits on the Board of Directors of CT Developers and was former President of Drone Delivery Canada and formerly President and CEO of Oriana Resources Corp.	January 29, 2019	Nil
Tony Di Benedetto ⁽¹⁾ Woodbridge, Ontario, Canada	Director	Mr. Di Benedetto is a director of the Company. He has held this position since January 29, 2019. Mr. Di Benedetto has also been Chief Executive Officer and director of Drone Delivery Canada Corp. (a TSX-V listed company) since January 2014.	January 29, 2019	Nil
Danny Gravelle ⁽¹⁾ Laguna Niguel, California, USA	Director	Mr. Gravelle is a director of the Company. He has held this position since January 29, 2019. Mr. Gravelle has also been President of Goal Capital Inc. since September 2007.	January 29, 2019	Nil

Notes:

(1) Member of the audit committee.

Cease Trade Orders or Bankruptcies

Except as disclosed herein, no director or proposed director of the Company:

1. is, as at the date hereof, or has been, within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Company) that:
 - (a) while that person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation (collectively, an "**Order**"), for a period of more than 30 consecutive days; or
 - (b) was subject to an Order that was issued, after the director, executive officer or chief financial officer ceased to be a director, chief executive officer or chief financial officer, in the company being the subject of such Order, that resulted from an event that occurred while that person was acting as director, chief executive officer or chief financial officer of that company;
2. is, as at the date hereof, or has been, within 10 years before the date hereof, 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 the proposed director;
3. is, as at the date hereof, or has been within 10 years before the date hereof, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
4. has been subject to:
 - (a) any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or
 - (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

3. Appointment of Auditors

At the Meeting, the Shareholders will be called upon to appoint the auditors to serve until the close of the next annual meeting of the Company and to authorize the directors to fix the remuneration of the auditors so appointed. The Company proposes that MNP LLP be appointed as auditors of the Company until the next annual meeting at such remuneration as may be approved by the Board of Directors of the Company.

It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxies **FOR** the appointment of MNP LLP as auditors of the Company.

4. Approval of Option Plan

At the Meeting, Shareholders of the Company will be asked to consider and, if deemed advisable, approve a resolution approving the Company's existing Option Plan. The terms of the Option Plan are described in this Circular (see "*Statement of Executive Compensation – Stock Option Plan and Other Incentive Plans*") and no changes to the Option Plan are proposed. The Company recommends approving the existing Option Plan.

At the Meeting, the Shareholders will be asked to consider and, if deemed advisable, to approve the following resolution in respect of the Option Plan:

"BE IT RESOLVED THAT:

1. the Company's existing stock option plan is hereby approved; and
2. any one officer or director of the Company is hereby authorized to execute and deliver all such documents and to do all such acts and things as may be deemed advisable in such individual's discretion for the purpose of giving effect to this resolution."

To be effective, the resolution must be passed by at least a majority of the votes cast at the Meeting. It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxies **FOR** the approval of the Option Plan.

5. Amendment to Articles

The Company is proposing to amend the alteration provision of its Articles to enable the Company, by way of resolution of its Board, to alter its authorized share structure (the "**Amendment**") as allowed by the *Business Corporations Act* (British Columbia) ("**BCBCA**"). Currently, a consolidation or subdivision of the Company's outstanding common shares must be approved by an ordinary resolution of Shareholders.

Pursuant to Section 9.5 of the Articles of the Company, if the BCBCA does not specify the type of resolution and the Articles of the Company do not specify another type of resolution, the Company may by ordinary resolution alter the Articles of the Company.

Section 9.2 of the Company's Articles currently states as follows:

"9.2 Consolidations and "Call-in" Subdivisions

Subject to Article 9.3 and the *Business Corporations Act*, the Company may by ordinary resolution:

- (a) consolidate all or any of its unissued, or fully paid issued, shares.
- (b) subdivide all or any of its unissued or fully paid issued shares, other than by way of a stock dividend."

Management proposes to delete the existing Section 9.2 of the Company's Articles and replace it with the following:

"9.2 Consolidations and "Call-in" Subdivisions

Subject to *Business Corporations Act*, the Company may by resolution of the directors:

- (a) consolidate all or any of its unissued, or fully paid issued, shares.

- (b) subdivide all or any of its unissued or fully paid issued shares, other than by way of a stock dividend."

At the Meeting, the Shareholders will be asked to consider and, if deemed advisable, to approve the following ordinary resolution in respect of the Amendment:

"BE IT RESOLVED THAT, by ordinary resolution that:

1. The Articles of the Company be altered by deleting the current Section 9.2- *Consolidation and "Call-In" Subdivisions* - and inserting in its place new Section 9.2 – *Consolidation and "Call-In" Subdivisions*, as more particularly described in the information circular of the Company dated May 10, 2019 (the "**Circular**");
2. any one director or officer be and is hereby authorized, upon the board of directors resolving to give effect to this resolution, to take all necessary acts and proceedings, to execute and deliver and file any and all applications, declarations, documents and other instruments and to do all such other acts and things (whether under corporate seal of the Company or otherwise), including the preparation of all necessary documentation to amend the Company's Articles, that may be necessary or desirable to give effect to the provisions of this resolution; and
3. notwithstanding the approval of the Shareholders of the Company as herein provided, the board of directors of the Company may, in its sole discretion, revoke this resolution before it is acted upon, without further approval of the Shareholders of the Company."

In order to be effective, the ordinary resolution to approve the Amendment must be passed by not less than 50% of the votes cast by Shareholders who vote in respect of the ordinary resolution. The Board unanimously recommends that Shareholders vote **FOR** the resolution approving the Amendment. It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxies **FOR** the approval of the Amendment.

6. Other Matters

Management of the Company is not aware of any other matters to come before the Meeting other than as referred to in the Notice. Should any other matters properly come before the Meeting, the Common Shares represented by proxies solicited hereby will be voted on such matters in accordance with the best judgment of the person voting such proxy.

Recommendations

The directors of the Company consider that the fixing of the number of directors on the Board at four, the election of directors for the ensuing year, the appointment of auditors, the approval of the Option Plan, the approval of the Amendment are in the best interests of the Company and its Shareholders. Accordingly, the directors recommend that Shareholders vote in favour of all resolutions to be proposed at the Meeting.

Board of Directors Approval

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

DATED at Vancouver, British Columbia, as of the 10th day of May, 2019.

BY ORDER OF THE BOARD

Signed: "Richard Buzbuzian"

Director, President, Chief Executive
Officer and Chief Financial Officer

SCHEDULE "A"

Josephine Mining Corp. (the "Company")

AUDIT COMMITTEE CHARTER

Mandate

The primary function of the audit committee (the "**Committee**") is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting, the fairness of transactions between the Company and related parties and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

- serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements;
- review and appraise the performance of the Company's external auditor;
- provide an open avenue of communication among the Company's auditor, financial and senior management, the Committee and the Board of Directors;
- report regularly to the Board of Directors the results of its activities; and
- such other matters as the Board of Directors may delegate to the Committee.

Composition

The Committee shall be comprised of a minimum of three directors as determined by the Board of Directors. If the Company ceases to be a "venture issuer" (as that term is defined in National Instrument 52-110 *Audit Committees*), then all of the members of the Committee shall be free from any material relationship with the Company that, in the opinion of the Board of Directors, would interfere with the exercise of their independent judgment as a member of the Committee.

If the Company ceases to be a venture issuer then all members of the Committee shall also have accounting or related financial management expertise. All members of the Committee should have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

The members of the Committee shall be appointed by the Board of Directors at its first meeting following the annual shareholders' meeting or until their successors are duly elected. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

Meetings

The Committee shall meet at least once quarterly, or more frequently as circumstances dictate or as may be prescribed by securities regulatory requirements. The meetings will take place as the Committee or the Chair of the Committee shall determine, upon 48 hours' notice to each of its members. The notice period may be waived by a quorum of the Committee. The Committee may ask members of management or others to attend meetings or to provide information as necessary.

The quorum for the transaction of business at any meeting of the Committee shall be a majority of the members of the Committee or subcommittee present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other. Decisions by the Committee will be by the affirmative vote of a majority of the members of the Committee, or by consent resolutions in writing signed by each member of the Committee.

The Committee shall prepare and maintain minutes of its meetings, and periodically report to the Board of Directors regarding such matters as are relevant to the Committee's discharge of its responsibilities, and shall report in writing on request of the Chairman of the Board of Directors. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditor in separate sessions.

Subcommittees

The Committee may form and delegate authority to one or more subcommittees, which may consist of one or more members, as it deems necessary or appropriate from time to time under the circumstances. The quorum for the transaction of business at any meeting of the subcommittee shall be a majority of the members of the subcommittee.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

A. Documents/Reports Review

1. review and update this Audit Committee Charter annually;
2. review and recommend to the Board of Directors for approval the Company's financial statements, MD&A and any annual and interim earnings press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, stock exchange or to the public, including any certification, report, opinion, or review rendered by the external auditor;
3. review regular summary reports of directors and officers expense account claims at least annually; and
4. establish and review approval policies for expense reports and, as required, request audits of expense claims and policies for expense approval and reimbursements. The Chairman of the Committee or of the Compensation Committee is to approve expense reports of the President and the CEO, and the CEO to approve those of the directors and other officers.

B. External Auditor

1. review annually, the performance of the external auditor who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company;
2. obtain annually, a formal written statement of the external auditor setting forth all relationships between the external auditor and the Company, consistent with Independence Standards Board Standard 1, and confirming that the external auditor is registered and in good standing with the Canadian Public Accounting Board;
3. review and discuss with the external auditor any disclosed relationships or services that may impact the objectivity and independence of the external auditor;
4. take, or recommend that the Board of Directors take, appropriate action to oversee the independence of the external auditor, including the resolution of disagreements between management and the external auditor regarding financial reporting;
5. recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditor nominated annually for shareholder approval;
6. recommend to the Board of Directors the compensation to be paid to the external auditor;
7. at each meeting, where desired, consult with the external auditor, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements;
8. review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company;
9. review with management and the external auditor the audit plan for the year-end financial statements; and
10. review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditor and the fees and other compensation related thereto in excess of \$50,000. The pre-approval requirement is waived with respect to the provision of non-audit services if:
 - a) the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditor during the fiscal year in which the non-audit services are provided;
 - b) such services were not recognized by the Company at the time of the engagement to be non-audit services; and
 - c) such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval, such authority may be delegated by the Committee to one or more independent members of the Committee.

C. Financial Reporting Processes

1. ensure that the Company has the proper systems and procedures, internal controls over financial reporting, information technology systems, and disclosure controls and procedures in place so that the Company's financial statements, MD&A, and other financial reports, other financial information, including all Company disclosure of financial information extracted or derived from the Company's financial statements and other reports, satisfy all legal and regulatory requirements. The Committee shall periodically assess the adequacy of such systems, procedures and controls;
2. in consultation with the external auditor, review with management the integrity of the Company's financial reporting process, both internal and external;
3. in connection with the annual audit, review material written matters between the external auditor and management, such as management letters, schedules of unadjusted differences and analyses of alternative assumptions, estimates or generally accepted accounting methods;
4. consider the external auditor's judgments about the quality and appropriateness of the Company's accounting principles, practices and internal controls as applied in its financial reporting;
5. consider and approve, if appropriate, changes to the Company's auditing and accounting principles, practices and internal controls over financial reporting as suggested by the external auditor and management;
6. review significant judgments made by management in the preparation of the financial statements and the view of the external auditor as to appropriateness of such judgments;
7. following completion of the annual audit, review separately with management and the external auditor any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;
8. review and assist in the resolution of any significant disagreement between management and the external auditor in connection with the preparation of the financial statements and financial reporting generally;
9. review with the external auditor and management the extent to which changes and improvements in financial or accounting practices have been implemented;
10. review certification processes relating to preparation and filing of reports and financial information;

11. establish procedures for the receipt, retention and treatment of complaints or concerns received by the Company regarding accounting, internal accounting controls or auditing matters, and for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
12. review with management financial and earnings guidance provided to analysts and rating agencies.

D. Authority

The Committee will have the authority to:

1. review with management the Company's major financial risk exposure, including a regular review of the top risks identified by management, and the policies and practices adopted by the Company;
2. review any related-party transactions;
3. engage independent counsel and other advisors as it determines necessary to carry out its duties;
4. to set and pay compensation for any independent counsel and other advisors employed by the Committee;
5. communicate directly with the auditors; and
6. conduct and authorize investigations into any matter within the Committee's scope of responsibilities. The Committee shall be empowered to retain independent counsel and other professionals to assist in the conduct of any investigation.