

## WINSTON GOLD CORP.

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### INFORMATION CIRCULAR

as at January 2, 2020 (except as otherwise indicated)

**This Information Circular is furnished in connection with the solicitation of proxies by the management of WINSTON GOLD CORP. (the “Company”) for use at the annual general meeting (the “Meeting”) of its shareholders to be held on Friday, February 7, 2020 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.**

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

The board of directors of the Company (the “**Board**”) has approved the contents and the sending of this Information Circular. All dollar amounts referred to herein are expressed in Canadian dollars unless otherwise indicated.

### GENERAL PROXY INFORMATION

#### Solicitation of Proxies

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

#### Appointment of Proxyholders

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

#### Voting by Proxyholder

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

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

**In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter.**

#### Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders may choose one of the following options to submit their proxy:

- (a) complete, date and sign the Proxy and return it to the Company’s transfer agent, Computershare Investor Services Inc. (“Computershare”), by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by

mail to the 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 or by hand delivery at 3<sup>rd</sup> Floor, 510 Burrard Street, Vancouver, British Columbia Canada V6C 3B9;

- (b) use a touch-tone phone to transmit voting choices to a toll free number. Registered shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll free number, the holder's account number and the control number; or
- (c) use the internet through the website of the Company's transfer agent at [www.investorvote.com](http://www.investorvote.com). Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder's account number and the control number.

In all cases the Registered Shareholder must ensure the proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting or the adjournment thereof at which the proxy is to be used.

### **Beneficial Shareholders**

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

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

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

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

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

These securityholder materials are being sent to both registered and non-registered owners of the securities of the Company. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding securities on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary holding securities on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in your request for voting instructions.

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

The form of proxy supplied to you by your broker will be similar to the proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf.

Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“Broadridge”) in the United States and in Canada. Broadridge mails a VIF in lieu of a proxy provided by the Company. The VIF will name the same persons as the Company’s Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than any of the persons designated in the VIF, to represent your Common Shares at the Meeting and that person may be you. To exercise this right, you should insert the name of the desired representative (which may be yourself) in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge’s instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting and the appointment of any shareholder’s representative. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Common Shares voted at the Meeting or to have an alternate representative duly appointed to attend the Meeting and to vote your Common Shares at the Meeting.**

#### **Notice to Shareholders in the United States**

The solicitation of proxies is not subject to the requirements of Section 14(a) of the U.S. Exchange Act by virtue of an exemption applicable to proxy solicitations by foreign private issuers as defined in Rule 3b-4 of the U.S. Exchange Act. Accordingly, this Circular has been prepared in accordance with applicable Canadian disclosure requirements. Residents of the United States should be aware that such requirements differ from those of the United States applicable to proxy statements under the U.S. Exchange Act.

This document does not address any income tax consequences of the disposition of the Company’s shares by shareholders. Shareholders in a jurisdiction outside of Canada should be aware that the disposition of shares by them may have tax consequences both in those jurisdictions and in Canada, and are urged to consult their tax advisors with respect to their particular circumstances and the tax considerations applicable to them.

Any information concerning any properties and operations of the Company has been prepared in accordance with Canadian standards under applicable Canadian securities laws, and may not be comparable to similar information for United States companies.

Financial statements included or incorporated by reference herein have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board, and are subject to auditing and auditor independence standards in Canada. Such consequences for the Company Shareholders who are resident in, or citizens of, the United States may not be described fully in this Circular.

The enforcement by the Company Shareholders of civil liabilities under the United States federal securities laws may be affected adversely by the fact that the Company is incorporated or organized under the laws of a foreign country, that some or all of their officers and directors and the experts named herein are residents of a foreign country and that the major assets of the Company are located outside the United States.

#### **Revocation of Proxies**

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

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder’s authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare or at the address of the registered office of the Company at 1500 Royal Centre, 1055 West Georgia Street, P. O. Box 11117, Vancouver, British Columbia, V6E 4N7, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or
- (b) personally attending the Meeting and voting the registered shareholder’s Common Shares.

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

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

To the best of our knowledge, except as otherwise disclosed herein, no director or executive officer of the Company, nor any person who has held such a position since the beginning of the last completed financial year of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors and the continuation of the Company's share option plan as set out herein.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

Effective August 24, 2017, the Company continued out of the Province of Manitoba into the jurisdiction of the *Business Corporations Act* (British Columbia) under the name of Winston Gold Corp.

On September 1, 2017, the Company's Common Shares began trading on the Canadian Securities Exchange (the "CSE") under new Company name Winston Gold Corp., under stock symbol "WGC".

The authorized capital of the Company consists of an unlimited number of Common Shares without par value. The Company is also listed on the OTCQB under stock symbol "WGMCF".

As of January 2, 2020 there were 173,233,373 Common Shares issued and outstanding, each carrying the right to one vote. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

The Company also holds an unlimited number of non-voting Preferred Shares without par value, with special rights and restrictions. As of January 2, 2020, there were no Preferred Shares issued and outstanding.

To the knowledge of the directors and senior officers of the Company, the following person beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company.

Shareholder Name	Number of Common Shares Held	Percentage of Issued Common Shares <sup>(2)</sup>
Joe Carrabba	24,742,817 <sup>(1)</sup>	14.28%

Note: Joe Carrabba is the Executive Chairman and a director of the Company. The above information was supplied to the Company from Mr. Carrabba and from Mr. Carrabba's SEDI insider reports. The percentage is based on 173,233,373 issued and outstanding Common Shares.

### Certain corporate actions made since December 31, 2018 year end and current to the date of this Information Circular

Effective July 23, 2019, Joseph Carrabba was appointed as Executive Chairman and director of the Company.

## FINANCIAL STATEMENTS

The audited financial statements of the Company for the fiscal year ended December 31, 2018, the report of the auditor thereon and the related management's discussion and analysis filed on SEDAR at [www.sedar.com](http://www.sedar.com) on April 26, 2019, will be made available at the Meeting, and may be viewed on the Company's SEDAR website at [www.sedar.com](http://www.sedar.com).

## ELECTION OF DIRECTORS

The board of directors of the Company (the "Board") presently consists of six directors. It is proposed that the number of directors for the ensuing year be determined at six. Shareholders will be asked at the Meeting to fix the number of directors at six. The term of office of each of the current directors cease to hold office immediately before the election or appointment of directors at the Meeting. Unless the director's office is vacated earlier in accordance with the provisions of the *Business Corporations Act* (British Columbia), each director elected at the Meeting will hold office until the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

The following disclosure sets out the names of management's six nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, the principal occupation, business or employment of each director nominee, the period of time during which each nominee has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at January 2, 2020.

Name of Nominee; Current Position with the Company and Province and Country of Residence	Occupation, Business or Employment <sup>(1)</sup>	Director Since	Shares Beneficially Owned or Controlled <sup>(1)</sup>
Joseph Carrabba Executive Chairman and Director Florida, USA	Mining Executive. <i>Refer to Director Biographies below.</i>	July 23, 2019	24,742,817 <sup>(2)</sup>
Murray Nye <sup>(8)</sup> Chief Executive Officer and Director Manitoba, Canada	Independent financial consultant specializing in acquisitions and mergers. <i>Refer to Director Biographies below.</i>	September 29, 2014	4,449,000 <sup>(3)</sup>
Max Polinsky President, Chief Financial Officer and Director Manitoba, Canada	Consulting Geologist; independent financial consultant specializing in acquisitions and mergers. <i>Refer to Director Biographies below.</i>	January 31, 2013	3,355,100 <sup>(4)</sup>
Darwin Ben Porterfield Director Manitoba, Canada	Geologist. <i>Refer to Director Biographies below.</i>	September 29, 2014	1,000,000 <sup>(5)</sup>
Allan Fabbro <sup>(8)</sup> Director British Columbia, Canada	Businessman. <i>Refer to Director Biographies below.</i>	October 23, 2015	50,000 <sup>(6)</sup>
Stan Stewin <sup>(8)</sup> Director Manitoba, Canada	Chartered Accountant. <i>Refer to Director Biographies below.</i>	December 12, 2016	270,000 <sup>(7)</sup>

Notes:

- (1) Information as to the number of Common Shares beneficially owned or over which direction is exercised has been provided by the respective individuals named therein.
- (2) Mr. Carrabba holds 1,000,000 incentive stock options to purchase 1,000,000 Common Shares at an exercise price of \$0.05 per share, expiring on March 26, 2024. Mr. Carrabba also holds warrants to purchase 19,950,000 Common Shares at an exercise price of \$0.10 per share, expiring at various dates between February 2, 2023 and August 28, 2024.
- (3) 500,000 of these Common Shares are registered under the name 0916244 B.C. Ltd., a private company controlled by Murray Nye and Max Polinsky. 900,000 of these Common Shares are registered under the name Pan Asia Investments Ltd., a private company controlled by Murray Nye. 500,000 of these Common Shares are registered under the name 2125820 Manitoba Ltd., a private company controlled by Murray Nye. Murray Nye also holds 1,500,000 incentive stock options to purchase 1,500,000 Common Shares at an exercise price of \$0.05 per share, expiring on November 27, 2022 and 500,000 incentive stock options to purchase 500,000 Common Shares at an exercise price of \$0.05 per share, expiring on March 26, 2024.
- (4) 500,000 of these Common Shares are registered under the name 0916244 B.C. Ltd., a private company owned and controlled by Murray Nye and Max Polinsky. 200,000 of these Common Shares are registered under the name 3130291 Manitoba Ltd., a private company controlled by Max Polinsky. 360,000 of these Common Shares are registered under the name Chatham Bay Ltd., a private company controlled by Max Polinsky. Max Polinsky holds 1,500,000 incentive stock options to purchase 1,500,000 Common Shares at an exercise price of \$0.05 per share, expiring on November 27, 2022 and 500,000 incentive stock options to purchase 500,000 Common Shares at an exercise price of \$0.05 per share, expiring on March 26, 2024.
- (5) Ben Porterfield holds 750,000 incentive stock options to purchase 750,000 Common Shares at an exercise price of \$0.05 per share, expiring on November 27, 2022 and 100,000 incentive stock options to purchase 100,000 Common Shares at an exercise price of \$0.05 per share, expiring on March 26, 2024.
- (6) Allan Fabbro holds 400,000 incentive stock options to purchase 400,000 Common Shares at an exercise price of \$0.05 per share, expiring on November 27, 2022 and 100,000 incentive stock options to purchase 100,000 Common Shares at an exercise price of \$0.05 per share, expiring on March 26, 2024.
- (7) Stan Stewin holds 400,000 incentive stock options to purchase 400,000 Common Shares at an exercise price of \$0.05 per share, expiring on November 27, 2022 and 100,000 incentive stock options to purchase 100,000 Common Shares at an exercise price of \$0.05 per share, expiring on March 26, 2024.

(8) Member of the Audit Committee.

None of the proposed nominees for election as a director of the Company are proposed for election pursuant to any arrangement or understanding between the nominee and any other person, except for directors and senior officers of the Company acting solely in such capacity.

A shareholder can vote for all of the above nominees, vote for some of the above nominees and withhold for other of the above nominees, or withhold for all of the above nominees. **Unless otherwise instructed, the named proxyholders will vote FOR the election of each of the proposed nominees set forth above as directors of the Company. At the Meeting the above persons will be nominated for election as director as well as any person nominated pursuant to the Advance Notice Provision (see below). Only persons nominated by management pursuant to this Information Circular or pursuant to the Advance Notice Provision will be considered valid director nominees eligible for election at the Meeting.**

#### ***Director Biographies***

**Joseph Carrabba**, Executive Chairman and Director of the Company. Mr. Carrabba was appointed Executive Chairman and a director of the Company on July 23, 2019 in his role as Senior Advisor to the Company. Mr. Carrabba has over 42 years of management and operational experience in the resource industry. Mr. Carrabba is the former Chairman, President and Chief Executive Officer of Cliffs Natural Resources Inc., where he served in executive capacities from 2005 to 2013. Prior to joining Cliffs Natural Resources Inc., Mr. Carrabba gained broad experience in the mining industry throughout Canada, the United States, Asia, Australia and Europe. He served for over 20 years in a variety of leadership capacities at Rio Tinto, a global mining company, including as President and Chief Operating Officer of Rio Tinto's Diavik Diamond Mines, Inc. in the Northwest Territories, Canada. Mr. Carrabba holds a Bachelor of Arts s Administration from Frostburg State University in Maryland.

**Murray Nye**, Chief Executive Officer and Director. Mr. Nye is the founding director and one of the principals of Venbanc Investment Management Group, an investment and merchant bank located in Winnipeg, Manitoba since 1994.

**Max Polinsky**, President, Chief Financial Officer and Director. Mr. Polinsky is the co-founder, director and one of the principals of Venbanc, Inc. In addition to many years in the merchant bank industry, Mr. Polinsky has extensive operational experience running a national company with offices across Canada. Mr. Polinsky previously served as the CFO of RX Exploration Inc., a company responsible for putting the Drumlummon gold-silver mine located in Montana, USA successfully back into production. Mr. Polinsky graduated with a Bachelor of Commerce (Honours) degree from the University of Manitoba in 1982, majoring in Finance.

**Darwin Ben Porterfield**, Director. Mr. Porterfield lead a team of geologists at the Drumlummon gold-silver mine located in Montana, USA, and formerly worked as a geologist for Kennecott, focusing on their Terra Gold project in Alaska. Mr. Porterfield has a Masters of Science Degree in Mineral Economics.

**Allan Fabbro**, Director. Mr. Fabbro has over 30 years of experience in both the finance and mining industries. From 1984 to 1990, Mr. Fabbro headed the retail trading department of Yorkton Securities, followed by six years with Yorkton's Natural Resources Group. After working for 10 years as an investment advisor with Canaccord Capital, specializing in the natural resource sector, Mr. Fabbro left to become lead director of Roxgold Inc. (TSX). Mr. Fabbro served as director of Roxgold Inc. from October 27, 2010 to September 25, 2012.

**Stan Stewin**, C.P.A., C.A., Director. Mr. Stewin is a Member of the Institute of Chartered Accountants of Manitoba (2007 to present) and obtained a Bachelor of Commerce (Honours) – University of Manitoba. Mr. Stewin has over 35 years experience in the agricultural industry. Mr. Stewin is the former Head of Audits at the Canadian Grain Commission located in Winnipeg, Manitoba (from 2007 to 2019) and is managing a staff of five professionals. Mr. Stewin was previously Head of Country Operation Eastern Region at Agricore United, Winnipeg Manitoba (from 1985 to 2007), an agricultural business with a grain handle in excess of 11 million Metric tons and with Crop Production Sales in excess of \$900 million.

Mr. Stewin has extensive experience in restructuring and re-organizing departments/organizations involving business analysis, developing business plans, leading negotiations and community consultations.

#### **Advance Notice Provisions**

On December 12, 2016, the shareholders of the Company approved the adoption of new Company Articles, that include advance notice provisions (the “**Advance Notice Provision**”). The Advance Notice Provision provides for advance notice to the Company in circumstances where nominations of persons for election to the Board are made by shareholders of the Company other than pursuant to (i) a requisition of a meeting made pursuant to the provisions of the *Business Corporations Act* (British Columbia) (“BCA”) or (ii) a shareholder proposal made pursuant to the provisions of the BCA.

Among other things, the Advance Notice Provision fixes a deadline by which holders of Shares must submit director nominations to the Company prior to any annual or special meeting of shareholders and sets forth the minimum information that a shareholder must include in the notice to the Company for the notice to be in proper written form.

The Advance Notice Provision also requires all proposed director nominees to deliver a written representation and agreement that such candidate for nomination, if elected as a director of the Company, will comply with all applicable corporate governance, conflict of interest, confidentiality, share ownership, majority voting and insider trading policies and other policies and guidelines of the Company applicable to directors and in effect during such person's term in office as a director.

The foregoing is merely a summary of the Advance Notice Provision, is not comprehensive and is qualified by the full text of such provision as contained in the Company's New Articles which were SEDAR filed under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com) on August 24, 2017.

**Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the election of the Nominees.**

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT EACH SHAREHOLDER VOTE "FOR" THE ELECTION OF THE ABOVE NOMINEES AS DIRECTORS.**

#### **APPOINTMENT OF AUDITORS**

Davidson & Company LLP, Chartered Professional Accountants, Suite 1200 – 609 Granville Street, PO Box 10372, Pacific Centre, Vancouver, British Columbia Canada V7Y 1G6, will be nominated at the Meeting for appointment as auditor of the Company.

Davidson & Company LLP was appointed auditor of the Company on November 6, 2017.

#### **AUDIT COMMITTEE**

Under National Instrument 52-110 of the Canadian Securities Administrators ("NI 52-110"), the Company is required to have an Audit Committee comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company, and the Company is required to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor.

##### **The Audit Committee's Charter**

A copy of the Company's Audit Committee Charter is attached as Schedule A to this Information Circular.

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

The current members of the Audit Committee are Allan Fabbro (Chair), Murray Nye and Stan Stewin. Murray Nye is not independent as he is the Chief Executive Officer of the Company. Messrs. Fabbro and Stewin are independent members of the Audit Committee. All members of the Audit Committee are considered to be financially literate. Refer to *Director Biographies* above.

##### **Relevant Education and Experience**

Each member of the Audit Committee has:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising individuals engaged in such activities; and
- (c) an understanding of internal controls and procedures for financial reporting.

##### **Audit Committee Oversight**

The Audit Committee has not made any recommendations to the Board to nominate or compensate any auditor other than Davidson & Company LLP.

### Reliance on Certain Exemptions

The Company’s auditor, Davidson & Company LLP, has not provided any material non-audit services.

### Pre-Approval Policies and Procedures

See the Company’s Audit Committee Charter attached as Schedule A to this Information Circular, for specific policies and procedures adopted by the Audit Committee for the engagement of non-audit services.

### External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audited services provided by Davidson & Company LLP for financial years ended December 31, 2018 and December 31, 2017 are outlined in the following table.

Nature of Services	Fees Paid Davidson & Company LLP in Year Ended December 31, 2018	Fees Paid to Davidson & Company LLP in Year Ended December 31, 2017
Audit Fees <sup>(1)</sup>	\$42,109	\$41,234
Audit-Related Fees <sup>(2)</sup>	\$5,891	\$Nil
Tax Fees <sup>(3)</sup>	\$4,730	\$13,230
All Other Fees <sup>(4)</sup>	\$Nil	\$Nil
Total	\$52,819	\$54,464

Notes:

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

### Exemption

The Company is a “venture issuer” as defined in NI 52-110 and is relying upon the exemption in section 6.1 of NI 51-110 relating to Parts 3 (*Composition of Audit Committee*) and 5 (*Reporting Obligations*).

## CORPORATE GOVERNANCE

### General

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. This section describes the Company’s approach to corporate governance and addresses the Company’s compliance with National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“NI 58-101”), which requires certain disclosure by the Company of its corporate governance practices.

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



Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Corporation. The Board is committed to sound corporate governance practices, which are in the interest of its shareholders and contribute to effective and efficient decision making.

National Policy 58-201 establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. The Company will continue to review and implement corporate governance guidelines as the business of the Company progresses and becomes more active in operations. NI 58-101 mandates disclosure of corporate governance practices in Form 58-101F2 *Corporate Governance Disclosure (Venture Issuers)*, which disclosure is set out below.

### **Board of Directors**

The mandate of the Board is to supervise the management of the Company and to act in the best interests of the Company. The Board acts in accordance with:

- (a) the *Business Corporations Act* (British Columbia) Articles;
- (b) the Board of Directors Charter and the Audit Committee Charter; and
- (c) other applicable laws and company policies.

The Board approves all significant decisions that affect the Company before they are implemented. The Board supervises their implementation and reviews the results.

The Board is actively involved in the Company's strategic planning process. The Board discusses and reviews all materials relating to the strategic plan with management. The Board is responsible for reviewing and approving the strategic plan. At least one Board meeting each year is devoted to discussing and considering the strategic plan, which takes into account the risks and opportunities of the business. Management must seek the Board's approval for any transaction that would have a significant impact on the strategic plan.

The Board periodically reviews the Company's business and implementation of appropriate systems to manage any associated risks, communications with investors and the financial community and the integrity of the Company's internal control and management information systems. The Board also monitors the Company's compliance with its timely disclosure obligations and reviews material disclosure documents prior to distribution. The Board periodically discusses the systems of internal control with the Company's external auditor.

The Board is responsible for choosing the President and appointing senior management and for monitoring their performance and developing descriptions of the positions for the Board, including the limits on management's responsibilities and the corporate objectives to be met by the management.

The Board approves all the Company's major communications, including annual and quarterly reports, financing documents and press releases. The Board approves the Company's communication policy that covers the accurate and timely communication of all important information. It is reviewed annually. This policy includes procedures for communicating with analysts by conference calls.

The Board, through its Audit Committee, examines the effectiveness of the Company's internal control processes and management information systems. The Board consults with the internal auditor and management of the Company to ensure the integrity of these systems. The internal auditor submits a report to the Audit Committee each year on the quality of the Company's internal control processes and management information systems.

The Board is responsible for determining whether or not each director is an independent director. Directors who also act as officers of the Company are not considered independent. Directors who do not also act as officers of the Company, do not work in the day-to-day operations of the Company, are not party to any material contracts with the Company, or receive any fees from the Company except as disclosed in this Information Circular, are considered independent. Joseph Carrabba, Murray Nye and Max Polinsky are not independent directors by virtue of their positions as Executive Chairman, Chief Executive Officer and Chief Financial Officer respectively. . Ben Porterfield, Allan Fabbro and Stan Stewin are considered independent directors of the Company.

## Directorships

Director nominees of the Company who participate as a director for other listed companies is set out below:

Name of Director	Name of Reporting Issuer	Market
Joseph Carrabba	Aecon Group Inc.	TSX
	NioCorp Developments Ltd.	TSX
	Bond Resources Inc.	CSE
	Timken Steel Corporation	NYSE
Allan Fabbro	AlkaLi3 Resources Inc.	NEX
	Doubleview Capital Corp.	TSX-V
	Midnight Sun Mining Corp.	TSX-V
	Parallel Mining Corp.	TSX-V

## Orientation and Continuing Education

The Board of Directors of the Company briefs all new directors with the policies of the Board of Directors, and other relevant corporate and business information.

## Ethical Business Conduct

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

Under the applicable corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and to disclose to the Board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction. The director must then abstain from voting on the contract or transaction unless the contract or transaction (i) relates primarily to their remuneration as a director, officer, employee or agent of the Company or an affiliate of the Company, (ii) is for indemnity or insurance for the benefit of the director in connection with the Company, or (iii) is with an affiliate of the Company. If the director abstains from voting after disclosure of their interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the Company at the time it was entered into, the contract or transaction is not invalid and the director is not accountable to the Company for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have been reasonable and fair to the Company and the contract or transaction be approved by the shareholders by a special resolution after receiving full disclosure of its terms in order for the director to avoid such liability or the contract or transaction being invalid.

## Nomination of Directors

The Board has responsibility for identifying potential Board candidates. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. Members of the Board and representatives of the mineral exploration industry are consulted for possible candidates. If a candidate looks promising, the Board will conduct due diligence on the candidate and if the results are satisfactory, the candidate is invited to join the Board.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required, show support for the Company's mission and strategic objectives, and a willingness to serve.

### **Compensation**

The Board conducts reviews with regard to directors' compensation once a year. To make its recommendation on directors' compensation, the Board takes into account the types of compensation and the amounts paid to directors of comparable publicly traded Canadian companies and aligns the interests of directors with the return to shareholders.

The Board decides the compensation of the Company's officers, based on industry standards and the Company's financial situation.

### **Other Board Committees**

The Board has no committees other than the Audit Committee.

### **Assessments**

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

An informal process of assessing the performance of Board committees and individual directors is conducted by way of engagement and dialogue between the individual directors.

## **STATEMENT OF EXECUTIVE COMPENSATION**

**"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;

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

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

- (a) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief executive officer ("CEO"), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer ("CFO"), including an individual performing functions similar to a CFO;
- (c) in respect of the company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, for that financial year;
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year.

## **DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION**

During financial year ended December 31, 2018, based on the definition above, the NEOs of the Company were: Murray Nye, CEO and director and Max Polinsky, President and CFO and director. The directors of the Company who were not NEOs during financial year ended December 31, 2018 were: Darwin Ben Porterfield, Allan Fabbro and Stan Stewin.

During the financial year ended December 31, 2017, based on the definition above, the NEOs of the Company were: Murray Nye, CEO and director and Max Polinsky, President and CFO and director. The directors of the Company who were not NEOs during financial year ended December 31, 2017 were: Darwin Ben Porterfield, Allan Fabbro and Stan Stewin.

Murray Nye has been the CEO and a director since September 29, 2014.

Max Polinsky has been President and a director since January 31, 2013.

Ronan Sabo-Walsh resigned as Chief Financial Officer on June 5, 2017.

Max Polinsky was re-appointed Chief Financial Officer on June 5, 2017.

Darwin Ben Porterfield has been a director since September 29, 2014.

Allan Fabbro has been a director since October 23, 2015.

Stan Stewin has been a director since December 12, 2016.

**Director and NEO Compensation, Excluding Options and Compensation Securities**

The following table of compensation, excluding options and compensation securities, provides a summary of the compensation paid by the Company to NEOs and directors of the Company for the two completed financial years ended December 31, 2018 and 2017. Options are disclosed under the heading “**Stock Options and Other Compensation Securities**” of this Information Circular.

**Table of Compensation, Excluding Compensation Securities in Financial Years ended December 31, 2018 and 2017**

Table of compensation excluding compensation securities							
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 (\$)
Murray Nye CEO and director	2018	\$120,000.00	Nil	Nil	Nil	Nil	\$120,000.00
	2017	\$130,000.00	Nil	Nil	Nil	Nil	\$130,000.00
Max Polinsky President, CFO and director	2018	\$120,000.00	Nil	Nil	Nil	Nil	\$120,000.00
	2017	\$130,000.00	Nil	Nil	Nil	Nil	\$130,000.00
Ronan Sabo-Walsh former CFO (Dec 12/16 – Jun 5/17)	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	\$68,250.00	Nil	Nil	Nil	Nil	\$68,250.00
Allan Fabbro director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Darwin Ben Porterfield director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Stan Stewin director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil

**External Management Companies**

The Company entered into an agreement effective December 1, 2016 with V Baron Global Financial Canada Ltd., under which Ronan Sabo-Walsh, CFO was an employee (“Baron”). Under this agreement, Baron was to provide corporate advisory services. Baron was also granted 300,000 stock options at an exercise price of \$0.40. Concurrent with the termination of the agreement with V Baron Global Financial Canada Ltd., Ronan Sabo-Walsh resigned as CFO on June 5, 2017 and Max Polinsky was re-appointed as CFO.

**Financial Years ended December 31, 2018 and December 31, 2017**

Transactions with related parties are incurred in the normal course of business. Related party transactions have been listed below, unless they have been disclosed elsewhere in the consolidated financial statements. During the years ended December 31, 2018 and December 31, 2017, the Company incurred the following charges with related parties that include officers, directors or companies with common directors of the Company:

During the year ended December 31, 2018, management fees to directors were \$240,000 (2017 - \$260,000).

## Stock Options and Other Compensation Securities

### 10% “rolling” Stock Option Plan (Share Based Awards)

At the Company’s annual and general and special meeting held on December 12, 2016, shareholders approved the adoption of the Company’s 10% “rolling” stock option plan dated for reference October 31, 2016 (the “**2016 Plan**”). The 2016 Plan was SEDAR filed on August 24, 2017 and can be located on the Company’s SEDAR corporate website at [www.sedar.com](http://www.sedar.com). Under the 2016 Plan, options totaling a maximum of 10% of the Common Shares outstanding from time to time are available for grant. The 2016 Plan is administered by the Board and the term of any options granted under the 2016 Plan. The purpose of the 2016 Plan is to allow the Company to grant options to directors, officers, consultants, employees and management company employees as additional compensation and as an opportunity to participate in the profitability of the Company. The granting of such option is intended to align the interests of such persons with that of the Company.

The following is a brief description of the Company’s 2016 Plan:

- (a) the 2016 Plan provides that up to 10% of the issued and outstanding common shares from time to time may be reserved for issue, less any common shares reserved for issuance under any other share compensation arrangement. The options are non-assignable and may be granted for a term not exceeding ten years;
- (b) the exercise price shall not be lower than the greater of the closing market price of the common shares on (a) the trading day prior to the date of grant of the stock options; and (b) the date of grant of the stock options;
- (c) the maximum number of options which may be granted to any one option holder under the 2016 Plan within any 12 month period shall be 5% of the outstanding issue on the date of grant (unless the Company has obtained disinterested shareholder approval, if required by Regulatory Rules);
- (d) if required by Regulatory Rules, disinterested shareholder approval is required to the grant to Insiders, within a 12 month period, of a number of options which, when added to the number of outstanding incentive stock options granted to Insiders within the previous 12 months, exceed 10% of the issued shares;
- (e) the maximum number of options which may be granted to any one consultant within any 12 month period must not exceed 2% of the outstanding issue;
- (f) the maximum number of options which may be granted within any 12 month period to employees or consultants engaged in investor relations activities must not exceed 2% of the outstanding Issue and such options must vest in stages over 12 months with no more than 25% of the options vesting in any three month period;
- (g) options granted under the 2016 Plan are non-assignable, and non-transferable;
- (h) if an option holder dies, any vested option held by him or her at the date of death will become exercisable by the option holder’s lawful personal representative and shall be exercisable by the personal representative on or before the date which is the earlier of one year following the date of death of the option holder;
- (i) in the event that the option holder holds his or her option as an employee or consultant and such option holder ceases to hold such position other than by reason of death or disability, the expiry date of the option shall be, unless otherwise determined by the Board (or a committee of the Board) and expressly provided for in the option certificate, the 30<sup>th</sup> day following the date the option holder ceases to hold such position; and
- (j) (the vesting schedule for an option, if any, shall be determined by the Board (or a committee of the Board) and shall be set out in the Option Certificate issued in respect of the option.

On December 20, 2019, the Board made “housekeeping” amendments of an administrative nature to the 2016 Option Plan. Please refer to “**PARTICULARS OF MATTERS TO BE ACTED UPON –10% “rolling” Share Option Plan, as Amended** below.

The following table sets forth incentive stock options (option-based awards) pursuant to the Company’s stock option plan that were outstanding to NEOs and directors of the Company as at December 31, 2018.

Compensation Securities 2018							
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
Murray Nye, CEO	Stock Option	1,500,000 Common shares (22%)	27-Nov-17	\$75,000	\$0.035	\$0.050	27-Nov-22
Max Polinsky, CFO	Stock Option	1,500,000 Common shares (22%)	27-Nov-17	\$75,000	\$0.035	\$0.050	27-Nov-22
Darwin Ben Porterfield	Stock Option	750,000 Common shares (11%)	27-Nov-17	\$37,500	\$0.035	\$0.050	27-Nov-22
Allan Fabbro	Stock Option	400,000 Common shares (6%)	27-Nov-17	\$20,000	\$0.035	\$0.050	27-Nov-22
Stan Stewin	Stock Option	400,000 Common shares (6%)	27-Nov-17	\$20,000	\$0.035	\$0.050	27-Nov-22

Note: Percentage of class represents % of option-based securities granted over the total number option-based securities of the Company outstanding as of December 31, 2018.

#### **Exercise of Compensation Securities by NEOs and Directors**

There were no option-based securities exercised by NEOs or directors of the Company during the financial years ended December 31, 2018 and December 31, 2017.

#### **Employment, Consulting and Management Agreements**

There are no compensatory plans or arrangements, with respect to any Director or NEO resulting from the resignation, retirement or any other termination of employment of an officer or director or from a change of a director’s or a NEO’s responsibilities following a change in control.

#### **Oversight and Description of Director and Named Executive Officer Compensation**

The Company does not have a compensation program other than paying consulting fees and incentive bonuses. The compensation of the executive officers is determined by the Board, based in part on recommendations from the Chief Executive Officer. The Board recognizes the need to provide a compensation package that will attract and retain qualified and experienced executives, as well as align the compensation level of each executive to that executive’s level of responsibility. The objectives of the Company’s compensation policies and practices are:

1. to reward individual contributions in light of the Company’s performance;
2. to be competitive with the companies with whom the Company competes for talent;
3. to align the interests of the executives with the interests of the shareholders; and
4. to attract and retain executives who could help the Company achieve its objectives.

During the most recent financial year ended December 31, 2018, neither the Chief Executive Officer nor the President was paid a salary.

The basic component of executive compensation has consisted only of a consulting fee component and going forward, the Company may include performance-based variable incentive compensation, which may be comprised of cash bonuses or stock option grants. The allocation of value to these different compensation elements will not be based on a formula, but rather will be

intended to reflect market practices as well as the Board's discretionary assessment of an executive officer's past contribution and the ability to contribute to future short and long-term business results.

Specifically, the objectives of consulting fees are to recognize market pay and acknowledge the competencies and skills of individuals. The rate established for each executive officer is intended to reflect each individual's responsibilities, experience, prior performance and other discretionary factors deemed relevant by any compensation committee that may be formed in future. In deciding on the consulting fee portion of the compensation of the executive officers, major consideration is given to the fact that the Company is an early stage exploration company and does not generate any material revenue and must rely exclusively on funds raised from equity financings. In the future, the objectives of incentive bonuses in the form of cash payments will be designed to add a variable component of compensation, based on corporate and individual performances for executive officers and employees. The objectives of the stock option will be to reward achievement of long-term financial and operating performance and focus on key activities and achievements critical to the ongoing success of the Company. The Company has no other forms of compensation, other than payments made from time to time to individuals or companies they control for the provision of consulting services. Such consulting services are paid for by the Company, to the best of its ability, at competitive industry rates for work of a similar nature by reputable arm's length service providers. Actual compensation will vary based on the performance of the executives relative to the achievement of goals and the price of the Company's securities, as well as the financial condition of the Company.

The Board evaluates individual executive performance with the goal of setting compensation at levels that it believes is comparable with executives in other companies of similar size and stage of development operating in the same industry. In connection with setting appropriate levels of compensation, members of the Board base their decisions on their general business and industry knowledge and experience and publicly available information of comparable companies while also taking into account the Company's relative performance and strategic goals.

In the course of its deliberations, the Board considered the implications of the risks associated with adopting the compensation practices currently in place. The Board does not believe that its current compensation practices create a material risk that the NEOs or any employee would be encouraged to take inappropriate or excessive risks, particularly since the Company currently does not have a stock option plan in place, and no such risks have been detected to date. The Board will continue to include this consideration in its deliberations and believes that it would detect actions of management and employees of the Company that constitute or would lead to inappropriate or excessive risks.

The Company does not have a policy that would prohibit the NEOs or directors from purchasing financial instruments that are designed or would have the effect of hedging the value of equity securities granted to, or held by, these individuals.

#### *Base Salary*

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

#### Financial Years ended December 31, 2018 and December 31, 2017

Amounts due to directors as at December 31, 2018 year-end financial statements were: \$4,092 (USD 3,000) (December 31, 2017 - \$3,763 (USD 3,000)) due to director B. Porterfield, \$49,750 (December 31, 2017 - \$110,000) due to director, CFO and President, M. Polinsky, and \$44,750 (December 31, 2017 - \$95,000) due to director and CEO, M. Nye.

During the year ended December 31, 2018, management fees paid and accrued are; \$120,000 (2017 - \$130,000) to director and CEO, M. Nye, and \$120,000 (2017 - \$130,000) to director, CFO and President, M. Polinsky.

#### Compensation Review Process

The Board conducts reviews with regard to directors' compensation once a year. To make its recommendation on directors' compensation, the Board takes into account the types of compensation and the amounts paid to directors of comparable publicly traded Canadian companies and aligns the interests of directors with the return to shareholders. The Board decides the compensation of the Company's officers, based on industry standards and the Company's financial situation.

#### *Bonus Incentive Compensation*

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

### *Benefits and Perquisites*

The Company does not, as of the date of this Information Circular, offer any benefits or perquisites to its NEOs other than potential grants of incentive share options as otherwise disclosed and discussed herein.

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

The Board has not considered the implications of the risks associated with the Company's compensation policies and practices.

The Company has not adopted a policy disallowing insiders from purchasing financial instruments designed to hedge or offset any decrease in market value of the Common Shares or options of the Company.

### **Risks Associated with the Company's Compensation Practices**

The Board has not proceeded to a formal evaluation of the implications of risks associated with the Company's compensation policies and practices. At least once annually the Board reviews the then current risks, if any, associated with the Company's compensation policies and practices at such time.

Executive compensation is comprised of short-term compensation in the form of a base salary and long-term ownership through the Company's stock option plan. This structure ensures that a significant portion of executive compensation (share options) is both long-term and "at risk" and, accordingly, is directly linked to the achievement of business results and the creation of long-term shareholder value. As the benefits of such compensation, if any, are not realized by officers until a significant period of time has passed, the ability of officers to take inappropriate or excessive risks that are beneficial to their compensation at the expense of the Company and the shareholders is extremely limited. Furthermore, the short-term component of the executive compensation (base salary) represents a relatively small part of the total compensation. As a result, it is unlikely that an officer would take inappropriate or excessive risks at the expense of the Company or the shareholders that would be beneficial to their short-term compensation when their long-term compensation might be put at risk from their actions.

Due to the small size of the Company and the current level of the Company's activity, the Board is able to closely monitor and consider any risks which may be associated with the Company's compensation policies and practices. Risks, if any, may be identified and mitigated through regular meetings of the Board during which financial and other information of the Company are 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.

### *Hedging by Named Executive Officers or Directors*

The Company has not, to date, adopted a policy restricting its executive officers and directors from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, which are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by executive officers or directors. As of the date of this Information Circular, entitlement to grants of incentive share options under the Company's share option plan is the only equity security element awarded by the Company to its executive officers and directors.

### **Option-Based Awards**

The incentive stock option portion of the compensation is intended to provide the executive officers of the Company with a long-term incentive in developing the Company's business. Options granted under the 2016 Plan (defined above) are approved by the Board, and if applicable, its subcommittees, after consideration of the Company's overall performance and whether the Company has met targets set out by the executive officers in their strategic plan. All previous grants of option-based awards will be taken into account when considering new grants.

### **Pension Disclosure**

The Company has no pension plan arrangements or benefits with respect to any of its NEOs, directors or employees.

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

Other than set out in this Information Circular, no directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company as of the end of the two most recently completed financial years or as at the date hereof.



### INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set out in this Information Circular, none of the informed persons of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, in any transactions since the commencement of the Company's last financial year.

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

See heading "Stock Options and Other Compensation Securities - 10% "rolling" Stock Option Plan" above for disclosure on the only equity compensation plan which the Company has in place at the date hereof.

The following table sets out equity compensation plan information as at the end of the financial year ended December 31, 2018.

#### *Equity Compensation Plan Information*

	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders - (the Share Option Plan)	6,630,000	\$0.10	3,824,612
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	6,630,000	\$0.10	3,824,612

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Other than as set out in this Information Circular, there is no indebtedness of any: (a) director; (b) executive officer; (d) proposed nominee for election as a director; (e) associate of a director, executive officer or proposed nominee for election as a director; (f) employee or (g) former director, executive officer or employee of the Company, to or guaranteed or supported by the Company or any of its subsidiaries either pursuant to an employee stock purchase program of the Company or otherwise, during the most recently completed financial year.

### MANAGEMENT CONTRACTS

Other than set out in this Information Circular, during the Company's financial year ended December 31, 2017 there were no management functions of the Company or any of its subsidiaries which were to any substantial degree performed other than by the directors or executive officers of the Company or its subsidiaries.

### PARTICULARS OF MATTERS TO BE ACTED UPON

#### **Approval of 10% "rolling" Share Option Plan, as Amended**

On December 20, 2019 the Board amended its Stock Option Plan to continue to be fully compliant with the Canadian Securities Exchange in accordance with Canadian Securities Exchange policy on hold periods and with other "housekeeping" amendments of an administrative nature, as follows:

#### **The definition of "Change of Control" was amended to read as follows:**

- (e) "Change of Control" means:
- (i) the acquisition of a sufficient number of voting securities in the capital of the Company so that the acquiror, together with Persons or Entities acting jointly or in concert with the acquiror, becomes entitled, directly or indirectly, to exercise more than 50% of the voting rights attaching to the outstanding voting securities in the capital of the Company (provided that, prior to the acquisition, the acquiror was not entitled to exercise more than 50% of the voting rights attaching to the outstanding voting securities in the capital of the Company);

- (ii) the completion of a consolidation, merger, arrangement or amalgamation of the Company with or into any other entity whereby the voting securityholders of the Company immediately prior to the consolidation, merger, arrangement or amalgamation receive less than 50% of the voting rights attaching to the outstanding voting securities of the consolidated, merged, arranged or amalgamated entity;
- (iii) the completion of a sale whereby all or substantially all of the Company's undertakings and assets become the property of any other entity and the voting securityholders of the Company immediately prior to the sale hold less than 50% of the voting rights attaching to the outstanding voting securities of that other entity immediately following that sale; or
- (iv) an occurrence when a majority of the directors elected at any annual or extraordinary general meeting of shareholders of the Company are not individuals nominated by the Company's then incumbent Board.

**The definition of "Disability" was amended to read as follows:**

- (i) "Disability" means a medically determinable physical or mental impairment expected to result in death or to last for a continuous period of not less than 12 months, which causes an individual to be unable to engage in any substantial gainful activity, or any other condition of impairment which cannot be accommodated under applicable human rights laws without imposing undue hardship on the Company or any Subsidiary employing or engaging the Person, that the Committee, acting reasonably, determines constitutes a disability.

**The definition of "Regulatory Rules" was amended to read as follows:**

- (ee) "Regulatory Rules" means all corporate and securities laws, regulations, rules, policies, notices, instruments and other orders of any kind whatsoever which may, from time to time, apply to the implementation, operation or amendment of this Plan or the Options granted from time to time hereunder including, without limitation, those of the applicable Regulatory Authorities or of the Exchange;

**The definition of "Triggering Event" was amended to read as follows:**

- (ii) "Triggering Event" means
  - (i) the proposed dissolution, liquidation or wind-up of the Company;
  - (ii) a proposed Change of Control of the Company; or
  - (iii) a proposed material alteration of the capital structure of the Company which, in the opinion of the Committee, is of such a nature that it is not practical or feasible to make adjustments to this Plan or to the Options granted hereunder to permit the Plan and Options granted hereunder to stay in effect.

**Added a section 2.4 Hold Period provision UNDER Section 2 GRANT OF OPTIONS, to read as follows**

**2.4 Hold Period**

Pursuant to Exchange Policies, where a hold period is applicable, the Option Certificate will include a legend stipulating that the Option is and the Shares upon the exercise of the Option are subject to a four-month hold period commencing on the date of distribution of the Option,

**Removed Section 3.3 Limits on Option Grants provisions (a) through (d) under heading SECTION 3 PURPOSE AND PARTICIPATION;**

**Added a section 4.4 under Section 4 NUMBER OF SHARES UNDER PLAN to read as follows:**

**4.4 Options Granted under the Previous Share Option Plans**

Any Option granted pursuant to a stock option plan previously adopted by the Board which is outstanding at the time this Plan comes into effect shall be deemed to have been issued under this Plan and shall, as of the date this Plan comes into effect, be governed by the terms and conditions hereof.

**Amended Section 5.2 under Section 5 TERMS AND CONDITIONS OF OPTIONS to read as follows:**

**5.2 Number of Shares Under Option**

The number of Shares which may be purchased pursuant to an Option shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option and may not exceed ten years from the Grant Date.

**Amended Section 5.3 under Section 5 TERMS AND CONDITIONS OF OPTIONS to read as follows:**

**5.3 Exercise Price of Option**

The Exercise Price at which an Option Holder may purchase a Share upon the exercise of an Option shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option. The Exercise Price shall not be less than the Market Value of the Shares. The Market Value of the Shares for a particular Grant Date shall be determined as follows:

- (a) for each organized trading facility on which the Shares are listed, Market Value will be the greater of the closing market price of the Shares on: (i) the trading day immediately preceding the Grant Date; and (ii) the Grant Date, and may be less than this price if it is within the discounts permitted by the applicable Regulatory Authorities;
- (b) if the Company's Shares are listed on more than one organized trading facility, the Market Value shall be the Market Value as determined in accordance with subparagraph (a) above for the primary organized trading facility on which the Shares are listed, as determined by the Committee, subject to any adjustments as may be required to secure all necessary Regulatory Approvals;
- (c) if the Company's Shares are listed on one or more organized trading facilities but have not traded during the ten trading days immediately preceding the Grant Date, then the Market Value will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Committee; and
- (d) if the Company's Shares are not listed on any organized trading facility, then the Market Value will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Committee to be the fair value of the Shares, taking into consideration all factors that the Committee deems appropriate, including, without limitation, recent sale and offer prices of the Shares in private transactions negotiated at arms' length. Notwithstanding anything else contained herein, in no case will the Market Value be less than the minimum prescribed by each of the organized trading facilities that would apply to the Company on the Grant Date in question.

**Amended Section 5.6 under Section 5 TERMS AND CONDITIONS OF OPTIONS to read as follows:**

**5.6 Additional Terms**

Subject to all applicable Regulatory Rules and all necessary Regulatory Approvals, the Committee may attach additional terms and conditions to the grant of a particular Option, such terms and conditions to be set out in a schedule attached to the Option Certificate. Each Option will also be subject to, in addition to the provisions of the Plan, the terms and conditions contained in the schedules, if any, attached to the Option Certificate for such Option. In the case of a dispute with regard to any matter in respect thereof, the provisions of the Option Certificate shall prevail over the terms and conditions in the Plan.

**Added a Black Out Period provision under Section 7 EXERCISE OF OPTIONS to read as follows:**

**7.2 Black Out Period**

If an Option expires, terminates or is cancelled (other than an expiry, termination or cancellation pursuant to section 5.4(a)(i), (ii) or (iii) or section 5.4(b)(i), (ii) or (iii) above) within or immediately after a Black Out, the Holder may elect for the term of such Option to be extended to the date which is ten (10) business days after the last day of the Black Out; provided, that, the expiration date as extended by this section 7.2 will not in any event be beyond the later of: (i) December 31 of the calendar year in which the Option was otherwise due to expire; and (ii) the 15th day of the third month following the month in which the Option was otherwise due to expire.

**Amended section 11.5 under Section 11 ADJUSTMENTS AND TERMINATION to read as follows:**

**11.5 Notice of Termination by Triggering Event**

In the event that the Committee wishes to cause all or a portion of any of the Options granted under this Plan to terminate on the occurrence of a Triggering Event, it must give written notice to the Option Holders in question not less than 10 days prior to the consummation of a Triggering Event so as to permit the Option Holder the opportunity to exercise the vested portion of the Options prior to such termination. Upon the giving of such notice and subject to any necessary Regulatory Approvals, all Options or portions thereof granted under the Plan which the Company proposes to terminate shall become immediately exercisable notwithstanding any contingent vesting provision to which such Options may have otherwise been subject. Furthermore, if any of the Options granted under this Plan are cancelled prior to their Expiry Date, the Company shall not grant new Options to the same Persons or Entities until 30 days have lapsed from the date of cancellation.

**The Stock Option Plan was also amended to contain updated U.S. option holder disclosure which are of an administrative nature that do not affect the rights of the Company's securityholders.**

The Board is of the view that the Plan, as amended on December 20, 2019, provides the Company with the flexibility to attract and maintain the services of executives, employees and other service providers in competition with other companies in the industry. The amendments to the Stock Option Plan do not require shareholder approval as these amendments are of an administrative nature that do not affect the rights of the Company's securityholders.

**Shareholder Resolution**

Shareholders will be asked to consider, and if deemed advisable, to pass, with or without variation, an ordinary resolution to the Company's Plan dated October 31, 2016, as amended on December 20, 2019.

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

Accordingly, Shareholders will be asked to consider, and if deemed advisable to pass, with or without variation, the following ordinary resolution (the "**Stock Option Plan Resolution**):

**RESOLVED THAT:**

1. the 10% "rolling" share option plan dated for reference October 16, 2016, as amended on December 20, 2019 (the "Stock Option Plan") of Winston Gold Corp. (the "Company"), as described in the information circular dated January 2, 2020, is hereby approved, ratified and confirmed;
2. the board of directors of the Company be and are hereby authorized on behalf of the Company to make any amendments to the Stock Option Plan as may be required by regulatory authorities or otherwise made necessary by applicable legislation, without further approval of the Shareholders of the Company, in order to ensure the adoption and efficient function of the Stock Option Plan; and
3. any director or officer of the Company be and is hereby authorized and directed to do such things and to execute and deliver all such instruments, deeds and documents, and any amendments thereto, as may be necessary or advisable in order to give effect to the foregoing resolutions, and to complete all transactions in connection with the implementation of the Stock Option Plan."

A copy of the Plan dated for reference October 16, 2016, as amended on December 20, 2019, will be SEDAR filed post the holding of the Company's 2020 annual meeting.

**The Board believes the passing of the Stock Option Plan resolution is in the best interest of the Company and recommends that Shareholders of the Company vote in favour of Stock Option Plan Resolution.**

**The voting rights pertaining to shares represented by duly executed proxies in favor of the persons named in the accompanying form of proxy will be exercised, in the absence of specifications to the contrary, FOR the Stock Option Plan Resolution.**

**ADDITIONAL INFORMATION**

Financial information is provided in the report of the auditor, audited financial statements of the Company for the year ended December 31, 2018 and related management discussion and analysis and filed on [www.sedar.com](http://www.sedar.com) and will be tabled at the Meeting.

Additional information concerning the Company is available through the Internet on SEDAR which may be accessed at [www.sedar.com](http://www.sedar.com), or may be obtained by a Shareholder upon request without charge from the Company at Suite 201 – 919 Notre Dame Avenue, Winnipeg, Manitoba Canada R3E 0M8 Tel: 204 989-2434. Copies of documents will be provided free of charge to security holders of the Company. The Company may require the payment of a reasonable charge from any person or company who is not a securityholder of the Company, who requests a copy of any such document.

**OTHER MATTERS**

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

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

**DATED** at Winnipeg, Manitoba, January 2, 2020.

**BY ORDER OF THE BOARD**

*“Murray Nye”*

**Murray Nye**  
**Chief Executive Officer and Director**

**SCHEDULE A**  
**WINSTON GOLD CORP.**  
**AUDIT COMMITTEE CHARTER**

**1. OVERALL PURPOSE AND OBJECTIVES**

The Audit Committee will assist the directors (the “Directors”) of Winston Gold Corp. (the “Corporation”) in fulfilling their responsibilities under applicable legal and regulatory requirements. To the extent considered appropriate by the Audit Committee or as required by applicable legal or regulatory requirements, the Audit Committee will review the financial reporting process of the Corporation, the system of internal controls and management of the financial risks of the Corporation and the audit process of the financial information of the Corporation. In fulfilling its responsibilities, the Audit Committee should maintain an effective working relationship with the Directors, management of the Corporation and the external auditor of the Corporation as well as monitor the independence of the external auditor.

**2. AUTHORITY**

- (a) The Audit Committee shall have the authority to:
- (i) engage independent counsel and other advisors as the Audit Committee determines necessary to carry out its duties;
  - (ii) set and pay the compensation for any advisors employed by the Audit Committee;
  - (iii) communicate directly with the internal and external auditor of the Audit Corporation and require that the external auditor of the Corporation report directly to the Audit Committee; and
  - (iv) seek any information considered appropriate by the Audit Committee from any employee of the Corporation.
- (b) The Audit Committee shall have unrestricted and unfettered access to all personnel and documents of the Corporation and shall be provided with the resources reasonably necessary to fulfill its responsibilities.

**3. MEMBERSHIP AND ORGANIZATION**

- (a) The Audit Committee will be composed of at least three members. The members of the Audit Committee shall be appointed by the Directors to serve one-year terms and shall be permitted to serve an unlimited number of consecutive terms. The majority of the members of the Audit Committee must be Directors who are independent and financially literate to the extent required by (and subject to the exemptions and other provisions set out in) applicable laws, rules and regulations, and stock exchange requirements (“Applicable Laws”). In this Charter, the terms “independent” and “financially literate” have the meaning ascribed to such terms by Applicable Laws, and include the meanings given to similar terms by Applicable Laws, including in the case of the term “independent” the terms “outside” and “unrelated” to the extent such latter terms are applicable under Applicable Laws.
- (b) The chairman of the Audit Committee will be an independent Director and will be appointed by the Audit Committee from time to time and must have such accounting or related financial management expertise as the Directors may determine in their business judgment.
- (c) The secretary of the Audit Committee will be the chosen by the Audit Committee.
- (d) The Audit Committee may invite such persons to meetings of the Audit Committee as the Audit Committee considers appropriate, except to the extent exclusion of certain persons is required pursuant to this Charter or Applicable Laws.
- (e) The Audit Committee may invite the external auditor of the Corporation to be present at any meeting of the Audit Committee and to comment on any financial statements, or on any of the financial aspects, of the Corporation.
- (f) The Audit Committee will meet as considered appropriate or desirable by the Audit Committee. Any member of the Audit Committee or the external auditor of the Corporation may call a meeting of the Audit Committee at any time upon 48 hours prior written notice.
- (g) All decisions of the Audit Committee shall be by simple majority and the chairman of the Audit Committee shall not have a deciding or casting vote.
- (h) Minutes shall be kept in respect of the proceedings of all meetings of the Audit Committee.

- (i) No business shall be transacted by the Audit Committee except at a meeting of the members thereof at which a majority of the members thereof is present.
- (j) The Audit Committee may transact its business by a resolution in writing signed by all the members of the Audit Committee in lieu of a meeting of the Audit Committee.

#### 4. **ROLE AND RESPONSIBILITIES**

To the extent considered appropriate or desirable or required by applicable legal or regulatory requirements, the Audit Committee shall:

- (a) recommend to the Directors
  - (i) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report on the annual financial statements of the Corporation or performing other audit, review or attest services for the Corporation, and
  - (ii) the compensation to be paid to the external auditor of the Corporation;
- (b) review the proposed audit scope and approach of the external auditor of the Corporation and ensure no unjustifiable restriction or limitations have been placed on the scope of the proposed audit;
- (c) meet separately and periodically with the management of the Corporation, the external auditor of the Corporation and the internal auditor (or other personnel responsible for the internal audit function of the Corporation) of the Corporation to discuss any matters that the Audit Committee, the external auditor of the Corporation or the internal auditor of the Corporation, respectively, believes should be discussed privately;
- (d) be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report on the annual financial statements of the Corporation or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management of the Corporation and the external auditor of the Corporation regarding any financial reporting matter and review the performance of the external auditor of the Corporation;
- (e) review judgmental areas, for example those involving a valuation of the assets and liabilities and other commitments and contingencies of the Corporation;
- (f) review audit issues related to the material associated and affiliated entities of the Corporation that may have a significant impact on the equity investment therein of the Corporation;
- (g) meet with management and the external auditor of the Corporation to review the annual financial statements of the Corporation and the results of the audit thereof;
- (h) review and determine if internal control recommendations made by the external auditor of the Corporation have been implemented by management of the Corporation;
- (i) pre-approve all non-audit services to be provided to the Corporation or any subsidiary entities thereof by the external auditor of the Corporation and, to the extent considered appropriate:
  - (i) adopt specific policies and procedures in accordance with Applicable Laws for the engagement of such non-audit services; and/or
  - (ii) delegate to one or more independent members of the Audit Committee the authority to pre-approve all non-audit services to be provided to the Corporation or any subsidiary entities thereof by the external auditor of the Corporation provided that the other members of the Audit Committee are informed of each such non-audit service;
- (j) consider the qualification and independence of the external auditor of the Corporation, including reviewing the range of services provided by the external auditor of the Corporation in the context of all consulting services obtained by the Corporation;
- (k) consider the fairness of the interim financial statements and financial disclosure of the Corporation and review with management of the Corporation whether,
  - (i) generally accepted accounting principles have been consistently applied,
- (l) actual financial results for the interim period varied significantly from budgeted or projected results,
  - (i) generally accepted accounting principles have been consistently applied,

- (ii) there are any actual or proposed changes in accounting or financial reporting practices of the Corporation, and
- (iii) there are any significant or unusual events or transactions which require disclosure and, if so, consider the adequacy of that disclosure;
- (m) review the financial statements of the Corporation, management's discussion and analysis and any annual and interim earnings press releases of the Corporation before the Corporation publicly discloses such information and discuss these documents with the external auditor and with management of the Corporation, as appropriate;
- (n) review and be satisfied that adequate procedures are in place for the review of the public disclosure of the Corporation of financial information extracted or derived from the financial statements of the Corporation, other than the public disclosure referred to in paragraph 4(l) above, and periodically assess the adequacy of those procedures;
- (o) establish procedures for,
  - (i) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters, and
  - (ii) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters relating to the Corporation;
- (p) review and approve the hiring policies of the Corporation regarding partners, employees and former partners and employees of the present and any former external auditor of the Corporation;
- (q) review the areas of greatest financial risk to the Corporation and whether management of the Corporation is managing these risks effectively;
- (r) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and consider their impact on the financial statements of the Corporation;
- (s) review any legal matters which could significantly impact the financial statements of the Corporation as reported on by counsel and meet with counsel to the Corporation whenever deemed appropriate;
- (t) institute special investigations and, if appropriate, hire special counsel or experts to assist in such special investigations;
- (u) at least annually, obtain and review a report prepared by the external auditor of the Corporation describing:
  - (i) the firm's quality-control procedures;
  - (ii) any material issues raised by the most recent internal quality-control review or peer review of the firm or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, in respect of one or more independent audits carried out by the firm, and any steps taken to deal with any such issues;
  - (iii) and (to assess the auditor's independence) all relationships between the independent auditor and the Corporation;
- (v) review with the external auditor of the Corporation any audit problems or difficulties and management's response to such problems or difficulties;
- (w) discuss the Corporation's earnings press releases, as well as financial information and earning guidance provided to analysts and rating agencies, if applicable; and
- (x) review this charter and recommend changes to this charter to the Directors from time to time.

## **5. COMMUNICATION WITH THE DIRECTORS**

- (a) The Audit Committee shall produce and provide the Directors with a written summary of all actions taken at each Audit Committee meeting or by written resolution.
- (b) The Audit Committee shall produce and provide the Directors with all reports or other information required to be prepared under Applicable Laws.