

**KENNA RESOURCES CORP.**

162 – 2906 West Broadway  
Vancouver, British Columbia  
V6K 2P6

Telephone: 604 630-3838

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**TO THE SHAREHOLDERS:**

**NOTICE** is hereby given that the Annual General Meeting (the "**Meeting**") of the shareholders of Kenna Resources Corp. (the "**Company**") will be held at Suite 700-595 Burrard Street, Vancouver, British Columbia, on Thursday, March 31, 2016 at 10:00 a.m. (Pacific Standard Time) for the following purposes:

1. To receive the Company's audited financial statements for the financial year ended December 31, 2014 together with the auditor's report thereon;
2. To appoint auditors for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditors;
3. To fix the numbers of directors for the ensuing year at four (4) and to elect directors for the ensuing year;
4. To approve and adopt, with or without modification, by ordinary resolution, the Company's 2016 stock option plan (the "**Plan**"), and to authorize the directors to make such changes to the Plan as may be required by the securities regulatory authorities without further shareholder approval; and
5. To transact such further and other business as may be properly brought before the Meeting and any adjournment or postponement thereof.

Accompanying this Notice of Meeting are an Information Circular and a Proxy. The accompanying Information Circular provides information relating to the matters to be addressed at the Meeting and is incorporated into this Notice.

Only holders of common shares of record at the close of business on February 29, 2016 will be entitled to vote at the Meeting.

A shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxyholder to attend and vote in his or her place. If you are unable to attend the Meeting or any adjournment in person, please read the Notes accompanying the enclosed Proxy and then complete, sign, and date the Proxy and return it within the time and to the location set out in the Notes. The Company's management is soliciting the enclosed Proxy but, as set out in the Notes, you may amend the Proxy if you wish by striking out the names listed and inserting in the space provided the name of the person you want to represent you at the Meeting.

DATED at Vancouver, British Columbia, this 29<sup>th</sup> day of February, 2016.

**BY ORDER OF THE BOARD OF DIRECTORS**

*"Timothy C. Fernback"*

\_\_\_\_\_  
Timothy C. Fernback  
President, Chief Executive Officer and Director



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**INFORMATION CIRCULAR  
as of February 29, 2016 (unless otherwise noted)**

**MANAGEMENT SOLICITATION OF PROXIES**

**This Information Circular is furnished to you in connection with the solicitation of Proxies by management of Kenna Resources Corp. (“we”, “us” or the “Company”) for use at the Annual General Meeting (the “Meeting”) of shareholders of the Company to be held on Thursday, March 31, 2016 at 10:00 a.m. and at any adjournment of the Meeting. The Company will conduct its solicitation by mail and our officers, directors and employees may, without receiving special compensation, contact shareholders by telephone, electronic means or other personal contact. We will not specifically engage employees or soliciting agents to solicit Proxies. We do not reimburse shareholders, nominees or agents (including brokers holding shares on behalf of clients) for their costs of obtaining authorization from their principals to sign Proxies. We will pay the expenses of this solicitation.**

**APPOINTMENT OF PROXIES**

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

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

**COMPLETION AND VOTING OF PROXIES**

Voting at the Meeting will be by a show of hands, each shareholder having one vote, unless a poll is requested, in which case each shareholder is entitled to one vote for each share held. In order to approve a motion proposed at the Meeting, a majority of greater than 50% of the votes cast will be required (an “**ordinary resolution**”) unless the motion requires a special resolution in which case a majority of two-thirds (2/3) of the votes cast will be required.

A shareholder or intermediary acting on behalf of a shareholder may indicate the manner in which the persons named in the enclosed Proxy are to vote with respect to any matter by checking the appropriate space. On any poll required by a shareholder or proxyholder requesting a poll, those persons will vote or withhold from voting the shares in respect of which they are appointed in accordance with the directions, if any, given in the Proxy provided such directions are certain.

If you or an intermediary acting on your behalf wishes to confer a discretionary authority with respect to any matter, then the space should be left blank. **IN SUCH INSTANCE, THE PROXYHOLDER, IF ONE PROPOSED BY MANAGEMENT, INTENDS TO VOTE THE SHARES REPRESENTED BY THE PROXY IN FAVOUR OF THE MOTION.** The enclosed Proxy, when properly signed, also confers discretionary authority with respect to amendments or variations to the matters identified in the Notice of Meeting and with respect to other matters which may be properly brought before the Meeting. At the time of printing this Information Circular, our management is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. If, however, other matters which are not now known to management should properly come before the Meeting, the persons named in the Proxy intend to vote on such other business in accordance with their best judgment.

The Proxy must be dated and signed by you or by your attorney authorized in writing or by the intermediary acting on your behalf. In the case of a corporation, the Proxy must be executed under its corporate seal or signed by a duly authorized officer or attorney for the corporation.

**COMPLETED PROXIES TOGETHER WITH THE POWER OF ATTORNEY OR OTHER AUTHORITY, IF ANY, UNDER WHICH IT WAS SIGNED OR A NOTARIALY CERTIFIED COPY THEREOF MUST BE DEPOSITED WITH THE COMPANY'S TRANSFER AGENT, TMX EQUITY TRANSFER SERVICES OF 200 UNIVERSITY AVENUE, SUITE 300, TORONTO, ONTARIO M5H 4H1, AT LEAST 48 HOURS (EXCLUDING SATURDAYS, SUNDAYS AND HOLIDAYS) BEFORE THE TIME OF THE MEETING OR ADJOURNMENT THEREOF. UNREGISTERED SHAREHOLDERS WHO RECEIVED THE PROXY THROUGH AN INTERMEDIARY MUST DELIVER THE PROXY IN ACCORDANCE WITH THE INSTRUCTIONS GIVEN BY SUCH INTERMEDIARY. YOU MAY ALSO VOTE BY TELEPHONE AND INTERNET. PLEASE SEE THE PROXY FOR INSTRUCTIONS REGARDING TELEPHONE AND INTERNET VOTING.**

#### **REVOCATION OF PROXIES**

You or an intermediary acting on your behalf who has been given a Proxy may revoke it at any time before it is exercised.

Revocation can be effected by an instrument in writing signed by the intermediary or shareholder or his attorney authorized in writing, and, in the case of a corporation, executed under its corporate seal or signed by a duly authorized officer or attorney for the corporation and either delivered to the registered office of the Company's registrar and transfer agent or to the Company's counsel's office at Suite 700, 595 Burrard Street, P.O. Box 49290, Vancouver, British Columbia, V7X 1S8, at any time up to and including the last business day before the scheduled time of the Meeting or any adjournment, or to the Chairman of the Meeting preceding the day of the Meeting or any adjournment thereof.

#### **ADVICE TO NON-REGISTERED HOLDERS OF COMMON SHARES**

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

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

objected to their Nominee disclosing ownership information about themselves to us are referred to as “OBOs”.

In accordance with the securities regulatory policy, we will have distributed copies of the Meeting Materials, being the Notice of Meeting, this Information Circular, and the Proxy directly to NOBOs and to the Nominees for onward distribution to OBOs. **The Company does not intend to pay for a Nominee to deliver to OBOs, therefore an OBO will not receive the materials unless the OBO’s Nominee assumes the costs of delivery.**

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

In either case, the purpose of this procedure is to permit non-registered holders to direct the voting of the shares of the Company which they beneficially own. Non-registered holders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered. **Should a non-registered holder who receives a VIF wish to attend the Meeting or have someone else attend on his/her behalf, the non-registered holder may request (in writing) to the Company or its Nominee, as applicable, without expense to the non-registered holder, that the non-registered holder or his/her nominee be appointed as proxyholder and have the right to attend and vote at the Meeting.**

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

None of the directors or executive officers of the Company, nor any person who has held such a position since the beginning of the last completed financial year of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors and the approval of the Company’s 2016 stock option plan, all described in this Information Circular.

#### **VOTING SHARES AND PRINCIPAL SHAREHOLDERS**

The Company is authorized to issue an unlimited number of common shares without par value, of which 8,256,922 common shares are issued and outstanding as of February 29, 2016. There is one class of voting shares only.

Persons who are registered shareholders at the close of business on February 29, 2016 will be entitled to receive notice of, attend, and vote at the Meeting. On a show of hands, every shareholder and proxyholder will have one vote and, on a poll, every shareholder present in person or represented by proxy will have one vote for each share.

#### **Principal Holders of Common Shares**

To the knowledge of the directors and senior officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, voting securities carrying more than 10% of the outstanding voting rights of the Company.

## ELECTION OF DIRECTORS

Directors of the Company are elected at each annual meeting of shareholders of the Company and hold office until the next annual general meeting or until that person sooner ceases to be a director. The shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company at four (4) for the next year, subject to any increases permitted by the Company's Articles.

Unless you provide other instructions, the enclosed proxy will be voted for the nominees listed below. Management does not expect that any of the nominees will be unable to serve as a director. If before the Meeting any vacancies occur in the slate of nominees listed below, the person named in the Proxy will exercise his or her discretionary authority to vote the shares represented by the Proxy for the election of any other person or persons as directors.

Management proposes to nominate the persons named in the table below for election as director. The information concerning the proposed nominees has been furnished by each of them:

<b>Name, Province and Country of Residence and Present Office Held</b>	<b>Periods Served as Director</b>	<b>Number of Shares Beneficially Owned, Directly or Indirectly, or over which Control or Direction is Exercised <sup>(2)</sup></b>	<b>Principal Occupation and, if Not Previously Elected, Principal Occupation during the Past Five Years</b>
<b>Timothy C. Fernback</b> <sup>(1)</sup> Vancouver, British Columbia, Canada President, CEO and Director	May 30, 2014 – Present	Nil	President of TCF Ventures Corp., a boutique corporate finance, communications and consultancy firm, since January 1998. President, CEO and Director of Inform Resources Corp. (TSXV: IRR), Director of Equitas Resources Corp. (TSXV: EQT), President, CEO and Director of Senator Minerals Inc. (TSXV: SNR) and CEO and Director of Jet Gold Corp. (TSXV: JAU).
<b>Steven D. M. Low</b> <sup>(1)</sup> Toronto, Ontario, Canada Director	May 30, 2014 – Present	Nil	Chief Executive Officer of Boom Capital Markets Inc. since May 1, 2014.
<b>Sean Bromley</b> <sup>(1)</sup> Vancouver, British Columbia, Canada CFO and Director	December 18, 2015– Present	Nil	Mr. Bromley is the Chief Financial officer of an independent capital markets consultancy firm, prior to which Mr. Bromley was an Investment Advisor at Jordan Capital Markets Inc. specializing in technology and special situations. Mr. Bromley is a Director of G4G Capital Corp. (TSXV: GGC) and Inform Resources Corp. (TSXV: IRR). Mr. Bromley obtained a Bachelor of Commerce from the University of Calgary in 2013.

Name, Province and Country of Residence and Present Office Held	Periods Served as Director	Number of Shares Beneficially Owned, Directly or Indirectly, or over which Control or Direction is Exercised <sup>(2)</sup>	Principal Occupation and, if Not Previously Elected, Principal Occupation during the Past Five Years
<b>Ken Tollstam</b> Vancouver, British Columbia Proposed Director	Nominee	Nil	Mr. Tollstam, CPA, CA has spent a number of years at Deloitte Touche where he obtained his CA before going on to hold various Executive Management and Director of Finance positions throughout his career. Most recently Mr. Tollstam serves as director and chief financial officer of several private and publicly traded companies.

Notes:

(1) Denotes a member of the Audit Committee.

(2) The information as to shares beneficially owned or over which a director exercises control or direction, not being within the knowledge of the Company, has been furnished by the respective directors individually.

To the knowledge of the Company's management, other than as set out below no proposed director of the Company:

- (a) is, as at the date of the Information Circular, or has been within 10 years before the date of the Information Circular, a director, CEO, CFO of any company (including the Company) that:
  - (i) was subject to a cease trade or similar order or an order that denied such other issuer access to any exemption under securities legislation for more than thirty consecutive days, that was issued while the proposed director was acting in the capacity as director, CEO or CFO; or
  - (ii) was subject to a cease trade or similar order or an order that denied such other issuer access to any exemption under securities legislation for more than thirty consecutive days, that was issued after the proposed director ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO; or
- (b) is, as at the date of this Information Circular, or has been within 10 years before the date of the Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 10 years before the date of this Information 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 the proposed director; or
- (d) has 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

- (e) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Tim Fernback is a party to a settlement agreement among Wolverton Securities Ltd. (“**Wolverton Securities**”), Brent Wolverton, William Massey and the British Columbia Securities Commission (the “**BCSC**”) dated May 9, 2005. Mr. Fernback was Manager of Corporate Finance for Wolverton Securities in February 2000. Wolverton Securities was acting as agent for Cinema Internet Networks (“**Cinema**”) for a public offering of Cinema shares in late 1999 and early 2000 (the “**Offering**”). On February 1, 2000, the Canadian Venture Exchange (the “**Exchange**”) halted trading in Cinema shares because certain transactions resulted in significant price movements. Mr. Fernback and Cinema had a number of discussions with the Corporate Finance Department of the Exchange about how to price the Offering because of the price shifts in Cinema shares. On February 11, 2000, the Exchange lifted the halt in trading of Cinema shares. After the halt was lifted, Mr. Fernback, on behalf of Wolverton Securities, had further conversations with the Exchange about the pricing of the Offering. Subsequent to these discussions, Mr. Fernback asked Mr. Massey, President of Cinema, if there was a shareholder of Cinema who would offer their shares for sale. Mr. Massey asked an employee of Cinema who had a block of shares whether she would sell her shares (the “**Seller**”). The Seller contacted Wolverton Securities, opened an account and gave instructions to sell her shares. Wolverton Securities sold certain shares from the Seller’s account on February 11, 2000. On February 14, 2000 Cinema announced the Offering and its pricing; however, the Exchange did not approve the pricing. Ultimately, the Exchange approved a price for the Offering that was not based on the closing prices of Cinema shares on either February 1 or February 11, 2000.

The BCSC found that Mr. Fernback acted in a matter contrary to the public interest because he should have known that the trading in the Seller’s shares could create an artificial price for Cinema shares. However, the BCSC took into account mitigating factors to mitigate the sanctions against Mr. Fernback. Both during and after the period when trading in Cinema shares was halted, Wolverton Securities and Mr. Fernback were in regular contact with the Corporate Finance Department of the Exchange, and Mr. Fernback did not, in any way, direct the manner in which the Cinema shares were traded. The settlement agreement required Mr. Fernback to pay the BCSC the sum of \$15,000 and \$5,000 towards the costs of the investigation, for a total of \$20,000.

## **EXECUTIVE COMPENSATION**

Set out below are particulars of compensation paid to the following persons (the “**Named Executive Officers**”):

- (a) the Company’s CEO;
- (b) the Company’s CFO;
- (c) each of the Company’s three most highly compensated executive officers, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually more than \$150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6, for the December 31, 2014 year end; and
- (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact the individual was neither an executive officer, nor acting in a similar capacity at December 31, 2014

During the financial year ended December 31 2014, the Company had two Named Executive Officers, Timothy C. Fernback, the Company’s President and CEO and Anthony K. Jackson, the Company’s former CFO.



## Compensation Discussion and Analysis

### Compensation, Philosophy and Objectives

Remuneration plays an important role in attracting, motivating, rewarding and retaining knowledgeable and skilled individuals to the Company's management team. The Company does not have a formal compensation policy. The main objectives the Company hopes to achieve through its compensation are:

- to attract and retain executives critical to the Company's success, who will be key in helping the Company achieve its corporate objectives and increase shareholder value;
- to motivate the Company's management team to meet or exceed targets;
- to recognize the contribution of executive directors to the overall success and strategic growth of the Company; and
- to align the interests of management and the Company's shareholders by providing performance based compensation in addition to salary.

The Company's Board determines an appropriate amount of compensation for its executives, reflecting the need to provide incentive and compensation for the time and effort expended by the executives while taking into account the financial and other resources of the Company. The Company's Board of Directors (the "**Board of Directors**" or the "**Board**") did not consider the implications of the risks associated with the Company's compensation practices; however, given the Company's size and nature of compensation provided to its executives in the last fiscal year, the Board does not view significant risk that would be likely to have a material adverse effect on the Company.

The Company's management is not permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities of the Company granted as compensation or held, directly or indirectly, by management. The Board determines the allocation and terms of any stock option grants.

### Analysis of Elements

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

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

### Long Term Compensation and Option Based Awards

The Company has no long term incentive plans other than the Company's stock option plan. The Company's directors, officers, consultants and employees are entitled to participate in the Company's stock option plan. The Company's stock option plan is designed to encourage share ownership and entrepreneurship on the part of the senior management and other employees. The Board of Directors

believes that the Company's stock option plan aligns the interests of the Named Executive Officers and the Board of Directors with shareholders by linking a component of executive compensation to the longer term performance of the Company's common shares.

The Company's Board of Directors makes these determinations subject to and in accordance with the provisions of the Company's stock option plan.

Pursuant to the Company's stock option plan, the Board of Directors grants options to directors, officers, consultants and employees as incentives. The level of stock options awarded to a Named Executive Officer is determined by his position and his potential future contributions to the Company. The exercise price of stock options is determined by the Board of Directors but shall in no event be less than the trading price of the common shares of the Company on the TSX Venture Exchange (the "TSXV") at the time of the grant of the option. Previous grants pursuant to the Company's stock option plan are taken into account when considering new grants.

### Compensation Governance

The Board of Directors determines an appropriate amount of compensation for its executives, reflecting the need to provide incentive and compensation for the time and effort expended by the executives while taking into account the financial and other resources of the Company. There are no risks identified by the Company's compensation policy or practices that would reasonably be likely to have a material adverse effect on the Company. The Company does not have a Compensation Committee.

### Summary Compensation Table

The following table is a summary of compensation paid to the Named Executive Officers during the financial years ended December 31, 2014, December 31, 2013, December 31, 2012:

Name and Principal Position	Year Ended Dec 31.	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity incentive plan compensation (\$)		Pension Value (\$)	All other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-Term Incentive Plans <sup>(1)</sup>			
<b>Shane W. Shircliff</b> Former President, and CEO <sup>(2)</sup>	2014	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2013	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2012	Nil	Nil	\$4,183 <sup>(3)</sup>	Nil	Nil	Nil	Nil	\$4,183 <sup>(3)</sup>
<b>Todd L. Lahti</b>	2014	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

	2013	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2012	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Timothy C. Fernback</b> President, CEO and Director	2014	Nil	Nil	Nil	Nil	Nil	Nil	\$14,000 <sup>(5)</sup>	\$14,000 <sup>(5)</sup>
<b>Anthony K. Jackson</b> Former CFO and Director <sup>(6)</sup>	2014	Nil	Nil	Nil	Nil	Nil	Nil	\$10,500	\$10,500

Notes:

- (1) The Company does not have any long term incentive plan.
- (2) Mr. Shircliff resigned as President and CEO on May 30, 2014, at which time he was replaced in these roles by Timothy C. Fernback.
- (3) Mr. Shircliff's award of options to acquire 61,155 Common Shares at a price of \$0.20 on or before October 5, 2017 has been valued using the Black-Scholes option-pricing model. The fair value of the options was determined using a risk-free rate of 13.7% per annum, an expected life of 5 years, expected share price volatility of 85% and an expected dividend yield of 0%.
- (4) Mr. Lahti resigned as Chief Financial Officer on May 30, 2014, at which time he was replaced in this role by Anthony K. Jackson.
- (5) Pursuant to an agreement dated June 1, 2014 between the Company and TCF Ventures Corp. (a company controlled by Mr. Fernback), the Company paid the sum of \$2,000/month to TCF Ventures Corp. in exchange for the management services of Mr. Fernback, as well as the provision of office space, supplies and administrative services.
- (6) Mr. Jackson resigned as CFO and was replaced by Mr. Bromley on February 19, 2016.

**Incentive Plan Awards**

**Outstanding share-based awards and option based awards**

The following table discloses the particulars for each Named Executive Officer all awards outstanding as at December 31, 2014, including awards granted before the most recently completed financial year:

Name	Option –based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of share or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
<b>Timothy C. Fernback</b> President, CEO and Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Anthony K. Jackson</b> Former CFO	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Name	Option –based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of share or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
and Director							

**Incentive Plan Awards – value vested or earned during the year**

There were no option-based awards or share-based awards which vested or were earned during the financial year ended December 31, 2014 for any Named Executive Officer.

**Pension Plan Benefits**

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

**Termination and change of control benefits**

The Company does not have any plan or arrangement to pay or otherwise compensate any Named Executive Officer if his employment is terminated as a result of resignation, retirement, change of control, etc. or if his responsibilities change following a change of control.

**Compensation of Directors**

During the financial year ended December 31, 2014, the Company had four (4) Directors who were not also Named Executive Officers: Steven Low; Corey Giasson (ceased to be a Director on July 23, 2014); Steve Halaburs (resigned May 30, 2014); and Brad Fettis (resigned May 30, 2014). None of those Directors received any compensation during the year ended December 31, 2014. For a description of the compensation paid to the Named Executive Officers of the Company who also acted as Directors, see “Summary Compensation Table”.

**Narrative Discussion**

The Company currently does not pay Directors who are not employees or officers of the Company for attending Directors’ meetings or for serving on committees. The Company has no arrangements, standard for otherwise, pursuant to which Directors are compensated by the Company for their services as Directors, for committee participation, or for involvement in special assignments during the most recently completed financial year. None of the Company’s Directors have received any cash compensation for services provided in their capacity as Directors during the Company’s most recently completed financial year.

**Incentive Plan Awards**

**Outstanding share-based awards and option-based awards**

The following table discloses the particulars for each Director, other than those that were also Named Executive Officers, of awards outstanding at the end of the financial year ended December 31, 2014:

Name	Option –based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	Number of share or units of shares that have not vested (#)	Market of payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Steven D. M. Low	Nil	Nil	Nil	Nil	Nil	N/A	N/A

Note:

(1) This figure was calculated using the closing price of \$0.19 (December 30, 2014), being the closest trading day to the Company’s year ended December 31, 2014.

### **Incentive Plan Awards – value vested or earned during the year**

There were no option-based awards or share-based awards which vested or were earned during the financial year ended December 31, 2014 for any Director, who was not also a Named Executive Officer.

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

The Company has an incentive stock option plan under which stock options are granted. Stock options have been determined by the Company’s Directors and are only granted in compliance with applicable laws and regulatory policy. The TSXV policies limit the granting of stock options to employees, officers, directors and consultants of the Company and provide limits on the length of term, number and exercise price of such options. The TSXV also requires annual approval of rolling stock option plans by shareholders. The Company will propose that a new form of rolling stock option plan be approved by shareholders at the Meeting. See below under “Particulars of Matters to be Acted On - Incentive Stock Option Plan (10% Rolling Plan)”.

The following table sets out equity compensation plan information as at the end of the financial year ended December 31, 2014.

<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 issuance under equity compensation plans (excluding securities reflected in column (a))</b>
	<b>(a)</b>	<b>(b)</b>	<b>(c)</b>
Equity compensation plans approved by securityholders	79,502	\$2.00	426,190
Equity compensation plans not approved by securityholders	Nil	N/A	N/A
<b>Total</b>	<b>79,502</b>		<b>426,190</b>

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

None of our directors or executive officers, proposed nominees for election as directors, or associates of any of them, is or has been indebted to the Company or our subsidiaries at any time since the beginning of the most recently completed financial year and no indebtedness remains outstanding as at the date of this Information Circular.

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

No informed person of the Company, no proposed nominee for election as a director of the Company, and no associate or affiliate of any of these persons, has any material interest, direct or indirect, in any transaction since the commencement of our last financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or any of our subsidiaries, other than as disclosed under the heading “Particulars of Matters to be Acted On”.

An “informed person” means:

- (a) a director or executive officer of the Company;
- (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;
- (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Company other than voting securities held by the person or company as underwriter in the course of a distribution; and
- (d) the Company if it has purchased, redeemed or otherwise acquired any of its securities, so long as it holds any of its securities.

## AUDIT COMMITTEE

### Audit Committee Charter

The full text of the Company's Audit Committee Charter is attached as Schedule "A" to this Information Circular.

### Composition of the Audit Committee

As at the date of this Information Circular, the Audit Committee was composed of Timothy C. Fernback, Steven D. M. Low and Sean Bromley. Both Messrs. Fernback and Bromley are or were, during the past three years, executive officers or employees of the Company and are therefore not independent. Mr. Low is not, and was not during the past three years, an executive officer or employee of the Company and is therefore independent. All of the members of the Audit Committee are "financially literate" as that term is defined in National Instrument 52-110 *Audit Committees* ("NI 52-110").

### Relevant Education and Experience

Each member of the Audit Committee has:

- (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 provisions;
- (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 issuer's financial statements, or experience actively supervising one or more individuals engaged in such activities; and
- (d) an understanding of internal controls and procedures for financial reporting.

For relevant education and experience of Audit Committee members see "Election of Directors".

### Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Company's Board of Directors has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

### Reliance on Certain Exemptions

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

### Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

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

The aggregate fees unbilled/billed by the Company's external auditor for the financial year ended December 31, 2014 for audit and assurance and related services were approximately \$11,792 (financial year ended December 31, 2013: \$11,000).

### **Audit Related Fees**

The Company's external auditor did not provide any assurance or related services during the financial years ending December 31, 2014 or 2013 and accordingly no other fees were charged.

### **Tax Fees**

The aggregate fees unbilled/billed for tax compliance, tax advice and tax planning services by the Company's external auditor for the financial year ended December 31, 2014 were Nil (financial year ended December 31, 2013: Nil).

### **All Other Fees**

The aggregate fees billed by the Company's external auditor for the financial year ended December 31, 2014 for review of unaudited interim financial statements, compilation of consolidated financial statements and related services were Nil (financial year ended December 31, 2013: Nil).

## **APPOINTMENT OF AUDITOR**

Dale Matheson Carr-Hilton Labonte LLP, Chartered Accountants & Business Advisors is the Company's auditor, and was first appointed as the Company's auditor on February 6, 2015 by the Board, upon the recommendation of the Audit Committee of the Company. Upon the Company's request, Ernst & Young LLP, Chartered Accountants, the former auditor of the Company, resigned as auditor of the Company effective February 3, 2015.

As required by Section 4.11 of National Instrument 51-102 *Continuous Disclosure Obligations*, attached as Schedule "B" to this Information Circular are copies of the following documents which were promptly filed with securities regulatory authorities in connection with the change of auditor described above, and are available on the Company's SEDAR profile, at [www.sedar.com](http://www.sedar.com):

1. Notice of Change of Auditor dated February 23, 2015;
2. Letter from Dale Matheson Carr-Hilton Labonte LLP, Chartered Accountants & Business Advisors, dated February 23, 2015; and
3. Letter from Ernst & Young LLP, Chartered Accountants, dated February 3, 2015.

Our Audit Committee recommends the election of Dale Matheson Carr-Hilton Labonte LLP, Chartered Accountants & Business Advisors, of Vancouver, British Columbia, as our auditor to hold office until the Company's next annual general meeting of shareholders. The Audit Committee proposes that the Board of Directors be authorized to fix the remuneration to be paid to the auditor.

## **CORPORATE GOVERNANCE**

The Board of Directors believes that good corporate governance improves corporate performance and benefits all shareholders. National Policy 58-201 *Corporate Governance Guidelines* provides non-



prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“NI 58-101”) prescribes certain disclosure by the Company of its corporate governance practices. The disclosure required by NI 58-101 is presented below.

### 1. Board of Directors

The Board of Directors facilitates its independent supervision over management through regular meetings of the Board of Directors. The non-management Director of the Board of Directors do not hold regularly scheduled meetings at which non-independent Directors are not in attendance.

Steven D. M. Low, as of the date of this Information Circular, is not and has not been an executive officer or employee of the Company in the past three years and is therefore independent. The non-independent Directors are Timothy C. Fernback, President and CEO and Sean Bromley, CFO of the Company.

The mandate of the Board of Directors, as prescribed by the *Business Corporations Act* (British Columbia) is to manage or supervise management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Board of Directors oversees the management of the Company’s affairs directly and through its committees.

### 2. Directorships

As of the date of this Information Circular, certain of the Company’s Directors were also Directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction as follows:

<b><u>Name</u></b>	<b><u>Other reporting issuer (or equivalent in a foreign jurisdiction)</u></b>
Timothy C. Fernback	Senator Minerals Inc. (TSXV) Inform Resources Corp. (TSXV) Equitas Resources Corp. (TSXV) Jet Gold Corp. (TSXV)
Steven D. M. Low	N/A
Sean Bromley	G4G Capital Corp. (TSXV) Inform Resources Corp. (TSXV)
Ken Tollstam (Proposed Director)	Bravura Ventures Corp. (CSE) Intact Gold Corp. (TSXV) Verona Development Corp. (TSXV)

### 3. Orientation and Continuing Education

The Board of Directors is responsible for providing orientation for all new recruits to the Board of Directors. Each new Director brings a different skill set and professional background, and with this information, the Board of Directors is able to determine what orientation to the nature and operations of the Company’s business will be necessary and relevant to each new Director. The Company provides continuing education for its Directors as the need arises and encourages open discussion at all meetings, which format encourages learning by the Directors.

#### **4. Ethical Business Conduct**

The Board of Directors relies on the fiduciary duties placed on individual Directors by the Company's governing corporate legislation and the common law to ensure the Board of Directors operates independently of management and in the best interests of the Company. The Board of Directors has found that these, combined with the restrictions placed by applicable corporate legislation on an individual Directors' participation in decisions of the Board of Directors in which the Director has an interest, have been sufficient.

#### **5. Nomination of Directors**

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

The Board of Directors does not have a nominating committee. The Board of Directors is responsible for recruiting new members to the Board of Directors and planning for the succession of Board of Directors members.

#### **6. Compensation**

The Board of Directors is responsible for determining all forms of compensation, including long-term incentive in the form of stock options, to be granted to the CEO of the Company and the Directors, and for reviewing the CEO's recommendations respecting compensation of the other officers of the Company, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of its officers, the Board of Directors considers: (a) recruiting and retaining executives critical to the success of the Company and the enhancement of shareholder value; (b) providing fair and competitive compensation; (c) balancing the interests of management and the Company's shareholders; (d) rewarding performance, both on an individual basis and with respect to operations in general; and (e) permitted compensation under TSXV rules.

#### **7. Other Board of Directors Committees**

As of the date of this Information Circular, the Board of Directors has appointed an Audit Committee, the members of which are Timothy C. Fernback, Steven D. M. Low and Sean Bromley. A description of the function of the Audit Committee can be found in this Information Circular as Schedule "A". The Company does not have any other committees.

#### **8. Assessments**

The Board of Directors annually reviews its own performance and effectiveness as well as reviews the Audit Committee Charter and recommends revisions as necessary. Neither the Company nor the Board of Directors has adopted formal procedures to regularly assess the Board of Directors, the Audit Committee or the individual Directors as to their effectiveness and contribution. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of individual Directors are informally monitored by the other Board of Directors members, bearing in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board of Directors.

The Board of Directors monitors the adequacy of information given to Directors, communication between the Board of Directors and management and the strategic direction and processes of the Board of Directors and its committees.

The Board of Directors believes its corporate governance practices are appropriate and effective for the Company, given its size and operations. The Company's corporate governance practice allows the Company to operate efficiently, with checks and balances that control and monitor management and corporate functions without excessive administrative burden.

### MANAGEMENT CONTRACTS

The management functions of the Company are not to any substantial degree performed by any person other than the executive officers and Directors of the Company. The Company has not entered into any contracts, agreements or arrangements with parties other than its Directors and executive officers for the provision of such management functions.

### PARTICULARS OF MATTERS TO BE ACTED ON

#### **Incentive Stock Option Plan (10% Rolling Plan)**

The only equity compensation plan which the Company currently has in place is its 2014 stock option plan, approved by the shareholders of the Company on July 23, 2014 which was a 10% "rolling plan". In accordance with TSXV Policy 4.4, "rolling plans" must receive shareholder approval yearly. As such, the Company is seeking shareholder approval of the Company's 2016 "rolling" stock option plan (the "**Plan**") reserving a maximum of 10% of the issued and outstanding share capital of the Company at the time of the stock option grant.

The intention of the Company in proposing the Plan is to increase the interest of the Company's Board, senior officers, employees and consultants in the Company and thereby aid the Company in attracting, retaining and encouraging the continued involvement of such persons with the Company. The Plan complies with the current TSXV policies for Tier 2 issuers. Under the Plan, a maximum of 10% of the issued and outstanding share capital of the Company are proposed to be reserved at any time for issuance on the exercise of stock options. As the number of shares reserved for issuance under the Plan increases with the issue of additional shares of the Company, the Plan is considered to be a "rolling" stock option plan.

The Company is seeking shareholder approval for the Plan and the approval of the number of common shares reserved for issuance under the Plan in accordance with and subject to the rules and policies of the TSXV.

#### *Terms of the Plan*

A full copy of the Plan will be available at the Meeting for review by shareholders. Shareholders may also obtain copies of the Plan from the Company prior to the Meeting on written request.

The following is a summary of the material terms of the Plan (capitalized terms used and not defined herein have the meanings ascribed thereto in the Plan:

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

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

**Eligible Persons.** The Plan provides that stock options may be issued only to Directors, officers, employees, and consultants of the Company or of any of its affiliates or subsidiaries, to employees of

consultant companies providing management or administrative services to the Company, and to consultant companies themselves. Such persons and entities are referred to herein as “Eligible Persons”.

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

**Maximum Term of Options.** Options granted under the Plan will be for a term not exceeding 10 years.

**Maximum Options per Person.** The number of shares reserved for issuance to any one option holder pursuant to options granted under the Plan during any twelve month period may not exceed 5% (or, in the case of a Consultant, 2%) of the outstanding shares of the Company at the time of grant. The number of shares reserved for issuance to Consultants and Employees who are engaged in investor relations activities is limited to an aggregate of 2% of the outstanding shares of the Company at the time of grant.

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

**Termination Prior to Expiry.** Generally, options must expire and terminate on a date stipulated by the Board of Directors at the time of grant and, in any event, must terminate within a reasonable period to be determined by the Administrator commencing on the effective date the Optionee ceases to be employed by or provide services to the Company (but only to the extent that such Option has vested on or before the date the Optionee ceased to be so employed or provide services to the Company) as provided for in the written option agreement between the Company and the Optionee, and all rights to purchase Shares under such Option will expire as of the last day of such Exercise Period, provided however that the maximum Exercise Period shall be six (6) months, unless the Optionee has entered into a valid employment or consulting agreement that provides for a longer Exercise Period, but in no case shall the Exercise Period be greater than one (1) year unless prior TSXV approval has been given. If an option holder dies, the options of the deceased option holder will be exercisable by his or her estate for a period not exceeding 12 months or the balance of the term of the options, whichever is shorter.

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

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

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

**Termination of Plan.** The Plan will terminate when all of the options have been granted or when the Plan is otherwise terminated by the Company. Any options outstanding when the Plan is terminated will remain in effect until they are exercised or they expire.

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

“BE IT RESOLVED as an ordinary resolution, that:

1. The Company’s stock option plan pursuant to which directors may, from time to time, reserve for issuance and issue up to 10% of the then issued and outstanding common shares of the Company

pursuant to incentive stock options granted to directors, officers, employees and consultants of the Company and its subsidiaries, as more particularly described in the Company's Information Circular dated February 29, 2016, is approved, ratified and confirmed, subject to regulatory approval."

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

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

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

### **ADDITIONAL INFORMATION**

Additional information about the Company is located on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is provided in the Company's comparative financial statements and Management's Discussion and Analysis for its financial year ended December 31, 2014. Shareholders may contact the Company to request copies of the financial statements and Management's Discussion and Analysis by writing to the President, CEO and Director, Mr. Fernback at the following address:

**KENNA RESOURCES CORP.**  
162 – 2906 West Broadway  
Vancouver, British Columbia  
V6K 2P6

### **OTHER MATERIAL FACTS**

Management knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the shares represented by the Proxy solicited hereby will be voted on such matter in accordance with the best judgment of the persons voting by proxy.

DATED at Vancouver, British Columbia, on the 29<sup>th</sup> day of February, 2016.

BY ORDER OF THE BOARD

**KENNA RESOURCES CORP.**

*"Timothy C. Fernback"*

\_\_\_\_\_  
Timothy C. Fernback  
President, CEO and Director

## SCHEDULE A

### Charter of the Audit Committee of the Board of Directors of Kenna Resources Corp. (the “Company”)

#### Mandate and Responsibilities

The Audit Committee is appointed by the Board of Directors of the Company (the “**Board**”) to oversee the accounting and financial reporting process of the Company and audits of the financial statements of the Company. The Audit Committee’s primary duties and responsibilities are to:

- (a) recommend to the Board the external auditor to be nominated for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company;
- (b) recommend to the Board the compensation of the external auditor;
- (c) oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- (d) pre-approve all non-audit services to be provided to the Company or its subsidiaries by the Company’s external auditor;
- (e) review the Company’s financial statements, MD&A and annual and interim earnings press releases before the Company publicly discloses this information;
- (f) be satisfied that adequate procedures are in place for the review of all other public disclosure of financial information extracted or derived from the Company’s financial statements, and to periodically assess the adequacy of those procedures;
- (g) establish procedures for:
  - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
  - (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
- (h) 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.

The Board and management will ensure that the Audit Committee has adequate funding to fulfill its duties and responsibilities.

\* \* \* \* \*

**SCHEDULE B**

**Change of Auditor Package**





**KENNA RESOURCES CORP.  
NOTICE OF CHANGE OF AUDITOR  
(National Instrument 51-102)**

TO: Alberta Securities Commission  
British Columbia Securities Commission  
Manitoba Securities Commission  
Ontario Securities Commission  
Saskatchewan Securities Commission

AND TO: Ernst & Young LLP, Chartered Accountants (“E&Y”)

AND TO: Dale Matheson Carr-Hilton Labonte LLP, Chartered Accountants & Business Advisors  
 (“DMCL”)

Kenna Resources Corp. (the “Corporation”) hereby gives notice pursuant to National Instrument 51-102 – *Continuous Disclosure Obligations* (“NI 51-102”) as follows:

- (a) effective February 3, 2015 (the “Resignation Date”) E&Y resigned as the auditor of the Corporation at the request of the Corporation;
- (b) the Corporation proposes that DMCL be appointed as auditor of the Corporation as effective February 6, 2015. As such the audit committee and the board of directors of the Corporation have considered and approved the resignation of E&Y and the appointment of DMCL as auditor of the Corporation;
- (c) there have been no modified opinions in the auditor’s report on the Corporation’s financial statements issued during the two most recently completed financial years; and
- (d) There have been, in the opinion of the Corporation, no “reportable events” as that term is defined in NI 51-102.

Dated at Vancouver, British Columbia this 23<sup>rd</sup> day of February, 2015.

**KENNA RESOURCES CORP.**

Per:           /s/ Timothy C. Fernback            
Name: Timothy C. Fernback,  
Title: President and Chief Executive Officer



**DALE MATHESON CARR-HILTON LABONTE LLP**  
CHARTERED ACCOUNTANTS & BUSINESS ADVISORS

February 23, 2015

British Columbia Securities Commission  
P.O. Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, B.C. V7Y 1L2

Alberta Securities Commission  
Suite 600, 250-5th St. SW  
Calgary, Alberta T2P 0R4

The Manitoba Securities Commission  
500 – 400 St Mary Avenue  
Winnipeg, Manitoba R3C 4K5

Ontario Securities Commission  
Suite 1903, Box 55  
20 Queen Street West  
Toronto, Ontario M5H 3S8

Saskatchewan Financial Services Commission  
Suite 601 - 1919 Saskatchewan Dr  
Regina, Saskatchewan S4P 4H2

Dear Sirs:

**Re: Kenna Resources Corp.**  
**Notice Pursuant to National Instrument 51-102 - Change of Auditor**

As required by the National Instrument 51-102 and in connection with us being appointed as auditors of the Company, we have reviewed the information contained in the Company's Notice of Change of Auditor, dated February 23, 2015, and agree with the information contained therein, based upon our knowledge of the information relating to the said notice and of the Company at this time.

Yours very truly,

**DALE MATHESON CARR-HILTON LABONTE LLP**  
CHARTERED ACCOUNTANTS & BUSINESS ADVISORS

**VANCOUVER**  
1500 – 1140 W. Pender Street  
Vancouver, BC V6E 4G1  
TEL 604.687.4747 | FAX 604.689.2778

**TRI-CITIES**  
700 – 2755 Lougheed Hwy.  
Port Coquitlam, BC V3B 5Y9  
TEL 604.941.8266 | FAX 604.941.0971

**WHITE ROCK**  
301 – 1656 Martin Drive  
White Rock, BC V4A 6E7  
TEL 604.531.1154 | FAX 604.538.2613

WWW.DMCL.CA



Ernst & Young LLP      Tel: +1 309 934 8000  
410 - 22<sup>nd</sup> Street East      Fax: +1 306 653 5859  
Suite 1200      ey.com  
Saskatoon, SK  
S7K 5T6

February 3, 2015

Kenna Resources Corp.  
800 – 1199 West Hastings Street  
Vancouver, BC V6E 3T5

Dear Sirs / Mesdames:

**Re: Resignation of Ernst & Young LLP**

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We are writing to confirm that we are hereby resigning, at your request, as auditor for Kenna Resources Corp. (the “**Company**”). We will also expect to receive from you shortly the appropriate materials under National Instrument 51-102, Part 4.11.

Yours very truly,

*Ernst + Young LLP*

Ernst & Young LLP  
Chartered Professional Accountants

