

SCORPION RESOURCES INC.

INFORMATION CIRCULAR

as at August 8, 2014

(except as otherwise indicated)

This Information Circular is furnished in connection with the solicitation of proxies by the management of SCORPION RESOURCES INC. (the “Company”) for use at the annual general meeting (the “Meeting”) of its shareholders to be held on September 12, 2014 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.

In this Information Circular, references to “**the Company**”, “**we**” and “**our**” refer to **SCORPION RESOURCES INC.** “**Common Shares**” means common shares without par value in the capital of the Company. “**Beneficial Shareholders**” means shareholders who do not hold Common Shares in their own name and “**intermediaries**” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the “**Proxy**”) are officers and/or directors of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

Voting by Proxyholder

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors,

any amendment to or variation of any matter identified therein, and

any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the Proxy, the management appointee acting as a proxyholder will vote in favour of each matter identified on the Proxy and, if applicable, for the nominees of management for directors and auditors as identified in the Proxy.

Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a proxy may do so by:

completing, dating and signing the enclosed form of proxy and returning it to the Company’s transfer agent, Computershare Trust Company of Canada, by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail to the 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 or by hand delivery at 2nd Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9;

using a touch-tone phone to transmit voting choices to a toll free number. Registered shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll free number, the holder’s account number and the proxy access number; or

using the internet through the website of the Company's transfer agent at www.investorvote.com. Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder's account number and the proxy access number;

in all cases ensuring that the proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the proxy is to be used.

Beneficial Shareholders

The following information is of significant importance to shareholders who do not hold Common Shares in their own name. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares) or as set out in the following disclosure.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of the shareholder's broker or an agent of that broker (an "**intermediary**"). In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of meetings of shareholders. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

There are two kinds of Beneficial owners - those who object to their name being made known to the issuers of securities which they own (called "**OBOs**" for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called "**NOBOs**" for Non-Objecting Beneficial Owners).

The Company is taking advantage of the provisions of National Instrument 54-101 "Communication with Beneficial Owners of Securities of a Reporting Issuer" that permit it to directly deliver proxy-related materials to its NOBOs. As a result NOBOs can expect to receive a scannable Voting Instruction Form ("**VIF**") from our transfer agent, Computershare. These VIFs are to be completed and returned to Computershare in the envelope provided or by facsimile. In addition, Computershare provides both telephone voting and internet voting as described on the VIF itself which contain complete instructions. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

These securityholder materials are being sent to both registered and non-registered owners of the securities of the Company. 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 securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding 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 your proper voting instructions. Please return your voting instructions as specified in your request for voting instructions.

Beneficial Shareholders who are OBOs should follow the instructions of their intermediary carefully to ensure that their Common Shares are voted at the Meeting.

The form of proxy supplied to you by your broker will be similar to the proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge mails a VIF in lieu of a proxy provided by the Company. The VIF will name the same persons as the Company's Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than any of the persons designated in the VIF, to represent your Common Shares at the Meeting and that person may be you. To exercise this right, you should insert the name of the desired representative (which may be yourself) in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides

appropriate instructions respecting the voting of Common Shares to be represented at the Meeting and the appointment of any shareholder's representative. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Common Shares voted or to have an alternate representative duly appointed to attend and to vote your Common Shares at the Meeting.**

Notice to Shareholders in the United States

The solicitation of proxies involve securities of an issuer located 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, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure 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), as amended, certain of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company 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 company and its officers and directors to subject themselves to a judgment by a United States court.

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by:

executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder's authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare Trust Company of Canada or at the address of the registered office of the Company at Suite 2300 - 550 Burrard Street, Vancouver, British Columbia, V6C 2B5, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or

personally attending the Meeting and voting the registered shareholder's Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

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

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year end of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors and as may be set out herein.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors (the "**Board**") of the Company has fixed August 8, 2014 as the record date (the "**Record Date**") for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Company has an authorized capital consisting of an unlimited number of common shares and an unlimited number of preferred shares. Each shareholder is entitled to one vote for each common share registered in his or her name at the close of business on August 8, 2014, the date fixed by our directors as the record date for determining who is entitled to receive notice of and to vote at the meeting.

At the close of business on August 8, 2014, 6,100,000 of the Company's common shares were outstanding.

To the knowledge of the directors and executive officers of the Company, only the following person beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company as at August 8, 2014:

Shareholder Name⁽¹⁾	Number of Common Shares Held	Percentage of Issued Common Shares
Joshua Bleak	1,000,000	16.39%

Notes:

(1) The above information was obtained from SEDI.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents filed with the securities commissions or similar regulatory authority in each of the Provinces of British Columbia, Alberta and Ontario, are specifically incorporated by reference into, and form an integral part of, this Information Circular:

the audited annual financial statements for the fiscal year ended March 31, 2014, together with the auditor's report thereon; and

the related Management's Discussion and Analysis (collectively, the "**Financial Statements**" as filed on SEDAR on July 29, 2014).

The Financial Statements are available through the Internet on SEDAR, which can be accessed at www.sedar.com.

VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein save and except resolutions 6 and 7 in the Notice of Meeting which require a simple majority of affirmative votes of disinterested shareholders. If there are more nominees for election as directors or appointment of the Company's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed by acclamation.

ELECTION OF DIRECTORS

The size of the Board of the Company is currently determined at four. Shareholders will therefore be asked to approve an ordinary resolution that the number of directors elected be determined at four.

The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director's office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (British Columbia) ("**BCA**"), each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

The following table sets out the names of management's nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, the period of time during which each has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at August 8, 2014.

Name of Nominee; Current Position with the Company and Province or State and Country of Residence	Period as a Director of the Company	Common Shares Beneficially Owned or Controlled⁽¹⁾
John Eckersley ⁽³⁾ President, Chief Executive Officer and Director Utah, U.S.A.	Since October 19, 2011	400,000

Name of Nominee; Current Position with the Company and Province or State and Country of Residence	Period as a Director of the Company	Common Shares Beneficially Owned or Controlled⁽¹⁾
Laara Shaffer ⁽²⁾⁽⁴⁾ Chief Financial Officer, Secretary and Director British Columbia, Canada	Since July 11, 2012	100,000
Joshua D. Bleak ⁽²⁾⁽⁵⁾ Director Arizona, U.S.A.	Since October 19, 2011	1,000,000
Corey Dias ⁽²⁾ Director Ontario, Canada	September 12, 2013	Nil

Notes:

- (1) The information as to position and principal business and Common Shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees.
- (2) Member of the audit committee.
- (3) Mr. Eckersley holds options to purchase 166,667 Common Shares of the Company at an exercise price of \$0.10, expiring July 17, 2017.
- (4) Ms. Shaffer holds options to purchase 100,000 Common Shares of the Company at an exercise price of \$0.10, expiring July 17, 2017.
- (5) Mr. Bleak holds options to purchase 166,667 Common Shares of the Company at an exercise price of \$0.10, expiring July 17, 2017.

Occupation, Business or Employment of Director Nominees

The disclosure sets out each nominee's principal occupation, business or employment within the five preceding years. The information as to principal occupation, business or employment is not within the knowledge of management of the Company and has been furnished by the respective nominees.

John Eckersley has served as Passport Potash Inc.'s ("**Passport Potash**") (TSXV: PPI) Vice President, Legal and Corporate Affairs since December 2010 and has served as a director of Passport Potash since July 15, 2011. Mr. Eckersley has practiced law as a sole practitioner since 1999. His practice focuses on securities compliance, corporate governance and estate planning. Mr. Eckersley served as the Executive Vice President, Secretary and Treasurer of Digital Business Resource, Inc., a telecommunications company, from 1996 to 1999, where he was a founder, and was responsible for developing systems for office management, accounting, client services, vendor coordination and marketing. Mr. Eckersley served as the General Counsel of TIMI, a public finance advisory company, where he advised the company on corporate strategy and was responsible for the company's compliance filings. Mr. Eckersley has served as a director of Silver Horn Mining Ltd. ("**Silver Horn**") (OTCBB: SILV) since July 21, 2011, which is involved in the acquisition and exploration of properties that may contain mineral resources, principally silver. Mr. Eckersley received his Bachelor of Science, cum laude, and his Juris Doctorate from the University of Utah. Mr. Eckersley's qualifications to serve on our Board of Directors is based on his corporate experience and knowledge of the resources industry.

Laara Shaffer was Passport Potash Inc.'s CFO and Secretary and was a director of Passport Potash from March 1996 to February 1, 2012. Ms. Shaffer was re-appointed to the Board of Directors, of Passport Potash effective June 25, 2012 and resigned on March 4, 2014. Ms. Shaffer previously served as CFO and director of Compass Gold Corp. (TSXV: CVB) from 2007 to 2009. Ms. Shaffer is currently CFO and Secretary of Anfield Resources Inc. (TSXV: ARY). Ms. Shaffer's qualifications to serve on our Board of Directors is based on her extensive experience as a CFO of public companies and in the mining industry in general.

Joshua D. Bleak Mr. Bleak is a fourth-generation miner from an Arizona mining family that has developed gold, silver, copper and uranium properties throughout the southwestern U.S. Mr. Bleak is a director of Anfield Resources Inc. ("**Anfield**") and he served as Chief Executive Officer of Anfield from August 30, 2012 to February 21, 2013, and served as President of Anfield from December 15, 2010 to August 30, 2012. Mr. Bleak is currently the President and CEO of Passport Potash and he serves as President, CEO, Treasurer and a director of Continental Resources Group, (OTCBB: CRGC). Since

January 26, 2012, Mr. Bleak has served as a director of American Strategic Minerals Corporation (OTCBB: ASMC) which is engaged in the acquisition and exploration of properties that may contain uranium mineralization. Mr. Bleak was previously President of American Energy Fields, Inc., a U.S. publicly-traded uranium company. Currently he serves as a director for a number of Canadian junior mining exploration companies and is President of North American Environmental Corp., a consulting company specializing in mining project management, permitting, lobbying and land tenure. From February 2007 to September 2008, he served as Manager of NPX Metals, Inc., an exploration and mining company. Since January 2005 he has served as Secretary and a director of Pinal Realty Investments Inc., a real estate development company. Mr. Bleak's qualification to serve on our Board of Directors is based on his experience in the mining industry in general.

Corey Dias , Mr. Dias holds a Master of Business Administration from the Richard Ivey School of Business at the University of Western Ontario. Mr. Dias has had years of strategic consulting experience with a major U.S. management consulting firm put him in an ideal position to provide unique insight and guidance with regard to the Company's vision for further growth.

Mr. Dias began his capital markets career in institutional equity research at CIBC in the Canadian Telecommunications sector and has gained further equity research and equity sales experience in other sectors – including mining – at other boutique investment firms. In addition, Mr. Dias was a Vice President at Fortress Investment Group, a major U.S.-based hedge fund, where he was involved in the management of a \$400 million investment portfolio. Mr. Dias's experience also includes time spent as a management consultant in the Stockholm office of The Monitor Group, a U.S.-based strategy-consulting firm. During his time there, he gained invaluable experience in understanding and resolving top management challenges at major corporations in various industries.

Cease Trade Orders and Bankruptcy

Within the last 10 years before the date of this Information Circular, except as disclosed below, no proposed nominee for election as a director of the Company was a director or executive officer of any company or (including the Company in respect of which this Information Circular is prepared) acted in that capacity for a company that was:

subject to a cease trade or similar order or an order denying the relevant company access to any exemptions under securities legislation, for more than 30 consecutive days;

subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under the securities legislation, for a period of more than 30 consecutive days;

within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or has 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;

subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

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

John Eckersley was a director of Silver Horn during which time Silver Horn was subject to a cease trade order, issued by the British Columbia Securities Commission on February 1, 2012. The order was issued as a result of a failure to file required documents on SEDAR, as required by BC Instrument 51-509, and is still in effect. Mr. Eckersley remains a director of Silver Horn.

Laara Shaffer was a director of Anfield, formerly Equinox Copper Corp., during which time Anfield was subject to cease trade orders issued by the British Columbia and Alberta Securities Commissions on June 3, 2003 and July 18, 2003, respectively. The orders were issued as a result of a failure to file the required financial statements. The order issued in British Columbia was subsequently revoked on January 16, 2009, and in Alberta on January 9, 2009.

APPOINTMENT OF AUDITOR

Dale Matheson Carr-Hilton LaBonte LLP, of 1500 – 1140 W. Pender Street, Vancouver, British Columbia, will be nominated at the Meeting for re-appointment as auditor of the Company at a remuneration to be fixed by the directors as approved by the shareholders. Dale Matheson Carr-Hilton Labonte LLP was appointed to the position of auditor of the Company on November 15, 2012.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

National Instrument 52-110 of the Canadian Securities Administrators (“**NI 52-110**”) requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth in the following:

The Audit Committee’s Charter

The audit committee has a charter, a copy of which is attached as 0 to this Information Circular.

Composition of the Audit Committee

The members of the audit committee are Laara Shaffer (Chairman), Joshua Bleak and Corey Dias. Messrs. Bleak and Dias are the independent members of the audit committee. Ms. Shaffer is the only non-independent member of the audit committee as she is the CFO of the Company. All members are considered to be financially literate.

Relevant Education and Experience of the Audit Committee

See heading “Occupation, Business or Employment of Nominees” for disclosure on relevant education and experience.

Each member of the audit committee has:

- an understanding of the accounting principles used by the Company to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;

- experience with analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company’s financial statements, or experience actively supervising individuals engaged in such activities; and

- an understanding of internal controls and procedures for financial reporting.

Audit Committee Oversight

The audit committee has not made any recommendations to the Board to nominate or compensate any auditor other than Dale Matheson Carr-Hilton LaBonte.

Reliance on Certain Exemptions

The Company’s auditor, Dale Matheson Carr-Hilton LaBonte, has not provided any material non-audit services.

Pre-Approval Policies and Procedures

See the Audit Committee Charter for the adoption of specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

The audit committee has reviewed the nature and amount of the non-audited services provided by Dale Matheson Carr-Hilton LaBonte and Davidson & Company LLP to the Company to ensure auditor independence. Fees incurred for audit and non-audit services in the last two fiscal years for audit fees are outlined in the following table:

Nature of Services	Fees Paid to Auditor, Dale Matheson Carr-Hilton LaBonte in Year Ended March 31, 2014	Fees Paid to Auditor, Davidson & Company LLP for Year Ended March 31, 2013
Audit Fees ⁽¹⁾	\$6,500	\$7,500
Audit-Related Fees ⁽²⁾	Nil	Nil
Tax Fees ⁽³⁾	\$1,500	\$1,800
All Other Fees ⁽⁴⁾	Nil	Nil
Total	\$8,000	\$9,300

Notes:

- (1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All Other Fees" include all other non-audit services.

Exemption

The Company is relying upon the exemption in section 6.1 of NI 52-110 in respect of the composition of its audit committee and in respect of its reporting obligations under NI 52-110 for the year ended March 31, 2014. This exemption exempts a "venture issuer" from the requirement to have 100% of the members of its audit committee independent, as would otherwise be required by NI 52-110.

CORPORATE GOVERNANCE

General

Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The Board of the Company is committed to sound corporate governance practices, as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A "material relationship" is 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.

The Board facilitates its independent supervision over management in several ways, including retaining independent consultants where it deems necessary, and by reviewing corporate developments with larger shareholders, analysts and potential industry partners.

The independent members of the Board are Joshua Bleak and Roy Fuller. The non-independent directors are John Eckersley, President and Chief Executive Officer and Laara Shaffer, Chief Financial Officer and Secretary.

Directorships

The directors are currently serving on boards of the following other reporting companies (or equivalent) as set out below:

Name of Director	Name of Reporting Issuer	Exchange Listed
John Eckersley	Passport Potash Inc. Silver Horn Mining Ltd	TSXV OTCBB

Joshua Bleak	Passport Potash Inc. Anfield Resources Inc.. Continental Resources Group American Strategic Minerals	TSXV TSXV OTCBB OTCBB
Corey Dias	Anfield Resources Inc.	TSXV

Orientation and Continuing Education

When new directors are appointed, they receive an orientation, commensurate with their previous experience, on the Company's properties and business and on the responsibilities of directors.

Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business.

Ethical Business Conduct

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

Nomination of Directors

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

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

Compensation

The Board as a whole determines compensation for the directors and CEO.

Other Board Committees

The Board has no other committees other than the audit committee.

Assessments

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

STATEMENT OF EXECUTIVE COMPENSATION

Named Executive Officer

In this section "Named Executive Officer" (an "NEO") means the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") of the Company and each of the three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed financial year and whose total compensation was in excess of \$150,000 as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an executive officer of the Company at the end of the most recently completed financial year.

John Eckersley, President and CEO and Laara Shaffer, CFO and Corporate Secretary, are each a NEO of the Company for the purposes of the following disclosure.

Compensation Discussion and Analysis

The overall objective of the Company's compensation strategy is to offer medium-term and long-term compensation components to ensure that the Company has in place programs to attract, retain and develop management of the highest calibre and has in place a process to provide for the orderly succession of management, including receipt on an annual basis of any recommendations of the chief executive officer, if any, in this regard. The objectives of the Company's compensation policies and procedures are to align

the interests of the Company's employees with the interests of the Company's shareholders. Therefore a significant portion of the total compensation is based upon overall corporate performance.

The Company does not have in place a compensation committee or a nominating committee. All tasks related to developing and monitoring the Company's approach to the compensation of officers of the Company and to developing and monitoring the Company's approach to the nomination of directors to the Board are performed by the members of the Board. The compensation of the NEOs and the Company's employees is reviewed, recommended and approved by the independent directors of the Company.

The Board has assessed the Company's compensation plans and programs for its executive officers to ensure alignment with the Company's business plan and to evaluate the potential risks associated with those plans and programs. The Board has concluded that the compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Company. The Board considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

The Company has not adopted a policy restricting its executive officers or directors from purchasing financial instruments that are designated to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its executive officers or directors. To the knowledge of the Company, none of the executive officers or directors has purchased such financial instruments.

Philosophy and Objectives

The compensation program for the senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including:

attracting and retaining talented, qualified and effective executives;

motivating the short and long-term performance of these executives; and

better aligning their interests with those of the Company's shareholders.

In compensating its senior management, the Company has employed a combination of base salary and equity participation through its stock option plan.

Base Salary

In the Board's view, paying base salaries competitive in the markets in which the Company operates is a first step to attracting and retaining talented, qualified and effective executives. Competitive salary information on comparable companies within the industry is compiled from a variety of sources, including surveys conducted by independent consultants and national and international publications.

Bonus Incentive Compensation

The Company's objective is to achieve certain strategic objectives and milestones. The Board will consider executive bonus compensation dependent upon the Company meeting those strategic objectives and milestones and sufficient cash resources being available for the granting of bonuses. The Board approves executive bonus compensation dependent upon compensation levels based on recommendations of the CEO. Such recommendations are generally based on information provided by issuers that are similar in size and scope to the Company's operations.

Equity Participation

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Company's stock option plan. Stock options are granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive factors. The amounts and terms of options granted are determined by the Board.

The Board continues to review and redesign the overall compensation plan for senior management so as to continue to address the objectives identified above.

Actions, Decisions or Policies Made After March 31, 2014

Given the evolving nature of the Company's business, the Board continues to review and redesign the overall compensation plan for senior management so as to continue to address the objectives identified above.

Option-based awards

In accordance with Policy 4.4 of the TSX Venture Exchange (the "Exchange"), the directors of the Company have adopted a Share Option Plan dated for reference August 8, 2014 (the "New Plan"), subject to shareholder and Exchange approval. The New Plan complies with the requirements of Exchange Policy 4.4 for Tier 2 issuers. Under the New Plan, a maximum of 10% of the issued and outstanding shares of the Company are to be reserved at any time for issuance on the exercise of stock options. As the number of shares reserved for issuance under the New Plan increases with the issue of additional shares by the Company, the New Plan is considered to be a "rolling" stock option plan.

Summary Compensation Table

Particulars of compensation paid to each NEO during the two most recently completed financial years ended March 31, 2014 and March 31, 2013 is set out in the summary compensation table below and expressed in Canadian dollars, unless otherwise noted.

Name and Principal Position	Year ⁽¹⁾	Salary ⁽²⁾ (\$)	Share-based Awards (\$)	Option-based Awards (\$)	Non-equity Incentive Plan Compensation		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans (\$)	Long-term Incentive Plans (\$)			
John Eckersley President and CEO	2014	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2013	Nil	Nil	12,597	Nil	Nil	Nil	Nil	12,597
Laara Shaffer CFO and Secretary	2014	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2013	Nil	Nil	7,558	Nil	Nil	Nil	Nil	7,558

Notes:

- (1) The Company's first completed financial year after becoming a reporting issuer was March 31, 2013.
- (2) Includes the dollar value of cash and non-cash base, if any, salary earned during a financial year covered.

Outstanding Share-based Awards and Option-based Awards

The following table sets forth the share-based awards and option-based awards outstanding as of March 31, 2014, for each NEO:

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date (M/D/Y)	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
John Eckersley	166,666	\$0.10	July 17, 2017	Nil	N/A	N/A	N/A
Laara Shaffer	100,000	\$0.10	July 17, 2017	Nil	N/A	N/A	N/A

Notes:

- (1) This amount is calculated based on the difference between the market value of the securities underlying the options at the end of March 31, 2014, which was \$0.09, and the exercise or base price of the option.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets out the value vested or earned under incentive plans during the year ended March 31, 2014, for each NEO:

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
John Eckersley	Nil	Nil	Nil
Laara Shaffer	Nil	Nil	Nil

For more information about option-based awards, see “*Particular of Matters to be Acted Upon – New Share Option Plan*”.

Pension Plan Benefits

The Company does not have a pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement.

Termination and Change of Control Benefits

The Company has no contract, agreement, plan or arrangement that provides for payments to an NEO, at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or a change in the NEO’s responsibilities.

Director Summary Compensation Table

The following table sets forth the details of compensation provided to the directors of the Company who are not NEOs during the Company’s most recently completed financial year of March 31, 2014:

Name	Fees Earned (\$)	Share-based Awards (\$)	Option-based Awards (\$) ⁽¹⁾	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Joshua Bleak	Nil	Nil	12,598	Nil	Nil	Nil	12,598
Roy Fuller ⁽²⁾	Nil	Nil	12,598	Nil	Nil	Nil	12,598

Notes:

- (1) The value of the option-based award was determined using the Black-Scholes option-pricing model.
- (2) Former Director resigned in September 2013.

Outstanding Share-based Awards and Option-based Awards

The following table sets forth the incentive plan awards granted to the directors of the Company who are not NEOs during the Company’s most recently completed financial year:

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date (M/D/Y)	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Joshua Bleak	166,667	\$0.10	July 17, 2017	Nil	N/A	N/A	N/A
Roy Fuller ⁽²⁾	166,667	\$0.10	July 17, 2017	Nil	N/A	N/A	N/A

Notes:

- (1) This amount is calculated based on the difference between the market value of the securities underlying the options at the end of March 31, 2014, which was \$0.09, and the exercise or base price of the option.
- (2) Resigned as a Director in September 2013.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets out the value vested or earned under incentive plans during the year ended March 31, 2014, for each director:

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Joshua Bleak	Nil	Nil	Nil
Roy Fuller ⁽¹⁾	Nil	Nil	Nil

Notes:

(1) Resigned as a Director in September 2013.

For more information about option-based awards, see “*Particular of Matters to be Acted Upon – New Share Option Plan*”.

Pension Plan Benefits

The Company does not have a pension plan that provides for payments or benefits to the non-executive directors at, following, or in connection with retirement.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth details of the Company’s compensation plans under which equity securities of the Company are authorized at the end of the Company’s most recently completed financial year:

Plan Category	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders – the existing Plan	600,000 ⁽¹⁾	\$0.10	10,000
Equity compensation plans not approved by security holders	Nil	Nil	Nil
Total	600,000 ⁽¹⁾	\$0.10	10,000

Note:

(1) Total consists of 600,000 Common Shares issuable on exercise of outstanding stock options as at March 31, 2014 to directors and officers expiring September 7, 2017.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company as of the end of the most recently completed financial year or as at the date hereof.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

This Information Circular, including the disclosure below, briefly describes (and, where practicable, states the approximate amount) of any material interest, direct or indirect, of any informed person of the Company, any proposed director of the Company, or any associate or affiliate of any informed person or proposed director, in any transaction since the commencement of the Company’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

For the period ended March 31, 2014, the Company issued stock-based compensation of \$45,352 (2012-\$Nil) to directors and officers of the Company as an incentive to improve performance and in an attempt to preserve cash for the Company.

MANAGEMENT CONTRACTS

There are no management functions of the Company, which are to any substantial degree performed by a person or company other than the directors or executive officers of the Company.

PARTICULARS OF MATTERS TO BE ACTED UPON

Share Option Plan

A number of Common Shares equal to ten (10%) percent of the issued and outstanding Common Shares in the capital of the Company from time to time are reserved for the issuance of stock options pursuant to the Company’s 2012 stock option plan dated for reference February 27, 2012.

On August 8, 2014, the Board approved the adoption of a new share option plan (the “**New Plan**”) which complies with the current policies of the TSXV and the amendments to the *Income Tax Act* (Canada) which impose withholding obligations on taxable benefits arising at the time options are exercised. The New Plan is subject to the approval of the TSXV and the shareholders of the Company. The New Plan has been established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. The New Plan is administered by the CEO and CFO of the Company. The New Plan provides that options will be issued

to directors, officers, employees or consultants of the Company or a subsidiary of the Company. The New Plan also provides that the number of Common Shares issuable under the New Plan, together with all of the Company's other previously established or proposed share compensation arrangements, may not exceed 10% of the total number of issued and outstanding Common Shares. Pursuant to the New Plan all options expire on a date not later than 10 years after the date of grant of an option.

Pursuant to the policies of the TSXV, the Company wishes to seek shareholder approval of the New Plan. The TSXV policies also require shareholders approve the continuation of the New Plan at every subsequent annual meeting of the Company by ordinary resolution. Capitalized terms, not otherwise defined have the meaning attributed to them in the New Plan.

The New Plan is subject to the following restrictions:

the Company must not grant an option to a Director, Employee or Consultant (the "**Eligible Person**") in any one year period that exceeds 5% of the outstanding shares, unless the Company has obtained by a majority of the votes cast by the shareholders of the Company eligible to vote at a shareholders' meeting, excluding votes attaching to shares beneficially owned by insiders and their Associates ("**Disinterested Shareholder Approval**");

the aggregate number of options granted to a Eligible Person conducting Investor Relations Activities in any one year period must not exceed 2% of the outstanding shares calculated at the date of the grant, without the prior consent of the TSXV;

the Company must not grant an option to a Consultant in any one year period that exceeds 2% of the outstanding shares calculated at the date of the grant of the option;

the number of optioned shares issued to insiders in any one year period must not exceed 10% of the outstanding shares (in the event that the New Plan is amended to reserve for issuance more than 10% of the outstanding shares) unless the Company has obtained Disinterested Shareholder Approval to do so; and

the exercise price of an option previously granted to an insider must not be reduced, unless the Company has obtained Disinterested Shareholder Approval to do so.

Material Terms of the New Plan

The following is a summary of the material terms of the New Plan:

persons who are Eligible Persons to the Company or its affiliates, or who are providing services to the Company or its affiliates, are eligible to receive grants of options under the Plan;

options granted under the New Plan are non-assignable, and non-transferable and are exercisable for a period of up to 10 years;

for options granted to Eligible Persons, the Company must ensure that the proposed optionee is a bona fide Eligible Person of the Company or its affiliates;

an option granted to any Eligible Person will expire within one year (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the optionee at any time prior to expiry of the option), after the date the optionee ceases to be employed by or provide services to the Company, but only to the extent that such option was vested at the date the optionee ceased to be so employed by or to provide services to the Company;

if an optionee dies, any vested options held by him or her at the date of death will become exercisable by the optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such optionee and the date of expiration of the term otherwise applicable to such option;

in the case of an optionee being dismissed from employment or service for cause, such optionee's options, whether or not vested at the date of dismissal, will immediately terminate without right to exercise same;

the exercise price of each option will be set by the Board on the effective date of the option and will not be less than the Option Exercise Price (as defined in the New Plan);

vesting of options shall be at the discretion of the Board, and will generally be subject to: (i) the Eligible Person remaining employed by, or continuing to provide services to, the Company or its affiliates, as well as, at the discretion of the Board, achieving certain milestones which may be

defined by the Board from time to time or receiving a satisfactory performance review by the Company or its affiliates during the vesting period; or (ii) the Eligible Person remaining as a Director of the Company or its affiliates during the vesting period;

in the event of an actual or potential Change of Control Transaction, the Board has the right, in its sole discretion and on the terms it sees fit, without any action or consent required on the part of any Participant, to deal with any Options (or any portion of any Options) in the manner it deems equitable and appropriate in the circumstances; and

the Board reserves the right in its absolute discretion to amend, suspend, terminate or discontinue the New Plan with respect to all Plan shares in respect of options which have not yet been granted under the New Plan.

The Board has determined that, in order to reasonably protect the rights of participants, as a matter of administration, it is necessary to clarify when amendments to the New Plan may be made by the Board without further shareholder approval. Accordingly, the following types of amendments do not require shareholder approval:

amendments of a “housekeeping” nature;

to change the vesting provisions of the New Plan or any Option; or

to change the termination provisions of the New Plan or any Option which does not entail an extension beyond the original expiry date of such Option.

Shareholder Approval

At the Meeting, shareholders will be asked to consider and vote on the ordinary resolution to adopt the New Plan, with or without variation, as follows:

“**RESOLVED** as an ordinary resolution, that:

the New Plan dated for reference August 8, 2014, be ratified and approved;

all outstanding options be rolled into the New Plan;

to the extent permitted by law, the Company be authorized to abandon all or any part of the New Plan if the Board deems it appropriate and in the best interest of the Company to do so; and

any one or more of the directors and officers of the Company be authorized to perform all such acts, deeds and things and execute, under seal of the Company or otherwise, all such documents as may be required to give effect to this resolution.”

An ordinary resolution is a resolution passed by the shareholders of the Company at a general meeting by a simple majority of the votes cast in person or by proxy.

The Board recommends shareholders vote in favour of the adoption of the New Plan.

The Board is of the view that the New Plan provides the Company with the flexibility to attract and maintain the services of Directors, Employees and Consultants in competition with other companies in the industry. A copy of the New Plan will be available for inspection at the Meeting and at the Company’s offices. A shareholder may also obtain a copy of the New Plan by contacting the Company at Telephone No. (604) 687-0300 or Fax No. (604) 687-0151.

Approval of the Cancellation of Common Shares

Policy 2.4 of the TSXV requires capital pool companies, such as the Company, to complete a Qualifying Transaction (as such term is defined in Policy 2.4) within two years of listing. Accordingly, the Company is required to complete a Qualifying Transaction by not later than September 8, 2014. While the Company is working to complete the Qualifying Transaction prior to September 8, 2014, the Directors want to ensure shareholder approval should the transaction not close by September 8, 2014.

If the Company fails to complete its Qualifying Transaction by September 8, 2014 trading in the Common Shares will be suspended for failure to complete a Qualifying Transaction within the time prescribed by Policy 2.4. As a result, the TSXV will place the Company on notice to delist and that, in order to avoid delisting, it must complete a Qualifying Transaction by December 7, 2014 or such other date as the TSXV may permit (the “**Delisting Deadline**”) or transfer its listing to NEX. NEX is a distinct trading board of the TSXV designed for listed issuers which were previously listed on the Toronto Stock Exchange or the TSXV that have been unable to meet the ongoing financial listing standards of those markets. NEX

provides a trading forum for publicly listed shell companies while they seek and undertake transactions which will result in it carrying on an active business.

Pursuant to Policy 2.4, in order for the Company to transfer the listing of its securities to NEX, the Company is required to either: (i) cancel all of its “seed shares” (as such term is defined by the policies of the TSXV) purchased by Non-Arm’s Length Parties (as such term is defined by the policies of the TSXV) at a discount to the Company’s initial public offering price, or (ii) subject to approval by a majority of its shareholders, other than Non-Arm’s Length Parties, cancel an amount of “seed shares” purchased by Non-Arm’s Length Parties so that the average cost of the remaining “seed shares” is at least equal to the Company’s initial public offering price.

Prior to completing its initial public offering on September 8, 2012 (the “**IPO**”), the Company issued 3,100,000 seed shares to Non-Arm’s Length Parties at a price of \$0.05 per share for gross seed capital of \$155,000. The IPO was completed at a price of \$0.10 per Common Share.

Shareholder Approval

Accordingly, the Company seeks shareholder approval to cancel one-half of its seed shares (being 1,550,000 Common Shares) purchased by Non-Arm’s Length Parties. As the cancellation of one-half of its seed shares requires shareholder approval pursuant to Policy 2.4, the Company intends to seek shareholder approval of such cancellation at the Meeting. The directors of the Company will only take the steps necessary to cancel one-half of the Company’s seed shares if the Company does not complete a Qualifying Transaction by the Delisting Deadline.

In order to approve the cancellation of one-half of the Company’s seed shares, the Shareholders will be asked to pass the following resolution, with or without variation, by the majority of the votes cast by Shareholders, exclusive of the votes of Non-Arm’s Length Parties of the Company:

“BE IT RESOLVED THAT:

in the event that the Company does not complete a Qualifying Transaction [as such term is defined by the TSX Venture Exchange (the “**Exchange**”)] on or before December 7, 2014 or such other later date as the Exchange may permit, the Company be and is hereby authorized to cancel approximately one-half of the common shares issued to Non-Arm’s Length Parties (as such term is defined by the Exchange), namely 1,550,000 common shares, on a pro-rata basis among the holders of such shares, issued at a price of less than \$0.10 per common share prior to the Company’s initial public offering;

any one director or officer of the Company be and is hereby authorized and directed to do all such things and to execute and deliver all documents and instruments as may be necessary or desirable to carry out the terms of this resolution; and

notwithstanding that this resolution has been passed by the shareholders of the Company, the directors of the Company shall have sole and full discretion to determine whether or not to carry out the cancellation of the foregoing common shares and the directors of the Company are hereby authorized and empowered to revoke this resolution, in whole or in part, without any further approval of the shareholders of the Company, at any time if such revocation is considered necessary or desirable by the directors.”

Unless otherwise instructed, the Management proxyholders in the accompanying instrument of proxy intend to vote FOR the resolution to approve the cancellation of approximately 1,550,000 Common Shares issued to the Non-Arm’s Length Parties of the Company, on a pro-rata basis among the holders of such common shares, in the event that the Company does not complete a Qualifying Transaction by the Delisting Deadline.

Transfer Listing to NEX

As set forth above, the Company must complete its Qualifying Transaction by the Delisting Deadline.

Accordingly, in the event that the Company does not complete a Qualifying Transaction by the Delisting Deadline, the directors of the Company intend to apply to the TSXV to transfer the listing of the Common Shares to NEX in order to avoid being delisted.

In order for the transfer of the listing of the Common Shares to NEX to be implemented, the following resolution approving such transfer must be passed, with or without variation, by a majority of shareholders other than Non-Arm’s Length Parties.

In addition and as described above, in order to transfer the listings of the Common Shares to NEX, Policy 2.4 requires that the Company cancel all or a portion of its seed shares purchased by Non-Arm’s

Length Parties. Accordingly, if shareholders approve the seed share cancellation resolution above at the Meeting, one-half of the Company's seed shares will remain outstanding following the transfer to NEX in the event that the Company does not complete a Qualifying Transaction by the Delisting Deadline. However, if the seed share cancellation resolution is not approved at the Meeting, the Company will be required to cancel all of its seed shares (being 3,100,000 Common Shares) in order to complete the transfer to NEX, which cancellation does not require shareholder approval.

The directors of the Company will only take the steps necessary to list the Common Shares on NEX if the Company does not complete a Qualifying Transaction by the Delisting Deadline. If a Qualifying Transaction is completed and approved within the prescribed period, the Common Shares will, subject to the TSXV approval, continue to trade on the TSXV.

At the Meeting, the Shareholders will be asked to pass a following resolution, with or without variation, by the majority of the votes cast by Shareholders, exclusive of the votes of Non-Arm's Length Parties of the Company:

“BE IT RESOLVED THAT:

in the event that the Company does not complete a Qualifying Transaction, as such term is defined by the TSX Venture Exchange (the “**Exchange**”), on or before December 7, 2014 or such other later date as the Exchange may permit, the Company be and is hereby authorized to apply to transfer the listing of the Company's common shares from the Exchange to the NEX trading board of the Exchange;

any one director or officer of the Company be and is hereby authorized and directed to do all such things and to execute and deliver all documents and instruments as may be necessary or desirable to carry out the terms of this resolution; and

notwithstanding that this resolution has been passed by the shareholders of the Company, the directors of the Company shall have sole and full discretion to determine whether or not to carry out the transfer of the listing of the common shares of the Company to the NEX trading board of the Exchange and the directors of the Company are hereby authorized and empowered to revoke this resolution, in whole or in part, without any further approval of the shareholders of the Company, at any time if such revocation is considered necessary or desirable by the directors.”

Unless otherwise instructed, the Management proxyholders in the accompanying instrument of proxy intend to vote FOR the resolution to approve the transfer of the listing of the Common Shares to NEX in the event that the Company does not complete a Qualifying Transaction by the Delisting Deadline.

ADDITIONAL INFORMATION

Additional information relating to the Company is filed on SEDAR at www.sedar.com and upon request from the Company at phone number (604) 687-0300 or fax number (604) 687-0151. A copy of these documents may be obtained by a shareholder upon request without charge from the Company at Suite 608, 1199 West Pender Street, Vancouver, British Columbia, V6E 2R1. Telephone No. (604) 687-0300 or Fax No. (604) 687-0151 and will also be available through the Internet on www.sedar.com.

Copies of documents will be provided free of charge to security holders of the Company. The Company may require the payment of a reasonable charge from any person or company who is not a security holder of the Company, who requests a copy of any such document.

OTHER MATTERS

The Board is not aware of any other matters which it anticipates will come before the Meeting as of the date of mailing of this Information Circular.

The contents of this Information Circular and its distribution to shareholders have been approved by the Board of the Company.

DATED at Vancouver, British Columbia, effective August 8, 2014.

BY ORDER OF THE BOARD
“*John Eckersley*”
ohn Eckersley
President and Chief Executive Officer

AUDIT COMMITTEE CHARTER

Mandate

The audit committee will assist the board of directors (the “Board”) in fulfilling its financial oversight responsibilities. The audit committee will review and consider in consultation with the auditors the financial reporting process, the system of internal control and the audit process. In performing its duties, the audit committee will maintain effective working relationships with the Board, management, and the external auditors. To effectively perform his or her role, each audit committee member must obtain an understanding of the principal responsibilities of audit committee membership as well and the Company’s business, operations and risks.

Composition

The Board will appoint from among their membership an audit committee after each annual general meeting of the shareholders of the Company. The audit committee will consist of a minimum of three directors.

Independence

A majority of the members of the audit committee must not be officers, employees or control persons of the Company.

Expertise of Committee Members

Each member of the audit committee must be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the committee. At least one member of the audit committee must have accounting or related financial management expertise. The Board shall interpret the qualifications of financial literacy and financial management expertise in its business judgment and shall conclude whether a director meets these qualifications.

Meetings

The audit committee shall meet in accordance with a schedule established each year by the Board, and at other times that the audit committee may determine. The audit committee shall meet at least annually with the Company’s Chief Financial Officer and external auditors in separate executive sessions.

Roles and Responsibilities

The audit committee shall fulfill the following roles and discharge the following responsibilities:

External Audit

The audit committee shall be directly responsible for overseeing the work of the external auditors in preparing or issuing the auditor’s report, including the resolution of disagreements between management and the external auditors regarding financial reporting and audit scope or procedures. In carrying out this duty, the audit committee shall:

- recommend to the Board the external auditor to be nominated by the shareholders for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company;

- review (by discussion and enquiry) the external auditors’ proposed audit scope and approach;

- review the performance of the external auditors and recommend to the Board the appointment or discharge of the external auditors;

- review and recommend to the Board the compensation to be paid to the external auditors; and

- review and confirm the independence of the external auditors by reviewing the non-audit services provided and the external auditors’ assertion of their independence in accordance with professional standards.

Internal Control

The audit committee shall consider whether adequate controls are in place over annual and interim financial reporting as well as controls over assets, transactions and the creation of obligations, commitments and liabilities of the Company. In carrying out this duty, the audit committee shall:

evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Company; and

ensure that the external auditors discuss with the audit committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

Financial Reporting

The audit committee shall review the financial statements and financial information prior to its release to the public. In carrying out this duty, the audit committee shall:

General

review significant accounting and financial reporting issues, especially complex, unusual and related party transactions; and

review and ensure that the accounting principles selected by management in preparing financial statements are appropriate.

Annual Financial Statements

(a) review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements;

meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered; and

review management's discussion & analysis respecting the annual reporting period prior to its release to the public.

Interim Financial Statements

(a) review and approve the interim financial statements prior to their release to the public; and

review management's discussion & analysis respecting the interim reporting period prior to its release to the public.

Release of Financial Information

(a) where reasonably possible, review and approve all public disclosure, including news releases, containing financial information, prior to its release to the public.

Non-Audit Services

All non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements) which are proposed to be provided by the external auditors to the Company or any subsidiary of the Company shall be subject to the prior approval of the audit committee.

Delegation of Authority

The audit committee may delegate to one or more independent members of the audit committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the audit committee at its next scheduled meeting.

De-Minimis Non-Audit Services

(a) The audit committee may satisfy the requirement for the pre-approval of non-audit services if:

the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the

Company and its subsidiaries to the external auditor during the fiscal year in which the services are provided; or

the services are brought to the attention of the audit committee and approved, prior to the completion of the audit, by the audit committee or by one or more of its members to whom authority to grant such approvals has been delegated.

Pre-Approval Policies and Procedures

- (a) The audit committee may also satisfy the requirement for the pre-approval of non-audit services by adopting specific policies and procedures for the engagement of non-audit services, if:

the pre-approval policies and procedures are detailed as to the particular service;

the audit committee is informed of each non-audit service; and

the procedures do not include delegation of the audit committee's responsibilities to management.

Other Responsibilities

The audit committee shall:

establish procedures for the receipt, retention and treatment of complaints received by the company regarding accounting, internal accounting controls, or auditing matters;

establish procedures for the confidential, anonymous submission by employees of the company of concerns regarding questionable accounting or auditing matters;

ensure that significant findings and recommendations made by management and external auditor are received and discussed on a timely basis;

review the policies and procedures in effect for considering officers' expenses and perquisites;

perform other oversight functions as requested by the Board; and

review and update this Charter and receive approval of changes to this Charter from the Board.

Reporting Responsibilities

The audit committee shall regularly update the Board about audit committee activities and make appropriate recommendations.

Resources and Authority of the Audit Committee

The audit committee shall have the resources and the authority appropriate to discharge its responsibilities, including the authority to

engage independent counsel and other advisors as it determines necessary to carry out its duties;

set and pay the compensation for any advisors employed by the audit committee; and

communicate directly with the internal and external auditors.

Guidance – Roles & Responsibilities

The following guidance is intended to provide the audit committee members with additional guidance on fulfilment of their roles and responsibilities on the committee:

Internal Control

evaluate whether management is setting the goal of high standards by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities;

focus on the extent to which external auditors review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of an IT systems breakdown; and

gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.

Financial Reporting

General

review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements; and

ask management and the external auditors about significant risks and exposures and the plans to minimize such risks; and

understand industry best practices and the Company's adoption of them.

Annual Financial Statements

- (a) review the annual financial statements and determine whether they are complete and consistent with the information known to committee members, and assess whether the financial statements reflect appropriate accounting principles in light of the jurisdictions in which the Company reports or trades its shares;

pay attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;

focus on judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of loan losses; warranty, professional liability; litigation reserves; and other commitments and contingencies;

consider management's handling of proposed audit adjustments identified by the external auditors; and

ensure that the external auditors communicate all required matters to the committee.

Interim Financial Statements

- (a) be briefed on how management develops and summarizes interim financial information, the extent to which the external auditors review interim financial information;

meet with management and the auditors, either telephonically or in person, to review the interim financial statements; and

to gain insight into the fairness of the interim statements and disclosures, obtain explanations from management on whether:

actual financial results for the quarter or interim period varied significantly from budgeted or projected results;

changes in financial ratios and relationships of various balance sheet and operating statement figures in the interim financial statements are consistent with changes in the company's operations and financing practices;

generally accepted accounting principles have been consistently applied;

there are any actual or proposed changes in accounting or financial reporting practices;

there are any significant or unusual events or transactions;

the Company's financial and operating controls are functioning effectively;

the Company has complied with the terms of loan agreements, security indentures or other financial position or results dependent agreement; and

the interim financial statements contain adequate and appropriate disclosures.

Compliance with Laws and Regulations

periodically obtain updates from management regarding compliance with this policy and industry “best practices”;

be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements; and

review the findings of any examinations by securities regulatory authorities and stock exchanges.

Other Responsibilities

review, with the Company’s counsel, any legal matters that could have a significant impact on the Company’s financial statements.