



2502 – 1211 Melville Street
Vancouver, B.C. V6E 0A7
Telephone: (778) 379-3023

**NOTICE
&
MANAGEMENT INFORMATION CIRCULAR**

AS AT AND DATED APRIL 15, 2016

FOR ANNUAL GENERAL AND SPECIAL MEETING

TO BE HELD MAY 16, 2016

BRIGADE RESOURCE CORP.

Suite 2502, 1211 Melville Street, Vancouver, B.C. V6E 0A7

Telephone: (778) 379-3023 Fax: (778) 372-1732

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

TO THE SHAREHOLDERS:

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the "**Meeting**") of shareholders of Brigade Resource Corp. (the "**Company**") will be held at the office of Computershare, located 3rd Floor, 510 Burrard Street, Vancouver, British Columbia, on Monday, May 16, 2016, at the hour of 10:00 a.m. (Vancouver time) for the following purposes:

to receive the audited financial statements of the Company for the financial year ended March 31, 2015, and accompanying report of the auditor;

1. to set the number of directors of the Company for the ensuing year at three (3);
2. to elect Glenn Little, Jon Sherron and Brian Thurston as the directors of the Company, to serve until the next annual general meeting of the shareholders;
3. to appoint Charlton & Company as the auditor of the Company for the ensuing year and to authorize the directors of the Company to fix the remuneration to be paid to the auditor;
4. to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution to ratify, confirm and approve the Company's 10% rolling stock option plan, as more particularly described in the Information Circular accompanying this Notice of Meeting;
5. to consider and, if thought fit, to approve, with or without variation, an ordinary resolution to consolidate all of the Company's issued and outstanding common shares, on the basis of up to six (6) pre-consolidation shares for one (1) post-consolidation share, or such lesser whole number of pre-consolidated shares as the directors may determine, as more particularly set out in the accompanying Information Circular;
6. to authorize certain amendments to Article 9 of the Articles of the Company to (a) permit the Company to subdivide or consolidate all or any of its unissued, or fully paid issued, shares, by director's resolution instead of special resolution, and (b) specify that the Company may generally alter its authorized share structure by ordinary resolution of the shareholders instead of special resolution; and
7. to transact such further or other business as may properly come before the Meeting and any adjournment or postponement thereof.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this Notice of Meeting.

The board of directors of the Company has fixed **April 15, 2016** as the record date for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered shareholder at the close of business on that date is entitled to such notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular.

If you are a registered shareholder of the Company who wishes to vote but are unable to attend the Meeting in person, you must complete, date and sign the accompanying form of proxy and deposit it with the Company's transfer agent, Computershare Investor Services Inc., 9th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of the Meeting or any adjournment or postponement thereof.

If you are a non-registered shareholder of the Company and received this Notice of Meeting and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a self-administered retirement savings plan, retirement income fund, education savings plan or other similar self-administered savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing that holds your securities on your behalf (the "**Intermediary**"), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

Accompanying this Notice are Management's Information Circular, and a Form of Proxy, as well as a Voluntary Mailing List Return Card.

DATED at Vancouver, British Columbia, this 15th day of April, 2016.

By Order of the Board of Directors of

BRIGADE RESOURCE CORP.

"Glenn Little"

Glenn Little
Chief Executive Officer and Director

PLEASE VOTE. YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU EXPECT TO ATTEND THE MEETING, PLEASE COMPLETE, SIGN AND DATE THE ENCLOSED PROXY FORM AND PROMPTLY RETURN IT ACCORDING TO THE INSTRUCTIONS PROVIDED.



**BRIGADE
RESOURCE
CORP**

2502 – 1211 Melville Street
Vancouver, B.C. V6E 0A7
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**MANAGEMENT INFORMATION CIRCULAR
AS AT AND DATED APRIL 15, 2016
ANNUAL GENERAL AND SPECIAL SHAREHOLDER MEETING TO BE HELD MAY 16, 2016**

This Management Information Circular (“**Information Circular**”) accompanies the notice of the 2015 annual general and special meeting (“**Notice of Meeting**”) of holders of common shares (“**shareholders**”) of Brigade Resource Corp. (the “**Company**”), scheduled to be held on May 16, 2016 at 3rd Floor, 510 Burrard Street, Vancouver, British Columbia (the “**Meeting**”), and is furnished in connection with a solicitation of proxies for use at that Meeting and at any adjournment or postponement thereof and for the purposes set forth in the Notice of Meeting. Except where otherwise indicated, the information contained herein is stated as of April 15, 2016 unless otherwise indicated.

In this Information Circular, references to the “**Company**”, “**we**” and “**our**” refer to Brigade Resource Corp. “**Common Shares**” or “**Shares**” means common shares without par value in the capital of the Company. “**Registered Shareholders**” means shareholders whose names appear on the records of the Company as the registered holders of Common Shares. “**Beneficial Shareholders**” means shareholders who do not hold Common Shares in their own name. “**Intermediaries**” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

As a shareholder of the Company, you have the right to vote your shares on all items that come before the Meeting. You can vote your shares either by proxy or in person at the Meeting. This Information Circular will provide you with information about these items and how to exercise your right to vote. It will also tell you about the director nominees, the proposed auditor, the compensation of directors and certain officers, and our corporate governance practices. In addition, the Information Circular contains detailed information about our executive compensation philosophy and practices.

As a shareholder, to help you make an informed decision, it is important that you read this material carefully and vote your shares, either by proxy or in person at the meeting.

Financial information of the Company and its subsidiaries is provided in its consolidated financial statements and management's discussion and analysis for the financial year ended March 31, 2015. These and other documents can be found on the website of SEDAR (System for Electronic Document Analysis and Retrieval) at www.sedar.com. If you are a shareholder and you wish to receive the Company's annual financial statements and/or interim financial statements and the accompanying management's discussion and analysis, please complete and return the request card included in the Meeting materials.

PERSONS OR COMPANIES MAKING THE SOLICITATION

The form of proxy accompanying this Information Circular is being solicited by Management of the Company.

Solicitations will be made by mail and possibly supplemented by telephone, electronic means or other personal contact to be made without special compensation by directors, officers and regular employees of the Company. The Company may reimburse shareholders' nominees or agents for the cost incurred in obtaining from their principals authorization to execute forms of proxy. It is not anticipated that any solicitation will be made by specially engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

Under National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), reporting issuers and others have the option to use the “notice-and-access” method to post proxy-related materials on a website (in addition to the SEDAR website) and send a notice package to shareholders informing them of the availability of the proxy-related materials on such website instead of having to mail proxy-related materials to registered holders and to beneficial owners.

The Company is not relying on the notice-and-access delivery procedures outlined in NI 54-101 to distribute copies of proxy-related materials in connection with this Meeting. Should the Company elect to use the notice-and-access mechanism in future, it will provide advance notice to shareholders.

APPOINTMENT OF PROXYHOLDER

Only shareholders whose names appear on the records of the Company (“Registered Shareholders”) or duly appointed proxyholders are permitted to vote at the Meeting. The purpose of a proxy is to designate a person who will vote the proxy on a shareholder’s behalf in accordance with the instructions given by the shareholder in the proxy. Those Registered Shareholders so desiring may be represented by proxy at the Meeting. The persons named in the form of proxy accompanying this Information Circular are directors and/or officers of the Company (“**Management Appointees**”). **A shareholder has the right to appoint a person or company (who need not be a shareholder) to attend and act on the shareholder’s behalf at the Meeting other than the Management Appointees.** To exercise this right, the shareholder must either insert the name of the desired person in the blank space provided in the form of proxy accompanying this Information Circular and strike out the names of the Management Appointees, or submit another proper form of proxy.

How to Vote Your Shares

If you have the right to vote by Proxy, 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:

- (a) each matter or group of matters identified therein for which a choice is not specified,
- (b) any amendment to or variation of any matter identified therein, and
- (c) any other matter that properly comes before the Meeting.

You can choose to vote “For” or “Withhold” with respect to the election of the directors and the appointment of the auditor. If you are a beneficial shareholder voting your shares, please follow the instructions provided in the voting instruction form.

If you return your proxy without specifying how you want to vote your shares, your vote will be counted FOR electing the director nominees who are named in this Information Circular and FOR appointing Charlton & Company as auditor of the Company.

In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy FOR the approval of such matter. Management is not currently aware of any other matters that could come before the Meeting.

VOTING BY NON-REGISTERED SHAREHOLDERS

Only Registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are not Registered Shareholders because the shares they own are not registered in their names. More particularly, a person is not a Registered Shareholder (the “**Non-Registered Holder**”) if their Shares of the Company are held on behalf of the Non-Registered Holder and registered either: (a) in the name of an Intermediary that the Non-Registered Holder deals with in respect of the Shares, including, among others, banks, trust companies, securities

dealers or brokers and trustees or administrators of self-administered RRSP's, RRIF's, RESP's and similar plans; or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited ("**CDS**")) of which the Intermediary is a participant. If you are not sure whether you are a Registered Shareholder, please contact Computershare Investor Services at 1-800-564-6253 or 1-514-982-7555 for clarification.

In accordance with current securities regulatory policy, the Company has distributed proxy-related materials for the Meeting (collectively, the "**Meeting Materials**") to the clearing agencies and Intermediaries.

Non-Registered Holders should carefully follow the voting instructions they receive, including those on how and when voting instructions are to be provided, in order to have their Shares voted at the Meeting.

Current securities regulatory policy requires Intermediaries to forward the Meeting Materials to, and to seek voting instructions from, Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Intermediaries will often 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) typically be given a voting instruction or proxy authorization 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 (such as Broadridge Financial Solutions Inc.), 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 the one page pre-printed form, the proxy authorization form 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 this proxy form to validly constitute a proxy authorization form, the Non-Registered Holder must remove the label from the instructions and affix it to the proxy form, properly complete and sign the proxy form and return it to the Intermediary or its service company, or otherwise communicate voting instructions to the Intermediary or its service company (by way of telephone or the Internet, for example) in accordance with the instructions of the Intermediary or its service company. **A Non-Registered Holder cannot use a proxy authorization form to vote shares directly at the Meeting;** or
- (b) 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 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 this form of proxy and **submit it to the Company, c/o Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, fax number: 1 (416) 263-9261.**

In either case, the purpose of this procedure is to permit Non-Registered Holders to direct the voting of the shares which they beneficially own.

The Meeting Materials are being sent to both Registered and Non-Registered owners of Shares. If you are a Non-Registered Holder and the Company or its agent has sent the Meeting Materials directly to you as a non-objecting beneficial owner ("**NOBO**") under **NI 54-101**, 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 shares on your behalf. By choosing to send the Meeting Materials to you directly, the Company (and not the Intermediary holding shares on your behalf) has assumed responsibility for (i) delivering the Meeting Materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

Management of the Company does not intend to pay for Intermediaries to forward the Meeting Materials to objecting beneficial owners (“**OBOs**”) under NI 54-101 and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary*, and in the case of an OBO, the objecting beneficial owner will not receive the Meeting Materials unless the Intermediary holding shares on behalf of the OBO assumes the cost of delivery.

Non-Registered Holders cannot be recognized at the Meeting for purposes of voting their shares in person or by way of depositing a form of proxy. If you are a Non-Registered Holder and wish to vote in person at the Meeting, please see the voting instructions you received or contact your Intermediary well in advance of the Meeting to determine how you can do so.

VOTING BY REGISTERED SHAREHOLDERS

You are a Registered Shareholder if your name appears on a share certificate or a DRS Statement. If you are not sure whether you are a Registered Shareholder, please contact Computershare Investor Services at 1-800-564-6253 or 1-514-982-7555 for clarification.

If you are a Registered Shareholder, you may vote by proxy whether or not you are able to attend the Meeting in person. Registered Shareholders electing to submit a proxy may do so by doing either of the following:

- (a) complete, date and sign the Proxy and return it to the Company’s transfer agent, Computershare Trust Company of Canada (“**Computershare**”), **by fax** within North America to 1-866-249-7775 and outside North America at (416) 263-9524, **or by mail** or by hand to **9th Floor, 100 University Avenue, Toronto, Ontario, Canada M5J 2Y1**; or
- (b) use a touchtone **phone** to transmit voting choices to the following toll-free number 1-866-732-VOTE (8683). In the case of Beneficial Shareholders, the toll-free telephone number is 1-866-734-VOTE (8683). Registered Shareholders must follow the instructions on the voice response system and refer to the Proxy for their account number and proxy access number; or
- (c) use 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 Proxy for their account number and proxy access number.

In all cases you should ensure that the Proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the start of the Meeting or the adjournment thereof at which the Proxy is to be used.

DEPOSIT AND VOTING OF PROXIES

To be effective, the proxy must be dated and signed and, together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of it, deposited either at the office of Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, or at the Registered Office of the Company at Suite 1820 - 925 West Georgia Street, Vancouver, British Columbia V6C 3L2, not less than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the start of the Meeting or any adjournment or postponement thereof. Late proxies may be accepted or rejected by the Chairman of the Meeting in the Chairman’s discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

THE SHARES REPRESENTED BY A PROPERLY EXECUTED AND DEPOSITED PROXY WILL BE VOTED OR WITHHELD FROM VOTING ON EACH MATTER REFERRED TO IN THE NOTICE OF MEETING IN ACCORDANCE WITH THE INSTRUCTIONS GIVEN (PROVIDED SUCH INSTRUCTIONS ARE CERTAIN) ON ANY BALLOT THAT MAY BE CALLED FOR AND, IF A CHOICE IS SPECIFIED WITH RESPECT TO ANY MATTER TO BE ACTED UPON AT THE MEETING, THE SHARES SHALL BE VOTED OR WITHHELD FROM VOTING ACCORDINGLY. **WHERE NO CHOICE IS SPECIFIED IN**

RESPECT OF ANY MATTER TO BE ACTED UPON, THE PROXY CONFERS ON THE PROXYHOLDER DISCRETIONARY AUTHORITY WITH RESPECT TO SUCH MATTER AND, IF ONE OF THE MANAGEMENT APPOINTEES IS NAMED IN THE FORM OF PROXY TO ACT AS THE SHAREHOLDER'S PROXYHOLDER, THE SHARES REPRESENTED BY THE PROXY WILL BE VOTED IN FAVOUR OF ALL SUCH MATTERS. THE FORM OF PROXY ACCOMPANYING THIS INFORMATION CIRCULAR GIVES THE PERSON OR COMPANY NAMED AS PROXYHOLDER DISCRETIONARY AUTHORITY REGARDING AMENDMENTS OR VARIATIONS TO MATTERS IDENTIFIED IN THE NOTICE OF MEETING AND OTHER MATTERS THAT MAY PROPERLY COME BEFORE THE MEETING. IN THE EVENT THAT AMENDMENTS OR VARIATIONS TO MATTERS IDENTIFIED IN THE NOTICE OF MEETING ARE PROPERLY BROUGHT BEFORE THE MEETING OR ANY OTHER BUSINESS IS PROPERLY BROUGHT BEFORE THE MEETING, IT IS THE INTENTION OF THE MANAGEMENT APPOINTEES TO VOTE IN ACCORDANCE WITH THEIR BEST JUDGMENT ON SUCH MATTERS OR BUSINESS ON ANY BALLOT THAT MAY BE CALLED FOR. AT THE TIME OF PRINTING THIS INFORMATION CIRCULAR, MANAGEMENT KNOWS OF NO SUCH AMENDMENTS, VARIATIONS OR OTHER MATTERS WHICH MAY BE BROUGHT BEFORE THE MEETING.

REVOCABILITY OF PROXY

In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing, executed by the Registered Shareholder or the Registered Shareholder's attorney authorized in writing, or if the Registered Shareholder is a corporation, by a duly authorized officer or attorney, and delivered at either at the registered office of the Company at any time up to 4:00 pm on the last business day preceding the day of the Meeting, or any adjournment or postponement thereof, or in respect of any matter for which a vote has not already have been cast pursuant to such proxy, with the Chairman of the Meeting on the day of the Meeting, or any adjournment or postponement thereof, and upon either of such deposits the proxy is revoked.

Only Registered Shareholders have the right to revoke a proxy. Non-Registered Holders who wish to change their vote must arrange for their Intermediaries to revoke the proxy on their behalf.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The directors have determined that shareholders of record as of the close of business on April 15, 2016 (the "**Record Date**") will be entitled to receive notice of and to vote at the Meeting. Each registered shareholder on the Record Date or who either personally attend the meeting or complete and deliver an Instrument of Proxy in the manner and subject to the provisions set out herein will be entitled to have their Shares voted at the Meeting or any adjournment or postponement thereof. At a general meeting of the Company, on a show of hands, every Shareholder present in person shall have one vote and, on a poll, every Shareholder shall have one vote for each share of which he is the holder.

The Company's authorized share structure consists of an unlimited number of Common Shares without par value. There are 21,660,000 Shares issued and outstanding as at the date of this Information Circular.

As of the date of this Information Circular, the directors and executive officers of the Company, as a group, beneficially own, or control or direct, directly or indirectly, approximately 1,675,000 Shares, representing approximately 0.08% of the outstanding Shares.

To the knowledge of the directors and executive officers of the Company, as at the date of this Information Circular, no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities carrying 10% or more of the outstanding voting rights attached to all shares of the Company.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein, no: (a) director, proposed director or executive officer of the Company; (b) person or company who beneficially owns, or controls or directs, directly or indirectly, common shares, or a combination of both, carrying more than ten per cent (10%) of the voting rights attached to the outstanding common shares of the Company (an "Insider"); (c) director or executive officer of a person or company that is itself an Insider or subsidiary of the Company; or (d) any associate or affiliate of any of the foregoing, has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year, or in any proposed transaction that has materially affected or would materially affect the Company, except with respect to an interest arising from the ownership of common shares of the Company where such person or company will receive no extra or special benefit or advantage not shared on a pro-rata basis by all holders of common shares of the Company.

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

Except as otherwise set out herein, none of the directors or executive officers of the Company, management proposed nominees for election as a director of the Company, persons who have been directors or executive officers of the Company since the commencement of the Company's last financial year, or associates or affiliates of any of the foregoing, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING

1. Election of Directors

Management of the Company proposes that the number of directors for the Company be determined at three (3) for the ensuing year, subject to such increases as may be permitted by the Articles of the Company.

The Company proposes to nominate the persons listed in Table #1 below for election as directors. Each director shall hold office until the next annual general meeting of the Company or until that person ceases to be a director before then.

Unless such authority is withheld, the Management Appointees intend to vote the shares represented by proxy FOR the election of the nominees herein listed on any poll or ballot that may be called for.

MANAGEMENT DOES NOT CONTEMPLATE THAT ANY OF THE NOMINEES HEREIN LISTED WILL BE UNABLE TO SERVE AS A DIRECTOR. IN THE EVENT THAT PRIOR TO THE MEETING ANY VACANCIES OCCUR IN THE SLATE OF NOMINEES HEREIN LISTED, IT IS INTENDED THAT DISCRETIONARY AUTHORITY SHALL BE EXERCISED BY THE MANAGEMENT APPOINTEES, IF NAMED IN THE PROXY, TO VOTE THE SHARES REPRESENTED BY PROXY FOR THE ELECTION OF ANY OTHER PERSON OR PERSONS AS DIRECTORS UNLESS THE SHAREHOLDER HAS SPECIFIED THAT THE SHARES REPRESENTED BY PROXY ARE TO BE WITHHELD FROM VOTING IN THE ELECTION OF DIRECTORS.

To the knowledge of management of the Company, and other than as disclosed below, no proposed director (including any personal holding company of a proposed director):

- (a) is, as at the date of this Information Circular, or has been, within the preceding 10 years, a director, chief executive officer or chief financial officer of any company (including the Company) that,

- (i) was subject to a cease trade or similar order (including a management cease trade order whether or not such person was named in the order) or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (an "Order") while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
 - (ii) 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;
- (b) is, as at the date of this Information Circular, or has been within the preceding 10 years, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;
- (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director;
- (d) has been subject to:
- (i) 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 since December 31, 2000, or before December 31, 2000 the disclosure of which would likely be important to a reasonable security holder in deciding whether to vote for a proposed director; or
 - (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director; or
- (e) 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.

On May 8, 2013, Upper Canyon Minerals Corp. ("Upper Canyon"), a company of which Brian Thurston is a director and officer, was cease traded by order of the British Columbia Securities Commission for failure to file financial statements and related management discussion and analysis within the required time period. On October 27, 2014, Upper Canyon filed the requisite financial statements and related management discussion and analysis, and plans to apply for a full revocation of the cease trade order.

Glenn Little filed a Division II Consumer Proposal on December 17, 2013, and a Trustee was appointed on January 1, 2014. The court and creditors accepted the proposal.

Table 1 below sets out the names of the management nominees; their positions and offices in the Company; principal occupations; the period of time that they have been directors of the Company; and the number of Shares that each beneficially owns or over which they have control or direction.

Table #1

Director Nominees

Name, Jurisdiction of Residence and Present Office Held	Director Since	Number of Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly, as at the Date of this Information Circular ⁽²⁾	Principal Occupation and if not at Present an Elected Director, Occupation during the Past Five (5) Years ⁽³⁾
Glenn Little ⁽¹⁾ Langley, British Columbia, Canada <i>Chief Executive Officer and Director</i>	March 10, 2015	1,450,000	Chief Executive Officer of the Company since October 2015; Chief Executive Officer of Laguna Blends Inc. from December 2014 to September 2015; Corporate Development Advisor of Laguna Blends Inc. from September 2014 to December 2014; Chief Executive Officer of DraftTeam Fantasy Sports Inc. from 2006 until 2012.
Jon Sherron ⁽¹⁾ West Vancouver, British Columbia, Canada <i>Director</i>	May 22, 2015	Nil	Vice President of EDI Inc., a private investment company, since 2009.
Brian G. Thurston ⁽¹⁾ Port Moody, British Columbia, Canada <i>Director</i>	October 19, 2015	200,000	Owner and President of CANMEX Consulting and Leasing since 2000; Chief Executive Officer of Upper Canyon Minerals Corp. since July, 2012; Chief Executive Officer of Red Star Capital Ventures Inc. from 2011 until 2014.

(1) Member of the Audit Committee.

(2) As a group the directors and executive officers beneficially own or control a total of 1,675,000 Common Shares representing 0.08% of the Common Shares of the Company. Percentages of Common Shares owned are based on 21,660,000 Shares issued and outstanding.

(3) The information as to principal occupation, business or employment is not within the knowledge of the management of the Company and has been furnished by the respective director. Unless otherwise stated above, any director or executive officer named above has held the principal occupation or employment indicated for at least five years.

Director Biographies

Glenn Little, Chief Executive Officer

Mr. Little brings extensive business, corporate development and public company experience. Mr. Little has been Chief Executive Officer of the Company since October 2015. He was Chief Executive Officer, Chief Financial Officer and Director of Laguna Blends Inc. (formerly Grenadier Resource Corp.) (CSE:LAG) from December 2014 until September 2015, and previously provided Corporate Development services for that company. Mr. Little was founder and previously served as CEO, CFO and Manager of Corporate Development for CSE-listed Intelimax Media Inc. (now DraftTeam Fantasy Sports Inc. from 2006 until 2012. From 1999 to 2005, Mr. Little was Director and provided Corporate Development

services for Stream Communications Network & Media Inc. (formerly Trooper Technologies Inc., or "Trooper"), a cable television service provide which raised approximately US \$20 million in debt and equity financing. Mr. Little was founder and director, and from 1993 to 1999 served as Vice President of Stream Communications Network & Media Inc. (formerly Trooper Technologies Inc., or "Trooper"), a cable television service provide which raised approximately US \$20 million in debt and equity financing. Mr. Little was founder and director, and from 1993 to 1999 served as Vice President of Trooper, a TSX Venture Exchange listed company operating in the environmental waste management sector.

Brian G. Thurston

Mr. Thurston, HBS (Geology) is a mining executive with approximately 21 years of exploration management and operational experience working on projects in North and South America and Africa. Mr. Thurston has acted as an independent director for numerous public and private companies. He is currently President, Chief Executive Officer and director of Upper Canyon Minerals Corp. (TSXV) and is a director of Encanto Potash Corp. (TSXV). From 2011 to 2014, he served as CEO and director of Red Star Capital Ventures Inc. (TSXV), and from 2007 to 2010 he served as CEO and director of Lion Energy Corp. (TSXV), during which time the company successfully raised more than \$30 million to advance its projects. Previously, he formed part of the initial geological exploration team that evaluated the land holdings of Aurelian Resources Inc. in Ecuador in 2002, and held the position of Country Manager for Aurelian Ecuador S.A. de C.V. in 2004 and 2005. Aurelian was taken over by Kinross Gold Corp. (TSX; NYSE) in a transaction valued at \$1.2 billion.

Jon Sherron

Mr. Sherron brings more than 20 years of senior management experience in various industries including investments, beverages and real estate. From 2009 to present, Mr. Sherron has been Vice President of EDI Inc., an investment company established by him, which has a portfolio of funds focused on the commercial real estate industry. Mr. Sherron served as director of Laguna Blends Inc. from June 2014 until September 2015. His experience in sales, marketing and branding has driven profitable growth for some of the most recognizable beverage brands in the world, including SABMiller, MolsonCoors, Constellation and Diageo. Prior to establishing EDI Inc., Mr. Sherron held management roles at the Gallo Winery and Coors Brewing Company. He was Vice President of a leading beverage distributor and sat on the board of directors of the Montana Beer and Wine Wholesalers Association. Mr. Sherron holds a Bachelor of Science degree from Montana State University.

Additional Information Regarding the Board

For additional information regarding the Company's Board, including compensation and corporate governance practices, see "Statement of Executive Compensation" and "Corporate Governance".

2. Appointment of Auditor

At the Meeting, shareholders will be asked to approve the appointment of Charlton & Company of Vancouver, British Columbia as the independent auditor of the Company, to hold office until the next annual meeting of shareholders, with remuneration to be approved by the Board of Directors of the Company (the "**Board**"). Management is recommending that shareholders vote to appoint Charlton and Company as auditor for the Company and to authorize the directors to fix the remuneration of the auditor. Charlton and Company was first appointed as auditor for the Company in 2015.

Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted FOR the re-appointment of Charlton & Company as the auditor of the Company to hold office for the ensuing year at a remuneration to be fixed by the directors.

3. Stock Option Plan

The Company has a stock option plan (the “**Option Plan**”) that was adopted by the Board of Directors in 2015. The Option Plan is a “rolling” plan which provides that the maximum aggregate number of shares reserved for issuance under it, and all of the Company’s other previously established and outstanding incentive stock option plans or grants, is 10% of the Company’s issued common shares at the time of the grant of a stock option.

The Company is seeking disinterested Shareholder approval of the Plan. Although Shareholder approval of the Option Plan is not required pursuant to the policies of the CSE, the Board wishes to obtain maximum flexibility with respect to the granting of stock options under the Option Plan.

The purpose of the Option Plan is to provide the directors, officers and key employees of, and certain consultants who provide services to the Company and its subsidiaries, with an opportunity to purchase shares of the Company and benefit from any appreciation in the value of the Company’s shares. This will provide an increased incentive for these individuals to contribute to the future success and prosperity of the Company, thus enhancing the value of the Company’s shares for the benefit of all the shareholders and increasing the ability of the Company and its subsidiaries to attract and retain skilled and motivated individuals in the service of the Company.

The Option Plan permits the Board of Directors to specify a vesting schedule in its discretion. The Option Plan provides that if a change of control, as defined therein, occurs, all Shares subject to option shall immediately become vested and may thereupon be exercised in whole or in part by the option holder.

Options are non-assignable and non-transferable.

The Option Plan provides that:

- i) The aggregate number of Common Shares which may be issuable pursuant to options previously granted and those granted under the Option Plan is 10% of the issued and outstanding Common Shares of the Company at the time of grant.
- ii) The aggregate number of options that may be granted to any one individual in any 12-month period may not exceed 5% of the Company’s issued Shares, calculated on the date of option grant.
- iii) The aggregate number of options granted to any one consultant in a 12-month period may not exceed 2% of the Company’s issued Shares, calculated at the date an option is granted to the Consultant.
- iv) The aggregate number of options granted to all persons or companies retained to provide investor relations activities (except employees & directors) may not exceed 2% of the Company’s issued Shares in any 12-month period, calculated at the date an option is granted.
- v) The option exercise price must not be less than the greater of \$0.10 per Share and the closing price of the Shares on the on the day immediately preceding the date of grant, less the applicable discount permitted by the policies of any stock exchange on which the Shares are then listed.
- vi) Any options granted within 90 days of a public distribution by prospectus, then the minimum exercise price is the greater of that specified in vi) and the price paid by the investors for Shares acquired under the public distribution.
- vii) An option granted under the Option Plan must be exercised within the earlier of 5 years and the period permitted by the policies of the any stock exchange on which the Shares are then listed.

A copy of the Option Plan is attached to this Information Circular as Appendix B and will be available for inspection at the Meeting.

The Stock Option Agreements have not been previously approved by the Shareholders, and the Board is not seeking approval of the Stock Option Agreements at the Meeting.

Management of the Company considers it desirable and in the best interests of the Company to implement the Option Plan for the granting of future stock options to directors, officers, employees and consultants and recommends that the shareholders approve the Option Plan.

As of the date of this Information, to the Company's knowledge, a total of 1,675,000 Shares held by officers and directors will not be included in voting for the purpose of determining whether Shareholder approval of the Plan has been obtained.

At the Meeting, disinterested Shareholders will be asked to approve the following ordinary resolution (the "Plan Resolution"), which must be approved by at least a simple majority of the votes cast by disinterested Shareholders represented in person or by proxy at the Meeting who vote in respect of the Plan Resolution:

"BE IT RESOLVED, AS AN ORDINARY RESOLUTION OF DISINTERESTED SHAREHOLDERS THAT:

- (a) the Company's stock option plan (the "Option Plan"), as set forth in the Company's Information Circular dated April 15, 2016 (the "Information Circular"), including the reservation for issuance under the Option Plan at any time of a maximum of 10% of the issued common shares of the Company, be and is hereby ratified, confirmed and approved, in accordance with its terms and conditions and with the policies of any stock exchange on which the Shares are listed;
- (b) the Company's board of directors (the "Board") be and is hereby authorized in its absolute discretion to administer the Option Plan and amend or modify the Plan in accordance with its terms and conditions and with the policies of the any stock exchange on which the Shares are listed;
- (c) the Board be and is hereby authorized in its absolute discretion to grant stock options under the Option Plan in reliance on the prospectus exemption provided in Section 2.24 [Employee, executive officer, director and consultant] of National Instrument 45-106 *Prospectus Exemptions* ("NI 45-106") notwithstanding the limitations imposed by Section 2.25 [Unlisted reporting issuer exception] of NI 45-106; and
- (d) any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver, under the corporate seal of the Company or otherwise, all such deeds, documents, instruments and assurances as in his or her opinion may be necessary or desirable to give effect to the foregoing resolutions, including, without limitation, making any changes to the Option Plan required by the CSE or applicable securities regulatory authorities and to complete all transactions in connection with the administration of the Plan."

The form of the Plan Resolution set forth above is subject to such amendments as management may propose at the Meeting, but which do not materially affect the substance of the Plan Resolution.

Management of the Company recommends that disinterested Shareholders vote in favour of the Plan Resolution at the Meeting. It is the intention of the Designated Persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the Plan Resolution.

If Shareholder approval of the Option Plan or a modified version thereof is not obtained, the Company will not implement the Option Plan and will not grant options under it. Even if approved, the directors may determine not to implement the Option Plan.

4. Consolidation of Common Shares

The Board wishes to be in a position, if it considers it to be in the best interests of the Company, to effect a consolidation (the “**Consolidation**”) of the Company’s issued and fully paid Common Shares on the basis of up to ten (10) pre-Consolidation Common Shares for one (1) post-Consolidation Common Share.

Reasons for the Consolidation

The Board is of the view that a consolidation of the Company’s issued Common Shares will provide the Company with greater flexibility for future corporate activities, enhance the marketability of securities of the Company as an investment, and lead to increased interest by a wider audience of potential investors, resulting in additional financings to fund operations in the future. There can be no assurance, however, that the market price of the Shares will increase as a result of the Consolidation or that any such increase will fully reflect the basis for the Consolidation.

Effects of the Consolidation

The Consolidation will not materially affect any shareholder’s percentage ownership in the Company, even though such ownership will be represented by a smaller number of shares. No fractional Shares will be issued as a result of the Consolidation. If, as a result of the Consolidation, the holder of Shares would otherwise be entitled to a fraction of a post-Consolidation Share, the number of post-Consolidation Shares issuable to the Shareholder shall be rounded up in the event the Shareholder was entitled to a fractional share equivalent to one-half or more of a post-Consolidation Share and shall be rounded down in the event the shareholder was entitled to a fractional share equivalent to less than one-half of a post-Consolidation Share.

As of the record date for the Meeting, there are 21,660,000 Shares issued and outstanding. The Company is proposing to consolidate its Shares on the basis of up to ten (10) Shares currently outstanding for each one (1) new post-Consolidation Share or such lesser number that the directors, in their sole discretion, determine to be appropriate. Accordingly, assuming no other change in the issued capital, following the Consolidation, and assuming a full one (1) for ten (10) Consolidation, the total number of Shares outstanding is expected to be 2,166,000 (subject to rounding as discussed above).

The Company’s authorized share structure currently consists of an unlimited number of common shares without par value and, upon effecting the proposed Consolidation. The Company’s authorized share structure will continue to consist of an unlimited number of Common Shares without par value.

Procedures for Implementing the Consolidation

If the Shareholders approve the Consolidation resolution set forth below, the Board will have the authority, in its sole discretion, to determine whether or not to implement the Consolidation, and to set the Consolidation ratio. If the Board decides to implement the Consolidation, the Company will promptly make the required statutory filings and issue applicable announcements.

Following the Consolidation, the Company will cause letters of transmittal to be mailed to the Registered Shareholders of the Company by the Transfer Agent as soon as practicable after the implementation of the Consolidation. The letter of transmittal will contain instructions on how Registered Shareholders can exchange their share certificates through the Transfer Agent. Shareholders should not destroy any share certificate and should not submit any share certificate for a new share certificate until requested to do so.

Proposed Resolutions

At the Meeting, shareholders will be asked to pass the following ordinary resolution to authorize and approve the implementation by the Board of the Consolidation of the Company’s issued Common Shares:

“BE IT RESOLVED, AS AN ORDINARY RESOLUTION OF THE SHAREHOLDERS OF THE COMPANY, THAT:

- (a) the Company’s authorized share structure and its Notice of Articles, if applicable, be altered by consolidating all of the Company’s issued and outstanding common shares at a consolidation ratio of one (1) post-Consolidation common share for every ten (10) pre-Consolidation common shares or such lesser ratio that the directors, in their sole discretion, determine to be appropriate (the “**Consolidation**”) provided that the Consolidation shall not be greater than on a 10 to 1 basis;
- (b) any fractional shares resulting from the Consolidation be: (a) rounded up to the next whole share if such fractional share is equal to or greater than one-half of a share; and (b) rounded down to the next whole share if such fractional share is less than one-half of a share;
- (c) the board of directors of the Company be and is hereby authorized, in its sole discretion, to determine whether or not, and when, to implement the Consolidation;
- (d) subject to paragraph (e) below, the Company is authorized and directed to prepare and electronically file, if required, a Notice of Alteration with the Registrar of Companies;
- (e) the Notice of Alteration, if required, shall not be filed with the Registrar of Companies unless and until this resolution has been deposited at the Company’s records office; and
- (f) any one director or officer of the Company be and is hereby authorized for and on behalf of the Company to execute and deliver all such documents and instruments and take all such other actions as such director or officer may determine necessary or desirable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of such documents and instruments or the taking of such actions.”

Recommendation of the Board

The Board has reviewed and considered all material facts relating to the Consolidation which it has considered to be relevant to Shareholders. **It is the unanimous recommendation of the Board that Shareholders vote FOR the Consolidation resolution.**

It is the intention of the Management Appointees in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the Consolidation resolution.

5. Amendment to Articles

Management is recommending that the Company amend its Articles at this time to enhance the ability of the Company to react quickly to market conditions in the future. The proposed amendments (the “**Amendments**”) will allow the Board of Directors to complete a subdivision or consolidation of the Company’s shares without the time and expense involved in calling a special meeting of the shareholders of the Company, and also reduce the threshold for obtaining shareholder approval to complete other alterations of the authorized share structure of the Company from special resolution to ordinary resolution. The former requires an affirmative vote of not less than two-thirds of the votes cast by shareholders present in person or by proxy at the applicable meeting (i.e., 66⅔%), while the latter only requires an affirmative vote of not less than a simple majority of the votes cast (i.e., 50% + 1).

The shareholders of the Company will be requested at the Meeting to approve the Amendments by passing the following special resolution, which, as described above, requires an affirmative vote of not less than two-thirds of the votes cast by shareholders present in person or by proxy at the Meeting:

“BE IT RESOLVED, AS A SPECIAL RESOLUTION OF THE SHAREHOLDERS OF THE COMPANY, THAT:

(a) Section 9.1 of the Articles of the Company (the “Articles”) be amended as follows:

- (i) by adding the words “the Company may by directors’ resolution subdivide or consolidate all or any of its unissued, or fully paid issued, shares and if applicable, alter its Notice of Articles and, if applicable, Articles, accordingly; and subject to Article 9.2 and the *Business Corporations Act* (British Columbia), the Company may by ordinary resolution” after the words “Subject to Article 9.2 and the *Business Corporations Act*,”;
- (ii) by deleting subsection (c) and renumbering the following subsections accordingly; and
- (iii) by adding the words “where it does not specify by a special resolution” to the end of new subsection (f).

For clarity, Section 9.1 of the Articles, as amended, shall read as follows:

‘Subject to Article 9.2 and the *Business Corporations Act*, the Company may by directors’ resolution subdivide or consolidate all or any of its unissued, or fully paid issued, shares, and if applicable, alter its Notice of Articles and, if applicable, Articles, accordingly; and subject to Article 9.2 and the *Business Corporations Act* (British Columbia), the Company may by ordinary resolution:

- (a) create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares;
 - (b) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares or establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established;
 - (c) if the Company is authorized to issue shares of a class of share with par value:
 - (i) decrease the par value of those shares; or
 - (i) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares;
 - (d) change all or any of its unissued, or fully paid issued, shares with par value into shares without par value or any of its unissued shares without par value into shares with par value;
 - (e) alter the identifying name of any of its shares; or
 - (f) otherwise alter its shares or authorized share structure when required or permitted to do so by the *Business Corporations Act* where it does not specify by a special resolution.’
2. Any director or officer of the Company is hereby authorized to execute and deliver all such documents and instruments, and to do all such further acts, as may be appropriate, necessary or desirable to give full effect to these resolutions or as may be required to carry out the full intent and meaning thereof.”

Recommendation of the Board

The Board has reviewed and considered all material facts relating to the proposal to amend the Articles, which it has considered to be relevant to Shareholders. **It is the unanimous recommendation of the Board that Shareholders vote FOR the resolution to amend the Articles.**

It is the intention of the Management Appointees in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote FOR the resolution to amend the Articles.

6. Other Business

Management is not aware of any other matter to come before the Meeting other than as set forth in the Notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the management appointees to vote the Shares represented by the form of proxy accompanying this information circular on an ballot that may be called for in accordance with their best judgment on such matter.

You are urged to carefully consider all of the information in the accompanying Information Circular to the Meeting. If you require assistance, you should consult your financial, legal, or other professional advisor.

COMPENSATION DISCUSSION AND ANALYSIS

General

The Company's executive compensation practices, principles and objectives are summarized below. For the purpose of this Information Circular:

“**CEO**” means the Chief Executive Officer.

“**CFO**” means the Chief Financial Officer.

“**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the company or any of its subsidiaries;

“**executive officer**” means an individual who is a chair, vice-chair, or president of the Company, a vice-president in charge of a principal business unit, division or function including sales, finance or production of the Company and an individual who performs a policy-making function in respect of the Company and who has the capacity to influence the direction of the Company.

“**NEO**” or “**Named Executive Officer**” means each of the following individuals:

- (i) each individual who served as chief executive officer (“**CEO**”) of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;
- (ii) each individual who served as chief financial officer (“**CFO**”) of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;
- (iii) the most highly compensated executive officer of the Company, including any of its subsidiaries, or the most highly compensated individual acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, more than \$150,000 for that financial year; and

- (iv) each individual who would be an NEO under (iii) but for the fact that the individual was neither an executive officer of the Company or any of its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

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

“**underlying securities**” means any securities issuable on conversion, exchange or exercise of compensation securities.

The objective of this disclosure is to communicate the compensation the Company paid, made payable, awarded, granted, gave or otherwise provided to each NEO and director for the financial year, and the decision-making process relating to compensation. This disclosure will provide insight into executive compensation as a key aspect of the overall stewardship and governance of the Company and will help investors understand how decisions about executive compensation are made.

Compensation Oversight

At present the Board does not have a compensation committee. As such, all tasks and responsibilities related to developing and monitoring the Company’s approach with respect to the short-term and long-range compensation of NEOs and directors of the Company are performed by the Board as a whole. The Company’s management team is committed to developing the business of the Company and will establish a formal compensation program once it begins generating sufficient revenues or financing opportunities to sustain operations.

The Company does not have a formal compensation policy; the compensation of the senior management and the Company’s directors is reviewed, recommended and approved by the Board as a whole.

The responsibilities relating to executive and director compensation, including overseeing the Company’s base executive compensation structure and equity-based compensation, compensation securities, recommending compensation of the Company’s officers and employees, and evaluating the performance of officers generally is performed by the Board as a whole. The Board also reviews and approves the hiring of executive officers.

As the Board is comprised of a majority of non-executive directors, the Board’s view is that this composition provides an effectively independent perspective for executive compensation oversight. Directors abstain from voting with respect to compensation matters that pertain specifically to themselves.

Executive Compensation Practices

The objective of the Board when determining compensation to be paid to senior executives of the Company is to ensure that the level and form of compensation: (a) attracts and retains talented, qualified, experienced and effective executives consistent with the general sector; (b) motivates the short and long-term performance of these executives; (c) reflects the Company’s current state of development; (d) reflects the Company’s performance and financial status; (e) reflects individual performance, and (f) aligns the interests of the executives with the Company’s overall business objectives and the interests of the Company’s shareholders. As there are no formal policies and compensation decisions are generally subjective, the Company does not tie any significant element of compensation to specific performance criteria or goals.

In addition to industry trends, the Board considers a variety of other factors it considers relevant and appropriate when assessing compensation policies and practices for director and executive compensation levels. These factors include the long-range interests of the Company and its shareholders, the implications of the risks associated with the Company’s compensation practices in light of the financial performance of the Company, and the Board’s assessment of each executive’s individual achievements, performance and contribution toward meeting corporate objectives.

Assessments to determine executive compensation are made through Board discussion without formal objectives, criteria and analysis. To ensure its executive compensation is appropriate and competitive, the Board typically reviews the compensation practices on an annual basis but may also conduct reviews on an ad hoc basis as the need arises. The Company has not retained any third party advisors to conduct compensation reviews of its pay levels and practices. The Company aims to provide compensation that is competitive with companies at a similar stage of development; however, no formal benchmark group of companies is established.

Elements of NEO Compensation

The Company's compensation structure generally has two primary components: (i) base salary (which may include consulting fees); and (ii) share-based compensation in the form of incentive stock options. Any stock options grants are not intended as a substitute for salaries or wages, or as a means of compensation for past services rendered but serve as a form of incentive. Using the objectives and criteria described above, the Board reviews all three components together in assessing the compensation of individual executive officers and of the Company. The Company believes the elements and objectives of its compensation practices are necessary in a competitive oil and gas market for qualified personnel.

Base Salary Compensation:

Base salaries for NEOs of the Company are evaluated and established to provide a reasonable amount of non-contingent remuneration in order to retain executives with experience and skills required to achieve the strategic and organizational goals of the Company. In determining base salaries, the Board references salary levels in the industry and location in which the Company operates, the individual's experience level, the scope and complexity of the position held, and the level of expertise and capabilities demonstrated by and expected by the executive officers.

Share Based Compensation:

Stock options are a principal form of long-term variable compensation and are used by the Company as an incentive to attract, retain and motivate a highly qualified staff. They are not intended as a substitute for salaries or wages, or as a means of compensation for past services rendered. Stock options are intended to reinforce commitment to long-term growth and shareholder value. Equity participation through the Company's Stock Option Plan enables directors, executives and employees to become shareholders, aligning their long-term interests with those of its shareholders.

Executive officers of the Company, as well as directors, employees and consultants, are eligible to participate in the Company's incentive stock option plan (the "**Option Plan**"). Implementation of the Option Plan and any amendments to it are the responsibility of the Company's Board as a whole. The Board authorizes the stock option compensation to be granted to its NEOs as well as to its directors in accordance with the Company's Option Plan (see "Incentive Plan Awards" below). The award of stock options are determined based on, among other things, each recipient's level of responsibility, length of tenure with the Company, and the degree to which the individual's long term contribution to the Company will be crucial to its overall long-term success. The Board also takes into consideration outstanding options when granting new options.

The Option Plan provides that the aggregate number of Shares subject to options under the Option Plan shall not exceed 10% of the number of Shares issued and outstanding at the time of grant. The normal term of the options is five years from the date of grant and vesting is established by the Board. In the event of resignation or termination of an optionee, such optionee may exercise their options for a period of 90 days following the effective date of such resignation or the expiry date, whichever is earlier.

Risk Monitoring

Due to the relatively small size of the Company and its current management group, the Board is able to closely monitor and consider any risks which may be associated with the Company's compensation

practices. The Board reviews from time to time and at least once annually, the Company's compensation policies and practices. Implicit in the Board's mandate is that the Company's policies and practices respecting compensation, including those applicable to the Company's executives, be designed in a manner which is in the best interests of the Company and risk implications is one of many considerations which are taken into account in such design.

Risks, if any, may be identified and mitigated through regular Board meetings during which financial and other information of the Company is reviewed. No risks have been identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

Oversight and Description of Director Compensation

The Board as a whole determines director compensation from time to time and no less than on an annual basis. The Company may, from time to time, grant to its directors incentive stock options to purchase common shares in the capital of the Company pursuant to the terms of the Option Plan and in accordance with applicable stock exchange policies.

NEO Employment, Consulting and Management Arrangements

There are no NEO employment, consulting or management arrangements that would entitle any NEOs to receive compensation from the Company or its subsidiaries in the event of (i) the resignation, retirement or any other termination of the NEO's employment with the Company and its subsidiaries, or (ii) a change in control of the Company or any of its subsidiaries, or (iii) a change in the NEO's responsibilities following a change in control.

STATEMENT OF EXECUTIVE COMPENSATION

At the end of the Company's most recently completed financial year ended March 31, 2015, the Company's NEOs were: Glenn Little, the Company's CEO, Karl Antonius, the Company's former CEO, and Bao Huo, the Company's CFO.

The following table sets forth all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company and its wholly-owned subsidiary, to each NEO and director, including all plan and non-plan compensation, remuneration, rewards, benefits, gifts or perquisites for services provided and for services to be provided, directly or indirectly, to the Company or any of its subsidiaries.

No compensation was paid or accrued to the directors or NEOs from the date of incorporation on October 9, 2014 to the end of the fiscal year ended March 31, 2015.

Table #2

Table of Compensation Excluding Compensation Securities ⁽¹⁾							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Glenn Little ⁽¹⁾ <i>Director and CEO</i>	2014	Nil	Nil	Nil	Nil	Nil	Nil
Karl Antonius ⁽¹⁾⁽²⁾ <i>Former Director, President, CEO</i>	2014	Nil	Nil	Nil	Nil	Nil	Nil
Bao Huo <i>CFO</i>	2014	Nil	Nil	Nil	Nil	Nil	Nil
Brian Thurston ⁽¹⁾⁽³⁾ <i>Director</i>	2014	N/A	N/A	N/A	N/A	N/A	N/A
Jon Sherron ⁽¹⁾⁽³⁾ <i>Director</i>	2014	N/A	N/A	N/A	N/A	N/A	N/A

- (1) Audit Committee member.
- (2) Mr. Antonius resigned as a director and officer on October 19, 2015.
- (3) Mr. Thurston was appointed as a director on May 22, 2015
- (4) Mr. Sherron was appointed as a director on May 22, 2015

STOCK OPTION PLANS AND OTHER INCENTIVE PLANS

The Company has a stock option plan (the “**Option Plan**”) that was adopted by the directors in 2014 and will be proposed for approval by shareholders at the Meeting. The purpose of the Option Plan is to attract and motivate directors, officers, employees and consultants of the Company and to advance the interests of the Company by affording such persons the opportunity to acquire an equity interest in the Company through rights granted under the Option Plan. A summary description of the Option Plan is set forth below. For further details, refer to the information under the heading, “Particulars of Matters to be Acted Upon – Renewal of Stock Option Plan”. The full text of the Option Plan is attached as Appendix “B” and will be available for review at the Meeting.

The Option Plan is a “rolling” plan which provides that the maximum aggregate number of shares reserved for issuance under it, and all of the Company’s other previously established and outstanding incentive stock option plans or grants, is equivalent to 10% of the number of the Company’s issued common shares at the time of the grant of a stock option.

Key provisions of the Option Plan include the following:

- i) The maximum aggregate number of Common Shares which may be issuable pursuant to options previously granted and those granted under the Option Plan is 10% of the issued and outstanding Common Shares of the Company at the time of grant.
- ii) The aggregate number of options granted to any one individual in any 12-month period may not exceed 5% of the number of issued Shares, calculated on the date of option grant.

- iii) The aggregate number of options granted to any one consultant in a 12-month period may not exceed 2% of the number of issued Common Shares, calculated at the date an option is granted to the Consultant.
- iv) The aggregate number of options granted to all persons or companies retained to provide investor relations activities (except employees & directors) may not exceed 2% of the number of issued Common Shares in any 12-month period, calculated at the date an option is granted.
- v) The Board may, in its absolute discretion, upon granting an option under this Plan and subject to the provisions of the Option Plan, specify a vesting schedule of the options.
- vi) The option exercise price must not be less than the greater of \$0.10 per Share and the closing price of the Common Shares on the stock exchange on which the Shares are listed, on the day immediately preceding the date of grant, less the applicable discount permitted by the policies of the stock exchange on which the Shares are then listed.
- vii) If any options are granted within 90 days of a public distribution by prospectus, then the minimum exercise price shall be the greater of that specified in vi) and the price per share paid by the investors for Shares acquired under the public distribution. The 90-day period shall commence on the date the Company is issued a final receipt for the prospectus.
- viii) If a change in control, as defined in the Option Plan, occurs, all Shares subject to option shall immediately become vested and may thereupon be exercised in whole or in part by the option holder.
- ix) Stock options are non-assignable and non-transferable.
- x) Any amendments to the Option Plan which may result in a reduction in the exercise price of stock options or the extension of the expiry date of stock options are subject to shareholder approval.
- xi) Any options granted pursuant to the Option Plan will terminate generally within 90 days of the option holder ceasing to act as a director, officer, employee of the Company, unless such cessation is on account of death. If such cessation is on account of death, the options terminate on the first anniversary of such cessation. Stock options held by employees or consultants who are terminated for cause or breach of contract, or by order of a securities commission or a stock exchange terminate immediately. Stock Options held by optionees retained to provide investor relations activities must terminate within 30 days of termination.
- xii) The Option Plan must be approved by shareholders at each annual general meeting.

STOCK OPTIONS AND OTHER COMPENSATION SECURITIES

When making decisions regarding rewarding stock options to directors or NEOs, the Board considers the position, individual performance of the NEO, individual option holdings, whether the options are in-the-money or not, and the total number of stock options outstanding.

The following table summarizes outstanding compensation securities held by the directors and NEOs as at April 15, 2015.

Table #3

Compensation Securities					
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class ⁽¹⁾	Date of issue or grant	Issue, conversion or exercise price (\$)	Expiry date
Glenn Little <i>Director and CEO</i>	Stock Options	400,000 options, purchase 400,000 Common Shares, 0.02% of the Common Shares	May 22, 2015	0.20	May 22, 2020
Karl Antonius <i>Former Director, President, CEO</i>	Stock Options	500,000 options, 500,000 Common Shares, 0.02% of the Common Shares	May 22, 2015	0.20	January 19, 2016 (90 days after Mr. Antonius ceased to be a director and officer of the Company)
Bao Huo <i>CFO</i>	Stock Options	200,000 options, 200,000 Common Shares, 0.01% of the Common Shares	May 22, 2015	0.20	May 22, 2020
Brian Thurston <i>Director</i>	Stock Options	200,000 options, purchase 200,000 Common Shares, 0.01% of the Common Shares	October 30, 2015	0.20	October 30, 2020
Jon Sherron <i>Director</i>	Stock Options	200,000 options, 200,000 Common Shares, 0.01% of the Common Shares	May 22, 2015	0.20	May 22, 2020

(1) The exercised options represent a percentage of class based on 21,660,000 issued and outstanding Common Shares on fully diluted basis.

The following table summarizes all compensation securities granted or issued to each director and NEO by the Company and its subsidiaries in the most recently completed financial year for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

No stock options were granted or exercised during the period of the date of incorporation on October 9, 2014 until the fiscal year ended March 31, 2015.

Table #4

Compensation Securities Granted or Issued							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Glenn Little <i>Director and CEO</i>	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
Karl Antonius <i>Former Director, President, CEO</i>	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
Bao Huo <i>CFO</i>	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
Brian Thurston <i>Director</i>	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A
Jon Sherron <i>Director</i>	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Company has a stock option plan (see “Stock Option Plans and Other Incentive Plans”) under which an amount equal to 10% of the outstanding Common Shares at any one time is reserved for issuance. The following table sets out the number of the Company’s Shares to be issued and remaining available for future issuance under the Company’s Stock Option Plan at the end of the Company’s financial year of March 31, 2015:

Table #5

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	1,300,000	\$0.20 per share	866,000
Equity compensation plans not approved by securityholders	Nil	N/A	N/A
Total	1,300,000	\$0.20 per share	866,000

MANAGEMENT CONTRACTS

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

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the current or former directors, executive officers or employees of the Company or any of its subsidiaries, nor proposed nominee for election as a director of the Company, and no associate or affiliate of any of them is or has been indebted to the Company or any of its subsidiaries at any time since the beginning of the Company's most recently completed financial year nor has any such person been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Company.

CORPORATE GOVERNANCE

National Policy 58-201 *Corporate Governance Guidelines* establishes corporate governance guidelines (the "**Guidelines**") which apply to all public companies in Canada. The Guidelines address matters relating to the constitution of the board and independence of directors, the functions to be performed by the directors of a company and their committees, and effectiveness and evaluation of proposed corporate governance guidelines and best practices specified by the Canadian securities regulators.

National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("**NI 58-101**") requires issuers to disclose their governance practices in accordance with NI 58-101. This section sets out the Company's approach to corporate governance.

The board of directors of the Company (the "**Board**") believes that good corporate governance improves corporate performance and benefits all shareholders and has reviewed its own corporate governance practices in light of the Guidelines.

1. **Board of Directors** – The Board currently consists of three directors, and it is proposed that the three directors be nominated at the Meeting. The Board facilitates its exercise of independent supervision over management by ensuring that a majority of its members are "impartial". Directors are considered to be impartial if they have no direct or indirect material relationship with the Company which could, in the view of the Company's Board, be reasonably expected to interfere with the exercise of a director's independent judgment.

The Board has determined that its composition must include at least two directors who are "Independent" as defined by National Instrument 52-110 *Audit Committees* ("**NI 52-110**"). Jon Sherron and Brian Thurston are Independent non-executive directors. Glenn Little, CEO of the Company is neither impartial nor Independent.

Management has been delegated the responsibility of meeting defined corporate objectives, implementing approved strategic and operating plans, carrying out the Company's business in the ordinary course, evaluating business opportunities, recruiting staff and complying with applicable regulatory requirements. The Board reviews and approves the Company's long-term strategic, business and capital plans, material contracts and business transactions and all debt and equity financing transactions. Through its Audit Committee, the Board examines the effectiveness of the Company's internal control processes. The non-executive and Independent members of the Board review and approve executive compensation and recommend incentive stock options.

2. **Other Directorships** – In addition to serving as a director of the Company, Brian Thurston is also a director of Upper Canyon Minerals Corp. (TSXV) and Encanto Potash Corp. (TSXV).

3. **Independent Meetings** - Where matters arise at meetings of the Board which require decision-making and evaluation that is independent of management and interested directors, the Company's directors may hold an "in-camera" session among the disinterested directors, without management present at such meeting.
4. **Orientation and Continuing Education** - Each new director receives orientation on the Company's business, current projects and the industry, and information on corporate and social responsibilities. Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business.

Board members are encouraged to communicate with management, auditors and technical consultants, to keep themselves current with industry trends and developments and changes in legislation with management's assistance, and to attend related industry seminars and visit the Company's operations. Board members have full access to the Company's records.

5. **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 of individuals 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. In identifying potential Board candidates, the directors assess perceived needs on the Board for required skills, expertise, independence and other factors. Members of the Board and representatives of the oil and gas industry may also be consulted for possible candidates.
6. **Audit Committee** – The Audit Committee is comprised of three directors and is appointed by the Board to assist the Board in fulfilling its oversight responsibilities. A majority of the Audit Committee is required to be non-executives in that they are not officers, employees or Control Persons of the Company or any of its subsidiaries. The Audit Committee's primary duties and responsibilities are to:
 - (a) recommend to the Board the external auditor to be nominated;
 - (b) recommend to the Board the external auditor's compensation;
 - (c) monitor the integrity of the financial statements of the Company;
 - (d) ensure the external auditor's qualifications and independence;
 - (e) oversee the performance of the auditor;
 - (f) be satisfied that adequate procedures are in place for review of the Company's disclosure of financial information; and
 - (g) establish procedures for receipt, retention and treatment of complaints received regarding accounting, audit or internal controls, and the anonymous submission of concerns regarding questionable accounting or audit matters.

For further details on the Audit Committee, please refer to section entitled "Audit Committee and Auditor" and Appendix "A", "Audit Committee Charter" attached hereto.

7. **Ethical Business Conduct** – The Board has determined 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 are sufficient to ensure that the Board operates independently of management and in the best interests of the Company. Furthermore, the Board promotes fair dealing with all its stakeholders and requires compliance with the laws of each jurisdiction in which the Company operates.

The Board of Directors is also required to comply with the conflict of interest provisions of the Business Corporations Act (*British Columbia*) and relevant securities regulation in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director is required to

declare the nature and extent of his or her interest and is not entitled to vote on any matter that is the subject of the conflict of interest.

8. **Compensation** – The non-executive directors determine compensation for the CEO and the directors, and abstain from voting in respect of their own compensation. To determine compensation terms, the directors consider the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Company.
9. **Assessments** – The Board monitors on an ongoing basis the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committees.

AUDIT COMMITTEE AND AUDITOR

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

The Audit Committee provides review and oversight of the Company’s accounting and financial reporting process, and the audit process, including the selection, oversight and compensation of the Company’s external auditor.

Composition

The Audit Committee of the Board of Directors of the Company is comprised of Glenn Little, Jon Sherron and Brian Thurston. The majority of the Audit Committee is comprised of directors who are not employees, officers nor Control Persons of the Company.

Neither Mr. Sherron nor Mr. Thurston is an executive officer, employee or Control Person of the Company or of any affiliate of the Company, and neither of them have a relationship with the Company that could, in the view of the Board of Directors, reasonably interfere with the exercise of the member’s independent judgment.

All of the committee members are considered to be “financially literate” as that term is defined in NI 52-110. Each member has the ability to read and understand the Company’s financial statements and to understand the breadth and complexities of the financial issues that can reasonably be expected to be raised by the Company.

Reliance on Certain Exemptions

As a Venture listed issuer, the Company is relying on the exemptions from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of National Instrument 52-110 *Audit Committees*.

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

Relevant Experience and Education

NI 52-110 provides that an individual is “financially literate” if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements. All of the members of the Company’s audit committee are financially literate.

Glenn Little has business, corporate development and public company experience. He has been Chief Executive Officer, Chief Financial Officer and Director of several public companies and as such has considerable accounting and financial knowledge. Mr. Little has experience in the formation of business plans and objectives forecasting. His experience with founding and managing companies has allowed him to develop an understanding of the interpretation and preparation of financial statements and financial reporting. Mr. Little is chair of the audit committee of Grenadier Resource Corp.

Brian G. Thurston has an Honours Bachelor of Science degree in Geology from the University of Western Ontario. Apart from having over 21 years' experience working as a geologist in North and South America, Mr. Thurston has had more than 20 years' experience in the capacities of director, officer and audit committee member of public companies operating in the natural resource sector.

Jon Sherron has more than 20 years of senior management experience in a number of industries, in which he reviewed and approved financial statements. Mr. Sherron was previously a member of the audit committee of Laguna Blends Inc. (formerly Grenadier Resource Corp.) (CSE:LAG). His experience managing companies has allowed him to understand the interpretation and preparation of financial statements and financial reporting.

Audit Committee Oversight

The audit committee was formed and appointed by the Board of Directors on December 5, 2014 and the composition was subsequently amended May 22, 2015 and October 19, 2015. The Board of Directors as a whole carried out the responsibilities of the audit committee prior to that date. The audit committee has not yet made any recommendations concerning the nomination or compensation of the Company's external auditor, as such auditor was appointed by the Board of Directors.

External Auditor Service Fees

The fees billed by the Company's external auditor for the year ended March 31, 2015, for audit and non-audit related services provided to the Company and its subsidiaries are as follows:

FINANCIAL YEAR ENDING MARCH 31	AUDIT FEES (\$)	AUDIT RELATED FEES (\$)	TAX FEES (\$)	ALL OTHER FEES (\$)⁽¹⁾
2015	\$8,000	Nil	Nil	Nil

⁽¹⁾ Pursuant to the Audit Committee Charter, the Company requires Audit Committee pre-approval of all non-audit services to be provided to the Company.

Audit Committee Charter

The Company's Audit Committee is governed by an Audit Committee Charter, the text of which is attached as Appendix "A" to this Information Circular.

ADDITIONAL INFORMATION

Additional information relating to the Company can be found under the Company's profile at www.sedar.com.

Financial information is provided in the Company's comparative financial statements and Management Discussion and Analysis for its most recently completed financial year which are available on www.sedar.com. A copy of these documents may also be obtained by a securityholder, without charge, upon request to the Chief Financial Officer of the Company, at #2502 – 1211 Melville Street, Vancouver, B.C., V6E 0A7; Telephone: (778) 379-3023, or Fax: (778) 372-1732.

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

**BY ORDER OF THE BOARD OF DIRECTORS OF
BRIGADE RESOURCE CORP.**

“Glenn Little”

Glenn Little
Chief Executive Officer and Director

APPENDIX "A"

**CHARTER
OF THE
AUDIT COMMITTEE
OF THE
BOARD OF DIRECTORS
OF
BRIGADE RESOURCE CORP.**

APPENDIX A



AUDIT COMMITTEE CHARTER

Brigade Resource Corp. (the "Company")

This Charter establishes the composition, the authority, roles and responsibilities and the general objectives of the Company's audit committee, or its Board of Directors in lieu thereof (the "**Audit Committee**"). The roles and responsibilities described in this Charter must at all times be exercised in compliance with the legislation and regulations governing the Company and any subsidiaries.

1. Composition

- (a) *Number of Members.* The Audit Committee must be comprised of a minimum of three directors of the Company.
- (b) *Chair.* If there is more than one member of the Audit Committee, members will appoint a chair of the Audit Committee (the "**Chair**") to serve for a term of one (1) year on an annual basis. The Chair may serve as the chair of the Audit Committee for any number of consecutive terms.
- (c) *Financial Literacy.* All members of the audit committee will be financially literate as defined by applicable legislation. If upon appointment a member of the Audit Committee is not financially literate as required, the person will be provided with a period of three months to acquire the required level of financial literacy.

2. Meetings

- (a) *Quorum.* The quorum required to constitute a meeting of the Audit Committee is set at a majority of members.
- (b) *Agenda.* The Chair will set the agenda for each meeting, after consulting with management and the external auditor. Agenda materials such as draft financial statements must be circulated to all Audit Committee members for members to have a reasonable amount of time to review the materials prior to the meeting.
- (c) *Notice to Auditors.* The Company's auditors (the "**Auditors**") will be provided with notice as necessary of any Audit Committee meeting, will be invited to attend each such meeting and will receive an opportunity to be heard at those meetings on matters related to the Auditor's duties.
- (d) *Minutes.* Minutes of the Audit Committee meetings will be accurately recorded, with such minutes recording the decisions reached by the committee.

3. Roles and Responsibilities

The roles and responsibilities of the Audit Committee include the following:

A. External Auditor

The Audit Committee will:

- (a) *Selection of the external auditor.* Select, evaluate and recommend to the Board, for shareholder approval, the Auditor to examine the Company's accounts, controls and financial statements.
- (b) *Scope of Work.* Evaluate, prior to the annual audit by the Auditors, the scope and general extent of the Auditor's review, including the Auditor's engagement letter.
- (c) *Compensation.* Recommend to the Board the compensation to be paid to the external auditors.
- (d) *Replacement of Auditor.* If necessary, recommend the replacement of the Auditor to the Board of Directors.
- (e) *Approve Non-Audit Related Services.* Pre-approve all non-audit services to be provided by the Auditor to the Company or its subsidiaries.
- (f) *Responsibility for Oversight.* Must directly oversee the work of the Auditor. The Auditor must report directly to the Audit Committee.
- (g) *Resolution of Disputes.* Assist with resolving any disputes between the Company's management and the Auditors regarding financial reporting.

B. Consolidated Financial Statements and Financial Information

The Audit Committee will:

- (a) *Review Audited Financial Statements.* Review the audited consolidated financial statements of the Company, discuss those statements with management and with the Auditor, and recommend their approval to the Board.
- (b) *Review Interim Financial Statements.* Review and discuss with management the quarterly consolidated financial statements, and if appropriate, recommend their approval by the Board.
- (c) *MD&A, Annual and Interim Earnings Press Releases, Audit Committee Reports.* Review the Company's management discussion and analysis, interim and annual press releases, and audit committee reports before the Company publicly discloses this information.
- (d) *Auditor Reports and Recommendations.* Review and consider any significant reports and recommendations issued by the Auditor, together with management's response, and the extent to which recommendations made by the Auditor have been implemented.

C. Risk Management, Internal Controls and Information Systems

The Audit Committee will:

- (a) *Internal Control.* Review with the Auditors and with management, the general policies and procedures used by the Company with respect to internal accounting and financial controls. Remain informed, through communications with the Auditor, of any weaknesses in internal control that could cause errors or deficiencies in financial reporting or deviations from the accounting policies of the Company or from applicable laws or regulations.

- (b) *Financial Management.* Periodically review the team in place to carry out financial reporting functions, circumstances surrounding the departure of any officers in charge of financial reporting, and the appointment of individuals in these functions.
- (c) *Accounting Policies and Practices.* Review management plans regarding any changes in accounting practices or policies and the financial impact thereof.
- (d) *Litigation.* Review with the Auditors and legal counsel any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the consolidated financial statements.
- (e) *Other.* Discuss with management and the Auditors correspondence with regulators, employee complaints, or published reports that raise material issues regarding the Company's financial statements or disclosure.

D. Complaints

- (a) *Accounting, Auditing and Internal Control Complaints.* The Audit Committee must establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls or auditing matters.
- (b) *Employee Complaints.* The Audit Committee must establish a procedure for the confidential transmittal on condition of anonymity by the Company's employees of concerns regarding questionable accounting or auditing matters.

4. Authority

- (a) *Auditor.* The Auditor, and any internal auditors hired by the company, will report directly to the Audit Committee.
- (b) *Independent Advisors.* The Audit Committee may, at the Company's expense and without the approval of management, retain the services of independent legal counsels and any other advisors it deems necessary to carry out its duties and set and pay the monetary compensation of these individuals.

5. Reporting

The Audit Committee will report to the Board on:

- (a) the Auditor's independence;
- (b) the performance of the Auditor and any recommendations of the Audit Committee in relation thereto;
- (c) the reappointment and termination of the Auditor;
- (d) the adequacy of the Company's internal controls and disclosure controls;
- (e) the Audit Committee's review of the annual and interim consolidated financial statements;
- (f) the Audit Committee's review of the annual and interim management discussion and analysis;
- (g) the Company's compliance with legal and regulatory matters to the extent they affect the financial statements of the Company; and
- (h) all other material matters dealt with by the Audit Committee.

APPENDIX "B"

**STOCK OPTION PLAN
OF
BRIGADE RESOURCE CORP.**



INCENTIVE STOCK OPTION PLAN

PART 1

INTERPRETATION

1.1 Definitions. In this Plan, the following words and phrases shall have the following meanings:

- (a) **"Affiliate"** means a company that is a parent or subsidiary of the Company, or that is controlled by the same person as the Company;
- (b) **"Board"** means the board of directors of the Company and includes any committee of directors appointed by the directors as contemplated by Section 3.1;
- (c) **"Change of Control"** means the acquisition by any person or by any person and a Joint Actor, whether directly or indirectly, of voting securities of the Company, which, when added to all other voting securities of the Company at the time held by such person or by such person and a Joint Actor, totals for the first time not less than 50% of the outstanding voting securities of the Company or the votes attached to those securities are sufficient, if exercised, to elect a majority of the Board;
- (d) **"Company"** means Brigade Resource Corp.;
- (e) **"Consultant"** means an individual or Consultant Company, other than an Employee or Director, that:
 - (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Company or to an Affiliate, other than services provided in relation to a distribution of securities;
 - (ii) provides such services under a written contract between the Company or an Affiliate;
 - (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or an Affiliate; and
 - (iv) has a relationship with the Company or an Affiliate that enables the individual to be knowledgeable about the business and affairs of the Company;
- (f) **"Consultant Company"** means for an individual consultant, a company or partnership of which the individual is an employee, shareholder or partner;
- (g) **"CSE"** means the Canadian Securities Exchange;

- (h) **“Director”** means any director of the Company or any of its subsidiaries;
- (i) **“Eligible Person”** means a bona fide Director, Officer, Employee or Consultant, or a corporation wholly owned by such Director, Officer, Employee or Consultant;
- (j) **“Employee”** means:
 - (i) an individual who is considered an employee of the Company or a subsidiary of the Company under the Income Tax Act (and for whom income tax, employment insurance and CPP deductions must be made at source);
 - (ii) an individual who works full-time for the Company or a subsidiary of the Company providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or
 - (iii) an individual who works for the Company or a subsidiary of the Company on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions need not be made at source;
- (k) **“Exchange”** means the CSE or any other stock exchange on which the Shares are listed for trading;
- (l) **“Exchange Policies”** means the policies, bylaws, rules and regulations of the Exchange governing the granting of options by the Company, as amended from time to time;
- (m) **“Expiry Date”** means a date not later than 5 years from the date of grant of an option;
- (n) **“Income Tax Act”** means the *Income Tax Act* (Canada), as amended from time to time;
- (o) **“Insider”** has the meaning ascribed thereto in the Securities Act;
- (p) **“Investor Relations Activities”** means any activities, by or on behalf of the Company or a shareholder of the Company, that promote or reasonably could be expected to promote the purchase or sale of securities of the Company, but does not include:
 - (i) the dissemination of information provided, or records prepared, in the ordinary course of business of the Company
 - (A) to promote the sale of products or services of the Company, or
 - (B) to raise public awareness of the Company,that cannot reasonably be considered to promote the purchase or sale of securities of the Company;
 - (ii) activities or communications necessary to comply with the requirements of
 - (A) applicable Securities Laws,
 - (B) the Exchange, or

- (C) the bylaws, rules or other regulatory instruments of any self-regulatory body or exchange having jurisdiction over the Company;
- (iii) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if
 - (A) the communication is only through such newspaper, magazine or publication, and
 - (B) the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or
- (iv) activities or communications that may be otherwise specified by the Exchange;
- (q) **“Joint Actor”** means a person acting jointly or in concert with another person;
- (r) **“Optionee”** means the recipient of an option under this Plan;
- (s) **“Officer”** means any senior officer of the Company or any of its subsidiaries;
- (t) **“Plan”** means this incentive stock option plan, as amended from time to time;
- (u) **“Securities Act”** means the *Securities Act* (British Columbia), as amended from time to time;
- (v) **“Securities Laws”** means the acts, policies, bylaws, rules and regulations of the securities commissions governing the granting of options by the Company, as amended from time to time; and
- (w) **“Shares”** means the common shares of the Company without par value.

1.2 Governing Law. The validity and construction of this Plan shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

1.3 Gender. Throughout this Plan, whenever the singular or masculine or neuter is used, the same shall be construed as meaning the plural or feminine or body politic or corporate, and vice-versa as the context or reference may require.

PART 2

PURPOSE

2.1 Purpose. The purpose of this Plan is to attract and retain Directors, Officers, Employees and Consultants and to motivate them to advance the interests of the Company by affording them with the opportunity to acquire an equity interest in the Company through options granted under this Plan to purchase Shares.

PART 3

GRANTING OF OPTIONS

3.1 Administration. This Plan shall be administered by the Board or, if the Board so elects, by a committee (which may consist of only one person) appointed by the Board from its members.

- 3.2 Committee's Recommendations. The Board may accept all or any part of any recommendations of any committee appointed under Section 3.1 or may refer all or any part thereof back to such committee for further consideration and recommendation.
- 3.3 Board Authority. Subject to the limitations of this Plan, the Board shall have the authority to:
- (a) grant options to purchase Shares to Eligible Persons;
 - (b) determine the terms, limitations, restrictions and conditions respecting such grants;
 - (c) interpret this Plan and adopt, amend and rescind such administrative guidelines and other rules and regulations relating to this Plan as it shall from time to time deem advisable; and
 - (d) make all other determinations and take all other actions in connection with the implementation and administration of this Plan including, without limitation, for the purpose of ensuring compliance with Section 7.1, as it may deem necessary or advisable.
- 3.4 Grant of Option. A resolution of the Board shall specify the number of Shares that shall be placed under option to each Eligible Person; the exercise price to be paid for such Shares upon the exercise of such option; any applicable hold period; and the period, including any applicable vesting periods required by Exchange Policies or by the Board, during which such option may be exercised.
- 3.5 Written Agreement. Every option granted under this Plan shall be evidenced by a written agreement between the Company and the Optionee substantially in the form attached hereto as Schedule "A", containing such terms and conditions as are required by Exchange Policies and applicable Securities Laws, and, where not expressly set out in the agreement, the provisions of such agreement shall conform to and be governed by this Plan. In the event of any inconsistency between the terms of the agreement and this Plan, the terms of this Plan shall govern.
- 3.6 Withholding Taxes. If the Company is required under the Income Tax Act or any other applicable law to make source deductions in respect of Employee stock option benefits and to remit to the applicable governmental authority an amount on account of tax on the value of the taxable benefit associated with the issuance of any Shares upon the exercise of options, then any Optionee who is deemed an Employee shall:
- (a) pay to the Company, in addition to the exercise price for such options, the amount necessary to satisfy the required tax remittance as is reasonably determined by the Company;
 - (b) authorize the Company, on behalf of the Optionee, to sell in the market on such terms and at such time or times as the Company determines a portion of the Shares issued upon the exercise of such options to realize proceeds to be used to satisfy the required tax remittance; or,
 - (c) make other arrangements acceptable to the Company to satisfy the required tax remittance.

PART 4

RESERVE OF SHARES

- 4.1 Sufficient Authorized Shares to be Reserved. A sufficient number of Shares shall be reserved by the Board to permit the exercise of any options granted under this Plan. Shares that were the subject of any option that has lapsed or terminated shall thereupon no longer be in reserve and may once again be subject to an option granted under this Plan.
- 4.2 Maximum Number of Shares Reserved. Unless authorized by the shareholders of the Company, this Plan, together with all of the Company's other previously established or proposed stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Shares, shall not result, at any time, in the number of Shares reserved for issuance pursuant to options exceeding 10% of the issued and outstanding Shares as at the date of grant of any option under this Plan.
- 4.3 Limits with Respect to Individuals. The aggregate number of Shares subject to an option that may be granted to any one individual in any 12 month period under this Plan shall not exceed 5% of the issued and outstanding Shares determined at the time of such grant.
- 4.4 Limits with Respect to Consultants. The aggregate number of Shares subject to an option that may be granted to any one Consultant in any 12 month period under this Plan shall not exceed 2% of the issued and outstanding Shares determined at the time of such grant.
- 4.5 Limits with Respect to Investor Relations Activities. The aggregate number of Shares subject to an option that may be granted to any one person conducting Investor Relations Activities in any 12 month period under this Plan shall not exceed 2% of the issued and outstanding Shares determined at the time of such grant.

PART 5

CONDITIONS GOVERNING THE GRANTING AND EXERCISING OF OPTIONS

- 5.1 Exercise Price. Subject to a minimum price of \$0.10 per Share and Section 5.2, the exercise price of an option may not be less than the closing market price of the Shares on the trading day immediately preceding the date of grant of the option, less any applicable discount allowed by the Exchange.
- 5.2 Exercise Price if Distribution. If any options are granted within 90 days of a public distribution by prospectus, then the minimum exercise price shall be the greater of that specified in Section 5.1 and the price per share paid by the investors for Shares acquired under the public distribution. The 90 day period shall commence on the date the Company is issued a final receipt for the prospectus.
- 5.3 Expiry Date. Each option shall, unless sooner terminated, expire on a date to be determined by the Board which shall not be later than the Expiry Date.
- 5.4 Different Exercise Periods, Prices and Number. The Board may, in its absolute discretion, upon granting an option under this Plan and subject to the provisions of Section 5.3, specify a particular time period or periods following the date of granting such option during which the Optionee may exercise the option and may designate the exercise price and the number of Shares in respect of which such Optionee may exercise the option during each such time period.
- 5.5 Termination of Employment. If a Director, Officer, Employee or Consultant ceases to be so engaged by the Company for any reason other than death, such Director, Officer, Employee or

Consultant shall have the right to exercise any vested option granted to him under this Plan and not exercised prior to such termination within a period of 90 days after the date of termination, or such shorter period as may be set out in the Optionee's written agreement.

- 5.6 Termination of Investor Relations Activities. If an Optionee who is engaged in Investor Relations Activities ceases to be so engaged by the Company, such Optionee shall have the right to exercise any vested option granted to the Optionee under this Plan and not exercised prior to such termination within a period of 30 days after the date of termination, or such shorter period as may be set out in the Optionee's written agreement.
- 5.7 Death of Optionee. If an Optionee dies prior to the expiry of an option, his heirs or administrators may within 12 months from the date of the Optionee's death exercise that portion of an option granted to the Optionee under this Plan which remains vested and outstanding.
- 5.8 Assignment. No option granted under this Plan or any right thereunder or in respect thereof shall be transferable or assignable otherwise than as provided for in Section 5.7.
- 5.9 Notice. Options shall be exercised only in accordance with the terms and conditions of the written agreements under which they are granted and shall be exercisable only by notice in writing to the Company substantially in the form attached hereto as Schedule "B".
- 5.10 Payment. Options may be exercised in whole or in part at any time prior to their lapse or termination. Shares purchased by an Optionee upon the exercise of an option shall be paid for in full in cash at the time of their purchase.

PART 6

CHANGES IN OPTIONS

- 6.1 Share Consolidation or Subdivision. In the event that the Shares are at any time subdivided or consolidated, the number of Shares reserved for option and the price payable for any Shares that are then subject to option shall be adjusted accordingly.
- 6.2 Stock Dividend. In the event that the Shares are at any time changed as a result of the declaration of a stock dividend thereon, the number of Shares reserved for option and the price payable for any Shares that are then subject to option may be adjusted by the Board to such extent as it deems proper in its absolute discretion.
- 6.3 Effect of a Take-Over Bid. If a bona fide offer to purchase Shares (an "**Offer**") is made to an Optionee or to shareholders of the Company generally or to a class of shareholders which includes the Optionee, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of the Company, within the meaning of Section 1(1) of the Securities Act, the Company shall, upon receipt of notice of the Offer, notify each Optionee of full particulars of the Offer, whereupon all Shares subject to option (the "**Option Shares**") shall become vested and such option may be exercised in whole or in part by such Optionee so as to permit the Optionee to tender the Option Shares received upon such exercise pursuant to the Offer. However, if:
- (a) the Offer is not completed within the time specified therein including any extensions thereof; or
 - (b) all of the Option Shares tendered by the Optionee pursuant to the Offer are not taken up or paid for by the offeror in respect thereof,

then the Option Shares received upon such exercise, or in the case of clause (b) above, the

Option Shares that are not taken up and paid for, may be returned by the Optionee to the Company and reinstated as authorized but unissued Shares and with respect to such returned Option Shares, the option shall be reinstated as if it had not been exercised and the terms upon which such Option Shares were to become vested pursuant to Section 3.4 shall be reinstated. If any Option Shares are returned to the Company under this Section 6.3, the Company shall immediately refund the exercise price to the Optionee for such Option Shares.

- 6.4 Acceleration of Expiry Date. If, at any time when an option granted under this Plan remains unexercised with respect to any unissued Option Shares, an Offer is made by an offeror, the Board may, upon notifying each Optionee of full particulars of the Offer, declare all Option Shares issuable upon the exercise of options granted under this Plan vested, and declare that the Expiry Date for the exercise of all unexercised options granted under this Plan is accelerated so that all options shall either be exercised or shall expire prior to the date upon which Shares must be tendered pursuant to the Offer.
- 6.5 Effect of a Change of Control. If a Change of Control occurs, all outstanding options shall become vested, whereupon such options may be exercised in whole or in part by the applicable Optionee.
- 6.6 Other Stock Exchange Listing. In the event that the Company applies or intends to apply for listing on a stock exchange other than the CSE and, based on the policies and requirements of the other stock exchange, the Company believes that any or all options granted hereunder will not be accepted or approved by the other stock exchange, then the Company may, in its sole discretion, immediately cancel any or all options that remains outstanding to meet the listing requirements of the other stock exchange. If the Company cancels any such options pursuant to this Section 6.6, then no compensation will be owed by the Company to the applicable Optionee.
- 6.7 Approval and Cancellation. In the event that approval from the CSE or other stock exchange, as applicable, is not received for the grant of any options hereunder, each Optionee agrees that the Company may immediately cancel any or all such options that remains outstanding. If the Company cancels any of such options pursuant to this Section 6.7, then no compensation shall be owed by the Company to the applicable Optionee.

PART 7

SECURITIES LAWS AND EXCHANGE POLICIES

- 7.1 Securities Laws and Exchange Policies Apply. This Plan and the granting and exercise of any options hereunder are also subject to such other terms and conditions as are set out from time to time in applicable Securities Laws and Exchange Policies and such terms and conditions shall be deemed to be incorporated into and become a part of this Plan. In the event of an inconsistency between such terms and conditions and this Plan, such terms and conditions shall govern. In the event that the Shares are listed on a new stock exchange, in addition to the terms and conditions set out from time to time in applicable Securities Laws, the granting or cancellation of options shall be governed by the terms and conditions set out from time to time in the policies, bylaws, rules and regulations of the new stock exchange and unless inconsistent with the terms of this Plan, the Company shall be able to grant or cancel options pursuant to the policies, bylaws, rules and regulations of such new stock exchange without requiring shareholder approval.

PART 8

AMENDMENT

- 8.1 Board May Amend. The Board may, by resolution, amend or terminate this Plan, but no such amendment or termination shall, except with the written consent of the Optionees concerned,

affect the terms and conditions of options previously granted under this Plan which have not then lapsed, terminated or been exercised.

- 8.2 Exchange Approval. Any amendment to this Plan or options granted pursuant to this Plan shall not become effective until such Exchange and shareholder approval as is required by Exchange Policies and applicable Securities Laws has been received.
- 8.3 Amendment to Insider's Options. Any amendment to options held by Insiders which results in a reduction in the exercise price of the options at the time of the amendment shall be conditional upon obtaining disinterested shareholder approval for that amendment.

PART 9

EFFECT OF PLAN ON OTHER COMPENSATION OPTIONS

- 9.1 Other Options Not Affected. This Plan is in addition to any other existing stock options granted prior to and outstanding as at the date of this Plan and shall not in any way affect the policies or decisions of the Board in relation to the remuneration of Directors, Officers, Employees and Consultants.

PART 10

OPTIONEE'S RIGHTS AS A SHAREHOLDER

- 10.1 No Rights Until Option Exercised. An Optionee shall be entitled to the rights pertaining to share ownership, such as to dividends, only with respect to Shares that have been fully paid for and issued to the Optionee upon the exercise of an option.

PART 11

EFFECTIVE DATE OF PLAN

- 11.1 Effective Date. This Plan shall become effective upon its approval by the Board.

SCHEDULE "A"

INCENTIVE STOCK OPTION AGREEMENT

Brigade Resource Corp. (the "**Company**") hereby grants the undersigned (the "**Optionee**") incentive stock options to purchase common shares of the Company (the "**Options**") in accordance with the Company's stock option plan, as amended from time to time (the "**Plan**"), according to the following terms. The Optionee acknowledges that the grant of Options is subject to (a) the Plan; (b) the regulations and provisions of the British Columbia Securities Commission, the Ontario Securities Commission and any other applicable provincial securities commission; and (c) the approval of the Canadian Securities Exchange or other stock exchange, as applicable.

Name of Optionee: _____

Address: _____

Telephone Number: _____

Email Address: _____

Position with the Company: _____

Number of Options: _____

Exercise Price: _____

Date of Grant: _____

Expiry Date: _____

Vesting Schedule: All of the Options shall vest immediately, unless otherwise described in the table below.

Period	% of Shares Vested

IN WITNESS WHEREOF, the Company and Optionee have caused this Agreement to be duly executed as of the date first written above.

BRIGADE RESOURCE CORP.

Per:

Authorized Signatory

OPTIONEE

SCHEDULE "B"

BRIGADE RESOURCE CORP.

EXERCISE NOTICE

The undersigned hereby subscribes for _____ common shares of Brigade Resource Corp. (the "**Company**") at a price of _____ per share for a total amount of \$_____ (the "**Exercise Price**") pursuant to the provisions of the Incentive Stock Option Agreement entered into between the undersigned and the Company dated _____, 20____.

Date

Signature

Name

Address

Telephone Number

Email Address



**2502 – 1211 Melville Street
Vancouver, B.C. V6E 0A7
Telephone: (778) 379-3023**