

## **TORINO POWER SOLUTIONS INC.**

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Burnaby, British Columbia  
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### **INFORMATION CIRCULAR**

September 11, 2019

### **INTRODUCTION**

This Information Circular accompanies the Notice of Annual General Meeting of Shareholders (the “Notice”) and is furnished to the shareholders (the “Shareholders”) holding common shares (the “Common Shares”) in the capital of Torino Power Solutions Inc. (the “Company”) in connection with the solicitation by the management of the Company of proxies to be voted at the annual general meeting (the “Meeting”) of the Shareholders to be held at 10:00 a.m. PST on Oct 25, 2019 at 650 West Georgia Street, Suite 2700, Vancouver, British Columbia, or at any adjournment or postponement thereof.

#### **Date and Currency**

The date of this Information Circular is September 11, 2019. Unless otherwise indicated, all dollar amounts referred to herein are in Canadian dollars.

### **PROXIES AND VOTING RIGHTS**

#### **Notice and Access**

Notice-and-Access rules are provisions for the delivery of proxy-related materials to Shareholders found in section 9.1.1. of National Instrument 51-102 – Continuous Disclosure Obligations (“NI 51-102”), in the case of registered Shareholders, and section 2.7.1 of National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer (“NI 54-101”), in the case of beneficial Shareholders (“Notice-and-Access Provisions”), which allow an issuer to deliver an information circular forming part of proxy-related materials to Shareholders via certain specified electronic means provided that the conditions of NI 51-102 and NI 54-101 are met.

Notice-and-Access Provisions allow reporting issuers, other than investment funds, to deliver proxy-related materials to registered holders and beneficial owners of securities by posting their proxy-related materials on a non-SEDAR website (usually the reporting issuer’s website and sometimes the transfer agent’s website) rather than by delivering the information circular by mail. Notice-and-Access Provisions can be used to deliver materials for both general and special meetings. Reporting issuers may still choose to continue to deliver such materials by mail, and beneficial owners are entitled to request delivery of a paper copy of the information circular at the reporting issuer’s expense.

In order for the Corporation to utilize Notice-and-Access Provisions the Corporation must send a notice to Shareholders, including Non-Registered Holders, indicating that the proxy-related materials have been posted on a website and explaining how a Shareholder can access them or how they may obtain their own paper copy of those materials from the Corporation. This Circular has been posted in full on the Corporation’s website at <http://www.torinopower.com/annual-general-meeting.html> and copies are available under the Corporation’s SEDAR profile at [www.sedar.com](http://www.sedar.com).

The Corporation sent the Notice of Meeting and Proxy, but not this Circular, in accordance with requirements of the Canadian securities administrators (the “CSA”) directly to its registered Shareholders

(pursuant to NI 51-102) and those non-registered (beneficial) holders (pursuant to NI 54-101) that have consented to allow their addresses to be provided to the Corporation (“NOBOs”). The Corporation does not intend to pay for intermediaries such as stockbrokers, securities dealers, banks, trust companies, trustees and their agents and nominees (“Intermediaries”) to forward the Notice of Meeting and VIF to those beneficial Shareholders that have refused to allow their address to be provided to the Corporation (“OBOs”). Accordingly, OBOs will not receive the Notice of Meeting and VIF unless their respective Intermediaries assume the cost of forwarding such documents to them. Instead of mailing this Circular to Shareholders, the Corporation has posted the Circular on its website pursuant to the ‘Notice and Access’ procedures of NI 54-101. Shareholders may request a paper copy of this Circular be sent to them by contacting the Corporation as set out under ‘Additional Information’ at the end of this Circular.

The Corporation will not rely upon the use of ‘stratification’. Stratification occurs when a reporting issuer utilizing Notice-and-Access Provisions provides a paper copy of the information circular with the notice to be provided to Shareholders as described above. In relation to the Meeting, all Shareholders will have received the required documentation under the Notice-and-Access Provisions and all documents required to vote in respect of all matters to be voted on at the Meeting. No Shareholder will receive a paper copy of the information circular from the Corporation or any intermediary unless such Shareholder specifically requests same.

The Corporation will deliver proxy-related materials to NOBOs directly with the assistance of its transfer agent, (TSX Trust Company). The Corporation will not pay intermediaries for delivery of proxy-related materials to OBOs.

Any Shareholder who wishes to receive a paper copy of this Circular must contact the Corporation at 7934 Government Rd, Burnaby, BC, V5A 2E2, telephone (1-604-551-7831, collect calls accepted). In order to ensure that a paper copy of the Circular can be delivered to a requesting Shareholder in time for such Shareholder to review the Circular and return a proxy or voting instruction form prior to the deadline for receipt of Proxies at 10 a.m. on **October 23, 2019** (the “Proxy Cut-Off Time”).

All Shareholders may call 1-604-551-7831 (collect calls accepted) in order to obtain additional information relating to the Notice-and-Access Provisions or to obtain a paper copy of the Circular, up to and including the date of the Meeting, including any adjournment of the Meeting.

### **Management Solicitation**

The solicitation of proxies by management of the Company will be conducted by mail and may be supplemented by telephone or other personal contact and such solicitation will be made without special compensation granted to the directors, regular officers and employees of the Company. The Company does not reimburse shareholders, nominees or agents for costs incurred in obtaining, from the principals of such persons, authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold stock in their respective names to furnish this Information Circular and related proxy materials to their customers, and the Company will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

No person has been authorized to give any information or to make any representation other than as contained in this Information Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Information Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Information Circular. This Information Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

## **Appointment of Proxy**

Registered Shareholders are entitled to vote at the Meeting. A Shareholder is entitled to one vote for each Common Share that such Shareholder holds on **September 5, 2019** (the “Record Date”) on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

The persons named as proxyholders (the “Designated Persons”) in the enclosed form of proxy are directors and/or officers of the Company.

**A Shareholder has the right to appoint a person or corporation (who need not be a Shareholder) to attend and act for or on behalf of that Shareholder at the Meeting, other than the Designated Persons named in the enclosed form of proxy.**

**To exercise this right, the Shareholder may do so by striking out the printed names and inserting the name of such other person and, if desired, an alternate to such person, in the blank space provided in the form of proxy.**

In order to be voted, the completed form of proxy must be received by the Company’s registrar and transfer agent, TSX Trust Company (the “Transfer Agent”), at its offices located at 301- 100 Adelaide Street West, Toronto ON M5H 4H1, or by the Company at the address set forth above, by mail or fax, at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) prior to the scheduled time of the Meeting, or any adjournment or postponement thereof. Alternatively, the completed form of proxy may be deposited with the Chairman of the Meeting on the day of the Meeting, or any adjournment or postponement thereof.

A proxy may not be valid unless it is dated and signed by the Shareholder who is giving it or by that Shareholder’s attorney-in-fact duly authorized by that Shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer, or attorney-in-fact, for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual Shareholder or joint Shareholders or by an officer or attorney-in-fact for a corporate Shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarially certified copy thereof, should accompany the form of proxy.

## **Revocation of Proxies**

A Shareholder who has given a proxy may revoke it at anytime, before it is exercised, by an instrument in writing: (a) executed by that Shareholder or by that Shareholder’s attorney-in-fact authorized in writing or, where the Shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Company at the address set forth above, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (i) attendance at the Meeting and participation in a poll (ballot) by a Shareholder, or (ii) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

## **Voting of Common Shares and Proxies and Exercise of Discretion by Designated Persons**

A Shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space on the proxy. If the instructions as to voting indicated in the proxy are certain, the Common Shares represented by the proxy will be voted or

withheld from voting in accordance with the instructions given in the proxy. If the Shareholder specifies a choice in the proxy with respect to a matter to be acted upon, then the Common Shares represented will be voted or withheld from the vote on that matter accordingly. The Common Shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly.

**If no choice is specified in the proxy with respect to a matter to be acted upon, the proxy confers discretionary authority with respect to that matter upon the Designated Persons named in the form of proxy. It is intended that the Designated Persons will vote the Common Shares represented by the proxy in favour of each matter identified in the proxy, including the vote for the election of the nominees to the Company's Board of Directors (the "Board") and for the appointment of the auditors.**

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice, and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company is not aware of any such amendments, variations, or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the Common Shares on any matter, the Common Shares that are the subject of the abstention or withholding will be counted for the determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

#### **NON-REGISTERED HOLDERS**

Only registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most Shareholders are "non-registered" Shareholders because the Common 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 Common Shares. More particularly, a person is not a registered Shareholder in respect of Common Shares which are held on behalf of that person (the "Non-Registered Holder") but which are registered either: (a) in the name of an intermediary (an "Intermediary") that the Non-Registered Holder deals with in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators or self-administered RRSP's, RRIF's, RESPs and similar plans); or (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc. ("CDS")) of which the Intermediary is a participant. In accordance with the requirements as set out in National Instrument 54-101 of the Canadian Securities Administrators ("NI 54-101"), the Company has distributed copies of the Notice of Meeting, this Information Circular and the form of Proxy (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 unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

- (a) be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Holder when submitting the proxy. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and deposit it with the Transfer Agent as provided above; or

- (b) more typically, be given a voting instruction form which is not signed by the Intermediary, and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions (often called a “proxy authorization form”) which the Intermediary must follow. Typically, the proxy authorization form will consist of a one page pre-printed form. Sometimes, instead of a one page pre-printed form, the proxy authorization will consist of a regular printed proxy form accompanied by a page of instructions, which contains a removable label containing a bar-code and other information. In order for the form of proxy to validly constitute a proxy authorization form, the Non-Registered Holder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In either case, the purpose of this procedure is to permit a Non-Registered Holder to direct the voting of the Common Shares which they beneficially own. Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the management proxyholders named in the form and insert the Non-Registered Holder’s name in the blank space provided. In either case, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or proxy authorization form is to be delivered.

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). Pursuant to NI 54-101, issuers can obtain a list of their NOBOs from intermediaries for distribution of proxy-related materials directly to NOBOs.

**These security holder materials are being sent to both registered and non-registered owners of the Common Shares. 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.**

All references to shareholders in this Information Circular are to registered shareholders, unless specifically stated otherwise.

## **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The Company is authorized to issue an unlimited number of Common Shares without par value and an unlimited number of preferred shares without par value. As of the Record Date, determined by the Board to be the close of business on September 5, 2019, a total of **59,722,988** Common Shares were issued and outstanding. Each Common Share carries the right to one vote at the Meeting.

Only registered Shareholders as of the Record Date September 5, 2019 are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

To the knowledge of the Company’s directors and executive officers, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attached to the outstanding Common Shares of the Company, other than as set forth below:

Name of Shareholder	Number of Common Shares Owned	Percentage of Outstanding Common Shares <sup>(1)</sup>
CDS & CO <sup>(2)</sup>	35,042,384	58.67%

<sup>(1)</sup> Based on 59,722,988 Common Shares issued and outstanding as of September 5, 2019. The Company believes that all persons hold legal title and the Company has no knowledge of actual Common Share ownership.

<sup>(2)</sup> Management of the Company is unaware of the beneficial Shareholders of the Common Shares registered in the name of CDS & CO. CDS & Co., the registration name for The Canadian Depository for Securities, acts as nominee for many Canadian brokerage firms.

## NUMBER OF DIRECTORS

The Articles of the Company provide for a board of directors of no fewer than three directors and no greater than a number as fixed or changed from time to time by majority approval of the Shareholders.

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company for the ensuing year at four (4). The number of directors will be approved if the affirmative vote of at least a majority of Common Shares present or represented by proxy at the Meeting and entitled to vote thereat are voted in favour of setting the number of directors at four (4).

**Management recommends the approval of an ordinary resolution to set the number of directors of the Company at four (4).**

## ELECTION OF DIRECTORS

At present, the directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting, or until their successors are duly elected or appointed in accordance with the Company's Articles or until such director's earlier death, resignation or removal. The Company's current Board consists of Ravinder Mlait, Bryan Loree, Jeffrey Mesina and Darren Fast.

Management of the Company proposes to nominate all of the current directors, as further described in the table below, for election by the Shareholders as directors of the Company to hold office until the next annual meeting. Information concerning such persons, as furnished by the individual directors, is as follows:

Name Province/State Country of Residence and Position(s) with the Company <sup>(1)</sup>	Principal Occupation Business or Employment for Last Five Years <sup>(1)</sup>	Periods during which Nominee has Served as a Director	Number of Common Shares Owned <sup>(1)</sup>
Ravinder Mlait, BA, MBA BC, Canada  Chief Executive Officer and Director	2011 to Present: Chief Executive Officer and Director, Cannabix Technologies Inc.  October 2016 to January 2019: Chief Executive Officer and Director, Micron Waste Technologies Inc.  January 2018 – Present, President, CEO, Director of TSX Venture listed Brockton Ventures Inc.  2008 to April 2016: President, Chief Executive Officer and Director, Rockland Minerals Corp.	February 27, 2015 to present	7,699,459 <sup>(5)</sup>

Name Province/State Country of Residence and Position(s) with the Company <sup>(1)</sup>	Principal Occupation Business or Employment for Last Five Years <sup>(1)</sup>	Periods during which Nominee has Served as a Director	Number of Common Shares Owned <sup>(1)</sup>
Bryan Loree <sup>(2)</sup> , BA, CMA BC, Canada  Chief Financial Officer, Secretary and Director	2008 to April 2019: Chief Financial Officer, Secretary, 2008 to Present – Director, International Corona Capital Corp.  2011 to Present: Chief Financial Officer, Secretary and Director, Cannabix Technologies Inc.  January 2018 – Present: Director of TSX Venture listed Brockton Ventures Inc.  August 2016 to January 2018: Chief Financial Officer of Canadian Mining Corp.  August 2016 to July 2018: Chief Financial Officer and Director, Isodiol International Inc.  2007 to Present: Worked as an accountant for various private companies.	September 10, 2014 to present	8,006,479 <sup>(6)</sup>
Jeffrey Mesina <sup>(2) (3)</sup> ON, Canada Director	September 2017 – Present: Independent Consultant  January 2018 – Present, Director of private company, Brockton Ventures Inc.  March 2012 to September 2017 served as Vice President with a Toronto based institutional investment firm.	June 4, 2018 to present	Nil <sup>(7)</sup>
Darren Fast <sup>(2) (3)</sup> MB, Canada Director	October 2012 to present, Director of Technology Transfer, University of Manitoba; 2005-Dec 2014, President, Solalta Advisors Ltd.; Jul 2009 to Oct 2012, Senior Intellectual Property Advisor, Public Health Agency of Canada.	December 1, 2013 to present	2,750,000 <sup>(4)</sup>

(1) Information has been furnished by the respective nominees individually.

(2) Denotes a member of the Audit Committee of the Company.

(3) Denotes an independent director.

(4) Mr. Fast is the Director of Technology Transfer at the University of Manitoba which holds 2,750,000 Shares.

(5) Does not include the stock options held by Mr. Mlait. Mr. Mlait holds the following options to purchase common shares of the Company: (a) 700,000 common shares of the Company at \$0.15 per share expiring on May 13, 2021.

(6) Does not include the stock options held by Mr. Loree. Mr. Loree holds the following options to purchase common shares of the Company: (a) 700,000 common shares of the Company at \$0.15 per share expiring on May 13, 2021.

(7) Does not include the stock options held by Mr. Mesina. Mr. Mesina holds the following options to purchase common shares of the Company: (a) 200,000 common shares of the Company at \$0.15 per share expiring on June 4, 2020.

### New Director Nominee Biography

Mr. Mesina, was appointed to the Board of Directors and audit committee of the Company on June 4, 2018. Mr. Mesina has served as Vice President with a Toronto based institutional investment firm from March 2012 to September 2017. Since September 2017 he has been a consultant for several companies and also serves as a director of Brockton Ventures Inc. (a private company) since January 2018. From 2010 to 2011, Mr. Mesina worked at Macquarie Private Wealth as an Associate Manager in Compliance performing reviews of private placements with public and private companies. From 2011 to 2012, Mr. Messina worked with Toll Cross Securities in Institutional and Retail Sales where he marketed public companies in the natural resources and technology sectors. From 2012 to 2013, he worked at Alternative Investment Partners as an associate, raising capital, developing marketing plans and conducting road shows for companies seeking private and institutional funding. In 2013, Mr. Messina became a Vice-President of Alternative Investment Partners and was responsible for reviewing, analyzing and conducting

due diligence on numerous public and private companies for the purposes of providing funding. Mr. Mesina graduated with an Honors in Economics and Political Science from the University of Toronto in 2001.

Management does not contemplate that any of its nominees will be unable to serve as directors. If any vacancies occur in the nominees listed above before the Meeting, then the Designated Persons intend to exercise discretionary authority to vote the Common Shares represented by proxy for the election of any other persons as directors.

The Company operates with a standing Audit Committee, consisting of Bryan E. Loree, Jeff Mesina and Darren Fast. There are no outstanding committees of the Board at this time, other than the Audit Committee.

**Management recommends the approval of each of the nominees listed above for election as directors of the Company for the ensuing year.**

### **Corporate Cease Trade Orders**

To the best of management's knowledge, no proposed director of the Company is, or within the ten (10) years before the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

### **Bankruptcies**

To the best of management's knowledge, no proposed director of the Company has, within 10 years before the date of this Information Circular, been a director or officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

### **Penalties and Sanctions**

To the best of management's knowledge, no proposed director of the Company has been subject to: (a) 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 (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

### **No Conflicts of Interest**

To the best of our knowledge, there are no known existing or potential conflicts of interest among the Company and its directors or officers.



No proposed director is to be elected under any arrangement or understanding between the proposed director and any other person or company, except the directors and executive officers of the Company acting solely in such capacity.

## STATEMENT OF EXECUTIVE COMPENSATION

### General

For the purpose of this Information Circular:

“**CEO**” of the Company means each 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**” of the Company means each 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; and

“**Named Executive Officers**” or “**NEO**” means:

- (a) the Company’s CEO;
- (b) the Company’s CFO;
- (c) each of the Company’s three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year and whose total compensation was, individually, more than \$150,000 as determined in accordance with applicable securities laws; and
- (d) any individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity at the end of the most recently completed financial year.

### Compensation Discussion and Analysis

The objective of the compensation program is to compensate the NEOs fairly in accordance with industry standards to reward the NEOs for their time and effort to manage the Company and create shareholder value. The Company’s compensation program is reviewed and administered by the Board. Each NEO receives a cash component payable as a salary or a daily rate and has been granted stock options. The cash element is payable as a direct result of time spent to manage the Company. The stock options are granted to reward the NEOs for the Company’s performance and to provide incentive for continued engagement with the Company and for improved performance by the Company. The Board reviews industry standards based on similar roles and percentage of time spent working for the Company and grants stock options based on industry standards.

Rav Mlait entered into a consulting agreement with the Company effective September 1, 2015, whereby Mr. Mlait agreed to provide management services as Chief Executive Officer at \$10,000 per month. On July 1, 2017, the consulting agreement was amended to \$15,000 per month. Bryan Loree entered into a consulting agreement with the Company effective September 1, 2015, whereby Mr. Loree agreed to provide management services as Chief Financial Officer at \$10,000 per month. On July 1, 2017, the consulting agreement was amended to \$15,000 per month.

At this time, the Board has not established any benchmark or performance goals that the NEOs must achieve in order to maintain their respective positions as NEOs with the Company. However, the NEOs are expected to carry out their duties in an effective and efficient way and advance the exploration goals

of the Company. If the Board determines that these duties are not being met, the Board has the ability to replace such NEOs in its discretion.

On May 5, 2016, the Company entered into a stock option agreement with each of Rav Mlait and Bryan Loree, whereby the Company granted 700,000 Options to each person in consideration for their services as directors and NEOs of the Company. Each Option is exercisable into one Common Share at the exercise price of \$0.15 expiring on May 13, 2021.

The Company does not have a Compensation or Nominating Committee at the present time. 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.

### Option-Based Awards

The Company regards the strategic use of incentive stock options as a cornerstone of the Company’s compensation plan. The Company is committed to long-term incentive programs that promote the continuity of an excellent management team and, therefore, the long-term success of the Company. The Company established a formal plan under which stock options may be granted to directors, officers, employees and consultants as an incentive to serve the Company in attaining its goal of improved shareholder value. It applies to personnel at all levels and continues to be one of the Company’s primary tools for attracting, motivating and retaining qualified personnel which is critical to the Company’s success. The Board is responsible for administering the Company’s stock option plan and determining the type and amount of compensation to be paid to directors, officers, employees and consultants of the Company including the awards of any stock options under a stock option plan. Stock options are typically part of the overall compensation package for executive officers. See “Particulars of Matters to be Acted Upon – Approval of Stock Option Plan” for further details regarding the Company’s incentive stock option plan.

All grants of stock options to the NEOs are reviewed and approved by the Board. In evaluating option grants to an NEO, the Board evaluates a number of factors including, but not limited to: (i) the number of options already held by such NEO; (ii) a fair balance between the number of options held by the NEO concerned and the other executives of the Company, in light of their responsibilities and objectives; and (iii) the value of the options (generally determined using a Black-Scholes analysis) as a component in the NEO’s overall compensation package.

### Summary Compensation Table

Particulars of compensation paid to each NEO in the three most recently completed financial years are set out in the summary compensation table below.

Name and Principal Position	Year	Salary (\$)	Share-based Awards (\$)	Option-based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-term Incentive Plans			
Suresh Singh <sup>(1)</sup> Former President	2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2017	50,000	Nil	Nil	Nil	Nil	Nil	Nil	50,000
	2016	Nil	160,000	49,500	Nil	Nil	Nil	Nil	209,500

Name and Principal Position	Year	Salary (\$)	Share-based Awards (\$)	Option-based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-term Incentive Plans			
Bryan Loree <i>CFO and Director</i>	2018	90,000	Nil	Nil	Nil	Nil	Nil	Nil	90,000
	2017	150,000	Nil	Nil	Nil	Nil	Nil	Nil	150,000
	2016	Nil	160,000	49,500	Nil	Nil	Nil	Nil	209,500
Ravinder Mlait <i>CEO and Director</i>	2018	90,000	Nil	Nil	Nil	Nil	Nil	Nil	90,000
	2017	150,000	Nil	Nil	Nil	Nil	Nil	Nil	150,000
	2016	Nil	160,000	49,500	Nil	Nil	Nil	Nil	209,500

1. Mr. Singh was President of the Company from November 7, 2011 until his resignation on May 30, 2017.

“Share-based Awards” 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.

#### *Narrative Discussion*

The Company granted no stock options to its NEOs during the financial year ended December 31, 2018. The Company granted an aggregate of 2,100,000 stock options to its NEOs during the financial year ended December 31, 2016. These options consist of 700,000 stock options granted to Bryan Loree, a director and the Chief Financial Officer of the Company, which are exercisable at a price of \$0.15 per share until expiry on May 13, 2021; 700,000 stock options granted to Ravinder Mlait, a director and the Chief Executive Officer of the Company, which are exercisable at a price of \$0.15 per share until expiry on May 13, 2021.

Other than as set forth above, no NEO of the Company has received, during the most recently completed financial year, compensation pursuant to:

- (a) any standard arrangement for the compensation of NEOs for their services in their capacity as NEOs, including any additional amounts payable for committee participation or special assignments;
- (b) any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of NEOs in their capacity as NEOs; or
- (c) any arrangement for the compensation of NEOs for services as consultants or expert.

#### **Incentive Plan Awards**

An “incentive plan” is any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period. An “incentive plan award” means compensation awarded, earned, paid, or payable under an incentive plan.

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

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

Name	Number of securities underlying unexercised options (#)	Option-based Awards		
		Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)
Bryan Loree	700,000 <sup>(1)</sup>	0.15	May 13, 2021	Nil
Rav Mlait	700,000 <sup>(1)</sup>	0.15	May 13, 2021	Nil
Suresh Singh <sup>(2)</sup>	700,000 <sup>(1)</sup>	0.15	May 13, 2021	Nil

<sup>(1)</sup> The options had \$Nil value as at December 31, 2018 as the market price of \$0.07 was below the exercise price of \$0.15 on such date.

<sup>(2)</sup> Mr. Singh was President of the Company from November 7, 2011 until his resignation on May 30, 2017.

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

The following table sets forth details of the value vested or earned for all incentive plan awards during the year ended December 31, 2018 by NEOs.

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 (\$)
Rav Mlait Chief Executive Officer and Director <sup>(1)</sup>	Nil <sup>(4)</sup>	Nil	N/A
Bryan Loree Chief Financial Officer, Secretary and Director <sup>(2)</sup>	Nil <sup>(4)</sup>	Nil	N/A
Suresh Singh Former President and Director <sup>(3)</sup>	Nil <sup>(4)</sup>	Nil	N/A

<sup>(1)</sup> Mr. Mlait was appointed as the CEO of the Corporation effective December 1, 2015. The Corporation was incorporated on September 10, 2014.

<sup>(2)</sup> Mr. Loree was appointed as the CFO of the Corporation effective December 1, 2015. The Corporation was incorporated on September 10, 2014.

<sup>(3)</sup> Mr. Singh was President of the Company from November 7, 2011 until his resignation on May 30, 2017.

<sup>(4)</sup> The options had \$Nil value as at December 31, 2018 as the market price of \$0.07 was below the exercise price of \$0.15 on such date.

Refer to the sections titled “*Compensation Discussion and Analysis*” and “*Option-Based Awards*”, for a description of all plan based awards and their significant terms. A copy of the Company’s current incentive stock option plan is available under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com) and a copy of the proposed incentive stock option plan will be available to Shareholders for review at the head office of the Company during normal business hours up to the date of the Meeting; and a copy of the Option Plan will be available for review by any shareholder at the Meeting.

#### **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.

### *Defined Benefits Plans*

The Company does not have a pension plan that provide for payments or benefits at, following, or in connection with retirement, excluding defined contribution plans.

### *Defined Contribution Plans*

The Company does not have a pension plan that provides for payments or benefits at, following or in connection with retirement, excluding defined benefit plans.

### *Deferred Compensation Plans*

The Company does not have any deferred compensation plan with respect to any NEO.

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

The Company does not have termination and change of control benefits in the consulting agreements with two NEOs as of the date of this circular.

### **Director Compensation**

#### *Director Compensation Table*

The following table sets forth the details of all compensation provided to the Company's directors, other than the NEOs, during the Company's most recently completed financial year.

<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 value (\$)</b>	<b>All other compensation (\$)</b>	<b>Total (\$)</b>
Darren Fast <sup>(1)</sup>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Jeffrey Mesina <sup>(2)</sup>	Nil	Nil	14,099	Nil	Nil	Nil	14,099

<sup>(1)</sup> Dr Fast has been a director of the Company since December 1, 2013.

<sup>(2)</sup> Mr. Mesina has been a director of the Company since June 4, 2018.

### *Narrative Discussion*

The Company does not have any other arrangements, standard or otherwise, pursuant to which directors are 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. The Board intends to continue to compensate directors primarily through the grant of stock options and reimbursement of expenses incurred by such persons acting as directors of the Company.

Refer to the sections titled "*Compensation Discussion and Analysis*" and "*Option-Based Awards*", for a description of all plan-based awards and their significant terms. A copy of the Company's current incentive stock option plan is available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com) and a copy of the incentive stock option plan is available for Shareholders for review at the head office of the Company during normal business hours up to the date of the Meeting and at the Meeting. There was no re-pricing of stock options under the stock option plan or otherwise during the year ended December 31, 2018.

## Share-Based Awards, Options-Based Awards and Non-Equity Incentive Plan Compensation

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

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the most recently completed financial year (December 31, 2018) to the directors of the Company. Other than NEOs, whose compensation is fully reflected in the summary compensation table for the NEO's:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Darren Fast	Nil	N/A	N/A	Nil	N/A	N/A
Jeffrey Mesina <sup>(1)</sup>	200,000	0.15	June 4, 2020	Nil	N/A	N/A

<sup>(1)</sup> Mr. Mesina was granted a stock option for 200,000 common shares of the Company at \$0.15 per share expiring on June 4, 2020.

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

The following table presents information concerning value vested with respect to option-based awards and share-based awards for the directors of the Company during the most recently completed financial year ended December 31, 2018. Other than NEOs, whose compensation is fully reflected in the summary compensation table for the NEO's:

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 (\$)
Darren Fast	Nil	N/A	N/A
Jeffrey Mesina	14,099	N/A	N/A

### *Narrative Discussion*

For a summary of the material provisions of the Company's stock option plan, pursuant to which all option-based awards are granted to the Company's directors, please see below under the heading "Particulars of Matters To Be Acted Upon – Approval of Stock Option Plan." Long Term Incentive Plans

The Company does not have a Long-Term Incentive Plan pursuant to which it provides compensation intended to motivate performance over a period greater than one financial year.

### *Termination of Employment, Change in Responsibilities and Employment Contracts*

The Company does not have termination and change of control benefits in the consulting agreements with two NEOs.

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

As at December 31, 2018, the following securities had been authorized for issuance under the Company's Plan:

<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))<sup>(1)</sup></b>
Equity compensation plans approved by security holders	2,300,000	\$0.15 per Common Share	2,997,298
Total	2,300,000	\$0.15	2,997,298

<sup>(1)</sup> Based on 52,972,988 Common Shares issued and outstanding as of December 31, 2018.

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

To the best of management's knowledge, no director or executive officer of the Company is indebted to the Company as of thirty days before the date of this Information Circular other than indebtedness incurred in the ordinary course of business, if any.

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

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

### **APPOINTMENT OF AUDITOR**

At the Meeting, Shareholders will be asked to vote for the appointment of Saturna Group Chartered Professional Accountants LLP to serve as auditor of the Company for the fiscal year ending December 31, 2019.

**Management recommends the appointment of Saturna Group Chartered Professional Accountants LLP, to serve as auditor of the Company for the fiscal year ending December 31, 2019.**

### **AUDIT COMMITTEE DISCLOSURE**

#### **Audit Committee**

The Audit Committee's role is to act in an objective, independent capacity as a liaison between the auditors, management and the Board and to ensure the auditors have the ability to consider and discuss

governance and audit issues with parties not directly responsible for operations. Applicable securities laws require the Company, as a venture issuer, to disclose certain information relating to the Company's audit committee and its relationship with the Company's independent auditors.

### **Audit Committee Charter**

The following Audit Committee Charter was adopted by the Company's Board and Audit Committee on December 14, 2015:

#### **PURPOSE OF THE AUDIT COMMITTEE**

The Audit Committee (the "**Committee**") is a standing committee of the Board of Directors (the "**Board**") of the Company. The role of the Committee is to:

- a. assist the Board in its oversight responsibilities by reviewing: (i) the Company's financial statements, the financial and internal controls and the accounting, audit and reporting activities, (ii) the Company's compliance with legal and regulatory requirements, (iii) the external auditors' qualifications and independence, and (iv) the scope, results and findings of the Company's external auditors' audit and non-audit services;
- b. prepare any report of the Committee required to be included in the Company's annual report or proxy material;
- c. report to the Board in respect of the Company's financial statements prior to the Board approving such statements; and
- d) take such other actions within the scope of this Charter as the Board may assign to the Committee from time to time or as the Committee deems necessary or appropriate.

## **2. COMPOSITION, OPERATIONS AND AUTHORITY**

### *Composition*

The Committee shall be composed of a minimum of three members of the Board. Unless exempted by applicable securities laws and applicable stock exchange policies, all members of the Committee shall be independent as determined by the Board in accordance with the applicable requirements of the laws governing the Company, the applicable stock exchanges on which the Company's securities are listed and applicable securities regulatory authorities (collectively, the "**Applicable Law**"). Each member of the Committee shall be "financially literate" as such term is defined by the Applicable Law.

Members of the Committee shall be appointed by the Board and continue to be members until their successors are elected and qualified or until their earlier death, retirement, resignation or removal. Any member of the Committee may be removed by the Board in its discretion. However, a member of the Committee shall automatically cease to be a member of the Committee upon either ceasing to be a director of the Board or, if applicable, ceasing to be independent as required in this Section 2 of this Charter. Vacancies on the Committee will be filled by the Board.

### *Authority*

The authority of the Committee is subject to the provisions of this Charter, the constating documents of the Company, such limitations as may be imposed by the Board from time to time and Applicable Law.

The Committee shall have the authority to: (i) retain (at the Company's expense) its own legal counsel and other advisors and experts that the Committee believes, in its sole discretion, are needed to carry out its duties and responsibilities; (ii) conduct investigations that it believes, in its sole discretion, are necessary to carry out its responsibilities; and (iii) take whatever actions that it deems appropriate to foster an internal culture that is committed to maintaining quality financial reporting, sound business risk practices



and ethical behavior within the Company. In addition, the Committee shall have the authority to request any officer, director or employee of the Company, or any other persons whose advice and counsel are sought by the Committee, such as members of the Company's management or the Company's outside legal counsel and external auditors, to meet with the Committee or any of its advisors and to respond to their inquiries. The Committee shall have full access to the books, records and facilities of the Company in carrying out its responsibilities.

The Committee shall have the authority to delegate to one or more of its members, responsibility for developing recommendations for consideration by the Committee with respect to any of the matters referred to in this Charter.

#### *Operations*

The Board may appoint one member of the Committee to serve as chair of the Committee (the "**Chair**"), but if it fails to do so, the members of the Committee shall designate a Chair by majority vote of the full Committee to serve at the pleasure of the majority of the full Committee. If the Chair of the Committee is not present at any meeting of the Committee, an acting Chair for the meeting shall be chosen by majority vote of the Committee from among the members present. In the case of a deadlock on any matter or vote, the Chair shall refer the matter to the Board. The Committee may appoint a secretary who need not be a member of the Board or Committee. A secretary who is not a member of the Committee shall not have the rights of a member of the Committee.

The Chair shall preside at each meeting of the Committee and set the agendas for the Committee meetings. The Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meetings as long as they are not inconsistent with any provisions of the Company's constating documents or this Charter.

The Committee shall meet (in person or by telephonic meeting) at least quarterly or more frequently as circumstances dictate. As a part of each meeting of the Committee at which the Committee recommends that the Board approve the annual audited financial statements, the Committee shall meet in a separate session with the external auditors and, if desired, with management and/or the internal auditor. In addition, the Committee or the Chair shall meet with management quarterly to review the Company's financial statements and the Committee or a designated member of the Committee shall meet with the external auditors to review the Company's financial statements on a regular basis as the Committee may deem appropriate. The Committee shall maintain written minutes or other records of its meetings and activities, which shall be duly filed in the Company's records.

Except as otherwise required by the Company's constating documents, a majority of the members of the Committee shall constitute a quorum for the transaction of business and the act of a majority of the members present at any meeting at which there is a quorum shall be the act of the Committee. The Committee may also act by unanimous written consent in lieu of a meeting.

The Chair of the Committee shall report to the Board following meetings of the Committee and as otherwise requested by the Board.

### **3. RESPONSIBILITIES AND DUTIES**

The Committee's primary responsibilities are to:

#### *General*

- a. review and assess the adequacy of this Charter on an annual basis and, where necessary or desirable, recommend changes to the Board;

- b. report to the Board regularly at such times as the Chair may determine to be appropriate but not less frequently than four times per year;
- c. follow the process established for all committees of the Board for assessing the Committee's performance;

*Review of Financial Statements, MD&A and other Documents*

- d. review the Company's financial statements and related management's discussion and analysis and any other annual reports or other financial information to be submitted to any governmental body or the public, including any certification, report, opinion or review rendered by the external auditors before they are approved by the Board and publicly disclosed;
- e. report to the Board in respect of the Company's financial statements prior to the Board approving such statements;
- f. review with the Company's management and, if applicable, the external auditors, the Company's quarterly financial statements and related management's discussion and analysis, before they are released;
- g) ensure that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements other than the disclosure referred to in the two immediately preceding paragraphs and periodically assess the adequacy of such procedures;
- h) review the effects of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Company;
- i) review with the Company's management any press release of the Company which contains financial information;
- j) review analyses prepared by management and/or the external auditors setting forth significant reporting issues and judgments made in connection with the preparation of the Company's financial statements;

*External Auditors*

- k) recommend external auditors' nominations to the Board to be put before the shareholders for appointment and, as necessary, the removal of any external auditors in office from time to time;
- l) approve the fees and other compensation to be paid to the external auditors;
- m) pre-approve all significant non-audit engagements to be provided to the Company with the external auditors;
- n) require the external auditors to submit to the Committee, on a regular basis (at least annually), a formal written statement delineating all relationships between the external auditors and the Company and discuss with the external auditors any relationships that might affect the external auditors' objectivity and independence;
- o) recommend to the Board any action required to ensure the independence of the external auditors;
- p) advise the external auditors of their ultimate accountability to the Board and the Committee;
- q) oversee the work of the external auditors engaged for the purpose of preparing an audit report or performing other audit, review and attest services for the Company;
- r) evaluate the qualifications, performance and independence of the external auditors which are to report directly to the Committee, including (i) reviewing and evaluating the lead partner on the external auditors' engagement with the Company, (ii) considering whether the auditors' quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditors' independence, (iii) determine the rotation of the lead audit partner and

- the audit firm, and (iv) take into account the opinions of management and the internal audit function in assessing the external auditors' qualifications, independence and performance;
- s) present the Committee's conclusions with respect to its evaluation of external auditors to the Board and take such additional action to satisfy itself of the qualifications, performance and independence of external auditors and make further recommendations to the Board as it considers necessary;
  - t) obtain and review a report from the external auditors at least annually regarding the external auditors' internal quality-control procedures; material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more external audits carried out by the firm; any steps taken to deal with any such issues; and all relationships between the external auditors and the Company;
  - u) establish policies for the Company's hiring of employees or former employees of the external auditors;
  - v) monitor the relationship between management and the external auditors including reviewing any management letters or other reports of the external auditors and discussing any material differences of opinion between management and the external auditors;

#### *Financial Reporting Process*

- w) periodically discuss the integrity, completeness and accuracy of the Company's internal controls and the financial statements with the external auditors in the absence of the Company's management;
- x) in consultation with the external auditors, review the integrity of the Company's financial internal and external reporting processes;
- y) consider the external auditors' assessment of the appropriateness of the Company's auditing and accounting principles as applied in its financial reporting;
- z) review and discuss with management and the external auditors at least annually and approve, if appropriate, any material changes to the Company's auditing and accounting principles and practices suggested by the external auditors, internal audit personnel or management;
- aa) review and discuss with the Chief Executive Officer ("CEO") and the Chief Financial Officer (the "CFO") the procedures undertaken in connection with the Chief Executive Officer and Chief Financial Officer certifications for the interim and annual filings with applicable securities regulatory authorities;
- bb) review disclosures made by the CEO and CFO during their certification process for the annual and interim filings with applicable securities regulatory authorities about any significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data or any material weaknesses in the internal controls, and any fraud involving management or other employees who have a significant role in the Company's internal controls;
- cc) establish regular and separate systems of reporting to the Committee by management and the external auditors of any significant decision made in management's preparation of the financial statements, including the reporting of the view of management and the external auditors as to the appropriateness of such decisions;
- dd) discuss during the annual audit, and review separately with each of management and the external auditors, any significant matters arising from the course of any audit, including any restrictions on the scope of work or access to required information; whether raised by management, the head of internal audit or the external auditors;
- ee) resolve any disagreements between management and the external auditors regarding financial reporting;
- ff) review with the external auditors and management the extent to which changes or improvements in financial or accounting practices, as approved by the Committee, have been implemented at an appropriate time subsequent to the implementation of such changes or improvements;

- gg) retain and determine the compensation of any independent counsel, accountants or other advisors to assist in its oversight responsibilities (the Committee shall not be required to obtain the approval of the Board for such purposes);
- hh) discuss any management or internal control letters or proposals to be issued by the external auditors of the Company;

#### *Corporate Controls and Procedures*

- ii) receive confirmation from the CEO and CFO that reports to be filed with Canadian Securities commissions and any other applicable regulatory agency: (a) have been prepared in accordance with the Company's disclosure controls and procedures; and (b) contain no material misrepresentations or omissions and fairly presents, in all material respects, the financial condition, results of operations and cash flow as of and for the period covered by such reports;
- jj) receive confirmation from the CEO and CFO that they have concluded that the disclosure controls and procedures are effective as of the end of the period covered by such reports;
- kk) discuss with the CEO and CFO any reasons for which any of the confirmations referred to in the two preceding paragraphs cannot be given by the CEO and CFO;

#### *Code of Conduct and Ethics*

- ll) review and discuss the Company's Code of Business Conduct and Ethics and the actions taken to monitor and enforce compliance with the Code;
- mm) establish procedures for: i) the receipt, retention and treatment of complaints regarding accounting, internal controls or auditing matters; and ii) the confidential, anonymous submission of concerns regarding questionable accounting, internal control and auditing matters;

#### *Legal Compliance*

- nn) confirm that the Company's management has the proper review system in place to ensure that the Company's financial statements, reports, press releases and other financial information satisfy Applicable Law;
- oo) review legal compliance matters with the Company's legal counsel;
- pp) review with the Company's legal counsel any legal matter that the Committee understands could have a significant impact on the Company's financial statements;
- qq) conduct or authorize investigations into matters within the Committee's scope of responsibilities;
- rr) perform any other activities in accordance with the Charter, the Company's constating documents and Applicable Law the Committee or the Board deems necessary or appropriate;
- ss) maintain minutes and other records of meetings and activities of the Committee;

#### *Related Party Transactions*

- tt) review the financial reporting of any transaction between the Company and any officer, director or other "related party" (including any shareholder holding an interest greater than 5% in the Company) or any entity in which any such person has a financial interest;
- uu) review policies and procedures with respect to directors' and officers' expense accounts and management perquisites and benefits, including their use of corporate assets and expenditures;

#### *Reporting and Powers*

- vv) report to the Board following each meeting of the Committee and at such other times as the Board may consider appropriate; and
- ww) exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Committee by the Board.

#### 4. LIMITATION OF RESPONSIBILITY

While the Committee has the responsibilities and powers provided by this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. This is the responsibility of management (with respect to whom the Committee performs an oversight function) and the external auditors

#### Composition of Audit Committee

The members of the Company's Audit Committee are:

Bryan E. Loree	Not Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
Darren Fast	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
Jeffrey Mesina	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>

(1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. Mr. Loree is not independent, as he is the Chief Financial Officer and Secretary of the Company.

(2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth 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.

#### Relevant Education and Experience

Each audit committee member has had extensive experience reviewing financial statements. Each member has an understanding of the Corporation's business and has an appreciation for the relevant accounting principles for that business.

Bryan Loree – Mr. Loree has held various senior accounting roles for public and private companies in various industries including, renewable energy, exploration, and construction. Mr. Loree holds a Certified Management Accountant designation, a Financial Management Diploma from the British Columbia Institute of Technology, and a BA from Simon Fraser University. Mr. Loree is familiar with accounting processes, understands internal controls and procedures for financial reporting, has experience preparing, auditing, analyzing or evaluating financial statements, reviewing financial statements, understands accounting principles used by the issuer to prepare its financial statements, and has served on audit committees in the past.

Darren Fast – Dr. Fast has held various senior executive roles with private companies and with educational institutions like the University of Manitoba. Dr. Fast was the Chief Technology Office of Lombard Life Sciences, managers of the Western Life Sciences Venture Fund, a fund that invested in early stage life sciences companies. In these roles Dr. Fast had a direct role in the review and preparation of budgets, reviewing financial statements, and overall financial stewardship of the organization. Dr. Fast obtained a Bachelor of Sciences (Biochemistry) in 1988 and a Master of Sciences (Chemistry in 1990) from the University of Manitoba and a Doctor of Philosophy (Biochemistry) in 1995 from the University of Alberta.

Jeffrey Mesina – Mr. Mesina has served as Vice President with a Toronto based institutional investment firm from March 2012 to September 2017. Since September 2017 he has been a consultant for several companies and also serves as a director and a member of the Audit Committee of Brockton Ventures Inc. (a private company) since January 2018. From 2010 to 2011, Mr. Mesina worked at Macquarie Private Wealth as an Associate Manager in Compliance performing reviews of private placements with public and private companies. Mr. Mesina graduated with an Honors in Economics and Political Science from

the University of Toronto in 2001. Mr. Mesina’s business experience and undergraduate education provided him with the relevant knowledge and experience to understand financial statements.

### **Audit Committee Oversight**

At no time since the commencement of the Company’s most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

### **Reliance on Certain Exemptions**

At no time since the commencement of the Company’s most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

### **Pre-Approval Policies and Procedures**

The Audit Committee is authorized by the Board to review the performance of the Company’s external auditors and approve in advance provision of services other than auditing and to consider the independence of the external auditors, including a review of the range of services provided in the context of all consulting services bought by the Company.

### **External Auditor Service Fees**

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 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 aggregate fees billed by the Company’s external auditor in the last three fiscal years ended December 31, 2018 and December 31, 2017 and December 31, 2016 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>
2018	\$7,000	Nil	Nil	Nil
2017	\$9,000	Nil	Nil	Nil
2016	\$3,900	Nil	Nil	Nil

### **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.

## **MANAGEMENT CONTRACTS**

No management functions of the Company are to any substantial degree performed other than by the directors or executive officers of the Company.

## CORPORATE GOVERNANCE

### General

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. NP 58-201 provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, NI 58-101 prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

### Board of Directors

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

Dr. Fast and Mr. Mesina are considered an independent directors, Mr. Mlait and Mr. Loree are not considered independent as they are senior officers of the Company.

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

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

### Directorships

<u>Name</u>	<u>Reporting Issuer</u>
<u>Ravinder Mlait</u>	<u>Cannabix Technologies Inc.</u> <u>Brockton Ventures Inc.</u>
<u>Bryan Loree</u>	<u>Cannabix Technologies Inc.</u> <u>International Corona Capital Corp.</u> <u>Brockton Ventures Inc.</u>
<u>Jeffrey Mesina</u>	<u>Brockton Ventures Inc.</u>

### Orientation and Continuing Education

The Company has not formalized an orientation program. If a new director was appointed or elected, however, he or she would be provided with orientation and education about the Company which would include information about the duties and obligations of directors, the business and operations of the Company, documents from recent board meetings and opportunities for meetings and discussion with senior management and other directors. Specific details of the orientation of each new director would be tailored to that director’s individual needs and areas of interest.

The Company does provide continuing education opportunities to directors so that they may maintain or enhance their skills and abilities as directors and ensure that their knowledge and understanding of the Company’s business remains current.

## **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 director's 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 view 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 is responsible for determining compensation for the directors of the Company to ensure it reflects the responsibilities and risks of being a director of a public company.

## **Other Board Committees**

The Board has no other committees, other than the Audit Committee.

## **Assessments**

The Board has no formal policy has been established to monitor the effectiveness of the directors, the Board and its committees.

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

Except as otherwise disclosed herein, no director or executive officer of the Company, who was a director or executive officer since the beginning of the Company's last financial year, each proposed nominee for election as a director of the Company, or any associate or affiliates of any such directors, executive officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of Common Shares or other securities of the Company or otherwise, in any matter to be acted upon at the Meeting other than the election of directors, the appointment of auditors or the approval of the Plan.

## **PARTICULARS OF MATTERS TO BE ACTED UPON**

The following are the matters to be considered and acted upon at the Meeting:

1. Presentation of the audited annual financial statements of the Company for the financial year ended December 31, 2018, to the shareholders of the Company, together with the Auditor's Report and the related management's discussion and analysis;
2. Election of the Board of Directors of the Company; and
3. Appointment of the Auditor of the Company.



## **ADDITIONAL INFORMATION**

Additional information about the Company can be obtained free of charge through the SEDAR website at [www.sedar.com](http://www.sedar.com). Shareholders may also contact Ravinder Mlait, Chief Executive Officer at 7934 Government Road, Burnaby, British Columbia, V5A 2E2, Telephone: 604-551-7831, Facsimile: 604-676-2767, to request copies of the Company's financial statements and the related Management's Discussion and Analysis (the "MD&A"). Financial information is provided in the Company's comparative financial statements and MD&A for its financial period ended December 31, 2018.

## **APPROVAL OF THE BOARD OF DIRECTORS**

The contents of this Information Circular have been approved, and the delivery of it to each Shareholder of the Company entitled thereto and to the appropriate regulatory agencies, has been authorized by the Board.

Dated at Vancouver, British Columbia, September 11, 2019.

## **ON BEHALF OF THE BOARD**

### **TORINO POWER SOLUTIONS INC.**

*"Ravinder Mlait"*

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Ravinder S. Mlait  
President, Chief Executive Officer and Director