

QUANTUM COBALT CORP.
NOTICE OF MEETING
AND
MANAGEMENT INFORMATION CIRCULAR
FOR
ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON NOVEMBER 5, 2019

October 4, 2019

QUANTUM COBALT CORP.

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING
OF SHAREHOLDERS**

NOTICE IS HEREBY GIVEN that an annual general and special meeting (the "Meeting") of shareholders of Quantum Cobalt Corp. (the "Company") will be held at 400-837 West Hastings, Vancouver, British Columbia, V6C 3N6 on Tuesday, November 5, 2019, at the hour of 10:00 a.m. (Vancouver time) for the following purposes:

1. To receive the financial statements of the Company for the fiscal year ended January 31, 2018 and January 31, 2019 the report of the auditors thereon.
2. To ratify, confirm and approve the delay and postponement of the 2018 annual general meeting to the date of the Meeting.
3. To elect and set the number of directors to four.
4. To appoint auditors and to authorize the directors to fix the remuneration of the auditors.
5. To consider and, if thought fit, pass by ordinary resolution approving the Company's incentive stock option plan, as more particularly described in the accompanying information circular (the "Circular").
6. To approve, as a resolution of the disinterested shareholders, a share consolidation for up to 20 old common shares in exchange for 1 new common share
7. To pass an ordinary resolution approving a restricted share unit plan
8. To consider and, if thought fit, pass by special resolution an Advance Notice Policy.
9. To consider other matters, including without limitation such amendments or variations to any of the foregoing resolutions, as may properly come before the Meeting or any adjournment thereof.

Pursuant to the Interim Order, holders of common shares of the Company have been granted the right to dissent against the Arrangement Resolution and to be paid the fair value of their common shares of the Company in respect of the Arrangement Resolution in accordance with the terms of the Interim Order and section 238 of the *Business Companies Act* (British Columbia). This right is described in the Circular under the heading "Rights of Dissent".

Only holders of record of common shares of the Company at the close of business on October 4, 2019, will be entitled to vote in respect of the matters to be voted on at the Meeting or any adjournment thereof.

Your vote is important regardless of the number of common shares of the Company you own. Shareholders who are unable to attend the Meeting in person are asked to sign, date and return the enclosed form of proxy relating to the common shares of the Company held by them in the envelope provided for that purpose.

To be effective, the proxy must be duly completed and signed and then deposited with either the Company's registrar and transfer agent, TMX Equity Transfer Services, 650 West Georgia Street, Suite 2700, Vancouver, British Columbia, V6B 4N9 before 10:00 a.m. (Vancouver time) on October 31, 2019, or if the Meeting is adjourned or postponed, before 10:00 a.m. (Vancouver time) on the day that is at least two business days preceeding the date of the reconvening of any adjourned or postponed meeting.

DATED at Vancouver, British Columbia, this 4th day of October, 2019.

Quantum Cobalt Corp.

By Order of the Board

"David Greenway"

David Greenway

Chief Executive Officer

GENERAL INFORMATION FOR THE MEETING

Solicitation of Proxies

This Information Circular is provided in connection with the solicitation of proxies by the management of Quantum Cobalt Corp. (the "Company") for use at the annual general meeting of the shareholders of the Company to be held at 400-837 West Hastings Street, Vancouver, British Columbia, V6C 3N6 at 10:00 a.m. on November 5, 2019 (the "Meeting"), for the purposes set out in the accompanying notice of meeting and at any adjournment thereof. The solicitation will be made by mail and may also be supplemented by telephone or other personal contact to be made without special compensation by directors, officers and employees of the Company. The Company will bear the cost of this solicitation. The Company will not reimburse shareholders, nominees or agents for the cost incurred in obtaining from their principals authorization to execute forms of proxy.

APPOINTMENT AND REVOCATION OF PROXY

Registered Shareholders

Registered shareholders may vote their common shares by attending the Meeting in person or by completing the enclosed proxy. Registered shareholders should deliver their completed proxies to **TMX Equity Transfer Services, 200 University Ave. Suite 300, M5H 4H1, Toronto, Canada** (by mail, telephone or internet according to the instructions on the proxy), not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting, otherwise the shareholder will not be entitled to vote at the Meeting by proxy.

The persons named in the proxy are directors and officers of the Company and are proxyholders nominated by management. **A shareholder has the right to appoint a person other than the nominees of management named in the enclosed instrument of proxy to represent the shareholder at the Meeting. To exercise this right, a shareholder must insert the name of its nominee in the blank space provided. A person appointed as a proxyholder need not be a shareholder of the Company.**

A registered shareholder may revoke a proxy by:

- (a) signing a proxy with a later date and delivering it at the place and within the time noted above;
- (b) signing and dating a written notice of revocation (in the same manner as the proxy is required to be executed, as set out in the notes to the proxy) and delivering it to the registered office of the Company, at 400-837 West Hastings Street, Vancouver, British Columbia, V6C 3N6, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof at which the proxy is to be used, or to the Chairman of the Meeting on the day of the Meeting or any adjournment thereof,
- (c) attending the Meeting or any adjournment thereof and registering with the scrutineer as a shareholder present in person, whereupon such proxy shall be deemed to have been revoked; or
- (d) in any other manner provided by law.

Beneficial Shareholders

The information set forth in this section is of significant importance to many shareholders, as many shareholders do not hold their shares in the Company in their own name. Shareholders holding their shares through banks, trust companies, securities dealers or brokers, trustees or administrators of self-administered RRSP's, RRIF's, RESP's and similar plans or other persons (any one of which is herein referred to as an "Intermediary") or otherwise not in their own name (such shareholders herein referred to as "Beneficial Shareholders") should note that only proxies deposited by shareholders

appearing on the records maintained by the Company's transfer agent as registered shareholders will be recognized and allowed to vote at the Meeting. If a shareholder's shares are listed in an account statement provided to the shareholder by a broker, in all likelihood those shares are **not** registered in the shareholder's name and that shareholder is a Beneficial Shareholder. Such shares are most likely registered in the name of the shareholder's broker or an agent of that broker. In Canada the vast majority of such shares are registered under the name of CDS & Co., the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms. Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted at the Meeting at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate party well in advance of the Meeting.**

Regulatory policies require Intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Beneficial Shareholders have the option of not objecting to their Intermediary disclosing certain ownership information about themselves to the Company (such Beneficial Shareholders are designated as non-objecting beneficial owners, or "NOBOs") or objecting to their Intermediary disclosing ownership information about themselves to the Company (such Beneficial Shareholders are designated as objecting beneficial owners, or "OBOs").

In accordance with the requirements of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Company has elected to send the notice of meeting, this Information Circular and a request for voting instructions (a "VIF"), instead of a proxy (the notice of Meeting, Information Circular and VIF or proxy are collectively referred to as the "Meeting Materials") directly to the NOBOs and indirectly through Intermediaries to the OBOs. The Intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to OBOs. The Company does not intend to pay for Intermediaries to forward the Meeting materials to OBOs. OBOs will not receive the Meeting Materials unless their Intermediary assumes the cost of delivery.

Meeting Materials sent to Beneficial Shareholders are accompanied by a VIF, instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a Beneficial Shareholder is able to instruct the Intermediary (or other registered shareholder) how to vote the Beneficial Shareholder's shares on the Beneficial Shareholder's behalf. For this to occur, it is important that the VIF be completed and returned in accordance with the specific instructions noted on the VIF.

The majority of Intermediaries now delegate responsibility for obtaining instructions from Beneficial Shareholders to Broadridge Investor Communication Solutions ("Broadridge") in Canada. Broadridge typically prepares a machine-readable VIF, mails these VIFs to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs to Broadridge, usually by way of mail, the Internet or telephone. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting by proxies for which Broadridge has solicited voting instructions. A Beneficial Shareholder who receives a Broadridge VIF cannot use that form to vote shares directly at the Meeting. The VIF must be returned to Broadridge (or instructions respecting the voting of shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the shares voted. If you have any questions respecting the voting of shares held through an Intermediary, please contact that Intermediary for assistance.

In either case, the purpose of this procedure is to permit Beneficial Shareholders to direct the voting of the shares which they beneficially own. **A Beneficial Shareholder receiving a VIF cannot use that form to vote common shares directly at the Meeting – Beneficial Shareholders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.** Should a Beneficial Shareholder who receives a VIF wish to attend the Meeting or have someone else attend on their behalf, the Beneficial Shareholder may request a legal proxy as set forth in the VIF, which will grant the Beneficial Shareholder or their nominee the right to attend and vote at the Meeting.

Only registered shareholders have the right to revoke a proxy. A Beneficial Shareholder who wishes to change its vote must, at least seven days before the Meeting, arrange for its Intermediary to revoke its VIF on its behalf.

All references to shareholders in this Information Circular and the accompanying instrument of proxy and notice of Meeting are to registered shareholders unless specifically stated otherwise.

The Meeting Materials are being sent to both registered and non-registered owners of the Company's shares. If you are a Beneficial Shareholder and the Company or its agent has sent the Meeting Materials directly to you, your name and address and information about your holdings of the Company's securities have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf. By choosing to send the Meeting Materials to you directly, the Company (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering the Meeting Materials to you and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the VIF.

Voting of Shares and Exercise of Discretion of Proxies

If a Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares represented by proxy will be voted or withheld from voting by the proxyholder in accordance with those instructions on any ballot that may be called for. In the enclosed form of proxy, in the absence of any instructions in the proxy, it is intended that such shares will be voted by the proxyholder, if a nominee of management, in favour of the motions proposed to be made at the Meeting as stated under the headings in the Notice of Meeting to which this Circular is attached. If any amendments or variations to such matters, or any other matters, are properly brought before the Meeting, the proxyholder, if a nominee of management, will exercise its discretion and vote on such matters in accordance with its best judgment.

The instrument of proxy enclosed, in the absence of any instructions in the proxy, also confers discretionary authority on any proxyholder other than the nominees of management named in the instrument of proxy with respect to the matters identified herein, amendments or variations to those matters, or any other matters which may properly be brought before the Meeting. To enable a proxyholder to exercise its discretionary authority a Shareholder must strike out the names of the nominees of management in the enclosed instrument of proxy and insert the name of its nominee in the space provided, and not specify a choice with respect to the matters to be acted upon. This will enable the proxyholder to exercise its discretion and vote on such matters in accordance with its best judgment.

At the time of printing this Circular, management of the Company is not aware that any amendments or variations to existing matters or new matters are to be presented for action at the Meeting.

Voting Shares and Principal Holders Thereof

Only those Shareholders of record on the Record Date will be entitled to vote at the Meeting or any adjournment thereof, in person or by proxy. On the Record Date, 40,425,190 Common Shares were issued and outstanding, each Common Share carrying the right to one vote.

To the knowledge of the directors and officers of the Company, as of the date of this document no person or company beneficially owns, directly or indirectly, or exercises control or direction over common shares carrying more than 10% of the voting rights attached to any class of voting securities of the Company.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Interpretation

“Named executive officer” (“NEO”) means:

- (a) a Chief Executive Officer (“CEO”);
- (b) a Chief Financial Officer (“CFO”);
- (c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

The NEOs who are the subject of this Compensation Discussion and Analysis are Greg Burns (CEO), Kenneth Tollstam (CFO), and Anthony Jackson (former CFO).

Compensation Program Objectives

The objectives of the Company’s executive compensation program are as follows:

- to attract, retain and motivate talented executives who create and sustain the Company’s continued success;
- to align the interests of the Company’s executives with the interests of the Company’s shareholders; and
- to provide total compensation to executives that is competitive with that paid by other companies of comparable size engaged in similar business in appropriate regions.

Overall, the executive compensation program aims to design executive compensation packages that meet executive compensation packages for executives with similar talents, qualifications and responsibilities at companies with similar financial, operating and industrial characteristics. The Company does not anticipate generating significant revenues from operations for a significant period of time. As a result, the use of traditional performance standards, such as corporate profitability, is not considered by the Company to be appropriate in the evaluation of the performance of the NEOs.

Purpose of the Compensation Program

The Company’s executive compensation program has been designed to reward executives for reinforcing the Company’s business objectives and values, for achieving the Company’s performance objectives and for their individual performances.

Elements of Compensation Program

The executive compensation program consists of a combination of consulting fees, performance bonus and stock option incentives.

Purpose of Each Element of the Executive Compensation Program

The base salary of an NEO is intended to attract and retain executives by providing a reasonable amount of non-contingent remuneration.

In addition to consulting fees, each NEO is eligible to receive a performance-based bonus meant to motivate the NEO to achieve short-term goals. The pre-established, quantitative target(s) used to determine performance bonuses are set each fiscal year. Awards under this plan are made by way of cash payments only, which payment are made at the end of the fiscal year.

Stock options are generally awarded to NEOs on an annual basis based on performance measured against set objectives. The granting of stock options upon hire aligns NEOs' rewards with an increase in shareholder value over the long term. The use of stock options encourages and rewards performance by aligning an increase in each NEO's compensation with increases in the Company's performance and in the value of the shareholders' investments.

Determination of the Amount of Each Element of the Executive Compensation Program, Compensation Risk and Compensation Governance

Compensation of the NEOs of the Company is reviewed annually by the Board, which approves the compensation of the NEOs. The Company does not presently have a compensation committee and the Company has not retained any compensation advisor or compensation consultant in respect of its compensation policies.

The Board intends to review from time to time and at least once annually, the risks, if any, associated with the Company's compensation policies and practices at such time. Such a review occurred at the time of preparation of this Compensation Discussion & Analysis. Implicit in the Board's mandate is that the Company's policies and practices respecting compensation, including those applicable to the Company's executives, be designed in a manner which is in the best interests of the Company and its shareholders and risk implications is one of many considerations which are taken into account in such design.

It is anticipated that the majority of the Company's executive compensation will consist of options granted under the Company's Option Plan. Such compensation is both "long term" and "at risk" and, accordingly, is directly linked to the achievement of long term value creation. As the benefits of such compensation, if any, are not realized by the executive until a significant period of time has passed, the ability of executives to take inappropriate or excessive risks that are beneficial to them from the standpoint of their compensation at the expense of the Company and its shareholders is limited.

The other two elements of compensation, consulting fees and performance bonuses, represent the remaining portion of an executive's total compensation. While neither salary nor bonus are "long term" or "at risk", as noted above, these components of compensation are not anticipated to form a significant part of total compensation and as a result it is unlikely that an executive would take inappropriate or excessive risks at the expense of the Company and its shareholders that would be beneficial to them from the standpoint of their short term compensation when their long term compensation might be put at risk from their actions.

Due to the small size of the Company, and the current level of the Company's activity, the Board is able to closely monitor and consider any risks which may be associated with the Company's compensation policies and practices. Risks, if any, may be identified and mitigated through regular Board meetings during which, financial and other information of the Company are reviewed, and which includes executive compensation. No risks have been identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

NEOs and directors of the Company are not permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, which are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

Consulting Fees

Consulting Fees for NEOs are expected to continue to be set annually, having regard to the individual's job responsibilities, contribution, experience and proven or expected performance, as well as to market conditions. In setting base compensation levels, consideration is to be given to such factors as level of responsibility, experience and expertise. Subjective factors such as leadership, commitment and attitude are also to be considered. The Company has not established performance goals for its NEOs.

Performance Bonuses

Given the size and nature of the Company's operations, the Company has not paid NEOs performance bonuses to date.

Stock Options

The Company has established the Option Plan under which stock options are granted to directors, officers, employees and consultants as an incentive to serve the Company in attaining its goal of improved shareholder value. The Board determines which NEOs (and other persons) are entitled to participate in the Option Plan; determines the number of options granted to such individuals; and determines the date on which each option is granted and the corresponding exercise price. Under the Option Plan, the Company may issue options equal to 10% of the outstanding common shares of the Company from time-to-time. The Option Plan was approved by Shareholders of the Company and 862,990 common shares are reserved under the Option Plan.

The Board makes these determinations subject to the provisions of the existing Option Plan and, where applicable, the policies of the Exchange.

Previous grants of option-based awards are taken into account when considering new grants.

Link to Overall Compensation Objectives

Each element of the executive compensation program has been designed to meet one or more objectives of the overall program.

The fixed base salary of each NEO, combined with the granting of stock options, has been designed to provide total compensation which the Board believes is competitive with that paid by other companies of comparable size engaged in similar business in appropriate regions.

Summary Compensation Table

The following table presents information concerning all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, to NEOs and directors by the Company for services in all capacities to the Company during the two most recently completed financial years:

Name and Principal Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total Compensation (\$)
Gregory Burns ⁽²⁾ Former CEO and Former Director	2019 2018	39,000 108,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	39,000 Nil
Kenneth Tolstam CFO	2019 2018	144,000 144,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	144,000 Nil
David Schmidt ⁽³⁾ Former CEO and Director	2019 2018	60,000 Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	60,000 Nil
Quinn Field-Dyte Director	2019 2018	2,500 Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	2,500 Nil
Von Torres Director	2019 2018	Nil 90,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil 90,000
Jerry Huang ⁽⁴⁾ Former Director	2019 2018	Nil 13,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil 13,000

Notes

1. The table above outlines the financial year ended January 31, 2018 and January 31, 2019
2. Mr. Burns resigned as CEO and Director on June 2nd, 2018
3. Mr. Schmidt resigned as CEO on May 22, 2019
4. Jerry Huang resigned as a director on November 29, 2018

Incentive Plan Awards - Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the financial year ending in January 31, 2018 to the NEOs of the Company:

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 shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Gregory Burns Former CEO and Former Director	10,000 ⁽²⁾	\$3.00	July 14, 2018	N/A	N/A	N/A
Kenneth Tolsitam CFO	5,000 ⁽²⁾	\$3.00	July 14, 2018	N/A	N/A	N/A
David Schmidt Former CEO and Director	N/A	N/A	N/A	N/A	N/A	N/A
Quinn Field-Dyte Director	N/A	N/A	N/A	N/A	N/A	N/A
Von Torres Director	5,000 ⁽²⁾	\$3.00	July 14, 2018	N/A	N/A	N/A
Jerry Huang Former Director	N/A	N/A	N/A	N/A	N/A	N/A

(1) The market value of the common shares is the closing price of the Company's common shares on the Exchange on January 31, 2018. The closing price of the common shares on January 31, 2018 was \$0.60. Accordingly, none of the options were in-the-money as at the financial year ended January 31, 2018.

(2) At the time of the record date, the listed options have been cancelled or expired

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the financial year ending in January 31, 2018 to the NEOs of the Company:

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 shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Gregory Burns Former CEO and Former Director	N/A	N/A	N/A	N/A	N/A	N/A

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 shares or units of shares that have not vested (#)	Market payout value of share-based awards that have not vested (\$)
Kenneth Tolsitam CFO	N/A	N/A	N/A	N/A	N/A	N/A
David Schmidt Former CEO and Director	N/A	N/A	N/A	N/A	N/A	N/A
Quinn Field-Dyte Director	N/A	N/A	N/A	N/A	N/A	N/A
Von Torres Director	N/A	N/A	N/A	N/A	N/A	N/A
Jerry Huang Former Director	N/A	N/A	N/A	N/A	N/A	N/A

(1) The market value of the common shares is the closing price of the Company's common shares on the Exchange on January 31, 2019. The closing price of the common shares on January 31, 2019 was \$0.06. Accordingly, none of the options were in-the-money as at the financial year ended January 31, 2019.

Incentive Plan Awards – Value Vested or Earned During the Most Recently Completed Financial Year

The following table presents information concerning value vested with respect to option-based awards and share-based awards for each NEO during the January 31, 2018:

Name	Option-based awards – Value vested during the year ⁽⁵⁾ (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Gregory Burns Former CEO and Former Director	Nil	Nil	Nil
Kenneth Tolsitam CFO	Nil	Nil	Nil
David Schmidt Former CEO and Director	Nil	Nil	Nil
Quinn Field-Dyte Director	Nil	Nil	Nil
Von Torres Director	Nil	Nil	Nil

Jerry Huang Former Director	Nil	Nil	Nil
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The following table presents information concerning value vested with respect to option-based awards and share-based awards for each NEO during the January 31, 2019:

Name	Option-based awards – Value vested during the year⁽⁵⁾ (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Gregory Burns Former CEO and Former Director	Nil	Nil	Nil
Kenneth Tolsitam CFO	Nil	Nil	Nil
David Schmidt Former CEO and Director	Nil	Nil	Nil
Quinn Field-Dyde Director	Nil	Nil	Nil
Von Torres Director	Nil	Nil	Nil
Jerry Huang Former Director	Nil	Nil	Nil

Pension Plan Benefits – Defined Benefits Plan

The Company does not have a Defined Benefits Pension Plan nor a Defined Contribution Pension Plan.

Pension Plan Benefits – Defined Contribution

The Company does not have a Defined Contribution Pension Plan.

Termination and Change of Control Benefits

During the most recently completed financial year there were no employment contracts, agreement, plans or arrangements for payments to an NEO, at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company or a change in an NEO's responsibilities.

Securities Authorized for Issuance under Equity Compensation Plans

The following table sets out, as of the end of the most recently completed financial year all required information with respect to compensation plans under which equity securities of the Company are authorized for issuance:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	Nil	Nil	4,042,519
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	Nil	Nil	4,042,519

Corporate Governance

Board of Directors

The Board of Directors presently has 5 directors, four of whom are independent. The definition of independence used by the Company is that used by the Canadian Securities Administrators, which is set out in section 1.4 of National Instrument 52-110 *Audit Committees* ("NI 52-110"). A director is independent if he has no direct or indirect material relationship to the Company. A "material relationship" is a relationship which could, in the view of the Board of Directors, be reasonably expected to interfere with the exercise of the director's independent judgment. Certain types of relationships are by their very nature considered to be material relationships and are specified in section 1.4 of NI 52-110.

Von Torres, Dino Minichiello, and Quinn Field-Dyte are considered to be independent directors. David Greenway is not considered to be independent as he is a senior officer of the Company.

The Board believes that the principal objective of the Company is to generate economic returns with the goal of maximizing shareholder value, and that this is to be accomplished by the Board through its stewardship of the Company. In fulfilling its stewardship function, the Board's responsibilities will include strategic planning, appointing and overseeing management, succession planning, risk identification and management, environmental oversight, communications with other parties and overseeing financial and corporate issues. Directors are involved in the supervision of management.

Pursuant to the *Business Companies Act* (British Columbia), directors must declare any interest in a material contract or transaction or a proposed material contract or transaction. Further, the independent members of the Board of Directors meet independently of management members when warranted.

Other Directorships

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

Current Director/Nominee	Other Directorships of Other Reporting Issuers
David Greenway	Blok Technologies Inc. Kopr Point Ventures Inc. Montego Resources Inc.
Quinn Field-Dyte	Vantex Resources Ltd Winston Resources Inc Fire River Gold Corp.
Dino Minichiello	Prize Mining Corp. Winston Resources Inc.
Von Torres	Kootenay Zinc Corp.

Orientation and Continuing Education

The Company has not yet developed an official orientation or training program for directors. If and when new directors are added, however, they have the opportunity to become familiar with the Company by meeting with other directors and with officers and employees of the Company. As each director has a different skill set and professional background, orientation and training activities are and will continue to be tailored to the particular needs and experience of each director. The Company's financial and legal advisers are also available to the Company's directors.

Nomination of Directors

The Company does not have a formal process or committee for proposing new nominees for election to the Board of Directors. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members.

Compensation

The Board has not established a compensation committee. The Board as a whole is responsible for reviewing the adequacy and form of compensation paid to the Company's executives and key employees, and ensuring that such compensation realistically reflects the responsibilities and risks of such positions. In fulfilling these responsibilities, the Board evaluates the performance of the Company's chief executive officer and other senior management in light of corporate goals and objectives, and makes recommendations with respect to compensation levels based on such evaluations.

Other Board Committees

The Board has not established any committees other than the Audit Committee.

Assessments

The Board has not, as of the present time, taken any formal steps to assess whether the Board, its committees and its individual directors are performing effectively.

Audit Committee and Relationship with Auditors

General

The Audit Committee is a standing committee of the Board, the primary function of which is to assist the Board in fulfilling its financial oversight responsibilities, which will include monitoring the quality and integrity of the Company's financial statements and the independence and performance of the Company's external auditor, acting as a liaison between the Board and the Company's external auditor, reviewing the financial information that will be publicly disclosed and reviewing all audit processes and the systems of internal controls management and the Board have established.

Audit Committee Charter

The Board has adopted an Audit Committee Charter, which sets out the Audit Committee's mandate, organization, powers and responsibilities. The Audit Committee Charter is attached as Schedule A to this information circular.

Composition

The Audit Committee consists of the following three directors. Also indicated is whether they are 'independent' and 'financially literate'.

Name of Member	Independent⁽¹⁾	Financially Literate⁽²⁾
Von torres	Yes	Yes
Quinn Field-Dyte	Yes	Yes
Dino Minichiello	No	Yes

Notes:

- (1) A member of the Audit Committee is independent if he has no direct or indirect 'material relationship' with the Company. A material relationship is a relationship which could, in the view of the Board of Directors, reasonably interfere with the exercise of a member's independent judgment. An executive officer of the Company, such as the President or Secretary, is deemed to have a material relationship with the Company.
- (2) A member of the Audit Committee is financially literate if he has 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.

Because the shares of the Company are listed on the Exchange, it is categorized as a venture issuer. As a result, National Instrument 52-110 *Audit Committees* ("NI 52-110") exempts the members of the Company's Audit Committee from being independent.

Relevant Education and Experience

All of the members of the Company's audit committee have gained their education and experience by participating in the management of private and publicly traded companies and all member are "financially literate", meaning that they 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 be reasonably expected to be raised by the Company's financial statements.

Audit Committee Oversight

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

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110 or an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*) of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services, however, as provided for in NI 52-110, the Audit Committee must pre-approve all non-audit services to be provided to the Company or its subsidiaries, unless otherwise permitted by NI 52-110.

External Auditor Service Fees (By Category)

Financial Year Ending	Audit Fees⁽¹⁾	Audit Related Fees⁽²⁾	Tax Fees⁽³⁾	All Other Fees⁽⁴⁾
January 31, 2019	\$21,000.00	Nil	Nil	Nil
January 31, 2018	\$21,000.00	Nil	Nil	Nil

Notes:

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

Exemption

Pursuant to section 6.1 of NI 52-110, the Company is exempt from the requirements of Part 3 *Composition of the Audit Committee* and Part 5 *Reporting Obligations* of NI 52-110 because it is a venture issuer.

Indebtedness of Directors and Senior Officers

None of the directors or executive officers of the Company or any subsidiary thereof, or any associate or affiliate of the above, is or has been indebted to the Company at any time since the beginning of the last completed financial year of the Company.

Interest of Certain Persons or Companies in Matters to be Acted Upon

The Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of each of the following persons in any matter to be acted upon at the Meeting other than the election of directors or the approval of the Plan:

- (a) Each person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year;

- (b) Each proposed nominee for election as a director of the Company; and
- (c) Each associate or affiliate of any of the foregoing.

Interest of Informed Persons in Material Transactions

Unless otherwise disclosed herein, no informed person or proposed nominee for election as a director, or any associate or affiliate of any of the foregoing, has or has had any material interest, direct or indirect, in any transaction or proposed transaction since the commencement of the Company's most recently completed financial year, which has materially affected or will materially affect the Company or any of its subsidiaries, other than as disclosed by the Company during the course of the year or as disclosed herein.

ANNUAL MEETING BUSINESS

Financial Statements

The Financial Statements will be presented to Shareholders at the Meeting. The Financial Statements have been filed on SEDAR and are available at www.sedar.com.

Appointment of Auditor

It is the intention of the management designees, if named as proxy, to vote FOR the re-appointment of Manning Elliott LLP as auditor for the Company to hold office until the next annual general meeting of Shareholders, at a remuneration to be fixed by the Board of Directors.

Election of Directors

The Board of Directors presently consists of five directors, and it is anticipated that four directors will be elected for the coming year. The term of office for persons elected at the Meeting will expire at the next annual general meeting of Shareholders, unless a director resigns or is otherwise removed in accordance with the BCA.

The persons named below will be presented at the Meeting for election as directors as nominees of management. It is the intention of the management designees, if named as proxy, to vote FOR the election of the persons listed in the table below to the Board of Directors.

It should be noted that the names of further nominees for election as director may come from the floor during the Meeting. The following table sets out the names of the persons to be presented for election as director as nominees of management, all other positions and offices with the Company now held by them, their principal occupation or employment, the year in which they became a director of the Company and the number of shares of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised, by each of them, if any, as at the date hereof:

Name, Municipality of Residence, and Position(s) with the Company	Principal Occupation	Period Served as Director or Officer	Number of Voting Securities of the Company Beneficially Owned or Controlled or Directed, Directly or Indirectly
David Greenway British Columbia, Canada <i>Chief Executive Officer and Director</i>	Chief Executive Officer and Director of the Company	April 16, 2019 to present	Nil shares

Name, Municipality of Residence, and Position(s) with the Company	Principal Occupation	Period Served as Director or Officer	Number of Voting Securities of the Company Beneficially Owned or Controlled or Directed, Directly or Indirectly
Dino Minichiello British Columbia, Canada <i>Director</i>	Director of the Company	May 22, 2019 to present	Nil shares
Von Torres British Columbia, Canada <i>Director</i>	Director of the Company	July 14, 2017 to present	42,000 shares
Quinn Field-Dyte British Columbia, Canada <i>Corporate Secretary and Director</i>	Director and Corporate Secretary of the Company	August 6, 2010 to present	400,001 shares

Unless otherwise stated, each of the above proposed directors has held the principal occupation or employment indicated for the past five years.

The above information has been furnished by the respective directors individually.

No proposed director with the exception of below:

- (a) Is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity,
 - (i) 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, for a period of more than 30 consecutive days;
 - (ii) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
 - (iii) 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.
- (b) Has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

- (c) Has been subject to 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 been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

In late November 2018, Staff of the BC Securities Commission issued a Notice of Hearing and Temporary Order against Mr. Torres. The Temporary Order prevented Mr. Torres from trading in or purchasing shares of nine issuers that trade on the CSE (not Quantum Cobalt Corp.) (the “First Order”) and from relying on section 2.24 of National Instrument 45-106 for the distribution of shares to Torres as a consultant (the “Second Order”). On January 15, 2019,, a Panel of the Commission reduced the First Order (the “Amended First Order”) such that Mr. Torres was only prevent from trading in or purchasing shares of four issuers. In the January 2019 decision, the Panel extended the Amended First Order and the Second Order until April 2019. Following a hearing in April 2019, the Commission Panel further extended the Amended First Order and the Second Order until May 27, 2020. In its decision, the Panel described the Amended First Order and the Second Order as very narrow in scope and limited to prohibiting very specific conduct.

Approval of Incentive Stock Option Plan

The Option Plan is a “rolling” stock option plan, which makes a maximum of 10% of the issued and outstanding Common Shares available for issuance thereunder. The policies of the Exchange require that a rolling plan such as the Option Plan be approved by the Shareholders on an annual basis.

The purpose of the Option Plan is to provide directors, officers and key employees of, and certain other persons who provide services to, the Company with an opportunity to purchase Common Shares of the Company at a specific price, and subsequently benefit from any appreciation in the value of the Common Shares. This provides an incentive for such persons to contribute to the future success of the Company and enhances the ability of the Company to attract and retain skilled and motivated individuals, thereby increasing the value of the Common Shares for the benefit of all Shareholders.

The exercise price of stock options granted under the Option Plan will be determined by the Board and will be priced in accordance with the policies of the Exchange, and will not be less than the closing price of the Common Shares on the Exchange on the date prior to the date of grant less any allowable discounts. All options granted under the Plan will have a maximum term of five years.

The Option Plan provides that it is solely within the discretion of the Board of Directors to determine who should receive options and how many they should receive. The Board may issue a majority of the options to insiders of the Company. However, the Option Plan provides that in no case will the Option Plan or any existing share compensation arrangement of the Company result, at any time, in the issuance to any option holder, within a one year period, of a number of Common Shares exceeding 5% of the Company’s issued and outstanding Common Share capital.

The full text of the Option Plan is available for review by any Shareholder up until the day preceding the Meeting at the Company’s head office, located at Suite 400, 837 West Hastings Street, Vancouver, BC, V6C 3N6 and will also be available at the Meeting.

Upon the approval of the Option Plan by Shareholders, Shareholder approval will not be required or sought on a case-by-case basis for the purpose of the granting of options and the exercise of options under the Option Plan.

At the Meeting, Shareholders will be asked to approve an ordinary resolution approving the Option Plan. The text of the resolution to be considered and, if thought fit, approved at the Meeting is as follows:

"BE IT RESOLVED THAT:

2. Subject to the approval of the Canadian Securities Exchange, the Company's incentive stock option plan, which makes a total of 10% of the issued and outstanding shares of the Company available for issuance thereunder as described in the Company's Information Circular dated September 10, 2019, be and is hereby ratified, confirmed and approved.
3. Any one director or officer of the Company be and is hereby authorized and directed to perform all such acts, deeds and things and execute all such documents and other instruments as may be required to give effect to the true intent of this resolution."

Approval of the resolution will require the affirmative vote of a majority of the votes cast at the Meeting in respect thereof.

Management of the Company recommends that Shareholders vote in favour of the approval of the Option Plan, and if named as proxy, the management designees intend to vote the Common Shares represented by such proxy FOR approval of the Option Plan, unless otherwise directed in the form of proxy.

Advance Notice of Nomination of Directors

Introduction

The New Articles of the Company (Company as defined under the BCBCA/Company as defined under the CBCA) will include an advance notice provision (the "Advance Notice Provision"), which will:

- (i) facilitate orderly and efficient annual general or, where the need arises, special, meetings;
- (ii) ensure that all shareholders receive adequate notice of the director nominations and sufficient information with respect to all nominees; and
- (iii) allow shareholders to register an informed vote.

Purpose of The Advance Notice Provision

The purpose of the Advance Notice Provision is to foster a variety of interests of the shareholders and the Company by ensuring that all shareholders - including those participating in a meeting by proxy rather than in person - receive adequate notice of the nominations to be considered at a meeting and can thereby exercise their voting rights in an informed manner. The Advance Notice Provision is the framework by which the Company seeks to fix a deadline by which holders of record of Common shares of the Company must submit director nominations to the Company prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Company for the notice to be in proper written form.

Effect of The Advance Notice Provision

1. Subject to the Business Companies Act (British Columbia) (the "BCBCA") or (the "Act") and the New Articles, the persons who are nominated in accordance with the following procedures shall only be eligible for election as directors of the Company. Nominations of persons for election to the Board may be made at any annual meeting of shareholders, or at any special meeting of shareholders (but only if one of the purposes for which the special meeting was called was the election of directors):
 - a. by or at the direction of the Board of the Company, including pursuant to a notice of meeting;

- b. by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the BCBCA, or a requisition of the shareholders made in accordance with the provisions of the BCBCA; or
 - c. by any person (a "Nominating Shareholder"):
 - i. who, at the close of business on the date of the giving of the notice provided for below in the Advance Notice Provision and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and
 - ii. who complies with the notice procedures set forth below in the Advance Notice Provision.
2. In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the Corporate Secretary of the Company at the principal executive offices of the Company.
3. To be timely, a Nominating Shareholder's notice to the Corporate Secretary of the Company must be made:
- a. in the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 40 days after the date (the "Notice Date") on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the tenth (10th) day following the Notice Date; and
 - b. in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made. In no event shall any adjournment or postponement of a meeting of shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder's notice as described above. Notwithstanding the foregoing, the Board may, in its sole discretion, waive the time periods summarized above.
4. To be in proper written form, a Nominating Shareholder's notice to the Corporate Secretary of the Company must set forth:
- a. as to each person whom the Nominating Shareholder proposes to nominate for election as a director:
 - i. the name, age, business address and residential address of the person;
 - ii. the principal occupation or employment of the person;
 - iii. the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;

- iv. a statement as to whether such person would be “independent” of the Company (within the meaning of applicable securities law) if elected as a director at such meeting and the reasons and basis for such determination; and
 - v. any other information relating to the person that would be required to be disclosed in a dissident’s proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below); and
 - b. as to the Nominating Shareholder giving the notice,
 - i. the class or series and number of shares in the authorized share structure of the Company which are controlled or which are owned beneficially or of record by the Nominating Shareholder as of the record date for the meeting (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice, and
 - ii. any other information relating to such Nominating Shareholder that would be required to be made in a dissident’s proxy circular in connection with solicitations of proxies for election of directors pursuant to the BCBCA and Applicable Securities Laws (as defined below).
- 5. To be eligible to be a candidate for election as a director of the Company and to be duly nominated, a candidate must be nominated in the manner prescribed in the Advance Notice Provision and the candidate for nomination, whether nominated by the board or otherwise, must have previously delivered to the Corporate Secretary of the Company at the principal executive offices of the Company, not less than 5 days prior to the date of the meeting, a written representation and agreement (in form provided by the Company) that such candidate for nomination, if elected as a director of the Company, will comply with all applicable corporate governance, conflict of interest, confidentiality, share ownership, majority voting and insider trading policies and other policies and guidelines of the Company applicable to directors and in effect during such person’s term in office as a director (and, if requested by any candidate for nomination, the Corporate Secretary of the Company shall provide to such candidate for nomination all such policies and guidelines then in effect).
- 6. No person shall be eligible for election as a director of the Company unless nominated in accordance with the provisions of the Advance Notice Provision; provided, however, that nothing in the Advance Notice Provision shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The Chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.
- 7. For purposes of the Advance Notice Provision:
 - a. “public announcement”, shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Company under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com; and
 - b. “Applicable Securities Laws”, means the Securities Act (British Columbia) and the equivalent legislation in the other provinces and in the territories of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commissions and similar regulatory authorities of each applicable provinces and territories of Canada.

8. Notwithstanding any other provision of the Advance Notice Provision, notice or any delivery given to the Corporate Secretary of the Company pursuant to the Advance Notice Provision may only be given by personal delivery, facsimile transmission or by email (provided that the Corporate Secretary of the Company has stipulated an email address for purposes of this notice, at such email address as stipulated from time to time), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Corporate Secretary at the address of the principal executive offices of the Company; provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.

As a CBCA company, the Company's charter documents consist of Articles of Incorporation and By-laws and any amendments thereto to date. On completion of the Continuance, the Company will cease to be governed by the CBCA and will thereafter be deemed to have been formed under the BCBCA. As part of the special resolution approving the Continuance (the "Continuance Resolution"), the Company's shareholders will be asked to approve the adoption of Notice of Articles and Articles, which comply with the requirements of the BCBCA, copies of which are available for review by the Company's shareholders at the Company's registered and records office.

Share Consolidation

It is the opinion of the directors that future equity financing will be required in order for the Company to meet its working capital requirements and to fund any further acquisitions. It is the directors' further opinion, that the structure of the Company's existing issued and outstanding share capital may not be conducive to completing such additional equity financing and that a consolidation of the Company's share capital may be required in order facilitate attracting new equity investment in the Company. Pursuant to the applicable corporate law, shareholder approval for a share consolidation is not required as one can be given effect by a resolution of the directors; however, Exchange policies require that a share consolidation be approved by: (a) the applicable regulatory authorities; and (b) a special resolution of the shareholders.

The directors have determined a consolidation ratio of up to 1:20 - (1) new post-consolidation common share for every twenty (20) pre-consolidation common shares (the "Consolidation") such that upon completion of the Consolidation all of the 40,425,190 issued and outstanding shares of the Company will be consolidated into up to 2,021,259 issued and outstanding shares. Outstanding warrants and options will similarly be adjusted by the consolidation ratio.

Upon completion of the Consolidation a letter of transmittal, as and if required, may be mailed to the Company's registered shareholders.

The Consolidation is subject to acceptance by the Exchange. In particular, the Company will be required to meet the Exchange's Continued Listing Requirements upon completion of the Consolidation.

Therefore, at the Meeting, shareholders will be asked to consider, and if thought fit, to approve an ordinary resolution in the following form:

"IT IS HEREBY RESOLVED, AS A SPECIAL RESOLUTION THAT:

The board of directors of the Company be and is hereby authorized, subject to approval of the applicable regulatory authorities, to take such actions as are necessary to consolidate, at any time following the date of this resolution, all of the issued and outstanding common shares of the Company

on the basis of one (1) new post-consolidation common share for every ten (10) pre-consolidation common shares, or such lesser whole number of pre-consolidation common shares that the directors in their discretion may determine, subject to the approval of the applicable regulatory authorities;

Any one or more directors and officers of the Company be authorized to perform all such acts, deeds and things and execute, under seal of the Company or otherwise, all such documents and other writings, including the Notice of Alteration, as may be required to give effect to the true intent of these resolutions; and

Despite the foregoing authorization, the board of directors of the Company may, at its discretion, determine when such consolidation will take place and may further, at its discretion, determine not to effect a consolidation of all of the issued and outstanding common shares of the Company, in each case without requirement for further approval, ratification or confirmation by the shareholders of the Company."

The foregoing resolution permits the directors, without further approval by the shareholders, to select the final consolidation ratio and proceed with the Consolidation at any time following the date of this Meeting. Alternatively, the directors may choose not to proceed with the share consolidation if the directors, in their discretion, deem that it is no longer desirable to do so.

Management recommends that shareholders vote for the approval of this ordinary resolution in order to facilitate any future financing and reorganize the Company's share structure.

In order to pass the above resolution, a simple majority of the votes cast by holders of shares, present in person or by proxy at the Meeting, is required.

Unless the shareholder has specified in the enclosed form of proxy that the shares represented by such proxy are to be voted against the ordinary resolution approving the Consolidation of the Company's issued and outstanding shares, the persons named in the enclosed form of proxy will vote FOR the resolution.

Approval of a Restricted Share Unit Plan

At the Meeting, Shareholders will be asked to pass an ordinary resolution approving the adoption of the Restricted Share Unit Plan (the "RSU Plan"), a summary of which is set forth below, and previous grants of RSUs to certain directors, officers, employees and consultants, the particulars of which are set forth below. If approved at the Meeting, the RSU Plan will come into effect immediately following the Meeting.

The RSU Plan

Background

The following is a summary of the principal terms of the RSU Plan, which is qualified in its entirety by the terms of the RSU Plan, attached to the Information Circular as Schedule "B".

Purpose

The purpose of the RSU Plan is to: (i) strengthen the ability of the Company and its affiliates to attract and retain qualified directors, officers, employees and consultants of the Company ("Eligible Participants"); (ii) align the interests of Eligible Participants with the interests of the Shareholders; and (iii) focus management of the Company on operating and financial performance and total long-term Shareholder return by providing an increased incentive to contribute to the Company's growth and profitability.

Compensation under the RSU Plan

The RSU Plan provides for the issuance of RSUs. An RSU award entitles the grantee thereof to receive, on each applicable vesting date, either: (i) at the election of the Board (or any committee of the Board delegated responsibility for the RSU Plan) (either the Board or such committee of the Board referred to as the "Committee") (A) the number of Common Shares deliverable on such vesting date pursuant to the terms of the RSU grant or (B) such lesser number of Common Shares as the Committee may determine in partial satisfaction of the number of Common Shares deliverable on such vesting date pursuant to the terms of the RSU grant; and (ii) unless the Committee determines to issue, in full settlement therefore, Common Shares on such vesting date in respect of an RSU award, a cash payment equal to the Fair Market Value (as such term is defined in the RSU Plan, determined on the basis of a five day volume weighted average) of a Share on such vesting date multiplied by the number of RSUs that vest to the grantee on such vesting date.

The Committee may consider the following factors in making RSU awards: (i) compensation data for comparable benchmark positions among the Company's competitors; (ii) the duties and seniority of the Eligible Participant; (iii) the performance of the Eligible Participant in the prior year relevant to the Performance Measures (as defined in the RSU Plan) of the Company for the relevant performance period; (iv) individual and/or departmental contributions and potential contributions to the success of the Company; and (v) such other factors as deemed relevant in connection with accomplishing the purposes of the RSU Plan.

Vesting

An award under the RSU Plan shall vest as to one third on each anniversary date following the date such RSU is granted, subject to accelerated vesting in the event of a Change of Control (as such term is defined in the RSU Plan), provided that the vesting date for all RSUs granted under a particular award shall not be later than November 30 of the third year following the year the particular award was made.

Shares Subject to the RSU Plan

The number of Shares which may be reserved for issuance: (i)(A) under the RSU Plan shall not exceed 1% of the total number of Shares issued and outstanding from time to time; and (B) when combined with the maximum number of Shares which may be reserved for issuance under all other security based compensation arrangements of the Company shall not exceed 10% of the total number of Shares issued and outstanding from time to time; and (ii) to "insiders" and their "associates" and "affiliates", as such terms are defined by the Securities Act (Alberta) (collectively, the "Insiders") under the RSU Plan and all other security based compensation arrangements of Quantum cannot exceed 10% of the Shares issued and outstanding from time to time. In addition, the number of Shares which may be issued to Insiders within any one-year period under the RSU Plan and all other security based compensation arrangements of Quantum cannot exceed 10% of the total number of Shares issued and outstanding from time to time.

The number of Shares issuable in any 12 month period under the RSU Plan: (i) to any one Eligible Participant shall not exceed 2% of the total number of Shares issued and outstanding from time to time; and (ii) to employees whose primary function is conducting Investor Relations Activities (as such term is defined in the RSU Plan) shall not exceed in the aggregate 2% of the total number of Shares issued and outstanding from time to time.

The maximum number of Shares issuable to non-employee directors under the RSU Plan shall not exceed 1% of the total number of Shares outstanding from time to time and the aggregate Fair Market Value (as such term is defined in the RSU Plan) of Shares, at the time of grant, granted to any one individual non-employee director, in any 12- month period under the RSU Plan, shall not exceed \$150,000.

Where RSUs are satisfied, terminated or expire in accordance with the RSU Plan, the Shares in respect of such RSUs shall thereafter revert to the RSU Plan and shall be included in the total number of RSUs available for issuance under the RSU Plan.

Blackout Periods

If an RSU would vest within a Black-Out Period (as such term is defined in the RSU Plan) imposed by the Company, or which vest within five business days after a Black-Out Period ends (other than a Black-Out Period imposed due to a cease trade order), the vesting date of the RSUs shall be ten business days from the date any BlackOut Period ends.

Termination of RSUs

Upon a grantee ceasing to be a Eligible Participant by reason of the retirement of the grantee or due to Disability (as such term is defined in the RSU Plan) or death of the grantee, all outstanding RSUs previously granted to such grantee shall continue in full force and effect, and vesting and payment in respect of such RSUs shall continue to be made in accordance with the terms thereof, subject to the provisions of the RSU Plan, as if such grantee continued to be an Eligible Participant, provided however that the grantee shall only be entitled to receive on each vesting date, the number of Shares equal to the number of RSUs granted multiplied by a fraction (A) the numerator of which is the number of days the grantee was an Eligible Participant of the Company during the applicable vesting period and (B) the denominator of which is the total number of days comprising the applicable vesting period.

Upon the grantee ceasing to be a Eligible Participant due to termination not for cause, effective as of the date of the termination without cause, all unvested RSUs held by such grantee shall be terminated and all rights to receive any payment thereunder shall be forfeited by the grantee and the grantee shall not be entitled to receive any compensation in lieu thereof, provided that the Committee may determine in its sole discretion, prior to the date such RSUs would otherwise terminate, to extend the date upon which such securities terminate.

Upon the grantee ceasing to be a Eligible Participant due to voluntary resignation by the grantee, all RSUs previously credited to such grantee which did not vest on or prior to the last day of any notice period applicable in respect of such grantee's voluntary termination date, shall be terminated and forfeited as of the grantee's termination date (or such longer period as determined by the Committee in its sole discretion).

In the event of the grantee ceasing to be a Eligible Participant due to involuntary termination for cause, effective as of the date notice is given to the grantee of such termination, all unvested RSUs held by such grantee shall be terminated and forfeited.

Assignability

Except as specifically provided in the RSU Plan, RSUs may not be transferred or assigned.

Adjustments

If the number of outstanding Shares changes as a result of (i) any change in the Shares through subdivision, consolidation, reclassification, or amalgamation or merger that is not a Change of Control or otherwise; (ii) rights being granted to Shareholders to purchase Shares at prices substantially below Fair Market Value; or (iii) Shares being converted into or exchangeable for other securities as a result of any reorganization, recapitalization, merger, consolidation or other transaction that is not a Change of Control, the Committee may make appropriate adjustments to the number of the RSUs outstanding which the Committee may, in its sole discretion (subject only to TSX approval if required), consider appropriate in the circumstances to prevent substantial dilution or enlargement of the rights thereunder.

In the event the Company pays a dividend on the Shares subsequent to the granting of a RSU, the number of Shares issuable pursuant to such grant of RSUs (or a cash payment in lieu of the issuance of Shares) shall be increased to account for the payment of such dividend.

Change of Control

If, before the vesting of an RSU in accordance with the terms thereof, a Change of Control (as defined in the RSU Plan) occurs prior to any of the vesting dates respecting an RSU, all of a grantee's RSUs that have not yet vested as of such time shall vest immediately prior to the effective time of the Change of Control, or such other time as determined advisable by the Committee, provided that such other time is not later than the date that the vesting would have otherwise occurred and is no earlier than 30 days before the date the vesting would otherwise have occurred.

Foreign Grantees

The Company may, without amending the RSU Plan, modify the terms of RSUs granted to Eligible Participants who provide services to the Company from outside of Canada in order to comply with the applicable laws of such jurisdictions. In addition, the terms of the RSUs granted to grantees subject to taxation in the United States will be subject to and will be determined by taking into consideration the terms stated in Appendix B that is attached to the RSU Plan, which is appended to the Information Circular as Schedule 'B'.

Amendments

The RSU Plan provides the Committee with the discretion to make certain amendments to the RSU Plan without the approval of Shareholders, provided that no such amendment to the RSU Plan shall cause the RSU Plan to cease to be subject to paragraph (k) of the definition of "salary deferral arrangement" as contained in the *Income Tax Act* (Canada).

In particular, the Committee may make amendments: (i) resulting in an addition to, deletion from or alteration of the RSU Plan or an RSU award that is necessary to comply with applicable law or the requirements of any regulatory authority or stock exchange; (ii) to correct or rectify any ambiguity, defective provision, error or omission in the RSU Plan or a RSU award; and (iii) any other amendment that does not require shareholder approval under paragraph 7(d) of the RSU Plan.

Shareholder approval will be required for: (i) any increase in the maximum number of Shares reserved for issuance under the RSU Plan; (ii) any extension of the term of an RSU award benefiting an Insider; (iii) any amendments to the RSU Plan to remove or to exceed the Insider participation limits set forth in the RSU Plan; (iv) any change to the categories of individuals eligible to be selected for grants of RSU awards, where such change may broaden or increase the participation of Insiders under the RSU Plan; (v) an amendment that would permit Unit Awards to be transferable or assignable other than for normal estate settlement purposes; and (iv) any amendment to the amendment provisions of the RSU Plan.

As of the date hereof, there are no Existing RSUs are granted and outstanding under the RSU plan. Under the RSU Plan, the maximum number of Common Shares issuable under the RSU Plan shall not exceed 1% of the issued and outstanding Common Shares from time to time. Accordingly, as of the date hereof, there are approximately 404,252 unallocated RSUs available for issuance under the RSU Plan, representing approximately 1% of the issued and outstanding Common Shares.

Approval at the Meeting

The number of votes required to approve the RSU Plan shall be a majority of the votes cast by Shareholders in person or represented by proxy at the Meeting.

Unless otherwise directed by Shareholders appointing them proxy, the persons named in the enclosed Forms of Proxy intend to vote the Shares represented thereby FOR the RSU Plan Resolution and the ratification of the Existing RSUs granted to certain insiders of the Company.

At the Meeting, the Shareholders will be asked to consider and, if thought fit, pass the following ordinary resolution approving the RSU Plan:

"BE IT RESOLVED THAT:

1. the restricted share unit plan of Quantum, on the terms described in and in the form attached at Schedule "B" to the Information Circular be and is hereby authorized and approved and adopted as the restricted share unit plan of Quantum until November 5, 2022;
2. any one director or officer of Quantum be and is hereby authorized and directed to do all things and to execute and deliver all documents and instruments as may be necessary or desirable to carry out the terms of this resolution; and
3. any director or officer of Quantum be and is hereby authorized and directed, for and on behalf of Quantum, to execute (whether under the corporate seal of Quantum or otherwise) and deliver, or cause to be executed and delivered, and to sign and/or file, or cause to be signed and/or filed, as the case may be, all applications, declarations, instruments and other documents, and to do or cause to be done all such other acts and things, as such director or officer may determine necessary or advisable to give effect to the foregoing resolutions including, without limitation, the execution, signing or filing of any such document or the doing of any such act or thing being conclusive evidence of such determination."

Additional Information

Additional information relating to the Company is available on SEDAR at www.sedar.com. Financial information is provided in the Financial Statements and MD&A for its most recently completed financial year. Shareholders may also contact the Company at 400 – 837 West Hastings Street, Vancouver, British Columbia, V6C 3N6 (Phone no. (604) 283-1722) to request copies of the Company's financial statements and MD&A for its most recently completed financial year.

SCHEDULE A
AUDIT COMMITTEE CHARTER

QUANTUM COBALT CORP.
(THE “COMPANY”)
AUDIT COMMITTEE CHARTER

MANDATE

The primary mandate of the audit committee (the “Audit Committee”) of the Board of Directors of the Company (the “Board”) is to assist the Board in overseeing the Company’s financial reporting and disclosure. This oversight includes:

- a) reviewing the financial statements and financial disclosure that is provided to shareholders and disseminated to the public;
- b) reviewing the systems of internal controls to ensure integrity in the financial reporting of the Company; and
- c) monitoring the independence and performance of the Company’s external auditors and reporting directly to the Board on the work of the external auditors.

COMPOSITION AND ORGANIZATION OF THE COMMITTEE

- 1. The Audit Committee must have at least three directors.
- 2. The majority of the Audit Committee members must be independent. A member of the Audit Committee is independent if the member has no direct or indirect material relationship with an issuer. A material relationship means a relationship which could, in the view of the issuer’s board of directors, reasonably interfere with the exercise of a member’s independent judgment.¹
- 3. Every Audit Committee member must be financially literate. Financial literacy is 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 issuer’s financial statements.²
- 4. The Board will appoint from themselves the members of the Audit Committee on an annual basis for one year terms. Members may serve for consecutive terms.
- 5. The Board will also appoint a chair of the Audit Committee (the “Chair of the Audit Committee”) for a one year term. The Chair of the Audit Committee may serve as the chair of the committee for any number of consecutive terms.
- 6. A member of the Audit Committee may be removed or replaced at any time by the Board. The Board will fill any vacancies in the Audit Committee by appointment from among members of the Board.

1 National Instrument 52-110 *Audit Committees* section 1.4

2 National Instrument 52-110 *Audit Committees* section 1.5

MEETINGS

1. The Audit Committee will meet at least four (4) times per year. Special meetings may be called by the Chair of the Audit Committee as required.
2. Quorum for a meeting of the Audit Committee will be two (2) members in attendance.
3. Members may attend meetings of the Audit Committee by teleconference, videoconference, or by similar communication equipment by means of which all persons participating in the meeting can communicate with each other.
4. The Audit Committee Chair will set the agenda for each meeting, after consulting with management and the external auditor. Agenda materials such as draft financial statements must be circulated to Audit Committee members for members to have a reasonable time to review the materials prior to the meeting.
5. Minutes of the Audit Committee meetings will be accurately recorded, with such minutes recording the decisions reached by the committee. Minutes of each meeting must be distributed to members of the Board, the Chief Executive Officer, the Chief Financial Officer and the external auditor.

RESPONSIBILITIES OF THE COMMITTEE

The Audit Committee will perform the following duties:

External Auditor

- a) select, evaluate and recommend to the Board, for shareholder approval, the external auditor to examine the Company's accounts, controls and financial statements;
- b) evaluate, prior to the annual audit by external auditors, the scope and general extent of their review, including their engagement letter, and the compensation to be paid to the external auditors and recommend such payment to the Board;
- c) obtain written confirmation from the external auditor that it is objective and independent within the meaning of the Rules of Professional Conduct/Code of Ethics adopted by the provincial institute or order of Chartered Accountants to which it belongs;
- d) recommend to the Board, if necessary, the replacement of the external auditor;
- e) meet at least annually with the external auditors, independent of management, and report to the Board on such meetings;
- f) pre-approve any non-audit services to be provided to the Company by the external auditor and the fees for those services;

Financial Statements and Financial Information

- g) review and discuss with management and the external auditor the annual audited financial statements of the Company and recommend their approval by the Board;
- h) review and discuss with management, the quarterly financial statements and recommend their approval by the Board;
- i) review and recommend to the Board for approval the financial content of the annual report;
- j) review the process for the certification of financial statements by the Chief Executive Officer and Chief Financial Officer;
- k) review the Company's management discussion and analysis, annual and interim earnings or financial

disclosure press releases, and audit committee reports before the Company publicly discloses this information;

- l) review annually with external auditors, the Company's accounting principles and the reasonableness of managements judgments and estimates as applied in its financial reporting;
- m) review and consider any significant reports and recommendations issued by the external auditor, together with management's response, and the extent to which recommendations made by the external auditors have been implemented;

Risk Management, Internal Controls and Information Systems

- n) review with the external auditors and with management, the general policies and procedures used by the Company with respect to internal accounting and financial controls;
- o) review adequacy of security of information, information systems and recovery plans;
- p) review management plans regarding any changes in accounting practices or policies and the financial impact thereof;
- q) review with the external auditors and, if necessary, legal counsel, any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the financial statements;
- r) discuss with management and the external auditor correspondence with regulators, employee complaints, or published reports that raise material issues regarding the Company's financial statements or disclosure;
- s) assisting management to identify the Company's principal business risks;
- t) review the Company's insurance, including directors' and officers' coverage, and provide recommendations to the Board;

Other

- u) review Company loans to employees/consultants; and
- v) conduct special reviews and/or other assignments from time to time as requested by the Board.

PROCESS FOR HANDLING COMPLAINTS REGARDING FINANCIAL MATTERS

The Audit Committee shall establish a procedure for the receipt, retention and follow-up of complaints received by the Company regarding accounting, internal controls, financial reporting, or auditing matters.

The Audit Committee shall ensure that any procedure for receiving complaints regarding accounting, internal controls, financial reporting, or auditing matters will allow the confidential and anonymous submission of concerns by employees.

REPORTING

The Audit Committee will report to the Board on:

- a) the external auditor's independence;
- b) the performance of the external auditor and the Audit Committee's recommendations;
- c) regarding the reappointment or termination of the external auditor;
- d) the adequacy of the Company's internal controls and disclosure controls;

- e) the Audit Committee's review of the annual and interim financial statements;
- f) the Audit Committee's review of the annual and interim management discussion and analysis;
- g) the Company's compliance with legal and regulatory matters to the extent they affect the financial statements of the Company; and
- h) all other material matters dealt with by the Audit Committee.

AUTHORITY OF THE COMMITTEE

The Audit Committee will have the resources and authority appropriate to discharge its duties and responsibilities. The Audit Committee may at any time retain outside financial, legal or other advisors at the expense of the Company without approval of management.

The external auditor will report directly to the Audit Committee.

QUANTUM COBALT CORP. – RESTRICTED SHARE UNIT PLAN

The Board of Directors of Quantum Cobalt Corp. (the “**Company**”) has established this Restricted Share Unit Plan (the “**Plan**”) for the Company to govern the issuance of Restricted Share Units (as defined herein) of the Company to Eligible Participants (as defined herein).

1. Purposes

The principal purposes of the Plan are as follows:

- (a) to strengthen the ability of the Company and its Affiliates to attract and retain qualified Eligible Participants;
- (b) to align the interests of Eligible Participants with the interests of the Shareholders; and
- (c) to focus management of the Company and its Affiliates on operating and financial performance and total long-term Shareholder return by providing an increased incentive to contribute to the Company's growth and profitability.

2. Administration

The Plan shall be administered by the Board or by such committee as the Board delegates such authority to from time to time (either the Board or such committee of the Board shall be referred to herein as the “**Committee**” and any reference to the Board herein shall include a reference to the Committee, as the context may require). The Committee shall have the authority, in its discretion and subject to and not inconsistent with the express provisions of the Plan, to administer the Plan and to exercise all the powers and authorities either specifically granted to it under the Plan or necessary or advisable in the administration of the Plan, including, without limitation, the authority:

- (a) to make Unit Awards and, subject to Section 7 hereof, amend previously granted Unit Awards;
- (b) to determine the Fair Market Value of the Shares on any date;
- (c) to determine the Eligible Participants to whom, and the time or times at which, Unit Awards shall be granted;
- (d) to determine the number of Restricted Share Units to be awarded pursuant to each Unit Award;
- (e) to determine the Vesting Dates of the Restricted Share Units provided that the Vesting Date for all Restricted Share Units granted under a particular Unit Award shall not be later than November 30 of the third year following the year in which the particular Unit Award was made;
- (f) subject to Section 7 hereof, to prescribe, amend and rescind rules and regulations relating to the Plan;
- (g) to interpret the Plan;
- (h) subject to Section 7 hereof, to determine the terms and provisions of Unit Award Agreements (which, for greater certainty, may not be identical) entered into in connection with Unit Awards; and
- (i) to make all other determinations deemed necessary or advisable for the administration of the Plan.

The Committee may delegate to one or more of its members or to one or more agents such administrative duties as it may deem advisable, including without limitation, to a third-party agent or trustee, and the Committee or any person to whom it has delegated duties as aforesaid may employ one or more persons to render advice with respect to any responsibility the Committee or such person may have under the Plan.

For greater certainty and without limiting the discretion conferred on the Committee pursuant to this Section, the Committee's decision to approve the grant of a Unit Award in any year shall not require the Committee to approve the grant of a Unit Award to any Eligible Participant in any other year. The Committee's decision with respect to the size or terms and conditions of a Unit Award in any year shall not require it to approve the grant of a Unit Award of the same size or with the same terms and conditions to any Eligible Participant in any other year. The Committee shall not be precluded from approving the grant of a Unit Award to any Eligible Participant solely because such Eligible Participant may previously have been granted a Unit Award under this Plan or any other similar compensation arrangement of the Company or an Affiliate. No Eligible Participant has any claim or right to be granted a Unit Award.

3. Eligibility and Award Determination

Unit Awards may only be granted to existing or proposed directors, employees and consultants of the Company and its subsidiaries or any Insider of the Company and its subsidiaries (collectively, “**Eligible Participants**”); provided, however, that the participation of an Eligible Participant in the Plan is voluntary; and provided further, that with respect to any grants to U.S. Persons, Eligible Participants shall exclude any Consultant Company. In determining the

Eligible Participants to whom Unit Awards may be granted ("**Grantees**") and the number of Restricted Share Units to be awarded pursuant to each Unit Award, the Committee may consider the following factors:

- (a) compensation data for comparable benchmark positions among the Company's competitors; the duties and seniority of the Eligible Participant;
- (b) the performance of the Eligible Participant in the prior year relevant to the Performance Measures of the Company for the relevant performance period;
- (c) individual and/or departmental contributions and potential contributions to the success of the Company; and
- (d) such other factors as the Committee shall deem relevant in connection with accomplishing the purposes of the Plan.

4. Terms and Conditions of Unit Awards

Each Unit Award granted under the Plan shall be subject to the terms and conditions of the Plan and evidenced by an agreement between the Company and the Grantee (a "**Unit Award Agreement**"), which agreement shall comply with, and be subject to, any applicable requirements of the Exchange and the following terms and conditions (and with such other terms and conditions not inconsistent with the terms of this Plan as the Committee, in its discretion, shall establish):

- (a) Number of Restricted Share Units – The Committee shall determine the number of Restricted Share Units to be awarded to a Grantee pursuant to the Unit Award in accordance with the provisions set forth in Section 3 of the Plan and in accordance with the following restrictions:
 - (i) The maximum number of Shares which may be reserved for issuance: (A) under the Plan shall not exceed 1% of the total number of Shares issued and outstanding from time to time; and (B) when combined with the maximum number of Shares which may be reserved for issuance under all other security based compensation arrangements of the Company, shall not exceed 10% of the total number of Shares issued and outstanding from time to time.
 - (ii) The maximum number of Shares which may be reserved for issuance to "insiders" and their "associates" and "affiliates", as such terms are defined by the Securities Act (Alberta), (collectively, the "Insiders") under the Plan, and all other security based compensation arrangements of the Company, shall be 10% of the total number of Shares issued and outstanding from time to time.
 - (iii) The number of Shares issued to Insiders, within any one year period under the Plan, and all other security based compensation arrangements of the Company, shall not exceed 10% of the total number of Shares issued and outstanding from time to time.
 - (iv) The number of Shares issuable in any 12-month period under the Plan:
 - A. to any one Eligible Participant shall not exceed 2% of the total number of Shares outstanding from time to time; and
 - B. to employees whose primary function is conducting Investor Relations Activities shall not exceed in the aggregate 2% of the total number of Shares outstanding from time to time.
 - (v) The maximum number of Shares issuable to non-employee directors under the Plan shall not exceed 1% of the total number of Shares outstanding from time to time.

- (vi) The aggregate Fair Market Value of Shares, at the time of grant, granted to any one individual non-employee director, in any 12-month period under the Plan, shall not exceed \$150,000.

The aforementioned limits on the number of Shares reserved for issuance may be formulated on a diluted basis with the consent of the Exchange if such consent is required pursuant to the rules of such Exchange.

- (b) Vesting Date – Subject to Section 2(e) and the remaining provisions of this Section 4, with respect to any Unit Award, the Restricted Share Units thereunder shall vest as follows:
 - (i) as to one third of the Restricted Share Units with respect to such Unit Award on the first anniversary of the Grant Date;
 - (ii) as to one third of the Restricted Share Units with respect to such Unit Award on the second anniversary of the Grant Date; and
 - (iii) as to the remaining third of the Restricted Share Units with respect to such Unit Award on the third anniversary of the Grant Date,

provided, however, that if an Accelerated Vesting Event occurs prior to any of the Vesting Dates determined in accordance with the above provisions, all of the Grantee's Restricted Share Units that have not yet vested as of such time shall vest immediately prior to the effective time of the Accelerated Vesting Event, or such other time as determined advisable by the Committee, provided that such other time is not later than the date that the vesting would have otherwise occurred and is no earlier than 30 days before the date the vesting would otherwise have occurred.

- (c) Satisfaction of Restricted Share Units

- (i) Subject to Section 4(c)(ii) the Committee may at any time decide in its sole discretion that the Company will issue from treasury or purchase, through an independent trustee and in accordance with applicable securities laws, on the Exchange for delivery, to a Grantee, on a Vesting Date: (A) the number of Shares deliverable on such Vesting Date under a Unit Award; or (B) such lesser number of Shares as the Committee may determine in partial satisfaction of the number of Shares deliverable on such Vesting Date under a Unit Award (a "Partial Share Settlement").
- (ii) Subject to Section 4(c)(iii) unless the Committee determines to issue, in full settlement therefor, Shares to a Grantee on a Vesting Date in respect of a Unit Award, the Company shall deliver a cash payment equal to the Fair Market Value of a Share on such Vesting Date multiplied by the number of Restricted Share Units that vest in the Grantee on such Vesting Date, less the number of Shares issued in respect of a Partial Share Settlement, if any, in consideration for the surrender by the Grantee of any rights to receive that number of Shares which are deliverable under such Unit Award.
- (iii) The Company or the Affiliate, as the case may be, shall be entitled to withhold from any cash payments or Shares delivered to the Grantee all amounts as may be required by law and in the manner contemplated by Section 5 hereof.

- (d) Termination of Relationship as Eligible Participant – Unless otherwise provided in a Unit Award Agreement pertaining to a particular Unit Award or any written employment agreement governing a Grantee's role as an Eligible Participant, or unless otherwise determined by the Committee, the following provisions shall apply in the event that a Grantee ceases to be an Eligible Participant:

- (i) Termination for cause – If a Grantee ceases to be an Eligible Participant as a result of termination for cause, effective as of the date notice is given to the Grantee of such termination, all unvested Restricted Share Units held by such Grantee shall be terminated and all rights to receive any payment thereunder shall be forfeited by the Grantee following the date on which such Grantee ceases to be an Eligible Participant.
- (ii) Termination not for cause – If a Grantee ceases to be an Eligible Participant as a result of being terminated other than a termination for cause (a "**Termination Without Cause**"), effective as of the date of the Termination Without Cause and notwithstanding any other severance entitlements or entitlement to notice or compensation in lieu thereof, all unvested Restricted Share Units held by such Grantee shall be terminated and all rights to receive any payment thereunder shall be forfeited by the Grantee, and the Grantee shall not be entitled to receive any compensation in lieu thereof; provided that the Committee may determine in its sole discretion, prior to the date such Restricted Share Units would otherwise terminate, to extend the date upon which such securities

terminate subject to the restrictions regarding Vesting Dates set forth in Section 2(e).

- (iii) Retirement, Disability or Death – If a Grantee ceases to be an Eligible Participant as a result of such Grantee's Retirement or due to Disability or death, all outstanding Restricted Share Units and related Unit Award Agreements shall continue in full force and effect, and vesting and payment in respect of such Restricted Shares Units shall continue to be made in accordance with the terms thereof, subject to the provisions of this Plan, as if such Grantee continued to be an Eligible Participant, provided however that the Grantee shall only be entitled to receive on each Vesting Date, the number of Shares equal to the number of Restricted Share Units granted multiplied by a fraction

(A) the numerator of which is the number of days the Grantee was an Eligible Participant of the Company during the applicable vesting period and (B) the denominator of which is the total number of days comprising the applicable vesting period.
- (iv) Ceasing to be an Eligible Participant to an Affiliate – If a Grantee ceases to be an Eligible Participant as a result of the Affiliate in whose service such Grantee may be, ceasing to be an Affiliate of the Company, effective as of the date upon which the Affiliate ceases to be an Affiliate of the Company, all unvested Restricted Share Units held by such Grantee shall be terminated and all rights to receive any payment thereunder shall be forfeited by the Grantee, and the Grantee shall not be entitled to receive any compensation in lieu thereof; provided that the Committee may determine in its sole discretion, prior to the date such Restricted Share Units would otherwise terminate, to extend the date upon which such securities terminate subject to the restrictions regarding Vesting Dates set forth in Section 2(e).
- (v) Voluntary Termination – If a Grantee ceases to be an Eligible Participant for any other reason, effective as of the last day of any notice period applicable in respect of such voluntary resignation, all unvested Restricted Share Units held by such Grantee shall be terminated; provided that the Committee may determine in its sole discretion, prior to the date such Restricted Share Units would otherwise terminate, to extend the date upon which such securities terminate subject to the restrictions regarding Vesting Dates set forth in Section 2(e); Notwithstanding the foregoing, unvested Restricted Share Units held by such Grantee shall not be affected by a change of employment or term of office or appointment within or among the Company or an Affiliate so long as the Grantee continues to be an Eligible Participant.
- (e) Rights as a Shareholder – Under no circumstances shall Restricted Share Units be considered Shares of the Company, nor shall they entitle any Grantee to exercise voting rights or any other rights attaching to the ownership of Shares of the Company, nor shall any Grantee be considered the owner of Shares by virtue of the fact that Shares will be acquired by such Grantee in satisfaction of Restricted Share Units.
- (f) Effect of Certain Changes – In the event:
 - (i) of any change in the Shares through subdivision, consolidation, reclassification or amalgamation or merger that is not a Change of Control or otherwise;
 - (ii) that any rights are granted to Shareholders to purchase Shares at prices substantially below Fair Market Value; or

- (iii) that, as a result of any reorganization, recapitalization, merger, consolidation or other transaction that is not a Change of Control, the Shares are converted into or exchangeable for any other securities;

then, in any such case, the Committee may make such adjustments to the Plan and to any Unit Awards outstanding under the Plan as the Committee may, in its sole discretion (subject only to obtaining any required regulatory or stock exchange approvals), consider appropriate in the circumstances to prevent substantial dilution or enlargement of the rights granted to Grantees hereunder.

- (g) Dividends – In the event the Company pays a dividend on the Shares subsequent to the granting of a Unit Award, the number of Restricted Share Units relating to such Unit Award (the “Original RSUs”) shall be increased by an amount equal to: (a) the product of the aggregate number of Original RSUs held by the Grantee on the record date for such dividend multiplied by the per Share amount of such dividend (or, in the case of any dividend payable in property other than cash, the per Share fair market value of such property, as determined by the Board), divided by (b) the Fair Market Value of a Share calculated as of the date on which the dividend is paid. In the event that the Company pays any dividends on the Shares in additional Shares, the number of Original RSUs shall be increased by a number equal to the product of (x) the aggregate number of Original RSUs held by the Grantee on the record date of such dividend, multiplied by (y) the number of Shares (including any fraction thereof) payable as a dividend on one Share. For greater certainty, despite any change to the amount of a Unit Award pursuant to this paragraph, the Vesting Dates for such Unit Award shall remain unchanged.
- (h) Fractions - Notwithstanding any other provision of this Plan, where the determination of the number of Restricted Share Units which have vested on any particular Vesting Date would result in a fractional Restricted Share Unit, the number of Restricted Share Units credited to the Grantee shall be rounded down to the next whole number of Restricted Share Units. No fractional Shares shall be delivered pursuant to this Plan nor shall cash be paid at any time in lieu of any such fractional Share.
- (i) Black-Out Periods - In the event the Vesting Date determined in accordance with the terms of this Plan occurs within a period of time imposed by the Company, pursuant to the Company's policies, upon certain designated persons during which those persons may not trade in any securities of the Company (a “Black-Out Period”) or which vest within five business days after a Black-Out Period ends (not including a Black-Out Period imposed due to a cease trade order), the Vesting Date of the Restricted Share Units shall be ten business days from the date any Black-Out Period ends.
- (j) Reversion to Plan - All Restricted Share Units that are satisfied, terminated or expire in accordance with Section 4 shall thereafter revert to the Plan and shall be included in the total number of Restricted Share Units available for issuance under the Plan.

5. Withholding

When a Grantee or other person becomes entitled to receive cash or Shares under a Unit Award, the Grantee (or his or her heirs or administrators) shall follow the Company's procedures and policies relating to the payment or funding of any withholding taxes applicable to the receipt of such cash or Shares, including, where required by the Company, the remittance to the Company by the Grantee (or his or her heirs or administrators) of an amount of cash sufficient to satisfy any withholding requirements relating to the receipt of such cash or Shares.

6. Non-Transferability

Shares or cash deliverable upon vesting of a Restricted Share Unit shall only be delivered to or to the order of a Grantee by the Company, except that if a Grantee dies, Shares or cash may be delivered to the Grantee's legal representative or designated beneficiary to whom the Restricted Share Units transfer by will or by the laws of descent and distribution. Except for the foregoing and as otherwise provided in this Plan, no assignment, sale, transfer, pledge or charge of a Restricted Share Unit, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Restricted Share Unit whatsoever in any assignee or transferee and, immediately upon any assignment, sale, transfer, pledge or charge or attempt to assign, sell, transfer, pledge or charge, such Restricted Share Unit shall terminate and be of no further force or effect.

7. Amendment and Termination of the Plan

- (a) To the extent the rules of the Exchange so require, all unallocated awards under the Plan will be subject to renewal approval by the Shareholders at a meeting of such Shareholders not less frequently than every three years.
- (b) The Committee may amend, suspend or terminate the Plan at any time, provided that no such amendment, suspension or termination may:
 - (i) be made without obtaining any required regulatory or shareholder approvals; or
 - (ii) adversely affect the rights of any Grantee with respect to a Unit Award which has neither expired nor been terminated at the time of any such amendment without the consent of the Grantee.
- (c) Subject to paragraph 7(d) of the Plan and provided that no amendment to the Plan shall cause the Plan to cease to be subject to paragraph (k) of the definition of "salary deferral arrangement" as contained in the *Income Tax Act* (Canada), the Committee may from time to time, by resolution and without approval of the Shareholders, make amendments to the Plan or any Unit Award, including but not limited to, the following:
 - (iii) an addition to, deletion from or alteration of the Plan or a Unit Award that is necessary to comply with applicable law or the requirements of any regulatory authority or stock exchange;
 - (iv) an amendment to correct or rectify any ambiguity, defective provision, error or omission in the Plan or a Unit Award; and
 - (v) any other amendment that does not require shareholder approval.
- (d) Approval of the Shareholders will be required for the following amendments to the Plan or any Unit Award:
 - (vi) any increase in the maximum number of Shares reserved for issuance under the Plan;
 - (vii) an extension of the term of a Unit Award benefiting an Insider;
 - (viii) any amendments to the Plan to remove or to exceed the Insider participation limits set forth in Section 4(a) hereof;
 - (ix) any change to the categories of individuals eligible to be selected for grants of Unit Awards, where such change may broaden or increase the participation of Insiders under the Plan;
 - (x) an amendment that would permit Unit Awards to be transferable or assignable other than for normal estate settlement purposes; and
 - (xi) any amendment to this Section 7 of the Plan.

8. Foreign Grantees

The Company may, without amending the Plan, modify the terms of Restricted Share Units granted to participants who provide services to the Company or an Affiliate from outside of Canada in order to comply with the applicable laws of such foreign jurisdictions. Any such modification to the Plan with respect to a particular participant shall be reflected in the Unit Award Agreement for such Grantee. In addition, the terms of the Plan and Unit Awards granted to Grantees subject to taxation under the United States Internal Revenue Code of 1986, as amended, will be subject to and will be determined by taking into consideration the terms stated in the attached

9. Miscellaneous

- (e) Effect of Headings – The section and subsection heading contained herein are for convenience only and shall not affect the construction hereof.
- (f) Compliance with Legal Requirements – the Company shall not be obliged to deliver any Shares if such delivery would violate any law or regulation or any rule of any government authority or stock exchange. The Company may postpone the delivery of Shares under any Unit Award as the Board may consider appropriate, and may require any Grantee to make such representations and furnish such information as it may consider appropriate in connection with the delivery of Shares in compliance with applicable laws, rules and regulations. The Company shall not be required to qualify for resale pursuant to a prospectus or similar document any Shares delivered under the Plan, provided that the Company shall notify any stock exchange and any other appropriate regulatory bodies of the existence of the Plan and the granting of Unit Awards hereunder in accordance with any such requirements.
- (g) No Right to Continued Employment – Nothing in the Plan or in any Unit Award Agreement entered into pursuant hereto shall confer upon any Grantee the right to continue in the employ or service of the Company or an Affiliate, to be entitled to any remuneration or benefits not set forth in the Plan or a Unit Award Agreement or to interfere with or limit in any way the right of the Company or an Affiliate to terminate any Grantee's employment or service.
- (h) Ceasing to be an Affiliate – Except as otherwise provided in this Plan, Unit Awards granted under this Plan shall not be affected by any change in the relationship between or ownership of the Company and an Affiliate.
- (i) Expenses – All expenses in connection with the Plan shall be borne by the Company.

10. Definitions

As used in this Plan, the following words and phrases shall have the meanings indicated:

- (a) **"Accelerated Vesting Event"** means the effective time of a Change of Control;
- (b) **"Associated Entity"** or **"Associated Entities"** mean any Company, partnership or other entity which directly or indirectly:
 - (i) controls, or is controlled by, the Company; or
 - (ii) is controlled by the same Company that directly or indirectly controls the Company;
- (c) **"Affiliate"** has the meaning set forth in MI 62-104 and, for the purposes of this Plan, unless otherwise stipulated herein a reference to an Affiliate shall mean an Affiliate of the Company within such meaning;
- (d) **"Board"** means the board of directors of the Company as it may be constituted from time to time;
- (e) **"Change of Control"** means and it shall be deemed to have taken place if any of the following shall have occurred:
 - (i) the purchase or acquisition, without the approval or consent of the Board, of any Voting Shares or Convertible Securities by a Holder (or group of Holders acting jointly or in concert) which results in the Holder (or group of Holders acting jointly or in concert) beneficially owning, or exercising control or direction over, Voting Shares or Convertible Securities such that, assuming only the conversion of Convertible Securities beneficially owned or over which control or direction is exercised by the

Holder, the Holder would beneficially own, or exercise control or direction over, Voting Shares carrying the right to cast more than 30% of the votes attaching to all Voting Shares; or

(ii) the Company completes an amalgamation, arrangement, merger or other consolidation or combination of the Company with another Company or entity which requires approval of the shareholders of the Company pursuant to its statute of Incorporation, such that assuming only the conversion of Convertible Securities beneficially owned or over which control or direction is exercised by the Holder (or group of Holders acting jointly or in concert), the Holder (or group of Holders acting jointly or in concert) would beneficially own, or exercise control or direction over, Voting Shares carrying the right to cast more than 50% of the votes attaching to all Voting Shares, and immediately following the event described in this paragraph, the directors of the Company immediately prior to such event do not constitute a majority of the Board (or equivalent) of the successor or continuing Company or entity immediately following such event; or

(iii) the election at a meeting of the Company's shareholders of that number of persons which would represent a majority of the Board, as directors of the Company who are not included in the slate for election as directors proposed to the Company's shareholders by the Company; or

(iv) the liquidation, dissolution or winding-up of the Company; or

(v) the sale, lease or other disposition of all or substantially all of the assets of the Company (other than pursuant to an internal reorganization); or

(vi) a determination by the Board that there has been a change, whether by way of a change in the holding of the Voting Shares of the Company or otherwise, in the ownership of the Company's assets or by any other means, as a result of which any person or group of persons acting jointly or in concert is in a position to exercise effective control of the Company;

(vii) but shall not include an acquisition of the Company's securities or assets by, or any consolidation, merger or exchange of securities or assets with, any entity that, immediately prior to such acquisition, consolidation, merger or exchange of securities was an Affiliate of the Company;

(f) **"Committee"** has the meaning set forth in Section 2 hereof;

(g) **"Company"**, unless specifically indicated otherwise, means a Company, incorporated association or organization, body corporate, partnership, trust, association or other entity, other than an individual;

(h) **"Consultant"** means, in relation to the Company, an individual or Consultant Company, other than an employee, officer or director of the Company, that:

- (i) is engaged to provide on a ongoing bona fide basis, consulting, technical, management or other services to the Company or to an Affiliate of the Company, other than services provided in relation to a distribution of securities of the Company;
- (ii) provides the services under a written contract between the Company or the Affiliate and the individual or the Consultant Company;
- (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or an Affiliate of the Company; and
- (iv) has a relationship with the Company or an Affiliate of the Company that enables the individual to be knowledgeable about the business and affairs of the Company;

(i) **"Consultant Company"** means, for an individual consultant, a company or partnership of which the individual is an employee, shareholder or partner;

(j) **"Control"** has the meaning set forth in Section 1.4 of MI 62-104;

- (k) **"Convertible Securities"** means any securities convertible or exchangeable into Voting Shares or carrying the right or obligation to acquire Voting Shares;
- (l) **"Directors"** means directors, senior officers and Management Company Employees of the Company, or directors, senior officers and Management Company Employees of the Company's subsidiaries to whom Unit Awards can be granted in reliance on a prospectus exemption under applicable securities laws;
- (m) **"Disability"** means a physical or mental incapacity of the Grantee that has prevented the Grantee from performing the duties customarily assigned to the Grantee for a period of six consecutive months, out of any twelve (12) consecutive months;
- (n) **"Eligible Participant"** has the meaning set forth in Section 3 hereof;
- (o) **"Employee"** means:
 - (i) an individual who is considered an employee of the Company or its subsidiary under the *Income Tax Act* (Canada) (i.e. for whom income tax, employment insurance and CPP deductions must be made at source);
 - (ii) an individual who works full-time for the Company or its subsidiaries providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or
 - (iii) an individual who works for the Company or its subsidiaries on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source;
- (p) **"Exchange"** means the principal stock exchange upon which the Shares are listed or upon which the Shares have been approved for listing;
- (q) **"Fair Market Value"** means, with respect to a Share on any date, the volume weighted average price of the Shares on the Exchange for the five days on which Shares were traded immediately preceding that date; provided that if the Shares are not listed for trading on a stock exchange on such date, the Fair Market Value shall be the price per Share as the Board, acting in good faith, may determine;
- (r) **"Grant Date"** means the effective date of the granting of a Unit Award as is specified in the applicable Unit Award Agreement between the Company and the Grantee;
- (s) **"Grantee"** has the meaning set forth in Section 3 hereof;
- (t) **"Holder"** means a person, a group of persons or persons acting jointly or in concert, or persons associated or affiliated, within the meaning of the Securities Act (Alberta), with any such person, group of persons or any of such persons acting jointly or in concert;
- (u) **"Insiders"** has the meaning set forth in Section 4 hereof;
- (v) **"Investor Relations Activities"** means any activities, by or on behalf of the Company or a shareholder of the Company, that promote or reasonably could be expected to promote the purchase or sale of securities of the Company, but does not include:
 - (i) the dissemination of information provided, or records prepared, in the ordinary course of business of the Company:
 - a. to promote the sale of products or services of the Company; or

- b. to raise public awareness of the Company;

that cannot reasonably be considered to promote the purchase or sale of securities of the Company;

(ii) activities or communications necessary to comply with the requirements of:

- a. applicable securities laws; or
- b. Exchange Requirements (as defined in the policies of the TSX) or the by-laws, rules or other regulatory instruments of any other self regulatory body or exchange having jurisdiction over the Company;

(iii) communications by a publisher of; or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if:

- a. the communication is only through the newspaper, magazine or publication; and
- b. the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or

(iv) activities or communications that may be otherwise specified by the TSX;

- (w) **"Management Company Employee"** means an individual employed by a Company or individual providing management services to the Company, which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a Company or individual engaged in Investor Relations Activities;
- (x) **"MI 62-104"** means Multilateral Instrument 62-104 - *Take-Over Bids and Issuer Bids*;
- (y) **"Partial Share Settlement"** has the meaning set forth in Section 4 hereof;
- (z) **"Performance Measures"** for any fiscal year or other period that the Board in its sole discretion shall determine, means the performance measures to be taken into consideration in awarding Restricted Share Units under the Plan;
- (aa) **"Person"** has the meaning set forth in Section 1.1 of MI 62-104;
- (bb) **"Restricted Share Unit"** means the right of a Grantee to receive a Share or a cash payment on the Vesting Date of such Restricted Share Unit, subject to adjustment pursuant to the provisions of Section 4, in the manner and subject to the terms and provisions set forth in the Plan and the applicable Unit Award Agreement;
- (cc) **"Retirement"** shall have such meaning as the Committee or the Board shall determine from time to time;
- (dd) **"security based compensation arrangement"** has the meaning ascribed thereto in the rules and policies of the Exchange;
- (ee) **"Shareholder"** means a holder of Shares;
- (ff) **"Shares"** means common shares in the capital of the Company;

- (gg) **"Subsidiary"** has the meaning set forth in Section 1.1 of MI 62-104;
- (hh) **"Termination Without Cause"** has the meaning set forth in Section 4 hereof;
- (iii) **"Unit Award"** means an award of Restricted Share Units under the Plan;
- (ii) **"Unit Award Agreement"** has the meaning set forth in Section 4 hereof;
- (jj) **"U.S. Person"** means any natural person resident in the United States, any Company, partnership, limited liability company, or other entity organized or incorporated in the United States, or any estate or trust the trustee, executor, or administrator of which is a U.S. Person;
- (kk) **"Vesting Date"** means, with respect to any Restricted Share Unit, the date, determined in accordance with Section 4(b), upon which the Shares or cash to be received thereunder shall become deliverable to the Grantee of such Restricted Share Unit; and
- (ll) **"Voting Shares"** means any securities of the Company ordinarily carrying the right to vote at elections of directors.

11. Effective Date

The Plan shall take effect on November 5, 2019, the date of its adoption by the Board.

