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MANAGEMENT INFORMATION CIRCULAR as at October 21, 2020

This Management Information Circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by the management of **Sassy Resources Corporation** (the “**Company**”) for use at the annual general and special meeting (the “**Meeting**”) of its shareholders to be held on **Wednesday, November 25, 2020** at the time and place and for the purposes set forth in the accompanying Notice of the Meeting.

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

GENERAL PROXY INFORMATION

Solicitation of Proxies

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

Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the “**Proxy**”) are officers and directors of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you 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.**

The only methods by which you may appoint a person as proxy are submitting a Proxy by mail, hand delivery or fax.

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 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, or where both choices have been specified, in favour or all matters described herein, the persons named in the Proxy will vote the common shares represented by the Proxy for the approval of such matter.

Notice and Access

The Company is not sending this Circular to registered or beneficial shareholders using "notice-and-access" as defined under National Instrument 54-101 ("NI 54-101").

Registered Shareholders

Registered Shareholders may wish to vote by Proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a Proxy may do so by completing, dating and signing the form of Proxy and returning it to the Company's transfer agent, Endeavor Trust Corporation ("Endeavor Trust"), by:

- (a) mail or by hand to Suite 702 - 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4;
- (b) facsimile to 604.559.8908;
- (c) email to proxy@endeavortrust.com; or
- (d) www.eproxy.ca

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

Voting by mail may be the only method for securities held in the name of a corporation or securities being voted on behalf of another individual.

Voting by mail, fax or by email are the only methods by which a holder may appoint a person as proxyholder other than the Management nominees named on the reverse of the Proxy.

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).

These securityholder materials are being sent to both registered and non-registered owners of the securities of the Company. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in your request for voting instructions.

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. 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).

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

Pursuant to National Instrument 54-101 of the Canadian Securities Administrators (the "CSA"), the Company is sending proxy-related materials directly to NOBOS, which materials will include a scannable Voting Instruction Form (a "VIF"). These VIFs are to be completed and returned to Broadridge in the envelope provided or by

facsimile. Broadridge 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.

Management of the Company does not intend to pay for intermediaries to forward to OBOs under National Instrument 54-101 the proxy-related materials and Form 54-101F7 *Request for Voting Instructions Made by Intermediary*, and, in the case of an OBO, the OBO will not receive the materials unless the OBO's intermediary assumes the cost of delivery.

Every intermediary that mails proxy-related materials to Beneficial Shareholders has its own mailing procedures and provides its own return instructions to clients. Beneficial Shareholders should follow the instructions of their intermediary carefully to ensure that their common shares are voted at the Meeting.

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 voting instruction form (the "**Broadridge VIF**") which 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 on your behalf. The Broadridge VIF will appoint the same persons as the Company's Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a shareholder of the Company), other than the persons designated in the Broadridge VIF, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the Broadridge VIF. The completed Broadridge 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. **If you receive a Broadridge VIF, you cannot use it to vote common shares directly at the Meeting – the Broadridge VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have the common shares voted.**

Although as a Beneficial Shareholder you may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of your broker, you, or a person designated by you, may attend at the Meeting as proxyholder for your broker and vote your common shares in that capacity. **If you wish to attend at the Meeting and indirectly vote your common shares as proxyholder for your broker, or have a person designated by you do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the voting instruction form provided to you and return the same to your broker in accordance with the instructions provided by such broker, well in advance of the Meeting.**

Alternatively, you can request in writing that your broker send you the legal Proxies which would enable you, or a person designated by you, to attend at the Meeting and vote your common shares.

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a Registered Shareholder who has given a Proxy may revoke it by executing a Proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder's authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the Proxy bearing a later date to Endeavor Trust at Suite 720 - 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4, or to the address of the registered and records office of the Company at Suite 804 - 750 West Pender Street, Vancouver, British Columbia V6C 2T7, 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.

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

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

No director or executive officer of the Company, nor any person who has held such a position since the beginning of the last completed financial year end 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, the appointment of the auditor and as set out herein.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors (the “**Board**”) of the Company has fixed October 21, 2020 as the record date (the “**Record Date**”) for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of Proxy in the manner and subject to the provisions described above will be entitled to vote or to have their common shares voted at the Meeting.

The Company is authorized to issue an unlimited number of common shares without par value. As of the Record Date, there were 32,367,361 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.

To the knowledge of the directors and executive officers of the Company, no person or corporation beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company carrying 10% or more of the voting rights attached to any class of outstanding voting securities of the Company. The financial statements for the year ended June 30, 2020, report of the auditor and related management and discussion and analysis were filed on www.sedar.com with the securities commissions or similar regulatory authority in British Columbia, Alberta and Ontario and are specifically incorporated by reference into, and form an integral part of, this Circular.

A copy of the financial statements incorporated herein by reference may be obtained by a shareholder upon request without charge from the Company, c/o Suite 804 - 750 West Pender Street, Vancouver, British Columbia, V6C 2T7, telephone: (604) 682-2928, or are available through the internet at www.sedar.com.

VOTES NECESSARY TO PASS RESOLUTIONS

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

SETTING NUMBER OF DIRECTORS

The persons named in the enclosed Proxy intend to vote in favour of fixing the number of directors at four (4). The Board proposes that the number of directors remain at four (4). Shareholders will therefore be asked to approve an ordinary resolution that the number of directors elected be fixed at four (4).

ELECTION OF DIRECTORS

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

The following table sets out the names of management’s nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee’s principal occupation, business or employment (for the five preceding years for new director nominees), the period of time during which each has been a director of the Company and the number of common shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the Record Date.

Name of Nominee; Current Position with the Company, Province and Country of Residence	Occupation, Business or Employment ⁽¹⁾	Period as a Director of the Company	Common Shares Beneficially Owned or Controlled ⁽¹⁾
Mark Scott Alberta, Canada <i>President, CEO and Director</i>	Self-employed management consultant since 2019. VP, Corporate Development and director. Former Vice President of Vale Canada Limited and Head of Manitoba Operations, January 2016 to July 2018.	February 4, 2020	630,000
Richard Savage⁽²⁾ British Columbia, Canada <i>Director</i>	Self-employed management consultant since 2016. Vice President, Richardson GMP (formerly Macquarie Group), July 2015 to July 2016. Served 28 years in the brokerage industry.	June 3, 2019	1,415,759
Kathryn McLaughlin, P.Eng.⁽²⁾ Ontario, Canada <i>Director</i>	Professional Mining Engineer, since 1999 (New Brunswick); 2003(Ontario). Innovation Leader for Stantec’s Energy & Resources operating unit since 2013.	April 17, 2020	Nil
Robert J. Stewart, P.Geo.⁽²⁾ Alberta, Canada <i>Director</i>	Professional geologist since 2000. Former Manager of Regional Exploration and Mines Geology for Vale Canada’s Manitoba Operations.	April 17, 2020	Nil

(1) The information as to principal occupation, business or employment and common shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees. Unless otherwise indicated, each nominee has held the same or a similar principal occupation with the organization indicated or a predecessor thereof for the last five years. The number of common shares beneficially owned by the above nominees for directors, directly or indirectly, is based on information furnished by the nominees themselves.

(2) Member of Audit Committee.

CORPORATE CEASE TRADE ORDERS OR BANKRUPTCIES

Except as disclosed below, to the best of the Company’s knowledge, as at the date of this Circular, and within the last 10 years before the date of this Circular, no proposed director (or any of their personal holding companies) of the Company was a director, CEO or CFO of any company (including the Company) that:

- (a) was subject to a cease trade or similar order (“**CTO**”) or an order denying the relevant company access to any exemptions under securities legislation, for more than 30 consecutive days while that person was acting in the capacity as director, CEO or CFO; or
- (b) was the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under securities legislation in each case for a period of 30 consecutive days, that was issued after the person ceased to be a director, CEO or CFO in the company and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO.

No director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

- (a) is as at the date of this Circular or has been within 10 years before the date of this Circular, a director or executive officer of any company, including the Company, that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any

proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager as trustee appointed to hold the assets of that individual.

None of the proposed directors (or any of their personal holding companies) has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or a regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

APPOINTMENT OF AUDITOR

Davidson & Company LLP, Chartered Professional Accountants, of Suite 1200 - 609 Granville Street, Vancouver, British Columbia, V7Y 1G6, will be nominated at the Meeting for re-appointment as auditor of the Company at a remuneration to be fixed by the Board. Davidson & Company LLP, Chartered Professional Accountants, were appointed the auditor of the Company on June 18, 2019.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

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

The Audit Committee’s Charter

The Audit Committee has a charter. A copy of the Audit Committee charter is attached hereto as Schedule “A”.

Composition of the Audit Committee

The current members of the Audit Committee are Richard Savage (Chair), Kathryn McLaughlin and Robert J. Stewart. All members of the Audit Committee are considered to be financially literate. Ms. McLaughlin and Mr. Stewart are not executive officers of the Company and, therefore, are independent members of the Audit Committee. Mr. Savage was an executive officer of the Company, resigning from his officer position as President on April 17, 2020, and is not considered to be an independent member of the Audit Committee, pursuant to section 1.4(2) and (3) of NI 52-110.

A member of the Audit Committee is independent if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the view of the Company’s Board, reasonably interfere with the exercise of a member’s independent judgement.

A member of the Audit Committee is considered financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company.

Relevant Education and Experience

The following describes the education and experience of each member of the Audit Committee that is relevant to the performance of his responsibilities as an Audit Committee member:

Richard Savage has been a director of the Company since incorporation on June 3, 2019, and was the President of the Company from June 3, 2019 to April 17, 2020. Mr. Savage is also the chair of the Audit Committee of the Company. He began his career as an investment advisor at Yorkton Securities Inc. (subsequently Richardson GMP) in 1988 and remained there for 28 years. During its time, Yorkton Securities Inc. was one of the leading mining and technology investment firms in Canada and Mr. Savage was consistently one of the firm’s top producing wealth

advisors. Throughout his career he served and managed a diverse client base of over 2,000 accounts and was responsible for raising funds for initial public offerings, private placements and capital pool companies.

From July 2015 to July 2016, Mr. Savage spent his final year of his 28-year career as Vice President at Richardson GMP (formerly Macquarie Group). From August 2016 to August 2019, he was a consultant to Evans & Evans. From August 2017 to September 2019, he served as CEO of Crystal Lake Mining Corporation, now Enduro Metals Corporation.

Mr. Savage obtained his Bachelor of Arts degree from Flagler College, Saint Augustine, Florida in 1986. He served on The Macquarie Group Foundation's board of directors from 2009 to 2012 and was a former director of Artists for Kids, which provides art education for the children of British Columbia, for over 20 years. In addition, he has served as Vice Chairman for the past 10 years of The Gordon and Marion Smith Foundation, which supports and encourages community engagement in the arts.

Kathryn McLaughlin has been director of the Company since April 17, 2020 and is a member of the Audit Committee of the Company. She is a professional Mining Engineer with twenty-five years of technical, operations and leadership experience gained over the course of her career with Noranda, Falconbridge, Xstrata, Vale and Stantec. As the Innovation Leader for Stantec's Energy & Resources operating unit since 2013, Ms. McLaughlin leads Stantec's creativity and innovation program which develops innovative approaches and solutions for the Mining, Oil and Gas, and Power and Dams business lines. Her specific areas of specialization include mine design and production engineering, principles of Lean manufacturing, design for Six Sigma within capital projects, and Agile mine design and operation. Ms. McLaughlin obtained a Bachelor of Applied Science (B.App.Sc) degree in 1995 and Master of Science (MSc) degree in Mining Engineering in 2003 from Queen's University. She is a registered professional engineer with the Professional Engineers of Ontario (PEO).

Robert J. Stewart has been a director of the Company since April 17, 2020 and is a member of the Audit Committee of the Company. He is a professional geologist with over thirty years of exploration, mines geology and leadership experience. He was most recently the Manager of Regional Exploration and Mines Geology for Vale Canada's Manitoba Operations, from which he retired in 2018. Mr. Stewart has played a critical role in the discovery and development of dozens of mineral deposits and ore bodies over the course his career, has managed large teams of field exploration and mine production geologists and has successfully managed annual exploration budgets of up to \$20 million. Mr. Stewart holds a BSc (Hons) in Geology from St. Francis Xavier University in 1986 and is a registered professional geologist with Association of Professional Engineers and Geoscientists of Manitoba (APEGM).

Each member of the Company's present and proposed audit committee has adequate education and experience that is relevant to their performance as an audit committee member and, in particular, the requisite education and experience that have provided the member with:

- (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 external auditor.

Reliance on Certain Exemptions

The Company's auditors, Davidson & Company LLP, Chartered Professional Accountants, have not provided any material non-audit services.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

The audit committee has reviewed the nature and amount of the non-audited services provided by Davidson & Company LLP, Chartered Professional Accountants, to the Company to ensure auditor independence. The following table outlines the fees incurred with Davidson & Company LLP, Chartered Professional Accountants, who were appointed auditors of the Company on June 18, 2019 for audit and non-audit services in the last fiscal year and for the period from incorporation on June 3, 2019 to April 30, 2020.

Nature of Services	Fees Paid to Auditor in Year Ended June 30, 2020	Fees Paid to Auditor Period from incorporation on June 3, 2019 to April 30, 2020
Audit Fees ⁽¹⁾	\$17,000	\$12,146
Audit-Related Fees ⁽²⁾	Nil	Nil
Tax Fees ⁽³⁾	Nil	Nil
All Other Fees ⁽⁴⁾	Nil	Nil
Total:	\$17,000	\$12,146

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

Exemption

The Company is relying upon the exemption in section 6.1 of NI 52-110 in respect of the composition of its Audit Committee and in respect of its reporting obligations under NI 52-110 for the year ended June 30, 2020. This exemption exempts a “venture issuer” from the requirement to have 100% of the members of its Audit Committee independent, as would otherwise be required by NI 52-110.

CORPORATE GOVERNANCE

General

Effective June 30, 2005, National Instrument 58-101 Disclosure of Corporate Governance Practices (“**NI 58-101**”) and National Policy 58-201 Corporate Governance Guidelines (“**NP 58-201**”) were adopted in each of the provinces and territories of Canada. NI 58-101 requires issuers to disclose the corporate governance practices that they have adopted. NP 58-201 provides guidance on corporate governance practices.

The Board believes that good corporate governance improves corporate performance and benefits all Shareholders. The CSA have adopted National Policy 58-201 *Corporate Governance Guidelines*, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, the CSA has implemented National Instrument 58-101F2 *Disclosure of Corporate Governance Practices*, which prescribes certain disclosure by the Company of its corporate governance practices. This section sets out the Company’s approach to corporate governance and addresses the Company’s compliance with NI 58-101.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgment.

Management has been delegated the responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Company’s business in the ordinary course, managing cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements. The Board facilitates its independent supervision over management by reviewing and approving long-term strategic, business and capital plans, material contracts and business transactions, and all debt and equity financing transactions. Through its audit committee, the Board examines the effectiveness of the Company’s internal control processes and management information systems. The plenary Board reviews executive compensation and recommends stock option grants.

The independent members of the Board are Kathryn McLaughlin and Robert J. Stewart.

The non-independent member of the Board are Mark Scott, President and CEO of the Company and Richard Savage, former President of the Company.

The following director of the Company is a director of other reporting issuers:

Richard Savage is a director of Telo Genomics Corp.

Orientation and Continuing Education

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

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

Ethical Business Conduct

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

Nomination of Directors

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

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

Compensation

The Board determines compensation for the directors and CEO.

Other Board Committees

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

Assessments

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

COMPENSATION OF EXECUTIVE OFFICERS

Executive Compensation

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

Compensation Discussion and Analysis

The Board has not appointed a compensation committee so the responsibilities relating to executive and director compensation, including reviewing and recommending director compensation, overseeing the Company’s base compensation structure and equity-based compensation programs, recommending compensation of the Company’s officers and employees, and evaluating the performance of officers generally and in light of annual goals and objectives, is performed by the Board as a whole.

The Board also assumes responsibility for reviewing and monitoring the long-range compensation strategy for the senior management of the Company. The Board receives independent competitive market information on compensation levels for executives.

The compensation for executives includes four components: base consulting fees, bonus (if applicable), stock options and perquisites. As a package, the compensation components are intended to satisfy the objectives of the compensation program (that is, to attract, retain and motivate qualified executives). There are no predefined or standard termination payments, change of control arrangements or employment contracts.

Philosophy and Objectives

The Company’s compensation policies and programs are designed to be competitive with similar mining exploration companies and to recognize and reward executive performance consistent with the success of the Company’s business. The compensation program for the senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including (a) attracting and retaining talented, qualified and effective executives, (b) motivating the short and long-term performance of these executives; and (c) better aligning their interests with those of the Company’s shareholders.

In compensating its senior management, the Company has encouraged equity participation and in furtherance thereof employs its 10% rolling stock option plan (the “Plan”).

Equity Participation

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation has been accomplished through the issuance of founder’s shares and the Company’s Plan. Stock options are granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base consulting fees and bonuses and competitive factors. The amounts and terms of options granted are determined by the Board.

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

Option-Based Awards

The Company has established a Plan to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. Management proposes stock

option grants to the board of directors based on such criteria as performance, previous grants, and hiring incentives. All grants require approval of the Board.

The Plan is administered by the Board and provides that options will be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company.

See “*Particulars of Matters to be Acted Upon – Approval Rolling Stock Option Plan*” for further information on the Company’s Plan.

Restricted Share Unit Awards

On August 24, 2020, the Board adopted a restricted share unit plan (the “**RSU Plan**”).

See “*Particulars of Matters to be Acted Upon – Approval of RSU Plan*” for further information on the Company’s RSU Plan.

Summary Compensation Table”

Name and Principal Position	Year ⁽¹⁾	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation ⁽³⁾ (\$)		Pension value ⁽³⁾ (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Mark Scott ⁽²⁾ CEO and President	2020	200,000	Nil	149,027	Nil	Nil	Nil	Nil	349,027
Sean McGrath ⁽³⁾ CFO and Corporate Secretary	2020	32,500	Nil	4,730	Nil	Nil	Nil	Nil	37,230
Richard Savage ⁽⁴⁾ Former President	2020	57,000	Nil	41,120	Nil	Nil	Nil	Nil	98,120
Alphonse J. Ruggiero ⁽⁵⁾ Former CFO	2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Kristine Frost ⁽⁶⁾ Former Corporate Secretary	2020	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(1) Financial year ended June 30.

(2) Mark Scott has served as CEO of the Company since February 18, 2020 and as President of the Company since April 17, 2020.

(3) Sean McGrath has served as CFO and Corporate Secretary of the Company since April 17, 2020.

(4) Richard Savage served as President of the Company from June 3, 2019 to April 17, 2020.

(5) Alphonse J. Ruggiero served as CFO of the Company from July 23, 2019 to April 17, 2020.

(6) Kristine Frost served as Corporate Secretary of the Company from June 17, 2019 to April 17, 2020.

INCENTIVE PLAN AWARDS

Outstanding Share-based Awards and Option-based Awards

There were no share-based awards granted to any of the Company’s NEOs during the year ended June 30, 2020.

Pursuant to the Plan, the Company may grant up to 10% of the issued and outstanding common shares of the Company. As at the Record Date, there were 2,850,000 stock options granted under the Plan.

Pursuant to the RSU Plan, the Company may grant up to 10% of the issued and outstanding common shares of the Company. As at the Record Date, no restricted share units (“**RSUs**”) were granted under the RSU Plan.

Outstanding Option-Based Awards

The purpose of granting stock options is to assist the Company in compensating, attracting, retaining and motivating its NEOs and to closely align the personal interests of such persons to that of the shareholders. In determining the number of options to be granted to the NEOs, the Board will take into account the number of options, if any,

previously granted to each NEO and the exercise price of any outstanding options to ensure that such grants are in accordance with the Canadian Securities Exchange.

The following table sets out all option-based awards outstanding as at June 30, 2020 for each NEO. There were no share-based awards granted to any of the NEOs:

Option-based Awards				
Name and Principal Position	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)
Mark Scott	1,000,000	\$0.25	May 29, 2025	Nil
Sean McGrath	100,000	\$0.25	May 29, 2025	Nil
Richard Savage	300,000	\$0.25	May 29, 2025	Nil

Incentive Plan Awards – Value Vested or Earned During the Year

There were no option-based awards that were value vested during the financial year ended June 30, 2020 to any NEO of the Company.

Pension Plan Benefits

No pension, retirement or deferred compensation plans, including defined contribution plans, have been instituted by the Company and none are proposed at this time.

TERMINATION AND CHANGE OF CONTROL BENEFITS

Termination and Change of Control Benefits

There are no compensatory plans or arrangements with respect to any NEO resulting from the resignation, retirement or any other termination of employment of the officer's employment or from a change of an NEO's responsibilities following a change in control, other than as is disclosed below under Management Contracts.

DIRECTOR COMPENSATION

Outstanding Option-Based Awards

The Company compensates its directors through option grants. NEOs do not receive additional compensation for serving as directors. The following table sets forth for each director, other than those who are also NEOs of the Company, all awards outstanding at the end of the most recently completed financial year ended June 30, 2020. There were no share-based awards in the most recently completed financial year ended June 30, 2020.

Name	Option-based Awards			
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)
Kathryn McLaughlin ⁽¹⁾	50,000	\$0.25	May 29, 2025	Nil
Robert J. Stewart ⁽²⁾	50,000	\$0.25	May 29, 2025	Nil

(1) Kathryn McLaughlin has served as a director of the Company since April 17, 2020.

(2) Robert J. Stewart has served as a director of the Company since April 17, 2020.

Narrative Discussion

The Company has no arrangements, standard or otherwise, pursuant to which directors were compensated by the Company for their services as directors, for committee participation, for involvement in special assignments during the most recently completed financial year.

The Company has a Plan for the granting of incentive stock options and an RSU Plan for the granting of RSUs to the directors, officers, employees and consultants. The purpose of granting such options and/or RSUs is to assist the Company in compensating, attracting, retaining and motivating the directors, officers, employees and consultants and to closely align the personal interests of such persons to that of the shareholders.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth, for each director, other than those who are also NEOs of the Company, the value of all incentive plan awards vested during the financial year ended June 30, 2020:

Name	Option-based awards - Value vested during the year (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
Kathryn McLaughlin	Nil	N/A	N/A
Robert J. Stewart	Nil	N/A	N/A

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out equity compensation plan information as at the year ended June 30, 2020.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights <u>(a)</u>	Weighted-average exercise price of outstanding options, warrants and rights <u>(b)</u>	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) <u>(c)</u>
Equity compensation plans approved by securityholders	1,800,000	\$0.25	456,600
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total:	1,800,000	N/A	456,600

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

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

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Since the commencement of the Company's last completed financial year, no informed person of the Company, nominee for election as a director of the Company, or any associate or affiliate of an informed person or nominee, has or had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or will materially affect the Company or any of its subsidiaries.

MANAGEMENT CONTRACTS

Except as set out below, there are no management functions of the Company which are to any substantial degree performed by a person or company other than the directors or senior officers of the Company:

The Company entered into an employment agreement with Mark Scott, the President and CEO of the Company, effective July 19, 2019 wherein Mr. Scott is compensated at the rate of \$200,000 per annum beginning on January 1, 2020. Mr. Scott was also paid a signing bonus of \$25,000 and reimbursed \$25,000 for relocation costs upon execution of the employment agreement.

The Company entered into a consulting agreement with a corporation controlled by Sean McGrath, the CFO of the Company, effective April 15, 2020, as amended on August 1, 2020, wherein Mr. McGrath will provide CFO services in exchange for compensation of \$6,500 per month. Mr. McGrath was also subsequently paid a signing bonus of \$20,000 upon meeting certain performance requirements.

PARTICULARS OF MATTERS TO BE ACTED UPON

Approval of Rolling Stock Option Plan

On February 4, 2020, the Board approved the adoption of the Company's Plan.

The Plan is a rolling plan, and a maximum of 10% of the issued and outstanding common shares of the Company at the time an option is granted, less common shares reserved for issuance on exercise of options then outstanding under the Plan, are reserved for options to be granted at the discretion of the Board to eligible optionees (an "Optionee"). At the date of this Circular, there were 2,850,000 options outstanding.

The Plan was established to provide incentive to directors, officers and employees and consultants. As a 10% rolling plan the aggregate number of common shares issuable as options under the Plan may be up to 10% of the Company's issued and outstanding common shares on the date on which an option is granted, less common shares reserved for issuance on exercise of options then outstanding under the Plan. The purpose of the Plan is to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of common shares of the Company. The Plan is administered by the Board and options are granted at the discretion of the Board to Optionees.

Eligible Optionees

To be eligible to receive a grant of options under the Plan, regulatory authorities require an Optionee to be either a director, officer, employee, consultant or an employee of a company providing management or other services to the Company or a subsidiary at the time the option is granted.

Options may be granted only to an individual eligible, or to a non-individual that is wholly-owned by individuals eligible, for an option grant. If the option is granted to a non-individual, it will not permit any transfer of its securities, nor issue further securities, to any individual or other entity as long as the option remains in effect.

Restrictions

The Plan is subject to the following restrictions:

- (a) The Company must not grant an option to a director, employee, consultant, or consultant company (the "Service Provider") in any 12-month period that exceeds 5% of the outstanding common shares of the Company, together with all other Share Compensation Arrangements (as defined in the Plan), unless the Company has obtained approval by a majority of the Disinterested Shareholders (defined below) of the Company;
- (b) The aggregate number of options granted to a Service Provider conducting investor relations activities in any 12 month period must not exceed 2% of the outstanding shares calculated at the date of the grant, without prior Regulatory Approval;
- (c) The Company must not grant an option to a Consultant in any 12 month period that exceeds 2% of the outstanding shares calculated at the date of the grant of the option;
- (d) The aggregate number of common shares reserved for issuance under options granted to Insiders (defined below) must not exceed 10% of the outstanding shares (in the event that the Plan is amended to reserve for issuance more than 10% of the outstanding shares) together with all other

Share Compensation Arrangements, unless the Company has obtained Disinterested Shareholder Approval to do so;

- (e) The number of optioned shares issued to Insiders in any 12 month period must not exceed 10% of the outstanding shares (in the event that the Plan is amended to reserve for issuance more than 10% of the outstanding shares) together with all other Share Compensation Arrangements unless the Company has obtained Disinterested Shareholder Approval to do so;
- (f) The issuance to any one Optionee within a 12 month period of a number of common shares must not exceed 5% of outstanding shares together with all other Share Compensation Arrangements unless the Company has obtained Disinterested Shareholder Approval to do so;
- (g) The exercise price of an option previously granted to an Insider must not be reduced, unless the Company has obtained Disinterested Shareholder Approval to do so; and
- (h) The Company may implement such procedures and conditions as the Board deems appropriate with respect to withholding and remitting taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law.

Definitions

Material Terms of the Plan

- (a) persons who are Service Providers to the Company or its affiliates, or who are providing services to the Company or its affiliates, are eligible to receive grants of options under the Plan;
- (b) all options granted under the Plan expire on a date not later than 10 years after the issuance of such options. However, should the expiry date for an option fall within a trading Blackout Period (as defined in the Plan, generally meaning circumstances where sensitive negotiations or other like information is not yet public), within 9 business days following the expiration of a Blackout Period;
- (c) for options granted to Service Providers, the Company must ensure that the proposed Optionee is a bona fide Service Provider of the Company or its affiliates;
- (d) an Option granted to (i) directors or officers will expire 90 days and (ii) to all others including, but not limited to, employees and consultants, will expire 30 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option) after the date the Optionee ceases to be employed by or provide services to the Company, and only to the extent that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Company;
- (e) if an Optionee dies, any vested option held by him or her at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such option;
- (f) in the case of an Optionee being dismissed from employment or service for cause, such Optionee's options, whether or not vested at the date of dismissal, will immediately terminate without right to exercise same;
- (g) the exercise price of each option will be set by the Board on the effective date of the option and will not be less than the Discounted Market Price (as defined in the Plan);
- (h) vesting of options shall be at the discretion of the Board, and will generally be subject to: (i) the Service Provider remaining employed by or continuing to provide services to the Company or its affiliates, as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or its affiliates during the vesting period; or (ii) the Service Provider remaining as a Director of the Company or its affiliates during the vesting period;

- (i) in the event of a take over bid being made to the shareholders generally, immediately upon receipt of the notice of the take over bid, the Company shall notify each Optionee currently holding any Options, of the full particulars of the take over bid, and all outstanding options may, notwithstanding the vesting terms contained in the Plan or any vesting requirements subject to Regulatory Approval; and
- (j) the Board reserves the right in its absolute discretion to amend, suspend, terminate or discontinue the Plan with respect to all Plan shares in respect of options which have not yet been granted under the Plan.

The Board has determined that, in order to reasonably protect the rights of participants, as a matter of administration, it is necessary to clarify when amendments to the Plan may be made by the Board without further shareholder approval. Accordingly, the Board proposes that the Plan also provide the following:

The Board may, without shareholder approval:

- (i) amend the Plan to correct typographical, grammatical or clerical errors;
- (ii) change the vesting provisions of an option granted under the Plan, if applicable;
- (iii) change the termination provision of an option granted under the Plan if it does not entail an extension beyond the original expiry date of such option;
- (iv) make such amendments to the Plan as are necessary or desirable to reflect changes to securities laws applicable to the Company;
- (v) make such amendments as may otherwise be permitted by regulatory authorities;
- (vi) if the Company becomes listed or quoted on a stock exchange or stock market senior to the CSE, make such amendments as may be required by the policies of such senior stock exchange or stock market; and
- (vii) amend the Plan to reduce the benefits that may be granted to Service Providers.

Shareholder Approval

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

“UPON MOTION DULY MADE, IT WAS RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. The Stock Option Plan (the “**Plan**”), as approved by the Company’s Board on February 4, 2020, as more particularly described in the Circular of the Company dated October 21, 2020, be ratified and approved.
2. To the extent permitted by law, the Company be authorized to abandon all or any part of the Plan if the Board deems it appropriate and in the best interests of the Company to do so.
3. Any one or more of the directors and officers of the Company be authorized to perform all such acts, deeds and things and execute, under seal of the Company or otherwise, all such documents as may be required to give effect to these resolutions.”

The Board recommends that shareholders vote in favour of the Plan.

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.

A copy of the Plan will be available at the Meeting.

Approval of 10% Rolling Restricted Share Unit Plan

On August 24, 2020, the Board approved the adoption of the Company’s RSU Plan.

The Board adopted the RSU Plan to allow for certain discretionary bonuses and similar awards as an incentive and reward for selected Eligible Persons (the “**Eligible Persons**”) related to the achievement of long-term financial and strategic objectives of the Company and the resulting increases in shareholder value. The RSU Plan is intended to promote a greater alignment of interests between the shareholders of the Company and the selected Eligible Persons

by providing an opportunity to participate in increases in the value of the Company. As the Company continues to measure its performance and shareholder value, the Company exercises considerable care to restrain share dilution and therefore wishes to use the granting of RSUs to certain directors, officers, consultants and employees.

The RSUs granted under the RSU Plan will vest upon the date that is the later of (i) the date of grant of the RSU, or if no date has been set, December 1 of the third calendar year following the date of grant of the RSU, or (ii) the date that the Eligible Person has achieved the relevant performance condition, or other vesting condition set out in the Award Agreement, as hereinafter defined, or has been satisfied, subject to the RSU Plan. RSU's tend to serve as short term (maximum of 3 years) compensation, depending on the vesting criteria imposed by the Board. When determining the number of RSUs to be granted to a director, officer or other consultant or employee, the Board takes into account the duties and seniority of the Eligible Person, the performance of the and contributions to the success of the Company.

Under the terms of the RSU Plan, the Board may grant RSUs to eligible participants. Each RSU represents the right to receive one common share for no additional consideration upon vesting of an RSU in accordance with the terms of the RSU Plan.

A director, officer, employee or consultant of the Company who has been designated by the Company for participation in the RSU Plan and who agrees to participate in the RSU Plan is an eligible participant to receive RSUs under the RSU Plan (an "**RSU Participant**"). Participation in the RSU Plan is voluntary and, if an eligible participant agrees to participate, the grant of Units will be evidenced by an agreement between the Company and the participant (an "**Award Agreement**").

The maximum number of common shares issuable, but not already issued, upon conversion of RSUs granted or available for grant under the RSU Plan, unless otherwise approved by shareholders, is up to 10% of the Company's issued and outstanding common shares. There are no RSUs outstanding as at the date of this Circular.

Unless Disinterested Shareholder Approval (defined below) is obtained, the RSU Plan, is subject to the following limitations:

- a) the maximum number of common shares which may be reserved for issuance to Insiders (as a group) under the RSU Plan may not exceed 10% of the issued common shares;
- b) the maximum number of RSUs that may be granted to Insiders (as a group) under the RSU Plan, within a 12-month period, may not exceed 10% of the issued common shares calculated on the grant date; and
- c) the maximum number of RSUs that may be granted to any one Eligible Person under the RSU Plan may not exceed 5% of the issued common shares calculated on the grant date.

If an RSU Participant ceases to be an eligible participant under the RSU Plan due to termination with cause or voluntary termination by the RSU participant, all unvested RSUs previously credited to the participant's account and all rights in respect thereof will be automatically cancelled, without further act or formality and without compensation, immediately in the event of a termination arising from the termination of employment or removal from service by the Company or a related entity for cause, retirement of the recipient or the voluntary resignation by the recipient.

If an RSU Participant ceases to be an eligible participant under the RSU Plan due to termination without cause, death, total or permanent long-term disability or retirement, any unvested RSUs previously credited to the participant's account will immediately vest on the date the recipient ceases to be an Eligible Person, unless the Board at any time otherwise determines.

RSUs and all other rights, benefits or interests in the RSU Plan are non-transferable and may not be pledged or assigned or encumbered in any way and are not subject to attachment or garnishment, except that if a recipient dies the legal representatives of the recipient will be entitled to receive the amount of any payment otherwise payable to the recipient hereunder in accordance with the provisions hereof.

If a cash dividend is paid on the common shares of the Company, a recipient's account will be credited with the number and type of RSUs (including fractional RSUs, computed to three digits) calculated by:

- d) multiplying the amount of the dividend per common share by the aggregate number of RSUs that were credited to the Eligible Person's account as of the record date for payment of the dividend, and
- e) dividing the amount obtained in §d) by the Fair Market Value on the date on which the dividend is paid.

Under the terms of the RSU Plan, the Board may amend the RSU Plan as it deems necessary or appropriate, subject to the requirements of applicable laws, but no amendment will, without the consent of the recipient or unless required by law, adversely affect the rights of a recipient with respect to RSUs to which the Recipient is then entitled under the RSU Plan.

RSUs are not considered to be common shares or securities of the Company, and an RSU Recipient who is issued RSUs will not, as such, be entitled to receive notice of or to attend any shareholders' meeting of the Company, nor entitled to exercise voting rights or any other rights attaching to the ownership of common shares or other securities of the Company, and will not be considered the owner of common shares by virtue of such issuance of RSUs.

The RSU Plan is an unfunded plan, including for tax purposes and for purposes of the *Employee Retirement Income Security Act* (United States). Any recipient to which RSUs are credited to his or her account or holding RSUs or related accruals under the RSU Plan will have the status of a general unsecured creditor of the Company with respect to any relevant rights that may arise thereunder.

Shareholder Approval

At the Meeting, Shareholders will be asked to consider and vote on the ordinary resolution to approve the RSU Plan (the "**RSU Plan Resolution**"), with or without variation, as follows:

"UPON MOTION DULY MADE, IT WAS RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. The adoption of the 10% rolling restricted share unit plan (the "**RSU Plan**"), as approved by the Board on August 24, 2020, as more particularly described in the Circular of the Company dated October 21, 2020, is hereby ratified, confirmed and approved.
2. To the extent permitted by law, the Company be authorized to abandon all or any part of the RSU Plan if the Board deems it appropriate and in the best interests of the Company to do so.
3. Any one director or officer of the Company is authorized and directed on behalf of the Company to execute all documents and to do all such other acts and things as such director or officer may determine to be necessary or advisable to give effect to the foregoing provisions of this resolution."

A copy of the RSU Plan will be available for inspection at the Meeting.

The Board recommends that shareholders vote FOR the RSU Plan Resolution. Unless otherwise instructed, common shares represented by proxies in favour of management will be voted FOR the RSU Plan Resolution.

"**Disinterested Shareholder Approval**" means the approval by a majority of the votes cast by all shareholders of the Company at the Meeting excluding votes attached to listed common shares beneficially owned by Insiders (defined below) of the Company and Associates (as defined in the *British Columbia Securities Act*) of Insiders.

An "**Insider**" is a director, or senior officer of the Company, a director or senior officer of a company that is an Insider or subsidiary of the Company, or a person that beneficially owns or controls, directly or indirectly, voting common shares carrying more than 10% of the voting rights attached to all outstanding voting common shares of the Company.

ADDITIONAL INFORMATION

Additional information relating to the Company is available for review by the public on SEDAR at www.sedar.com and may also be obtained by a shareholder upon request without charge from the Corporate Secretary of the

Company c/o 804 - 750 West Pender Street, Vancouver, British Columbia, V6C 2T7, telephone: (604) 682-2928; fax (604) 685-6905.

Financial information is provided in the Company's comparative audited financial statements of the Company for the year ended June 30, 2020, and in the related Management Discussion and Analysis.

OTHER MATTERS

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

Schedule "A"

SASSY RESOURCES CORPORATION (the "Company") AUDIT COMMITTEE CHARTER

Purpose of the Committee

The purpose of the audit committee (the "**Audit Committee**") of the directors of the Company (the "**Board**") is to provide an open avenue of communication between management, the Company's independent auditor and the Board and to assist the Board in its oversight of:

- the integrity, adequacy and timeliness of the Company's financial reporting and disclosure practices;
- the Company's compliance with legal and regulatory requirements related to financial reporting; and
- the independence and performance of the Company's independent auditor.

The Audit Committee shall also perform any other activities consistent with this Charter, the Company's articles and governing laws as the Audit Committee or Board deems necessary or appropriate.

The Audit Committee shall consist of at least three directors. Members of the Audit Committee shall be appointed by the Board and may be removed by the Board in its discretion. The members of the Audit Committee shall elect a Chairman from among their number. A majority of the members of the Audit Committee must not be officers or employees of the Company or of an affiliate of the Company. The quorum for a meeting of the Audit Committee is a majority of the members who are not officers or employees of the Company or of an affiliate of the Company. With the exception of the foregoing quorum requirement, the Audit Committee may determine its own procedures.

The Audit Committee's role is one of oversight. Management is responsible for preparing the Company's financial statements and other financial information and for the fair presentation of the information set forth in the financial statements in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board. Management is also responsible for establishing internal controls and procedures and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations.

The independent auditor's responsibility is to audit the Company's financial statements and provide its opinion, based on its audit conducted in accordance with IFRS, that the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Company in accordance with IFRS.

The Audit Committee is responsible for recommending to the Board the independent auditor to be nominated for the purpose of auditing the Company's financial statements, preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, and for reviewing and recommending the compensation of the independent auditor. The Audit Committee is also directly responsible for the evaluation of and oversight of the work of the independent auditor. The independent auditor shall report directly to the Audit Committee.

Authority and Responsibilities

In addition to the foregoing, in performing its oversight responsibilities the Audit Committee shall:

1. Monitor the adequacy of this Charter and recommend any proposed changes to the Board.
2. Review the appointments of the Company's CFO and CEO and any other key financial executives involved in the financial reporting process.
3. Review with management and the independent auditor the adequacy and effectiveness of the Company's accounting and financial controls and the adequacy and timeliness of its financial reporting processes.
4. Review with management and the independent auditor the annual financial statements and related documents and review with management the unaudited quarterly financial statements and related

documents, prior to filing or distribution, including matters required to be reviewed under applicable legal or regulatory requirements.

5. Where appropriate and prior to release, review with management any news releases that disclose annual or interim financial results or contain other significant financial information that has not previously been released to the public.
6. Review the Company's financial reporting and accounting standards and principles and significant changes in such standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives thereto and the rationale for decisions made.
7. Review the quality and appropriateness of the accounting policies and the clarity of financial information and disclosure practices adopted by the Company, including consideration of the independent auditor's judgment about the quality and appropriateness of the Company's accounting policies. This review may include discussions with the independent auditor without the presence of management.
8. Review with management and the independent auditor significant related party transactions and potential conflicts of interest.
9. Pre-approve all non-audit services to be provided to the Company by the independent auditor.
10. Monitor the independence of the independent auditor by reviewing all relationships between the independent auditor and the Company and all non-audit work performed for the Company by the independent auditor.
11. Establish and review the Company's procedures for the:
 - receipt, retention and treatment of complaints regarding accounting, financial disclosure,
 - internal controls or auditing matters; and
 - confidential, anonymous submission by employees regarding questionable accounting, auditing and financial reporting and disclosure matters.
12. Conduct or authorize investigations into any matters that the Audit Committee believes is within the scope of its responsibilities. The Audit Committee has the authority to retain independent counsel, accountants or other advisors to assist it, as it considers necessary, to carry out its duties, and to set and pay the compensation of such advisors at the expense of the Company.
13. Perform such other functions and exercise such other powers as are prescribed from time to time for the audit committee of a reporting company in Parts 2 and 4 of National Instrument 52-110 of the Canadian Securities Administrators, the *Business Corporations Act* (British Columbia) and the articles of the Company.