

# **FAR** RESOURCES

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**Annual General Meeting of Shareholders  
to be held Wednesday, December 19, 2018**

**NOTICE OF MEETING**

**AND**

**MANAGEMENT INFORMATION CIRCULAR**

November 19, 2018

# FAR RESOURCES

375 Water Street, Suite 430, Vancouver, BC

## NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS TO BE HELD ON DECEMBER 19, 2018

**NOTICE IS HEREBY GIVEN** that the 2018 annual general meeting (the “**Meeting**”) of the shareholders of Far Resources Ltd. (the “**Company**”) will be held at 375 Water Street, Suite 430, Vancouver, BC, on Wednesday, December 19, 2018, at 1:00 p.m. (Vancouver time) for the following purposes:

1. To receive the audited financial statements of the Company for the year ended March 31, 2018 and the report of the auditor on those statements.
2. To set the number of directors for the ensuing year at six.
3. To elect directors for the ensuing year.
4. To appoint the auditor for the Company for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditor.
5. To consider and, if thought advisable, pass, with or without variation, an ordinary resolution to adopt and approve a new “rolling” stock option plan for the Company (the “**2018 Stock Option Plan**”) as more particularly described in the Company’s management information circular dated November 19, 2018 (the “**Information Circular**”) accompanying this Notice of Meeting.
6. To consider and, if thought advisable, pass, with or without variation, an ordinary resolution authorizing the Company to grant options under the 2018 Stock Option Plan to “insiders” from time to time that may exceed, in the aggregate, 10% of the Company’s issued and outstanding shares (or 5% in the case of any one optionee) in any 12 month period as more particularly described in the Information Circular.
7. To transact such other business as may properly come before the Meeting or any adjournments thereof.

This Notice of Meeting is accompanied by the Information Circular and either a form of proxy for registered shareholders or a voting instruction form for beneficial shareholders. Shareholders are requested to read the Information Circular and, if unable to attend the Meeting in person, complete, date, sign and return the proxy or voting instruction form, as applicable, so that as large a representation as possible may be had at the Meeting.

The Board of Directors of the Company has fixed the close of business on November 12, 2018 as the record date, being the date for the determination of the registered holders of common shares entitled to receive notice of, and to vote at, the Meeting and any adjournment thereof. The Board of Directors has also fixed 1:00 p.m. (Vancouver time) on Monday, December 17, 2018, or no later than 48 hours before the time of any adjourned Meeting (excluding Saturdays, Sundays and holidays), as the time before which proxies to be used or acted upon at the Meeting or any adjournment thereof shall be deposited with the Company’s registrar and transfer agent, TSX Trust Company.

**DATED** at Vancouver, British Columbia, as of the 19<sup>th</sup> day of November, 2018.

### **FAR RESOURCES LTD.**

By: (signed) “*Toby Mayo*”

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Toby Mayo  
Chief Executive Officer

## INFORMATION CIRCULAR

The information contained in this Information Circular, unless otherwise indicated, is as of November 19, 2018.

This Information Circular is being mailed by the management of the Company to everyone who was a shareholder of record of the Company on November 12, 2018 (the “**Record Date**”), which is the date that has been fixed by the Board of Directors of the Company (the “**Board**”) as the record date to determine the shareholders who are entitled to receive notice of and to vote at the Meeting.

This Information Circular is furnished in connection with the solicitation of proxies by and on behalf of management for use at the 2018 annual general meeting of the shareholders of the Company that is to be held on Wednesday, December 19, 2018 at 1:00 p.m. (Vancouver time) at 375 Water Street, Suite 430, Vancouver, BC. The solicitation of proxies will be primarily by mail. Certain employees or directors of the Company may also solicit proxies by telephone, email or in person. The cost of solicitation will be borne by the Company.

The Company is not sending proxy-related materials using notice and access this year. Rather, the Meeting Materials (as defined below) are being sent to both registered and non-registered owners of the Company’s common shares (each a “**Share**”) in accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) and arrangements have been made with clearing agencies, brokerage houses and other financial intermediaries to deliver proxy solicitation materials to the beneficial owners of the Shares. The Company may pay the reasonable costs incurred by such persons in connection with such delivery.

*If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of Shares have been obtained in accordance with applicable securities laws from the Intermediary (as defined below) holding the Shares on your behalf. By choosing to send these materials to you directly, the Company (and not the Intermediary holding on your behalf) has assumed responsibility for: (i) delivering these materials to you; and (ii) executing proper voting instructions. Please return your voting instructions as specified in the request for voting instructions or form of proxy delivered to you.*

### **Quorum**

Under the Company’s Articles, two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 1/20 of the issued shares entitled to vote at the Meeting must be present at the Meeting before any action may validly be taken at the Meeting. If such a quorum is not present in person or by proxy, the Company will reschedule the Meeting.

In this Circular, except where otherwise indicated, all dollar amounts are expressed in the lawful currency of Canada.

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## **ITEM 1 VOTING**

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### **1.1 HOW A VOTE IS PASSED**

Voting at the Meeting will be by a show of hands, each shareholder having one vote, unless a poll is requested or otherwise required, in which case each shareholder is entitled to one vote for each share held. In order to approve a motion proposed

at the Meeting a majority of greater than 50% of the votes cast will be required (an "ordinary resolution") unless the motion requires a special resolution in which case a majority of 66 2/3% of the votes cast will be required (a "special resolution").

## 1.2 WHO CAN VOTE?

Registered shareholders whose names appear on the Company's central securities register maintained by TSX Trust Company ("TSX Trust"), the Company's registrar and transfer agent, as of the close of business on November 12, 2018, the Record Date, are entitled to attend and vote at the Meeting. Each Share is entitled to one vote.

If your shares are registered in the name of a "nominee" (usually a bank, trust company, securities dealer or other financial institution) you should refer to the section entitled "Non-Registered Shareholders" set out below.

## 1.3 HOW TO VOTE

If you are a registered shareholder and eligible to vote, you can vote your shares in person at the Meeting or by signing and returning the accompanying form of proxy (the "Proxy") by mail in the return envelope provided or vote using the Internet as indicated on the form. Please see "Registered Shareholders" below.

If your shares are not registered in your name but are held by a nominee (usually a bank, trust company, securities broker or other financial institution), please see "Non-Registered Shareholders" below.

## 1.4 REGISTERED SHAREHOLDERS

### Voting Instructions:

- complete, date and sign the Proxy and return it to TSX Trust, by fax at (416) 595 - 9593, or by mail or hand delivery to TSX Trust Company, Suite 301 – 100 Adelaide Street West, Toronto, Ontario, M5H 4H1; or
- log on to TSX Trust's website at [www.voteproxyonline.com](http://www.voteproxyonline.com). Registered shareholders must follow the instructions given on the website and refer to the Proxy for the 12 digit control number.

Whichever method you choose, the Proxy must be received or voting instructions completed at least forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays) prior to the time set for the Meeting or any adjournment thereof. In the case of a corporation, the Proxy must be executed under its corporate seal or signed by a duly authorized officer or attorney for the corporation.

If you plan to vote in person at the Meeting do NOT complete and return the Proxy. Instead, you will need to register with TSX Trust when you arrive at the Meeting and your vote will be taken and counted at the Meeting. If your Shares are registered in the name of a corporation, a duly authorized officer of the corporation may attend on its behalf but documentation indicating such officer's authority should be presented at the Meeting.

## 1.5 NON-REGISTERED SHAREHOLDERS

Only registered shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. Most shareholders are "non-registered shareholders" ("**Non-Registered Holders**") because the Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Shares. Shares beneficially owned by a Non-Registered Holder are registered either: (i) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Holder deals with in respect of the Shares (including, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSP's, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc. or The Depository Trust & Clearing Corporation) of which the Intermediary is a participant. In accordance with applicable securities law requirements, the Company has distributed copies of the

Notice of Meeting, this Information Circular and the Proxy or voting instruction form, as applicable, (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders and seek voting instructions unless in the case of certain proxy-related materials the Non-Registered Holder has waived the right to receive them. The majority of Intermediaries now delegate responsibility for obtaining instructions from Non-Registered Holders to Broadridge Financial Solutions Inc. (“**Broadridge**”). Broadridge typically mails a scannable voting instruction form or “VIF” to Non-Registered Holders and asks Non-Registered Holders to return the VIF to Broadridge in accordance with its instructions. Alternatively, where applicable, a Non-Registered Holder may go online to [www.voteproxyonline.com](http://www.voteproxyonline.com) to vote or return the completed and signed VIF directly to TSX Trust as provided above.

The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Shares they beneficially own. However, without specific voting instructions, Intermediaries and their agents and nominees are prohibited from voting shares for their clients. **Accordingly, each Non-Registered Shareholder should ensure that voting instructions are communicated to the appropriate party well in advance of the Meeting so that your nominee has enough time to submit your instructions to us.**

A Non-Registered Holder cannot use the VIF provided to vote directly at the Meeting. Should a Non-Registered Holder wish to attend and vote at the Meeting in person, the Non-Registered Holder must insert his or her name (or the name of such other person as the Non-Registered Holder wishes to attend and vote on his or her behalf) in the blank space provided for that purpose on the VIF and return the completed VIF in accordance with the instructions provided well in advance of the Meeting. If you bring your VIF to the Meeting, your vote will NOT count.

**Only registered shareholders have the right to revoke a proxy. Non-Registered Holders of Shares who wish to change their vote must, in sufficient time in advance of the Meeting, arrange for their respective Intermediaries to change their vote and if necessary, revoke their proxy in accordance with the revocation procedures set out below. See “Revocation of Proxies”.**

#### *You May Choose Your Own Proxyholder*

The persons named in the Proxy are directors and/or executive officers of the Company. **YOU HAVE THE RIGHT TO APPOINT A PERSON (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT ON YOUR BEHALF AT THE MEETING OTHER THAN THE PERSONS NAMED IN THE PROXY AS PROXYHOLDERS. TO EXERCISE THIS RIGHT, YOU MUST STRIKE OUT THE NAMES OF THE PERSONS NAMED IN THE PROXY AS PROXYHOLDERS AND INSERT THE NAME OF YOUR NOMINEE IN THE SPACE PROVIDED OR COMPLETE ANOTHER PROXY.**

#### *Your Voting Instructions*

A shareholder completing the enclosed Proxy may indicate the manner in which the persons named in the Proxy are to vote with respect to any matter by marking an “X” in the appropriate space. On any poll requested, those persons will vote or withhold from voting the shares in respect of which they are appointed in accordance with the directions, if any, given in the Proxy provided such directions are certain.

If a shareholder wishes to confer a discretionary authority with respect to any matter, then the space should be left blank. **In such instance, the Proxyholder, if nominated by management, intends to vote the Shares represented by the Proxy in favour of the motion.**

The Proxy, when properly completed and delivered and not revoked, confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting and other matters which may properly come before the Meeting. **It is the intention of the persons designated in the Proxy to vote in accordance with their best judgement on such matters or business.** At the time of printing of this

Information Circular, management of the Company is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting.

The Proxy must be dated and signed by the shareholder or the shareholder’s attorney authorized in writing. In the case of a corporation, the Proxy must be dated and duly executed under its corporate seal or signed by a duly authorized officer or attorney for the corporation.

**The completed Proxy, together with the power of attorney or other authority, if any, under which it was signed or a notarially certified copy thereof, must be deposited with TSX Trust in accordance with the above instructions before the time set out in the Proxy. Non-Registered Holders must deliver their completed VIF in accordance with the instructions given by the Intermediary that forwarded the VIF to them.**

**In order to be effective, a Proxy must be deposited at the office of TSX Trust, no later than 1:00 p.m. (Vancouver Time) on Monday, December 17, 2018 or not less than 48 hours (excluding Saturdays, Sundays and holidays) before any adjournment or postponement of the Meeting. The deadline for the deposit of Proxies may be waived by the Chairman of the Meeting at his or her sole discretion without notice. Failure to properly complete or deposit a Proxy may result in its invalidation.**

*Revocation of Proxies*

The Proxy must be dated and signed by the shareholder or the shareholder’s attorney authorized in writing. In the case of a corporation, the Proxy must be dated and duly executed under its corporate seal or signed by a duly authorized officer or attorney for the corporation.

**The completed Proxy, together with the power of attorney or other authority, if any, under which it was signed or a notarially certified copy thereof, must be deposited with TSX Trust in accordance with the above instructions before the time set out in the Proxy. Non-Registered Holders must deliver their completed VIF in accordance with the instructions given by the Intermediary that forwarded the VIF to them.**

**In order to be effective, a Proxy must be deposited at the office of TSX Trust, no later than 10:00 a.m. (Pacific Time) on Monday, December 17, 2018 or not less than 48 hours (excluding Saturdays, Sundays and holidays) before any adjournment or postponement of the Meeting. The deadline for the deposit of Proxies may be waived by the Chairman of the Meeting at his or her sole discretion without notice. Failure to properly complete or deposit a Proxy may result in its invalidation.**

*Revocation of Proxies*

Only registered shareholders have the power to revoke Proxies previously given. Revocation can be effected by an instrument in writing (which includes a Proxy bearing a later date) executed by the shareholder or by the shareholder’s attorney authorized in writing and in the case of a corporation, duly executed under its corporate seal or signed by a duly authorized officer or attorney for the corporation, and either delivered at any time up to the close of business on the last business day preceding the day of the Meeting, or any adjournment thereof, to:

<b>Far Resources Ltd.</b>		<b>TSX Trust Company</b>	
Unit 201 – 2691 Viscount Way Richmond, B.C. V6V 2R5	Or	Suite 301 – 100 Adelaide Street West Toronto, Ontario M5H 4H1	
Or deposited with the Chairman of the Meeting on the day of the Meeting, prior to the hour of commencement			

Non-Registered Holders of Shares who wish to change their vote must, in sufficient time in advance of the Meeting, arrange for their respective Intermediaries to change their vote and if necessary, revoke their proxy in accordance with the revocation procedures set out above.

## **1.6 UNITED STATES SHAREHOLDERS**

This solicitation of proxies involves securities of a corporation incorporated in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States *Securities Exchange Act of 1934*, as amended, are not applicable to the Company or this solicitation. Shareholders should be aware that disclosure and proxy solicitation requirements under the securities laws of the provinces of Canada differ from the disclosure and proxy solicitation requirements under United States securities laws. The enforcement by shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia), some of its directors and its executive officers are residents of Canada and a significant portion of its assets and the assets of such persons are located outside the United States. Shareholders may not have standing to bring a claim against a foreign corporation or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign corporation and its officers and directors to subject themselves to a judgment by a United States court.

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## ***ITEM 2 VOTING SHARES AND PRINCIPAL HOLDERS THEREOF***

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The Company has only one class of shares entitled to be voted at the Meeting, namely, common shares without par value. All issued Shares are entitled to be voted at the Meeting and each has one vote. As of November 12, 2018 there were 104,210,539 Shares issued and outstanding.

Only those shareholders of record on November 12, 2018 will be entitled to vote at the Meeting or any adjournment thereof.

To the knowledge of the directors and executive officers of the Company, no person beneficially owns, or exercises control or direction, directly or indirectly, over Shares carrying 10% or more of the voting rights attached to all outstanding Shares of the Company which have the right to vote in all circumstances.

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## ***ITEM 3 THE BUSINESS OF THE MEETING***

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### **3.1 FINANCIAL STATEMENTS**

The audited consolidated financial statements of the Company for the year ended March 31, 2018 will be placed before you at the Meeting. A copy of these financial statements, together with the auditor's report thereon, and management's discussion and analysis, were mailed to those shareholders who returned the request for annual and interim financial statement return card mailed to shareholders in connection with the Company's 2017 annual general meeting held on May 18, 2018 and indicated to the Company that they wished to receive same. These financial statements and MD&A are also available for review on SEDAR. See Item 8 "OTHER INFORMATION – Additional Information" below.

### **3.2 ELECTION OF DIRECTORS**

Directors of the Company are elected for a term of one year. Management proposes to nominate the persons named under the heading "Nominees for Election" below for election as directors of the Company. Each director elected will hold office until the next annual general meeting or until his or her successor is duly elected or appointed, unless his or

her office is earlier vacated in accordance with the Articles of the Company or he or she becomes disqualified to act as a director.

It is proposed to set the number of directors at six. This requires the approval of the shareholders of the Company by an ordinary resolution, which approval will be sought at the Meeting.

**Unless the shareholder directs that his or her Shares be otherwise voted or withheld from voting in connection with the setting of the number of directors, the persons named in the enclosed Proxy will vote FOR the number of directors of the Company to be set at six (6).**

*Nominees for Election*

The Board of directors of the Company presently consists of five (5) directors to be elected annually. At the Meeting, it is proposed to increase the number of directors elected to six (6) directors to hold office until the next annual general meeting or until their successors are duly elected or appointed.

**Unless the shareholder directs that his or her Shares be otherwise voted or withheld from voting in connection with the election of directors, the persons named in the enclosed Proxy will vote FOR the election of the six (6) nominees whose names are set forth below.**

Management does not contemplate that any of the following nominees will be unable to serve as a director but if that should occur for any reason prior to the Meeting, the persons named in the enclosed Proxy shall have the right to vote for another nominee in their discretion. The following table and notes thereto state the names, provinces/states and countries of residence of all persons proposed to be nominated for election as directors, the date on which each of them first became a director of the Company, all positions and offices with the Company held by each of them, the principal occupation or employment of each of them, and the approximate number of Shares of the Company beneficially owned, or controlled or directed, directly or indirectly, by each of them as at the Record Date. The biographical information set out below as to principal occupation of, and number of Shares owned by, each of the nominees, not being within the knowledge of the Company, has been furnished by the nominees. The Company has an audit committee, the members of which are indicated below.

Name, Province/State and Country of Residence and Position with Company	Present Principal Occupation <sup>1</sup>	Director Since	Shares Owned <sup>2</sup>
<b>Toby Mayo</b> B.C., Canada <i>President, CEO and Director</i>	Mr. Mayo holds a B.Sc. (Hons) degree in Geology from the University of Edinburgh and an LL.B. (Hons) in Law from the University of London. Mr. Mayo has most recently held senior management positions at two TSX Venture Exchange listed mineral exploration companies as President and CEO, namely Redstar Gold Corp. and Kaizen Discovery (formerly Concordia Resource Corp. and Western Uranium Corp.). Mr. Mayo has worked in a number of senior consulting roles including within the Investment and Business Planning group at Hatch in London and as Senior Technical Advisor for Ivanhoe Mines Ltd. on the development of the Oyu Tolgoi project in Mongolia. He also has experience within the technology and software industry, providing services to the resource sector.	January 3, 2018	nil

<sup>1</sup> Includes occupations for preceding five years.

<sup>2</sup> This is the approximate number of shares of the Company carrying the right to vote in all circumstances, held by each director as at November 12, 2018. This information is not within the knowledge of the management of the Company and has been furnished by the respective individuals, or has been extracted from the register of shareholdings maintained by the Company's transfer agent or from insider reports filed by the individuals and available through the Internet at [www.sedi.ca](http://www.sedi.ca).



Name, Province/State and Country of Residence and Position with Company	Present Principal Occupation <sup>1</sup>	Director Since	Shares Owned <sup>2</sup>
<b>L. Frank Anderson</b> <sup>3</sup> B.C., Canada <i>Director</i>	Since June 2000, Mr. Anderson has been semi-retired, providing management and consulting services to private and public companies on a part-time basis only. Prior to this, Mr. Anderson provided management and consulting services to publicly traded companies for over 30 years, with an emphasis on junior resource companies. During his career, he served as president and director of a number of junior public companies, including L.G.R. Resources Ltd., Consolidated Agarwal Resources Ltd., and Pacific Talc Ltd.	July 7, 2005	140,966 <sup>3</sup>
<b>Lindsay Bottomer</b> <sup>3</sup> B.C., Canada <i>Director</i>	Mr Bottomer is a Vancouver-based geological consultant with more than 40 years experience in global mineral exploration and development. From November 2005 to December 2013 he was Vice President Business Development for Entree Gold Inc (TSX – ETG, NYSE MKT – EGI), and prior to that President and CEO of Silver Quest Resources Ltd. (TSXV – SQI) from July 2001 to November 2005.  Mr. Bottomer holds a Bachelor of Science (Honours) degree in geology from the University of Queensland and a Master of Applied Science degree from McGill University. Mr. Bottomer is a member of APEGBC and a Fellow of the Australian Institute of Mining and Metallurgy. He is also a past President of the British Columbia and Yukon Chamber of Mines and served for six years, from 2002 to 2008, as an elected councilor on the Association of Professional Engineers and Geoscientists of British Columbia.	July 20, 2011	677,500 <sup>3</sup>
<b>Shastri Ramnath</b> Ontario, Canada <i>Director</i>	Ms. Ramnath is a Professional Geoscientist with over 17 years of global experience within the exploration and mining industry. She is the co-founder, President, CEO and Principal Geologist of Orix Geoscience and has worked as the CEO of Bridgeport Ventures, a publicly traded company, as well as in technical roles focused on exploration and resources at FNX Mining and Falconbridge. Ms. Ramnath holds a B.Sc. in Geology from the University of Manitoba, a M.Sc. in Exploration Geology from Rhodes University (South Africa), and an Executive MBA from Athabasca University.	November 30, 2016	750,001 <sup>2,4</sup>
<b>Murray Seitz</b> Vancouver, BC Director Nominee	Mr. Seitz has extensive public company experience at varying levels including as a director, audit committee member and advisor. He currently serves as a director of Altan Rio Minerals Limited Altan Nevada Minerals Limited, both listed on the TSX Venture Exchange. He has completed the Canadian Securities Course and holds a Bachelor of Business Administration degree.	Director nominee	-nil-
<b>James Royall</b> Spain Director Nominee	Mr. Royall is an exploration geologist with over 20 years experience, including over a decade in senior positions with publicly traded mining companies. He currently serves as Vice President, Exploration of Pan Global Resources, a TSXV listed company (since January 2018). From November 2016 to December 2017 he was Chief Geologist for Georgian Mining Corp (AIM:GEO). Between January 2015 and November 2015 he served as Exploration Manager for Medgold Resources (TSX:MED). He was Regional Manager for Latin America with CSA Global in Santiago, Chile from May to December 2013. When not directly employed by a mining company, Mr. Royall acts as an independent geologist, providing consulting services to junior mining companies in Spain, Georgia, Chad and Chile. Mr. Royall holds a BSc (Hons) in Geological Sciences from Oxford Brookes University, England.	Director nominee	-nil-

The Company does not have an executive committee. Pursuant to the provisions of the *Business Corporations Act* (British Columbia) the Company is required to have an audit committee whose members are indicated above. See also Item 6 “AUDIT COMMITTEE” below.

#### ***Corporate Cease Trade Orders or Bankruptcy***

<sup>3</sup> Member of Audit Committee. Cyrus Driver, the third member of the Company’s audit committee, is not standing for re-election at the Meeting.

<sup>4</sup> Shares not directly owned by the director, but over which the director has control.

### *Corporate Cease Trade Orders*

As of the date of this Information Circular, no proposed nominee for election as a director of the Company is, or has been, within ten years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity:

- (a) 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;
- (b) was subject to an event that resulted, after the director or executive officer ceased to be 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 or more than 30 consecutive days; or
- (c) 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.

### *Penalties or Sanctions*

Save and except as set out below, none of the directors, executive officers or shareholders of the Company holding a sufficient number of securities to materially affect the control of the Company, or any personal holding companies of such persons, 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 likely to be considered important to a reasonable investor making an investment decision.

On May 12, 1998, Leon Frank Anderson and another individual entered into an agreed statement of facts with the British Columbia Securities Commission (the “**BCSC**”) and were jointly assessed an administrative fine of \$1,000 for failing to file on a timely basis a Notice of Intention to Sell shares of Pacific Talc Ltd. from a control block (the “**Notice of Intention**”) as required under the then *Securities Act* (British Columbia). Although Mr. Anderson delivered a completed and executed Notice of Intention to his legal counsel prior to selling any shares, such counsel did not file the Notice of Intention with the BCSC until after the first sale from the control block had taken place thereby resulting in a breach of such act.

### *Personal Bankruptcy*

As of the date of this Information Circular, no proposed nominee for election as a director of the Company has, within the ten years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

### *Conflicts of Interest*

The directors of the Company are required by law to act honestly and in good faith with a view to the best interest of the Company and to disclose any interests which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board, any director in a conflict will disclose his or her interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Except as disclosed in this Information Circular, to the Company’s knowledge, there are no known existing or potential conflicts of interest among the Company and its promoters, directors, officers or other members of management as a

result of their outside business interests except that certain of the directors, officers, promoters and other members of management now or may in the future serve as directors, officers, promoters and members of management of other public companies, some of which are or may be involved in mineral exploration, and therefore it is possible that a conflict may arise between their duties as a director, officer, promoter or member of management of the Company and their duties as a director, officer, promoter or member of management of such other companies.

### 3.3 APPOINTMENT OF FAR RESOURCES AUDITOR

Crowe MacKay LLP, Chartered Professional Accountants, has served as the Company's auditor since their initial appointment in 2011. See also Item 6 "AUDIT COMMITTEE – External Auditor Service Fees".

At the Meeting the shareholders will be asked to consider, and if deemed advisable, to pass the following resolution with respect to the appointment of auditors for the Company:

"RESOLVED, as an ordinary resolution, THAT that Crowe MacKay LLP, Chartered Professional Accountants, be appointed as the Company's auditor for the ensuing year, at a remuneration to be fixed by the Board of Directors."

**Unless such authority is withheld, the persons named in the enclosed form of proxy intend to vote FOR the appointment of Crowe MacKay LLP, Chartered Professional Accountants, to serve as auditor of the Company until the next annual meeting of the Company's shareholders and to authorize the directors of the Company to fix its remuneration.**

### 3.4 ADOPTION OF NEW 2018 STOCK OPTION PLAN

The Company's current stock option plan is a "rolling" plan pursuant to which the aggregate number of Shares reserved for issuance thereunder may not exceed, at the time of grant, in aggregate 10% of the Company's issued and outstanding Shares from time to time. The Company's current plan was adopted in 2011 and the Board believes it is in the best interests of the Company to adopt a new "rolling" stock option plan (the "**2018 Stock Option Plan**") for the Company which better reflects current industry norms and applicable securities legislation, under which all existing and future options will be subject.

The principal purposes of the 2018 Stock Option Plan are to provide the Company with the advantages of the incentive inherent in share ownership on the part of those persons responsible for the success of the Company; to create in those persons a proprietary interest in, and a greater concern for, the welfare and success of the Company; to encourage such persons to remain with the Company; to attract new talent to the Company; and to reduce the cash compensation the Company would otherwise have to pay.

The material terms of the 2018 Stock Option Plan are as follows:

1. The number of Shares subject to each option is determined by the Board, or if appointed, by a special committee of directors appointed from time to time by the Board, provided, at the time the options are granted, that:
  - (a) the number of Shares subject to option, in the aggregate, shall not exceed 10% of the Company's then issued shares;
  - (b) no more than 5% of the issued Shares of the Company may be granted to any one optionee in any 12 month period (unless the Company has obtained "disinterested" shareholder approval);
  - (c) no more than 2% of the issued Shares of the Company may be granted to any one consultant in any 12 month period; and
  - (d) no more than an aggregate of 2% of the issued Shares of the Company may be granted to persons employed to provide "investor relations activities" in any 12 month period.

2. The exercise price of the options cannot be set at less than the last closing price of the Company's Shares on the stock exchange on which the Shares of the Company are then listed before the date on which the options are granted by the Company, less the maximum allowable discount from market as may be permitted under the policies of such exchange, if any, or such other minimum exercise price as may be required by such exchange.
3. The options may be exercisable for a period of up to 10 years.
4. All options are non-assignable and non-transferable and, if granted to "insiders" or at an exercise price less than market, will be legended with a four month hold period commencing on the date the stock options are granted.
5. The options shall be subject to such vesting requirements, if any, as may be determined by the Board from time to time provided that options granted to consultants performing "investor relations activities" must vest in stages over at least 12 months with no more than 1/4 of the options vesting in any three month period.
6. Reasonable topping up of options granted to an individual will be permitted.
7. The option can only be exercised by the optionee and only so long as the optionee is a director, officer, employee or consultant of the Company, any of its subsidiaries or a management company employee or within a reasonable period of time, not to exceed one year, after the optionee ceases to be in at least one of such positions to the extent that the optionee was entitled to exercise the option at the date of such cessation.
8. In the event of death of an optionee, the option previously granted to him shall be exercisable as to all or any of the Shares in respect of which such option has not previously been exercised at the date of the optionee's death (including the right to purchase Shares not otherwise vested at such time), by the legal representatives of the optionee at any time up to and including (but not after) a date one year following the date of death of the optionee or the expiry time of the option, whichever occurs first.
9. Options may provide that, in the event of the sale by the Company of all or substantially all of the property and assets of the Company or in the event of a take-over bid or tender offer for the Shares of the Company, the optionees under such options shall be entitled, for a stated period of time thereafter, to exercise and acquire all Shares under their option, including Shares available under the option that are not otherwise vested at that time.
10. Disinterested shareholder approval for any reduction in the exercise price of a previously granted option shall be obtained prior to the exercise of such option if the optionee is an "insider" of the Company at the time of the proposed reduction.

A copy of the proposed 2018 Stock Option Plan is attached to this Information Circular as Schedule A.

At the Meeting Shareholders will be asked to consider, and if deemed advisable, to pass, with or without variation, the following resolution:

"RESOLVED, as an ordinary resolution, THAT:

1. the new stock option plan, to be designated the "2018 Stock Option Plan", in the form attached to the Company's management information circular dated November 19, 2018, subject to any amendments made by the directors of the Company prior to and presented for approval at the meeting (the "**2018 Stock Option Plan**"), be and the same is hereby adopted and approved and that the directors of the Company be and are hereby authorized to make such amendments or revisions to the 2018 Stock Option Plan from time to time after the meeting, without further shareholder approval, as may be required by the Canadian Securities Exchange or any other stock exchange upon which the Company's shares may be listed for trading from time to time in order to cause the 2018 Stock Option Plan to fully comply with the requirements of the Canadian Securities Exchange or such other exchange and to fully carry out this resolution;

2. all options to acquire common shares of the Company previously issued by the Company to directors, officers, employees and consultants of the Company or any subsidiary of the Company and currently outstanding shall be deemed to have been granted and issued under the 2018 Stock Option Plan and otherwise be governed by the terms and conditions of the 2018 Stock Option Plan, subject to the specific terms and conditions as to exercise price, vesting periods, if any, and expiry dates as are currently applicable to such options;
3. the reservation under the 2018 Stock Option Plan of up to a maximum of 10% of the issued shares of the Company, on a rolling basis, as at the time of granting of the stock option pursuant to the 2018 Stock Option Plan be and the same is hereby authorized and approved; and
4. any one director or officer of the Company be and is hereby authorized and directed, for and on behalf of the Company, to execute and deliver all such documents, agreements and instruments, and to do all such other acts and things as such director or officer may, in his discretion, determine to be necessary or advisable to give effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such documents, agreements or instruments or the doing of any such act or thing.”

***Recommendation of the Board***

The Board has determined that the 2018 Stock Option Plan is in the best interests of the Company and unanimously recommends that the shareholders vote in favour of adopting and approving same.

**Unless the shareholder directs that his or her shares be otherwise voted or withheld from voting in connection with the adoption and approval of the 2018 Stock Option Plan, the persons named in the enclosed Proxy will vote FOR the adoption and approval of the 2018 Stock Option Plan.**

### **3.5 AUTHORIZATION TO ISSUE STOCK OPTIONS TO INSIDERS**

It is a term of the 2018 Stock Option Plan that the Company must obtain “disinterested shareholder approval” for the granting of any stock options to, inter alia, “insiders” (including directors, senior officers and 10% shareholders of the Company) if:

1. the aggregate number of shares reserved for issuance under options granted to insiders of the Company within any 12 month period will exceed 10% of the issued and outstanding shares of the Company as determined at the date of grant of the option(s); or
2. the aggregate number of shares reserved for issuance under options granted to any one optionee of the Company within any 12 month period will exceed 5% of the issued and outstanding shares of the Company as determined at the date of grant of the option(s),

(the “**Option Thresholds**”).

Although not presently the case, management anticipates that as the Company grows it will need to attract, recruit and retain additional highly qualified management, financial and technical personnel to facilitate such growth. In order to attract and recruit highly qualified personnel the Company will need to offer incentive stock options to such personnel as part of any compensation package. Such options will also assist the Company in reducing the amount of cash compensation that it might otherwise have to pay to attract and recruit such personnel. Accordingly, the Company may need to grant stock options under the 2018 Stock Option Plan from time to time during the ensuing 12 month period to “insiders” or to a single optionee that will exceed the Option Thresholds above.

Accordingly, at the Meeting the “disinterested shareholders” of the Company will be asked to consider, and if deemed

advisable, pass, with or without variation, the following resolution:

"RESOLVED, as an ordinary resolution, THAT the granting of stock options under the 2018 Stock Option Plan from time to time during the ensuing 12 month period to a single optionee that exceeds 5% of the Company's issued and outstanding shares or to insiders, as a group, that in aggregate exceeds 10% of the Company's issued and outstanding shares be and is hereby authorized and approved."

For the purposes of the 2018 Stock Option Plan "disinterested shareholder" approval requires the approval of a majority of votes cast at the Meeting excluding votes attaching to securities beneficially owned by "insiders" of the Company to whom options may be granted under the 2018 Stock Option Plan and their associates.

To the knowledge of management of the Company, as of the Record Date, the aggregate number of Shares held by "insiders" to whom options may be granted under the 2018 Stock Option Plan or their associates total 2,286,467 Shares or 2.2% of the issued and outstanding Shares of the Company. Such Shares shall be excluded from voting on the above-noted resolution.

**Unless the shareholder directs that his or her Shares be otherwise voted or withheld from voting, the persons named in the enclosed Proxy will vote FOR the granting of the above-noted authorization.**

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#### *ITEM 4 EXECUTIVE COMPENSATION*

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As defined under applicable securities legislation, the Company had three "Named Executive Officers" during the financial year ended March 31, 2018 as set out below:

Keith C. Anderson - President and Chief Executive Officer (ceased as an officer effective February 24, 2018)  
Toby Mayo, President and Chief Executive Officer since February 25, 2018  
Cyrus Driver - Chief Financial Officer

**Definitions: For the purpose of this Information Circular:**

"**CEO**" means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

"**CFO**" means an individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

"**closing market price**" means the price at which the Company's security was last sold, on the applicable date,

- (a) in the security's principal marketplace in Canada, or
- (b) if the security is not listed or quoted on a marketplace in Canada, in the security's principal marketplace;

"**company**" includes other types of business organizations such as partnerships, trusts and other unincorporated business entities;

"**equity incentive plan**" means an incentive plan, or portion of an incentive plan, under which awards are granted and that falls within the scope of IFRS 2 *Share-based Payment*;

"**external management company**" includes a subsidiary, affiliate or associate of the external management company;

**"grant date"** means a date determined for financial statement reporting purposes under IFRS 2 *Share-based Payment*; **"incentive plan"** means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period;

**"incentive plan award"** means compensation awarded, earned, paid, or payable under an incentive plan;

**"NEO"** or **"named executive officer"** means each of the following individuals:

- (a) a CEO;
- (b) a CFO;
- (c) each of the three most highly compensated executive officers of the Company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of National Instrument 51-102, 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 or its subsidiaries, nor acting in a similar capacity, at the end of that financial year;

**"non-equity incentive plan"** means an incentive plan or portion of an incentive plan that is not an equity incentive plan;

**"option-based award"** means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features;

**"plan"** includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, securities, similar instruments or any other property may be received, whether for one or more persons;

**"replacement grant"** means an option that a reasonable person would consider to be granted in relation to a prior or potential cancellation of an option;

**"repricing"** means, in relation to an option, adjusting or amending the exercise or base price of the option, but excludes any adjustment or amendment that equally affects all holders of the class of securities underlying the option and occurs through the operation of a formula or mechanism in, or applicable to, the option; and

**"share-based award"** means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock.

## **Compensation Discussion and Analysis**

### ***Goals and Objectives***

Given the Company's current size and stage of development, the Board has not appointed a compensation committee and accordingly the Board as a whole is responsible for determining the compensation (including long-term incentive in the form of stock options) to be granted to the Company's executive officers and directors to ensure that such arrangements reflect the responsibilities and risks associated with each position. Management directors are required to abstain from voting in respect of their own compensation thereby providing the independent members of the Board with considerable input as to executive compensation.

The Board reviews, on an annual basis, the corporate goals and objectives relevant to executive compensation, evaluates each executive officer's performance in light of those goals and objectives and sets the executive officer's compensation level based, in part, on this evaluation. The Board takes into consideration the Company's overall performance, shareholder returns, and the awards given to executive officers in past years. The Board also considers the value of similar incentive awards to executive officers at comparable junior resource listed companies, however, as of the date of this Information Circular, no specific companies or selection criteria for the establishment of a benchmark group have been identified by the Board.

The Board's compensation philosophy is aimed at attracting and retaining quality and experienced people which is critical to the success of the Company and will include a "pay-for-performance" element which supports the Company's commitment to delivering strong performance for the shareholders.

### ***Executive Compensation Program***

Generally speaking, executive compensation will be comprised of three elements: base fee or salary, short-term incentive compensation (discretionary cash bonuses) and long-term incentive compensation (share options). The Board reviews all three components in assessing the compensation of individual executive officers and of the Company as a whole.

Base fees or salaries and bonuses (discretionary) are intended to provide current compensation and a short-term incentive for executive officers to meet the Company's goals, as well as to remain competitive with the industry. Base fees or salaries are compensation for job responsibilities and reflect the level of skills, expertise and capabilities demonstrated by the executive officers. Executive officers are also be eligible to receive discretionary bonuses as determined by the Board based on each officer's responsibilities, his achievement of individual and corporate objectives and the Company's financial performance. Cash bonuses will be intended to reward the executive officers for meeting or exceeding the individual and corporate performance objectives set by the Board.

Stock options are an important part of the Company's long-term incentive strategy for its officers, permitting them to participate in any appreciation of the market value of the Company's shares over a stated period of time, and are intended to reinforce commitment to long-term growth and shareholder value. Stock options reward overall corporate performance, as measured through the price of the Company's shares and enable executives to acquire and maintain a significant ownership position in the Company. See "Option Based Awards" below.

### **Option Based Awards**

Executive officers of the Company, as well as directors, employees and consultants, are eligible to participate in the Company's stock option plan to receive grants of stock options. Individual stock options are granted by the Board as a whole and the size of the options is dependent on, among other things, each officer's level of responsibility, authority and importance to the Company and the degree to which such officer's long term contribution to the Company will be crucial to its long-term success.

Stock options will normally be granted by the Board when an executive officer first joins the Company based on his or her level of responsibility within the Company. Additional grants may be made periodically to ensure that the number of options granted to any particular officer is commensurate with the officer's level of ongoing responsibility within the Company. The Board will also evaluate the number of options an officer has been granted, the exercise price of the options and the term remaining on those options when considering further grants. The Company anticipates that these options will be priced at the closing trading price of the Company's shares on the business day immediately preceding the date of grant and will expire two to five years from the date of grant. See the "Summary Compensation Table" below for details of the stock options granted to the Company's Named Executive Officers during the most recently completed fiscal year ended March 31, 2018.



See also Item 3.4 “THE BUSINESS OF THE MEETING – Adoption of New 2018 Stock Option Plan” for a discussion of the material terms of the Company’s new 2018 Stock Option Plan to be presented to the shareholders for adoption and approval at the Meeting.

**Summary Compensation Table**

The following table sets out certain information respecting the compensation paid to the CEO and CFO and the three most highly compensated executive officers, other than the CEO and CFO, for each of the Company’s three most recently completed financial years whose total compensation was more than \$150,000. These individuals are referred to collectively as the “Named Executive Officers” or “NEOs”.

Name and principal position	Year	Salary (\$)	Share based Awards	Option Based Awards <sup>1</sup> (\$)	Non-equity incentive plan compensation		Pension Value	All other Compensation (\$) <sup>2</sup>	Total Compensation (\$)
					Annual Incentive Plans	Long-Term Incentive Plans			
Toby Mayo <i>President and CEO</i>	2018	15,000 <sup>3</sup>	Nil	256,500 <sup>5</sup>	Nil	Nil	Nil	Nil	\$271,500
	2017	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Keith C. Anderson <i>President and CEO (former)</i>	2018	110,000	Nil	590,000 <sup>5</sup>	Nil	Nil	Nil	Nil	1,553,893
	2017	126,000	Nil	180,000 <sup>5</sup>	Nil	Nil	Nil	Nil	306,000
	2016	77,500 <sup>4</sup>	Nil	12,500 <sup>5</sup>	Nil	Nil	Nil	Nil	90,000
Cyrus Driver <sup>6</sup> <i>CFO</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil	141,400 <sup>7</sup>	393,217
	2017	Nil	Nil	22,500 <sup>5</sup>	Nil	Nil	Nil	30,150 <sup>7</sup>	52,650
	2016	Nil	Nil	12,500 <sup>5</sup>	Nil	Nil	Nil	20,150 <sup>7</sup>	32,650

- 1 Refers to options granted under the Company’s stock option plan and is based on the weighted average fair value of stock options granted during the applicable fiscal year. The fair value of the options granted annually is obtained by multiplying the number of options granted by their value established according to the Black Scholes option pricing model assuming the following:

	2018	2017	2016
Risk-free interest rate	1.64%	0.74%	0.94%
Expected life	4.71	4.56	5
Expected volatility	224.34%	183.74%	190.58%
Dividend yield	0	0	0

- 2 The value of perquisites received by each of the Named Executive Officers, including property or other personal benefits provided to the Named Executive Officers that are not generally available to all employees, were not in the aggregate greater than \$50,000 or 10% of the Named Executive Officer’s total compensation during each of the three most recently completed fiscal years ended March 31, 2018, 2017 and 2016.
- 3 Mr. Mayo was appointed VP Corporate Development in January 2018 at a monthly fee of \$5000 per month. Upon his appointment as CEO on February 25, 2018, his monthly fee increased to \$10,000 per month.
- 4 Effective April 1, 2016 Mr. Anderson’s management fee was set at \$10,000 per month.
- 5 Based on stock options granted during the year. See “Incentive Plan Awards” below for more information.
- 6 Mr. Driver was appointed CFO on July 20, 2011. Mr. Driver is not standing for re-election as a director of the Company at the Meeting but is expected to remain as CFO of the Company following the Meeting.
- 7 Fees in the amount of \$141,400 were paid to a company owned by the CFO in 2018. Accounting fees in the amount of \$30,150 (2017) and \$20,150 (2016) were paid to Davidson & Company LLP. Cyrus Driver, the CFO and a current director of the Company, is a former partner (retired) of Davidson & Company LLP.

**Incentive Plan Awards**

*Outstanding Share-Based Awards and Option-Based Awards*

The following table sets forth particulars of all option-based and share-based awards outstanding for each Named Executive Officer at March 31, 2018.

Name	Option-based Awards				Share-based Awards <sup>2</sup>	
	Number of Securities underlying unexercised options (#)	Option exercise price (\$)	Option Expiration Date	Value of unexercised in-the-money-options (\$) <sup>1</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share awards that have not vested (\$)
Toby Mayo <i>President and CEO</i>	250,000 100,000	\$0.79 \$0.59	Jan 3, 2023 Feb 7, 2023	nil nil	N/A	N/A
Estate of Keith C. Anderson <sup>3</sup> <i>President and CEO (former)</i>	250,000 2,000,000 <sup>3</sup>	\$0.05 \$0.295	Nov 30, 2020 Oct 10, 2022	93,750 260,000	N/A	N/A
Cyrus Driver <i>CFO</i>	250,000	\$0.13	May 18, 2021	73,750	N/A	N/A
<b>TOTAL</b>	<b>2,850,000</b>					

- 1 Based on the difference between the closing price of the Company's Shares on the Canadian Securities Exchange on March 31, 2018 (being the last day the Company's shares traded during the fiscal year ended March 31, 2018) of \$0.425 and the stock option exercise price, multiplied by the number of Common Shares under option. Mr. Driver's and Mr. Anderson's options were in-the-money as of March 31, 2018.
- 2 The Company has not granted any share-based awards.
- 3 Mr. Anderson passed away prior to the end of the 2018 fiscal year. His options are held by his estate.

#### *Incentive Plan Awards – Value Vested or Earned During the Year*

The following table sets forth particulars of the value of option-based awards and share-based awards which vested during the year ended March 31, 2018, and the value of non-equity incentive plan compensation earned during the year ended March 31, 2018 for each Named Executive Officer:

Name	Option-based awards- Value vested during the year (\$)	Share awards – Value during the year on vesting (\$) <sup>3</sup>	Non-equity incentive plan compensation-Pay-out during the year (\$) <sup>4</sup>
Toby Mayo <i>President and CEO</i>	\$256,500 <sup>1</sup>	N/A	N/A
Keith C. Anderson <i>President and CEO (former)</i>	\$590,000 <sup>2</sup>	N/A	N/A
Cyrus Driver <i>CFO</i>	Nil	N/A	N/A

- 1 The Company granted 250,000 stock options to Mr. Mayo on January 3, 2018 (expiring January 3, 2023) at an exercise price of \$0.79 per share and an additional 100,000 stock options on February 7, 2018 (expiring February 7, 2023) at an exercise price of \$0.59 per share.
- 2 The Company granted 2,000,000 stock options to Mr. Anderson on October 10, 2017 (expiring October 10, 2022) at an exercise price of \$0.295.
- 3 The Company has not granted any share-based awards.
- 4 The Company did not pay any non-equity incentive plan compensation during the year ended March 31, 2018.

See also Item 5 "SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS" for details of the Company's outstanding stock options as at March 31, 2018.

### **Pension Plan Benefits**

The Company does not have any pension, retirement or deferred compensation plans, including defined contribution plans.

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

The Company has not entered into any compensatory plans, contracts or arrangements with any of its Named Executive Officers whereby such officers are entitled to receive compensation as a result of the resignation, retirement or any other termination of employment of the Named Executive Officer with the Company or from a change in control of the Company or a change in the Named Executive Officer's responsibilities following a change in control.

### **Compensation of Directors**

Save as set out below, the non-executive directors of the Company do not receive any cash compensation for acting as directors of the Company. Directors are, however, eligible to participate in the Company's stock option plan, which is designed to give each option holder an interest in preserving and maximizing shareholder value in the longer term. Individual grants are determined by an assessment of each individual director's current and expected future performance, level of responsibilities and the importance of his/her position and contribution to the Company.

However, during the financial year ended March 31, 2018, L. Frank Anderson and Lindsay Bottomer each received \$12,000 in director fees from the Company.

Other than as aforesaid and the reimbursement of expenses incurred as directors, there were no other arrangements, standard or otherwise, pursuant to which directors of the Company were compensated by the Company for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultants or experts during the financial year ended March 31, 2018.

### **Director Compensation Table**

The following table sets forth information regarding the compensation paid to the Company's directors, other than directors who are also Named Executive Officers listed in the "Summary Compensation Table" above, during the fiscal year ended March 31, 2018.

<b>Name</b>	<b>Fees earned (\$)</b>	<b>Share-based awards (\$)</b>	<b>Option-based awards (\$)</b>	<b>Non-equity incentive plan compensation (\$)</b>	<b>Pension (\$)</b>	<b>All other compensation (\$)</b>	<b>Total (\$)</b>
L. Frank Anderson <sup>1</sup> <i>Director</i>	\$12,000	Nil	N/A	Nil	Nil	Nil	\$12,000
Lindsay Bottomer <sup>2</sup> <i>Director</i>	\$12,000	Nil	\$228,500	Nil	Nil	Nil	\$240,500
Jeremy Ross <sup>3</sup> <i>Director</i>	Nil	Nil	N/A	Nil	Nil	Nil	Nil
Shastri Ramnath <sup>4</sup> <i>Director</i>	Nil	Nil	N/A	Nil	Nil	Nil	Nil

1. Mr. Anderson received \$12,000 in director fees from the Company, paid in a combination of cash and shares.
2. Mr. Bottomer received \$12,000 in director fees from the Company, paid in cash. Mr. Bottomer was also granted 150,000 stock options at an exercise price of \$0.59 per share on February 7, 2018 and an additional 250,000 options at an exercise price of \$0.56 per share on February 16, 2018
3. Mr. Ross became a director on June 10, 2016 and resigned effective December 13, 2017.
4. Ms. Ramnath became a director on November 30, 2016.

## Share-based awards, option-based awards and non-equity incentive plan compensation

### *Outstanding Share-Based Awards and Option-Based Awards*

The following table sets forth particulars of all option-based and share-based awards outstanding for each director, who was not a Named Executive Officer at March 31, 2018.

Name	Option-based Awards				Share-based Awards <sup>1</sup>	
	Number of Securities underlying unexercised options (#)	Option exercise price (\$)	Option Expiration Date	Value of unexercised in-the-money-options (\$) <sup>2</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share awards that have not vested (\$)
L. Frank Anderson <i>Director</i>	100,000	\$0.05	Nov 30, 2020	37,500	N/A	N/A
Lindsay Bottomer <sup>3</sup> <i>Director</i>	150,000 250,000	\$0.59 \$0.56	February 7, 2023 February 16, 2023	N/A	N/A	N/A
Jeremy Ross <sup>4</sup> <i>Director</i>	Nil	N/A	N/A	N/A	N/A	N/A
Shastri Ramnath <sup>5</sup> <i>Director</i>	250,000	\$0.05	Oct 17, 2021	93,750	N/A	N/A

- The Company has not granted any share-based awards.
- Based on the difference between the closing price of the Company's common shares on the Canadian Securities Exchange on March 31, 2018 (being the last day the Company's shares traded during the fiscal year ended March 31, 2018) of \$0.425 and the stock option exercise price, multiplied by the number of Shares under option. Options with an exercise price greater than \$0.425 as at March 31, 2018 ended the year not-in-the-money (showing a "nil" value in the table above). Options with an exercise price below \$0.425 as of March 31, 2018 ended the year in-the-money meaning that if the option holder had exercised his or her options at that date, they would have realized a gain of the amount shown in the table above.
- Mr. Bottomer exercised these options subsequent to the year end.
- Mr. Ross became a director on June 10, 2016 and resigned effective December 13, 2017. He was granted 250,000 options at an exercise price of \$0.10, expiring June 27, 2021. Mr. Ross exercised his options at the time of his resignation.
- Ms. Ramnath was elected to the Board on November 30, 2016 and was granted 250,000 options with an exercise price of \$0.05, expiring October 17, 2021, at the time Ms. Ramnath agreed to be a nominee for director.

### *Incentive Plan Awards – Value Vested or Earned During the Year*

The following table sets forth particulars of the value of option-based awards and share-based awards which vested during the year ended March 31, 2018, and the value of non-equity incentive plan compensation earned during the year ended March 31, 2018 for each director of the Company who was not a Named Executive Officer:

Name	Option-based awards- Value vested during the year (\$)	Share awards – Value during the year on vesting (\$) <sup>1</sup>	Non-equity incentive plan compensation-Pay-out during the year (\$) <sup>2</sup>
L. Frank Anderson <i>Director</i>	nil	N/A	N/A
Lindsay Bottomer <i>Director</i>	\$228,500	N/A	N/A
Jeremy Ross <sup>3</sup> <i>Director</i>	nil	N/A	N/A
Shastri Ramnath <i>Director</i>	nil	N/A	N/A

- The Company has not granted any share-based awards.
- The Company did not pay any non-equity incentive plan compensation during the year ended March 31, 2018.
- Mr. Ross became a director on June 10, 2016 and resigned effective December 13, 2017.

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**ITEM 5 SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY  
COMPENSATION PLANS**

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The following information is as of March 31, 2018, the Company’s most recently completed financial year.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b>
Equity compensation plans approved by securityholders	7,818,000	\$0.56	2,603,054
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
<b>Total</b>	<b>7,818,000</b>	<b>\$0.56</b>	<b>2,603,054</b>

As of the date of this Information Circular, the Company’s only equity compensation plan is its “rolling” stock option plan for directors, officers, employees and consultants of the Company. See Item 3 “THE BUSINESS OF THE MEETING – Adoption of New 2018 Stock Option Plan” for details of the material terms of the Company’s proposed new 2018 Stock Option Plan.

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**ITEM 6 AUDIT COMMITTEE**

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National Instrument 52-110 *Audit Committees* of the Canadian Securities Administrators (“**NI 52-110**”) requires the Company to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its external auditor as set forth below.

**6.1 THE AUDIT COMMITTEE CHARTER**

The Company’s audit committee is governed by an audit committee charter, the text of which is attached as Schedule B to this Information Circular.

**6.2 COMPOSITION OF AUDIT COMMITTEE**

The audit committee is comprised of three directors: Lindsay Bottomer (Chair), Cyrus Driver and L. Frank Anderson. Lindsay Bottomer is considered “independent” as that term is defined in applicable securities legislation. Cyrus Driver is the Chief Financial Officer of the Company and therefore is not independent. L. Frank Anderson was an officer of the Company in the past, but has not served as an officer in more than three years, thereby allowing him to be considered independent. Following the Meeting, it is the Company’s intention to ensure the audit committee maintains a majority of independent directors.

All three current audit committee members have the ability to read and understand 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 and are therefore considered “financially literate”.

### **6.3 RELEVANT EDUCATION AND EXPERIENCE**

All of the audit committee members are businesspersons with experience in financial matters; each has an understanding of accounting principles used to prepare financial statements and varied experience as to general application of such accounting principles, as well as the internal controls and procedures necessary for financial reporting, garnered from working in their individual fields of endeavor.

Lindsay Bottomer has acted as a director and/or executive officer of numerous publicly listed companies over the past 13 years, particularly junior resources companies. In various cases, Mr. Bottomer also acted as a member of such companies' audit committees as a result of which Mr. Bottomer has gained the ability to read, analyze and understand the complexities surrounding the issuance of financial statements that can presumably be expected to be raised by the Company's financial statements.

Cyrus Driver is a Chartered Professional Accountant and partner (retired) with the accounting firm Davidson & Company, LLP. He has over 30 years' experience in the financial reporting and audit of publicly traded companies. He is the Chief Financial Officer of the Company and has also acted as a director and/or held senior management positions with a number of publicly listed companies.

L. Frank Anderson has been involved in the securities industry for over 30 years serving as a director and executive officer of numerous publicly listed issuers during which time he was required to review, analyse and understand the financial statements of publicly listed companies, particularly in the junior resource sector, in order to make appropriate business decisions. He is able to review, analyse and understand the Company's financial statements in order to effectively communicate their contents to the investing community.

### **6.4 AUDIT COMMITTEE OVERSIGHT**

Since the commencement of the Company's financial year ended March 31, 2018, the Board has not failed to adopt a recommendation of the audit committee to nominate or compensate an external auditor.

### **6.5 RELIANCE ON CERTAIN EXEMPTIONS**

Since the commencement of the Company's financial year ended March 31, 2018, the Company has not relied on the exemptions contained in sections 2.4 or 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

### **6.6 PRE-APPROVAL POLICIES AND PROCEDURES**

The audit committee has not adopted specific policies and procedures for the engagement of non-audit services. However, subject to the requirements of NI 52-110, the audit committee is responsible for pre-approving, on a case by case basis, all non-audit services prior to their presentation to the Board for final approval.

### **6.7 EXTERNAL AUDIT SERVICE FEES (BY CATEGORY)**

In the following table, "audit fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The fees paid by the Company to its external auditor, Crowe MacKay LLP, for services rendered to the Company in each of the last two fiscal years, by category, are as follows:

<b>Financial Year Ending</b>	<b>Audit Fees</b>	<b>Audit Related Fees</b>	<b>Tax Fees</b>	<b>All Other Fees</b>
March 31, 2018	\$37,000	Nil	\$2,000	Nil
March 31, 2017	\$29,000	Nil	\$2,000	Nil

## **6.8 EXEMPTION**

The Company is relying on the exemption provided by section 6.1 of NI 52-110, which provides that the Company, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

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## **ITEM 7 CORPORATE GOVERNANCE**

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Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day to day management of the Company. The Board and senior management consider good corporate governance to be central to the effective and efficient operation of the Company.

National Policy 58-201 *Corporate Governance Guidelines* (“**NP 58-201**”) establishes corporate governance guidelines, which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company’s practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted.

National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) also requires the Company to disclose annually in its Information Circular certain information concerning its corporate governance practices. As a “venture Company” the Company is required to make such disclosure with reference to the requirements of Form 58-101F2, which disclosure is set forth below.

## **7.1 BOARD OF DIRECTORS**

### *Structure and Composition*

The Board is currently composed of five directors, four of whom are standing for re-election at the Meeting. The Company proposes to increase the number of directors to six at the Meeting. See Item 3.2 “THE BUSINESS OF THE MEETING – Election of Directors” above.

NP 58-201 suggests that the board of directors of every listed company should be constituted with a majority of individuals who qualify as “independent” directors under NI 52-110, which provides that a director is independent if he or she has no direct or indirect “material relationship” with the company. “Material relationship” is defined as a relationship which could, in the view of the Company’s board of directors, be reasonably expected to interfere with the exercise of a director’s independent judgment.

Of the current directors, Toby Mayo, as CEO of the Company, and Cyrus Driver as CFO, are “inside” or management directors and accordingly are considered “non-independent”. L. Frank Anderson is considered independent; although he is a former officer of the Company, he resigned more than three years ago (in 2014) thereby making him eligible to be considered independent under applicable securities legislation.

Lindsay Bottomer, an outside director, is considered independent, and has no ongoing interest or relationship with the Company other than current shareholdings and stock options in the Company and serving as a director. Shastri Ramnath is a principal of Orix Geosciences, a company that provides ongoing services to the Company. As such, she has a material interest in the company and is not considered independent.

The two new nominee directors (see Item 3.2 “THE BUSINESS OF THE MEETING – Election of Directors” above) have no ongoing relationship with the Company and will be considered independent upon their election as directors of the Company at the Meeting. With four of the six nominee directors considered independent, the Company will have a majority of independent directors following the Meeting.

*Mandate of the Board*

At this stage of the Company’s development, the Board does not believe it is necessary to adopt a written mandate or to have any formal structures or procedures in place to ensure that the Board can function independently of management, as sufficient guidance for these matters is found in the applicable corporate legislation and regulatory policies. The independent directors exercise their responsibilities for independent oversight of management, and have leadership through their position on the Board and ability to meet independently of management whenever deemed necessary. In addition, each member of the Board understands that he or she is entitled to seek the advice of an independent expert if he or she reasonably considers it warranted under the circumstances. However, as the Company grows, the Board will move to develop a formal written mandate.

The Board is specifically responsible for approving long-term strategic plans and annual operating plans and budgets recommended by management. Board consideration and approval is also required for all material contracts, business transactions and all debt and equity financing proposals. The Board also takes responsibility for identifying the principal risks of the Company’s business and for ensuring these risks are effectively monitored and mitigated to the extent reasonably practicable.

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

**7.2 DIRECTORSHIPS**

As of the date of this Information Circular, the current directors of the Company are also directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction as follows.

Name of Director	Name of Other Reporting Issuer	Position
Shastri Ramnath	Canadian Silver Hunter Inc.	Director

The above information has been provided by the directors and has not been independently verified by the Company.

**7.3 ORIENTATION AND CONTINUING EDUCATION**

There is no formal orientation or training program for new members of the Board, and the Board considers this to be appropriate, given the Company’s size and current limited operations.

New directors are briefed on strategic plans, short, medium and long term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing company policies and have the opportunity to



become familiar with the Company by meeting with the other directors and with the executive officers. Orientation activities are tailored to the particular needs and experience of each director and the overall needs of the Board.

The skills and knowledge of the Board as a whole is such that the Board believes no formal continuing education process is currently required. The Board is comprised of individuals with varying backgrounds, who have, both collectively and individually, extensive experience in running and managing public companies. Board members are encouraged to communicate with management, auditors and technical consultants to keep themselves current with industry trends and developments and changes in legislation, with management's assistance. Board members have full access to the Company's records.

#### **7.4 ETHICAL BUSINESS CONDUCT**

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives. The Board monitors the ethical conduct of the Company and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges but, to date, has not adopted a formal written Code of Business Conduct and Ethics.

The Board is of the view that the fiduciary duties placed on individual directors by the Company's governing corporate and securities legislation and the common law, as well as the restrictions placed by applicable corporate legislation on the individual director's participation in decisions of the Board in which the director has an interest, are sufficient, at present, to ensure that the Board operates independently of management and in the best interests of the Company and its shareholders. In addition, the current limited size of the Company's operations and the small number of officers and consultants allow the independent members of the Board to monitor on an ongoing basis the activities of management and to ensure that the highest standard of ethical conduct is maintained. As the Company is growing in size and scope, the Board anticipates that it will implement a formal Code of Business Conduct and Ethics following the Meeting.

#### **7.5 NOMINATION OF DIRECTORS**

Given its current size and stage of development, the Board has not appointed a nominating committee and these functions are currently performed by the Board as a whole. Nominees are generally the result of recruitment efforts by Board members and proposed directors' credentials are reviewed in advance of a Board meeting with one or more members of the Board prior to the proposed director's nomination.

#### **7.6 COMPENSATION**

At this time, the Company does not believe its size and limited scope of operations requires a formal compensation committee and the Board as a whole is responsible for determining all forms of compensation (including long-term incentive in the form of stock options) to be granted to the Company's executive officers and to the directors to ensure such arrangements reflect the responsibilities and risks associated with each position. In addition, any compensation to be paid to executive officers who are also directors must be approved by the disinterested directors thereby providing the independent directors with significant input into compensation decisions.

When determining the compensation of its executive officers in the future, the Board will consider: i) recruiting and retaining executives critical to the success of the Company and the enhancement of shareholder value; ii) providing fair and competitive compensation; iii) balancing the interests of management and the Company's shareholders; and iv) rewarding performance, both on an individual basis and with respect to operations in general. In order to achieve these objectives, it is the Board's intention that compensation paid to its executive officers should consist of three components: i) base salary; ii) discretionary annual bonus based on actual performance relative to pre-set annual operation targets; and iii) long-term incentive in the form of stock options. See Item 4 "EXECUTIVE COMPENSATION – Compensation Discussion and Analysis" above.

## **7.7 OTHER BOARD COMMITTEES**

At the present time, the Board of Directors of the Company has appointed only an audit committee. For further information regarding the mandate of the Company's audit committee, its specific authority, duties and responsibilities, as well as the Audit Committee Charter, see Item 6 "AUDIT COMMITTEE" in this Information Circular.

As the Company grows, and its operations and management structure become more complex, the Board may find it appropriate to constitute formal standing committees, such as a Corporate Governance Committee, Compensation Committee and Nominating Committee, and to ensure that such committees are governed by written charters and are composed of at least a majority of independent directors.

## **7.8 ASSESSMENTS**

The Board has not implemented a process for assessing its effectiveness. As a result of the Company's size, its stage of development and the limited number of individuals on the Board, the Board considers a formal assessment process to be inappropriate at this time. The Board plans to continue evaluating its own effectiveness on an ad hoc basis.

The Board also monitors but does not formally assess the performance or contribution of individual Board members or committee members.

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## **ITEM 8 OTHER INFORMATION**

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

#### *Indebtedness of Directors and Executive Officers under Securities Purchase and Other Programs*

As of the date hereof, there is no indebtedness owing to the Company, any of its subsidiaries or any other entity (where such indebtedness to such other entity is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries) in connection with the purchase of securities or otherwise by any current or former executive officers, directors or employees of the Company or any of its subsidiaries.

#### *Aggregate Indebtedness*

No individual who is, or at any time during the most recently completed financial year of the Company was, a director or officer of the Company, no proposed nominee for election as a director of the Company, and no associate of any one of them is, or at any time since the beginning of the most recently completed financial year of the Company has been, indebted to the Company or any of its subsidiaries (other than in respect of amounts which would constitute routine indebtedness) or to another entity (where such indebtedness to such other entity is, or was at any time during the most recently completed financial year of the Company, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries).

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

Other than disclosed elsewhere in this Information Circular, no informed person (as defined below), proposed nominee for election as a director, or any associate or affiliate of any informed person or proposed nominee, has had a material interest, direct or indirect, in any transaction with the Company or any of its subsidiaries or in any proposed transaction since the beginning of the last completed financial year that has materially affected the Company or any of its subsidiaries.

For the above purposes, "informed person" means: (a) a director or executive officer of the Company; (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company; (c) any person

or company who beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company after having purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

### **8.3 INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON AT THE MEETING**

None of the directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company's last completed financial year, none of the other insiders of the Company and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the election of the directors, the adoption and approval of the 2018 Stock Option Plan, and the authorization to grant stock options to insiders and others in excess of certain Option Thresholds as more particularly described in Item 3 "THE BUSINESS OF THE MEETING" above.

### **8.4 MANAGEMENT CONTRACTS**

The management functions of the Company are performed by its directors and executive officers and the Company has no management agreements or arrangements under which such management functions are performed by persons other than the directors and executive officers of the Company or private companies controlled by such directors and executive officers. See Item 4 "EXECUTIVE COMPENSATION" for details of the fees paid to the Company's Named Executive Officers during the most recently completed financial year ended March 31, 2018.

### **8.5 OTHER MATTERS**

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

### **8.6 OTHER MATERIAL FACTS**

There are no other material facts other than as disclosed herein.

### **ADDITIONAL INFORMATION**

Financial information about the Company is provided in its comparative audited financial statements and Management's Discussion and Analysis for the year ended March 31, 2018. You may obtain copies of such documents without charge upon request to us at 201-2691 Viscount Way, Richmond, BC V6V 2R5, Attention Lorraine Pike - telephone (604) 207-1746. You may also access such documents, together with the Company's additional disclosure documents, through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com).

### **8.7 BOARD APPROVAL**

The Board of Directors of the Company has approved the contents and the delivery of the Information Circular to its shareholders.

DATED at Vancouver, British Columbia, as of the 19<sup>th</sup> day of November, 2018.

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

(signed) "*Toby Mayo*"

Toby Mayo  
Chief Executive Officer

## SCHEDULE A

### 2018 STOCK OPTION PLAN

#### 1. Objectives

The Plan is intended as an incentive to attract and retain qualified directors, senior officers, Employees, Management Company Employees, Consultants and Consultant Companies of the Company and its Affiliates, to promote a proprietary interest in the Company and its Affiliates among such persons, and to stimulate the active interest of such persons in the development and financial success of the Company and its Affiliates.

#### 2. Definitions

2.1 As used in the Plan, the terms set forth below shall have the following respective meanings:

- (a) **“Affiliate”** means an affiliate as defined in the Securities Act and includes issuers that are similarly related, whether or not any of the issuers are companies, partnerships, limited partnerships, trusts, income trusts or investment trusts or any other organized entity issuing securities;
- (b) **“Associate”** means an associate as defined in the Securities Act;
- (c) **“Black Out Period”** means a temporary period during which Optionees may not exercise their Options;
- (d) **“Board”** means the board of directors of the Company;
- (e) **“Change in Control”** means:
  - (i) any merger or amalgamation in which voting securities of the Company possessing more than fifty percent (50%) of the total combined voting power of the Company’s outstanding securities are transferred to a person or persons different from the persons holding those securities immediately prior to such transaction;
  - (ii) any acquisition, directly or indirectly, by a person or Related Group of Persons (other than a person that is a registered dealer as described in Section 2.1(y)(iii) and other than the Company or a person that directly or indirectly controls, is controlled by, or is under common control with, the Company) of beneficial ownership of voting securities of the Company possessing more than fifty percent (50%) of the total combined voting power of the Company’s outstanding securities;
  - (iii) any acquisition, directly or indirectly, by a person or Related Group of Persons of the right to appoint a majority of the directors of the Company or otherwise directly or indirectly control the management, affairs and business of the Company;
  - (iv) any sale, transfer or other disposition of all or substantially all of the assets of the Company;
  - (v) a complete liquidation or dissolution of the Company; or
  - (vi) any transaction or series of transactions involving the Company or any of its Affiliates that the Board in its discretion deems to be a Change in Control;
- (f) **“Committee”** means the Compensation Committee of the Board or such other committee of the Board to which the Board has delegated responsibility for administration of the Plan or, if the Board has not made such delegation, “Committee” shall mean the Board;
- (g) **“Company”** means Far Resources Ltd., a company existing under the *Business Corporations Act* (British Columbia);
- (h) **“Consultant”** means, in relation to the Company, an individual or Consultant Company, other than an Employee or a Director/Officer of the Company, that:
  - (i) is engaged to provide on an 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;

- (ii) provides the services under a written contract between the Company or the Affiliate of the Company 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) **“Date of Grant”** means the date an Option is granted by the Committee to the Optionee, subject to any regulatory or other approvals or conditions;
  - (k) **“Directors/Officers”** means directors, senior officers or Management Company Employees of the Company or any subsidiary of the Company;
  - (l) **“Employee”** means:
    - (i) an individual who is considered an employee of the Company or its subsidiary under the *Income Tax Act (Canada)*;
    - (ii) an individual who works full-time for the Company or its subsidiary 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 subsidiary 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;
  - (m) **“Exchange”** means the stock exchange on which the Shares are listed from time to time, provided that if the Shares are traded on more than one stock exchange, then the stock exchange on which a majority of Shares are traded;
  - (n) **“Insider”** in relation to the Company means:
    - (i) a director or senior officer of the Company;
    - (ii) a director or senior officer of a company that is an Insider or subsidiary of the Company; or
    - (iii) a person that beneficially owns or controls, directly or indirectly, Shares carrying more than 10% of the voting rights attached to all outstanding Shares;
  - (o) **“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, except for such activities that the Exchange specifically states to not be Investor Relations Activities;
  - (p) **“Management Company Employee”** means an individual employed by an entity providing management services to the Company, which are required for the ongoing successful operation of the business enterprise of the Company, but excluding an entity engaged in Investor Relations Activities;
  - (q) **“Market Price”** in relation to a Share subject to an Option on the Date of Grant of the Option means the last closing price of the Shares on the Exchange before such Date of Grant;

- (r) **“Merger and Acquisition Transaction”** means:
- (i) any merger;
  - (ii) any acquisition;
  - (iii) any amalgamation;
  - (iv) any offer for Shares which if successful would entitle the offeror to acquire all of the voting securities of the Company; or
  - (v) any arrangement or other scheme of reorganization;
- that results in a Change in Control;
- (s) **“Option”** means an option to purchase Shares granted under or subject to the terms of the Plan, including the Pre-Plan Options;
- (t) **“Option Agreement”** means a written agreement between the Company and an Optionee that sets forth the terms, conditions and limitations applicable to an Option;
- (u) **“Option Period”** means the period during which an Option may be exercised;
- (v) **“Optionee”** means a person to whom an Option has been granted under the terms of the Plan or who holds an Option that is otherwise subject to the terms of the Plan;
- (w) **“Plan”** means this Stock Option Plan of the Company;
- (x) **“Pre-Plan Options”** has the meaning set forth in section 4.2;
- (y) **“Related Group of Persons”** in respect of a person means:
- (i) the person together with any one or more of the person’s Associates or Affiliates; and
  - (ii) any two or more persons who have an agreement, commitment or understanding, whether formal or informal, with respect to:
    - (A) the acquisition of or the intention to acquire, directly or indirectly, beneficial ownership of, or control and direction over, voting securities of the Company; or
    - (B) the exercise of voting rights attached to the securities of the Company beneficially owned by such persons, or over which such persons have control and direction, on matters regarding the appointment of directors or control of the management, affairs and business of the Company;
  - (iii) despite the above Section 2.1(y)(ii)(A), a registered dealer acting solely in an agency capacity for a person or Related Group of Persons in connection with the acquisition of beneficial ownership of, or control and direction over, securities of the Company, and not executing principal transactions for its own account or performing services beyond customary dealer’s functions, shall not be deemed solely by reason of such agency relationship to be a related person for the purposes of the definition of Related Group of Persons;
- (z) **“Securities Act”** means the *Securities Act* (British Columbia), as amended from time to time; and
- (aa) **“Shares”** means common shares in the capital of the Company.

### 3. Administration of the Plan

- 3.1 The Plan shall be administered by the Committee. With respect to Option grants to directors of the Company, the Board shall serve as the Committee. With respect to any other Options the Board may specifically constitute a committee of two or more directors of the Company as the Board may designate from time to time to serve as the Committee for the Plan, all of the members of which shall be and remain directors of the

Company. Notwithstanding the foregoing, the Board may resolve to be the Committee to administer the Plan with respect to all of the Plan or certain participants and/or awards made or to be made under the Plan.

- 3.2 The Committee shall have full and exclusive power to interpret the Plan, to adopt such rules, regulations and guidelines for carrying out the Plan as it may deem necessary or proper, all of which powers shall be exercised in the best interests of the Company and in keeping with the objectives of the Plan, and to reserve and issue Shares issuable pursuant to the exercise of Options. The Committee may, in its discretion but subject to any necessary approvals of the Exchange or any other regulatory body having jurisdiction over the securities of the Company, provide for the extension of the exercisability of an Option, accelerate the vesting or exercisability of any Option, eliminate or make less restrictive any restrictions contained in an Option, waive any restriction or other provision of the Plan or an Option or otherwise amend or modify an Option in any manner that is either (a) not adverse to the Optionee holding such Option or (b) consented to by such Optionee. The Committee may correct any defect or supply any omission or reconcile any inconsistency in the Plan or in any Option in the manner and to the extent the Committee deems necessary or desirable to carry it into effect. Any decision of the Committee in the interpretation and administration of the Plan shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned. No member of the Committee shall be liable for anything done or omitted to be done by such member, by any member of the Committee or by any officer of the Company in connection with the performance of any duties under the Plan, except for such member's own wilful misconduct or as expressly provided by statute.
- 3.3 All administrative costs of the Plan shall be paid by the Company.

#### **4. Eligibility**

- 4.1 Options may be granted to Employees, Directors/Officers and Consultants (and Consultant Companies as may be permitted by the Exchange) who are in the opinion of the Committee in a position to contribute to the success of the Company or any of its Affiliates or who, by virtue of their service to the Company or any predecessors thereof or to any of its Affiliates are, in the opinion of the Committee, worthy of special recognition. The granting of Options is entirely discretionary and nothing in this Plan shall be deemed to give any person any right to participate in this Plan or to be granted an Option and designation of an Optionee in any year shall not require the designation of such person to receive an Option in any other year. The Committee shall consider such factors as it deems pertinent in selecting participants and in determining the amount and terms of their respective Options.
- 4.2 Any options previously granted by the Company (the "**Pre-Plan Options**") which remain outstanding as at the effectiveness of the Plan will be deemed to have been issued under and will be governed by the terms of the Plan and, in the event of any inconsistency between the terms of the agreements governing the Pre-Plan Options and the terms of the Plan, the terms of such agreements shall govern. Any Shares issuable upon exercise of the Pre-Plan Options will be included for the purpose of calculating the amounts set out in sections 5 and 6 hereof.
- 4.3 Subject to any applicable regulatory approvals, Options may also be granted under the Plan in exchange for outstanding options granted by the Company or any predecessor company thereof or any Affiliate thereof, whether such outstanding options are granted under the Plan, under any other stock option plan of the Company or any predecessor company or any Affiliate thereof, or under any stock option agreement with the Company or any predecessor corporation or Affiliate thereof.
- 4.4 Subject to any applicable regulatory approvals, Options may also be granted under the Plan in substitution for outstanding options of another company in connection with a plan of arrangement or exchange, amalgamation, merger, consolidation, acquisition of property or shares, or other reorganization between or involving such other company and the Company or any of its subsidiaries.

## **5. Number of Shares Reserved under the Plan**

The maximum aggregate number of Shares issuable pursuant to the exercise of Options granted under the Plan from time to time, when combined with all of the Company's other security based compensation arrangements, shall not exceed in aggregate 10% of the Company's Shares issued and outstanding at the time of grant (including Shares issuable upon exercise of any Pre-Plan Options assumed by the Plan upon its effectiveness pursuant to section 20 hereof), provided that:

- (a) if any Shares covered by an Option subject to the Plan are forfeited, or if an Option has expired, terminated or been cancelled for any reason whatsoever, then the Shares covered by such Option shall again be, or shall become, Shares with respect to which Options may be granted hereunder, and
- (b) such maximum number of Shares shall be appropriately adjusted in the event of any subdivision or consolidation of the Shares.

## **6. Number of Optioned Shares per Optionee**

6.1 The determination regarding the number of Shares that may be the subject of Options granted to each Optionee pursuant to an Option will be made by the Committee and will take into consideration the Optionee's present and potential contribution to the success of the Company and applicable legal and regulatory requirements.

6.2 Grants under the Plan shall be subject to the following limitations:

- (a) Subject to sections 6.2(b) and 6.2(c), the aggregate number of Shares that may be reserved for issuance pursuant to the Plan, or as incentive stock options, to any one Optionee in a 12-month period must not exceed 5% of the issued and outstanding Shares (determined at the Date of Grant), unless disinterested shareholder approval is obtained;
- (b) The number of Shares subject to Options granted to any one Consultant in a 12-month period must not exceed 2% of the issued and outstanding Shares (determined at the Date of Grant);
- (c) The aggregate number of Shares subject to Options granted to all Optionees who are employed to provide Investor Relations Activities must not exceed 2% of the issued and outstanding Shares in any 12-month period (determined at the Date of Grant);
- (d) The number of Options granted to Insiders within a 12-month period to acquire Shares reserved for issuance under the Plan must not exceed 10% of the issued and outstanding Shares, unless disinterested shareholder approval is obtained; and
- (e) Subject to any longer vesting period as may be set out in the related Option Agreement, an Option granted to a Consultant performing Investor Relations Activities shall vest in stages over not less than 12 months with no more than 25% of the Shares subject to the Option vesting in any three-month period.

## **7. Price**

7.1 The exercise price per Share subject to an Option shall be determined by the Committee at the time the Option is granted, provided that the exercise price shall not be less than the Market Price less applicable discounts permitted by the Exchange, or such other minimum exercise price as may be required by the Exchange.



7.2 Subject to applicable regulatory requirements and approval, the Committee may reprice the prevailing exercise price of an Option. Any reduction in the exercise price of an Option held by an Optionee who is an Insider at the time of the proposed amendment is, however, subject to disinterested shareholder approval if and as required by the Exchange.

## **8. Term and Exercise of Options**

8.1 The Option Period shall be determined by the Committee at the time the Option is granted and may be up to ten years from the Date of Grant. The Option Period is also subject to reduction pursuant to the provisions of section 10. Subject to the applicable maximum Option Period provided for in this section 8.1 and subject to applicable regulatory requirements and approvals, the Committee may extend the Option Period for an Option. Notwithstanding anything contained herein, if the Option Period expires during a Black Out Period or within 2 business days of a Black Out Period, the Option Period shall be extended to 10 days from the end of the Black Out Period.

8.2 Subject to subsection 6.2(e), the vesting schedule for each Option shall be determined by the Committee at the time the Option is granted and shall be specified in the Option Agreement in respect of the Option.

8.3 Notwithstanding section 8.1 or 8.2 above, if there is a takeover bid or tender offer made for all or any of the issued and outstanding Shares, then the Committee may, by resolution, permit all Options outstanding to become immediately exercisable in order to permit the Shares issuable under such Options to be tendered to such bid or offer.

8.4 The vested portion of Options will be exercisable, either all or in part, at any time after vesting. If less than all of the Shares included in the vested portion of any Option are purchased, the remainder may be purchased, subject to the Option's terms, at any subsequent time prior to the expiration of the Option Period.

8.5 The exercise of any Option will be contingent upon receipt by the Company of payment for the full exercise price of the Shares being purchased in cash by way of certified cheque, bank draft or wire transfer. No Optionee or the legal representatives, legatees or distributees of the Optionee will be, or will be deemed to be, a holder of any Shares subject to an Option under the Plan unless and until certificates for such Shares are issued to the Optionee or such other persons under the terms of the Plan.

## **9. Stock Option Agreement**

Upon the grant of an Option to an Optionee, the Company and the Optionee shall enter into an Option Agreement setting out the number of Shares subject to the Option, the exercise price per Share, the Option Period, and the vesting schedule for the Option, if any, and incorporating the terms and conditions of the Plan and any other requirements of applicable regulatory authorities and such other terms and conditions as the Committee may determine are necessary or appropriate, subject to the terms of the Plan. Without limiting the generality of the foregoing, for Options granted to Employees, Consultants or Management Company Employees, the Company and the Optionee are responsible for ensuring and representing in an Option Agreement that the Optionee is a bona fide Employee, Consultant or Management Company Employee, as the case may be.

## **10. Effect of Termination of Employment or Death**

10.1 Options granted to any Optionee who is a Director/Officer, Employee, Consultant or Consultant Company shall expire on the earlier of: (a) such date within a reasonable period of time, not to exceed one year, after the Optionee ceases to be in at least one of such categories as provided for in the Option Agreement with the Optionee, and (b) the expiry of the Option Period, provided that if the Director/Officer, Employee, Consultant or Consultant Company is terminated by the Company for cause, breach of contract or breach of fiduciary duty, the Options granted to such Director/Officer, Employee, Consultant or Consultant Company shall expire immediately upon such termination.

- 10.2 Notwithstanding section 10.1, in the event of the death of an Optionee while in service to the Company, each outstanding Option to the extent not previously exercised (including in respect of the right to purchase Shares not otherwise vested at such time) shall be exercisable until the earlier of (a) the expiration of one year following such death unless an earlier date is provided for in the Option Agreement with the Optionee, and (b) the expiry of the Option Period, but only by the person or persons to whom the Optionee's rights under the Option shall pass by the Optionee's will or by the laws of descent and distribution.
- 10.3 Notwithstanding the foregoing provisions of this Section 10 and subject to any applicable regulatory requirements and approvals, the Committee may, in its discretion, provide for the extension of the exercisability of an Option for any period that is not beyond the applicable expiration date thereof, accelerate the vesting or exercisability of an Option, eliminate or make less restrictive any restrictions governing an Option, waive any restriction or other provision of this Plan or an Option or otherwise amend or modify the Option in any manner that is either (a) not adverse to such Optionee or (b) consented to by such Optionee.

## **11. Adjustment in Shares Subject to the Plan**

- 11.1 The exercise price for and the number of Shares covered by an Option will be adjusted, with respect to the then unexercised portion thereof, by the Committee from time to time (on the basis of such advice as the Committee considers appropriate, including, if considered appropriate by the Committee, a certificate of the auditor of the Company) in the event and in accordance with the provisions and rules set out in this Section 11. Any dispute that arises at any time with respect to any adjustment pursuant to such provisions and rules will be conclusively determined by the Committee, and any such determination will be binding on the Company, the Optionee and all other affected parties.
- (a) In the event that a dividend is declared upon the Shares, payable in Shares (other than in lieu of dividends paid in the ordinary course), the number of Shares then subject to any Option shall be adjusted by adding to each such Share the number of Shares which would be distributable thereon if such Share had been outstanding on the date fixed for determining shareholders entitled to receive such stock dividend.
  - (b) In the event that the outstanding Shares are changed into or exchanged for a different number or kind of Shares or other securities of the Company or of another corporation, whether through an arrangement, amalgamation or other similar procedure or otherwise, or a share recapitalization, subdivision or consolidation, then there shall be substituted for each Share subject to any Option the number and kind of Shares or other securities of the Company or another corporation into which each outstanding Share shall be so changed or for which each such Share shall be exchanged.
  - (c) In the event that there is any change, other than as specified above in this Section 11, in the number or kind of outstanding Shares or of any securities into which such Shares shall have been changed or for which they shall have been exchanged, then, if the Committee, in its sole discretion, determines that such change equitably requires an adjustment to be made in the number or kind of Shares then subject to any Option, an equitable adjustment shall be made in the number or kind of Shares, such adjustment shall be made by the Committee and be effective and binding for all purposes.
  - (d) In the event that the Company distributes by way of a dividend, or otherwise, to all or substantially all holders of Shares, property, evidences of indebtedness or shares or other securities of the Company (other than Shares) or rights, options or warrants to acquire Shares or securities convertible into or exchangeable for Shares or other securities or property of the Company, other than as a dividend in the ordinary course, then, if the Committee, in its sole discretion, determines that such action equitably requires an adjustment in the exercise price of the Option or number of Shares subject to any Option, or both, such adjustment shall be made by the Committee and shall be effective and binding for all purposes.
- 11.2 In the case of any such substitution or adjustment as provided for in this Section 11, the exercise price in respect of each Option for each Share covered thereby prior to such substitution or adjustment will be

proportionately and appropriately varied, such variation shall generally require that the number of Shares or securities covered by the Option after the relevant event multiplied by the varied option exercise price be equal to the number of Shares covered by the Option prior to the relevant event multiplied by the original exercise price of the Option.

- 11.3 No adjustment or substitution provided for in this Section 11 shall require the Company to issue a fractional share in respect of any Option. Fractional shares shall be eliminated.
- 11.4 The grant of an Option shall not affect in any way the right or power of the Company to effect adjustments, reclassifications, reorganizations, arrangements or changes of its capital or business structure, or to amalgamate, merge, consolidate, dissolve or liquidate, or to sell or transfer all or any part of its business or assets
- 11.5 In the event of a Merger and Acquisition Transaction or proposed Merger and Acquisition Transaction, the Committee shall determine in an appropriate and equitable manner:
- (a) any adjustment to the number and type of Shares that thereafter shall be made the subject of Options; and
  - (b) the number and type of Shares subject to outstanding Options; and
  - (c) the manner in which all unvested Options granted under this Plan will be treated including, without limitation, requiring the acceleration of the time for the vesting of such Options by the participants, the time for the fulfilment of any conditions or restrictions on such vesting, and the time for the expiry of such Options.

Subsections (a) through (c) of this section 11.5 may be utilized independently of, successively with, or in combination with each other and Section 11, and nothing therein contained shall be construed as limiting or affecting the ability of the Committee to deal with Options in any other manner. All determinations by the Committee under this Section 11 will be final, binding and conclusive for all purposes.

- 11.6 Notwithstanding anything else in this Plan, any unvested Options issued to a participant at the time of a Merger and Acquisition Transaction shall immediately vest if either (i) the participant is either terminated without cause or resigns with good reason (as such term has been defined under common law, including any reason that would be considered to amount to constructive dismissal by a court of competent jurisdiction) from their position with the Company within the period ending 12 months from the date of the completion of the Merger and Acquisition Transaction, or (ii) the Committee, acting reasonably, determines that an adjustment to the number and type of Shares resulting from a Merger and Acquisition Transaction is impractical or impossible. In the event this Section is applicable, the Committee shall, acting reasonably, determine the extent to which the Participant met the conditions for vesting of Options.

## **12. Non-Assignability**

All Options, benefits and rights accruing to any Optionee in accordance with the terms and conditions of the Plan are non-assignable and non-transferable, except as specifically provided in section 10.2 in the event of the death of the Optionee. During the lifetime of the Optionee, all such Options, benefits and rights may only be exercised by the Optionee.

## **13. Employment**

Nothing contained in the Plan shall confer upon any Optionee any right with respect to employment or continuance of employment with, or the provision of services to, the Company or any of its Affiliates, or interfere in any way with the right of the Company or any of its Affiliates to terminate the Optionee's employment or services at any time. Participation in the Plan by an Optionee is voluntary.

#### **14. Record Keeping**

The Company shall maintain a register in which shall be recorded or maintained:

- (a) the name and address of each Optionee;
- (b) the number of Shares subject to Options granted to each Optionee, the number of Shares issued to each Optionee upon the exercise of Options, and the number of Shares subject to Options remaining outstanding;
- (c) a copy of each outstanding Option Agreement; and
- (d) such other information as the Committee may determine.

#### **15. Regulatory Approvals**

- 15.1 The Plan is subject to the approval of regulatory authorities having, or which may have, jurisdiction over the securities of the Company including, but not limited to, the Exchange, and the Board is authorized to amend the text thereof from time to time in order to comply with any changes thereto required by such applicable regulatory authorities.
- 15.2 The obligation of the Company to issue and deliver Shares in accordance with the Plan is subject to the approval of any governmental authority having jurisdiction or any stock exchange or stock quotation system on which the Shares are listed for trading or quoted which may be required in connection with the authorization, issuance or sale of such Shares by the Company. If any Shares cannot be issued to any Optionee for any reason including, without limitation, the failure to obtain such approval, then the obligation of the Company to issue such Shares shall terminate and any exercise price for an Option paid to the Company shall be returned to the Optionee.

#### **16. Hold Periods, Securities Regulation and Tax Withholding**

- 16.1 In addition to any resale restrictions under applicable securities laws, for Options issued by the Company to Insiders or Options having an exercise price per Share that is less than the Market Price, any Options, or Shares issued on the exercise of such Options, will be subject to a four-month hold period commencing on the particular Date of Grant of the Option, and certificates for the Shares will bear a restrictive legend setting out any such applicable hold period.
- 16.2 Where necessary to effect exemption from registration or distribution of the Shares under securities laws applicable to the securities of the Company, an Optionee shall be required, upon the acquisition of any Shares upon the exercise of Options, to acquire such Shares with investment intent (i.e. for investment purposes) and not with a view to their distribution, and to present to the Committee an undertaking to that effect in a form acceptable to the Committee. The Committee may cause a legend or legends to be placed upon any certificates for the Shares to make appropriate reference to applicable resale restrictions. The Committee may take such other action or require such other action or agreement by such Optionee as may from time to time be necessary to comply with applicable securities laws. This provision shall in no way obligate the Company to undertake the registration or qualification of any Options or the underlying Shares under any securities laws applicable to the securities of the Company.
- 16.3 The Committee and the Company may take all such measures as they deem appropriate to ensure that the Company's obligations under the withholding provisions under income tax laws applicable to the Company and other provisions of applicable laws are satisfied with respect to the issuance of Shares pursuant to the Plan or the grant or exercise of Options under the Plan. Without limiting the generality of the foregoing, the Company may, as a condition to the exercise of any Option, require that the Optionee pay to the Company, concurrently with the payment of the full exercise price of the Shares being purchased, by way of certified cheque, bank draft or wire transfer, an amount in cash equal to any withholding taxes that the Company is required to remit to the Canada Revenue Agency on account of payroll withholding obligations (including, but not limited to, income tax, UIC and/or CPP) as a result of the exercise of the Option by the Optionee.

16.4 Issuance, transfer or delivery of certificates for Shares purchased pursuant to the Plan may be delayed, at the discretion of the Committee, until the Committee is satisfied that the applicable requirements of securities and income tax laws have been met.

## **17. Amendment and Termination of Plan**

17.1 The Board reserves the right to amend or terminate the Plan at any time if and when it is advisable in the absolute discretion of the Board; provided, however, that no such amendment or termination shall adversely affect any outstanding Options granted under the Plan without the consent of the Optionee. Any amendment to the Plan shall also be subject to any necessary approvals of any stock exchange or regulatory body having jurisdiction over the securities of the Company and, where applicable, the approval of the shareholders of the Company.

17.2 The types of amendments that do not require the approval of the shareholders of the Company include, but are not limited to:

- (a) amendments of a “housekeeping” nature, including those required to clarify any ambiguity or rectify any inconsistency in the Plan;
- (b) amendments made pursuant to section 17.1 hereof to comply with any changes required by applicable regulatory authorities having jurisdiction over securities of the Company from time to time including, but not limited to, the Exchange or other mandatory provisions of applicable law;
- (c) amendments which are advisable to accommodate changes in tax laws;
- (d) the extension of accelerated expiry dates to, but not beyond, the expiry date originally set at the time of the Option grant;
- (e) amendments to the vesting provisions of any Option granted under the Plan; and
- (f) amendments to the terms of Options in order to maintain Option value in connection with an adjustment in the Shares of the Company as contemplated in section 11 hereof.

17.3 Notwithstanding the provisions of section 17.2, the Board may not, without the prior approval of the shareholders of the Company, make amendments to the Plan for any of the following purposes:

- (a) to increase the maximum number of Shares issuable under the Plan as set out in section 5;
- (b) subject to section 17.4, to reduce the exercise price of any outstanding Options held by an Insider;
- (c) subject to section 17.4, to extend the Option Period of any outstanding Options held by an Insider, except where the Option Period is extended because it would have occurred during a Black Out Period;
- (d) to amend the Plan to permit the grant of an Option with an Option Period of more than 10 years from the Date of Grant;
- (e) to amend the non-assignability provision contained in section 12 hereof, except as otherwise permitted by the Exchange or for estate planning or estate settlement purposes;
- (f) to expand the class of Optionees to whom Options may be granted under the Plan; and
- (g) to amend this Section 17.3.

17.4 The Board may amend any Option with the consent of the affected Optionee and the Exchange, including any shareholder approval required by the Exchange. For greater certainty, disinterested shareholder approval is required for: (i) a reduction in the exercise price of an Option if the Optionee is an Insider at the time of the proposed amendment; or (ii) an extension of the Option Period of an Option if the Optionee is an Insider at the time of the proposed amendment.

17.5 If the amendment of an Option requires regulatory or shareholder approval, such amendment may be made prior to such approvals being given, but no such amended Options may be exercised unless and until such approvals are given.

## **18. No Representation or Warranty**

The Company makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of the Plan.

## **19. General Provisions**

19.1 Nothing contained in the Plan shall prevent the Company or any of its Affiliates from adopting or continuing in effect other compensation arrangements, which may, but need not, provide for the issuance of securities of the Company (subject to shareholder approval if such approval is required by applicable securities regulatory authorities) and such arrangements may be either generally applicable or applicable only in specific cases.

19.2 The validity, construction and effect of the Plan and any rules and regulations relating to the Plan and any Option Agreement, and all determinations made and actions taken pursuant hereto shall be governed by and determined in accordance with the laws of the Province of British Columbia, Canada.

19.3 If any provision of the Plan or any Option is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction or as to any person or Option, or would disqualify the Plan or any Option under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to the applicable laws, or if it cannot be construed or deemed amended without, in the determination of the Committee, materially altering the intent of the Plan or the Option, such provision shall be stricken as to such jurisdiction, person or Option and the remainder of the Plan and any such Option shall remain in full force and effect.

19.4 Neither the Plan nor any Option shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company or any of its Affiliates and an Optionee or any other person.

19.5 Headings are given to the sections of the Plan solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of the Plan or any provision thereof.

## **20. Effective Date of the Plan**

20.1 Subject to the ratification and approval of the Plan by the shareholders of the Company and all necessary regulatory approvals pursuant to section 15 hereof, the Plan will be effective as of the 15th day of November, 2018.

*Adopted by the Board of Directors on November 15, 2018.*

## SCHEDULE B

### FAR RESOURCES LTD.

(the “Company”)

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

##### **Mandate**

The primary function of the audit committee (the “**Audit Committee**”) of the board of directors of the Company (the “**Board**”) is to assist the Board in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company’s systems of internal controls regarding finance and accounting, and the Company’s auditing, accounting and financial reporting processes.

The Audit Committee's primary duties and responsibilities are to:

- monitor the integrity, adequacy and timeliness of the Company’s financial reporting and disclosure practices and compliance with legal and regulatory requirements related to financial reporting;
- provide an open avenue of communication between management, the Company’s independent auditor and the board of directors; and
- review and appraise the independence and performance of the Company’s independent auditor.

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

The Audit Committee shall be comprised of three directors as determined by the board of directors, the majority of whom must not be officers or employees of the Company pursuant to the *Business Corporations Act* (British Columbia).

It is the Company’s goal that all members of the Audit Committee are financially literate and that at least one member shall have accounting or related financial management expertise. For the purposes of applicable securities legislation, “financially literate” means 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 presumably be expected to be raised by the Company’s financial statements.

##### **Meetings**

It is the goal of the Company that the Audit Committee shall meet at least once each fiscal quarter, or more frequently as circumstances dictate. As part of its mandate to facilitate open communication, the Audit Committee will also seek to meet with management of the Company quarterly and the external auditors at least once each fiscal year.

##### **Authority and Responsibilities**

In performing its oversight responsibilities, the Audit Committee shall:

1. Review and update the Audit Committee's terms of reference on an annual basis and recommend any proposed changes to the Board.
2. Review the appointments of the Company’s Chief Financial Officer and any other key financial executives involved in the financial reporting process.

3. Review with management and the independent auditor the adequacy and effectiveness of the Company's accounting and financial controls and the adequacy and timeliness of its financial reporting processes.
4. Review with management and the independent auditor the annual financial statements and related documents and review with management the unaudited quarterly financial statements and related documents, prior to filing or distribution, including matters required to be reviewed under applicable legal or regulatory requirements.
5. Where appropriate and prior to release, review with management any news releases that disclose annual or interim financial results or contain other significant financial information that has not previously been released to the public.
6. Review the Company's financial reporting and accounting standards and principles and significant changes in such standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives thereto and the rationale for decisions made.
7. Review the quality and appropriateness of the accounting policies and the clarity of financial information and disclosure practices adopted by the Company, including consideration of the independent auditor's judgment about the quality and appropriateness of the Company's accounting policies. This review may include discussions with the independent auditor without the presence of management.
8. Review with management and the independent auditor significant related party transactions and potential conflicts of interest.
9. Pre-approve all non-audit services to be provided to the Company by the independent auditor.
10. Monitor the independence of the independent auditor by reviewing all relationships between the independent auditor and the Company and all non-audit work performed for the Company by the independent auditor.
11. Establish and review the Company's procedures for the:
  - receipt, retention and treatment of complaints regarding accounting, financial disclosure, internal controls or auditing matters; and
  - confidential, anonymous submission by employees regarding questionable accounting, auditing and financial reporting and disclosure matters.
12. Conduct or authorize investigations into any matters that the Audit Committee believes is within the scope of its responsibilities. The Audit Committee has the authority to retain independent counsel, accountants or other advisors to assist it, as it considers necessary, to carry out its duties, and to set and pay the compensation of such advisors at the expense of the Company.
13. Review and approve hiring policies regarding current and former partners and employees of the independent auditor.