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**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS  
TO BE HELD ON JULY 25, 2019**

**AND**

**INFORMATION CIRCULAR**

*DATED: June 20, 2019*

*This document requires immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this Information Circular, you should immediately contact your advisor.*

***If you are a registered Shareholder of the Company and are unable to attend the Meeting in person, please date and sign the enclosed form of proxy and return it in the envelope provided. All proxies to be valid, must be received by Computershare Investor Services Inc., 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1, by fax to 1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America), by facsimile to 1-866-249-7775 or 1-416-263-9524 (if outside North America), or by internet using the 15 digit control number located at the bottom of your proxy at [www.investorvote.com](http://www.investorvote.com) at least 48 hours prior to the Meeting or any adjournment thereof. If you are not a registered Shareholder of the Company and receive these materials through your broker or through another intermediary, please complete and return the voting instruction form in accordance with the instructions provided to you by your broker or intermediary.***



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## NOTICE OF ANNUAL GENERAL MEETING

TO THE SHAREHOLDERS:

NOTICE IS HEREBY GIVEN that the annual general meeting (the "Meeting") of **BERKWOOD RESOURCES LTD.** (the "Company") will be held at Suite 2410, 610 Granville Street, Vancouver, BC, V6C 3T3, on July 25, 2019, at the hour of 11:00 a.m. (Vancouver time) for the following purposes:

1. to receive the audited financial statements of the Company for the fiscal year ended February 28, 2019, and the accompanying report of the auditors;
2. to set the number of directors of the Company for the ensuing year at four (4) persons;
3. to elect Thomas Yingling, Binny Jassal, Charn Deol and Ian Graham as directors of the Company to hold office until the next annual meeting of the Company, or until such time as their successors are duly elected or appointed in accordance with the Company's constating documents;
4. to appoint Smythe LLP, Chartered Professional Accountants, as the auditors of the Company and to authorize the directors of the Company to fix the remuneration to be paid to the auditors;
5. to approve an ordinary resolution to ratify, confirm and approve the Company's 2019 Stock Option Plan, as described in the Information Circular accompanying this Notice of Meeting; and
6. to transact such further or other business as may properly come before the Meeting and any adjournment or postponement thereof.

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

The Company's board of directors has fixed June 20, 2019 as the record date for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered shareholder at the close of business on that date is entitled to such notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular.

If you are a registered Shareholder of the Company and are unable to attend the Meeting in person, please date and sign the enclosed form of proxy and return it in the envelope provided. All proxies to be valid, must be received by Computershare Investor Services Inc., 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1, by fax to 1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America), by facsimile to 1-866-249-7775 or 1-416-263-9524 (if outside North America), or by internet using the 15 digit control number located at the bottom of your proxy at [www.investorvote.com](http://www.investorvote.com) at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of the Meeting or any adjournment or postponement thereof.

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

DATED at Vancouver, British Columbia this 20<sup>th</sup> day of June, 2019.

**BERKWOOD RESOURCES LTD.**

Thomas Yingling  
President and Chief Executive Officer



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Vancouver B.C. V6C 3T3  
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Website: [www.berkwoodresources.com](http://www.berkwoodresources.com)

## **INFORMATION CIRCULAR As at June 20, 2019**

### **INTRODUCTION**

This Information Circular accompanies the Notice of Annual General Meeting (the "Notice") and is furnished to shareholders (each, a "Shareholder") holding common shares (each, a "Share") in the capital of **BERKWOOD RESOURCES LTD.** (the "Company") in connection with the solicitation by the management of the Company of proxies to be voted at the annual general meeting (the "Meeting") of the Shareholders to be held at 11:00 A.M. (Vancouver time) on July 25, 2019 at Suite 2410, 610 Granville Street, Vancouver, BC, V6C 3T3, or at any adjournment or postponement thereof.

### **Date and Currency**

The date of this Information Circular is June 20, 2019. Unless otherwise stated, all amounts herein are in Canadian dollars.

### **PROXIES AND VOTING RIGHTS**

#### **Management Solicitation**

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

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

#### **Appointment of Proxy**

Registered Shareholders are entitled to vote at the Meeting. A Shareholder is entitled to one vote for each Share that such Shareholder holds on the record date of June 20, 2019 on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

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

**A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING, OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY.**

**TO EXERCISE THE RIGHT, THE SHAREHOLDER MAY DO SO BY STRIKING OUT THE PRINTED NAMES AND INSERTING THE NAME OF SUCH OTHER PERSON AND, IF DESIRED, AN ALTERNATE TO SUCH PERSON, IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE'S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER'S SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.**

In order to be voted, the completed form of proxy must be received by the Company's registrar and transfer agent, Computershare Investor Services Inc., (i) by mail using the enclosed return envelope or (ii) by hand delivery to Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1. Alternatively, you may vote by telephone at 1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America), by facsimile to 1-866-249-7775 or 1-416-263-9524 (if outside North America), or by internet using the 15 digit control number located at the bottom of your proxy at [www.investorvote.com](http://www.investorvote.com) at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) prior to the scheduled time of the Meeting, or any adjournment or postponement thereof.

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

### **Revocation of Proxies**

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

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

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

A Shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space. If the instructions as to voting indicated in the proxy are certain, the Shares represented by the proxy will be voted or withheld from voting in accordance with the instructions given in the proxy. If the Shareholder specifies a choice in the proxy with respect to a matter to be acted upon, then the Shares represented will be voted or withheld from the vote on that matter accordingly. **The Shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.**

**IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE COMMON SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY.**

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

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

### **ADVICE TO BENEFICIAL SHAREHOLDERS**

**The information set out in this section is of significant importance to those Shareholders who do not hold Shares in their own name. Shareholders who do not hold their Shares in their own name (referred to in this Information Circular as "Beneficial Shareholders") should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Shares can be recognized and acted upon at the Meeting.** If Shares are listed in an account statement provided by a broker, then in almost all cases those Shares will not be registered in the Beneficial Shareholder's name on the records of the Company. Such Shares will more likely be registered under the names of the Beneficial Shareholder's broker or an agent of that broker. In the United States, the vast majority of such 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). **Beneficial Shareholders should ensure that instructions respecting the voting of their Shares are communicated to the appropriate person well in advance of the Meeting.**

The Company does not have access to names of Beneficial Shareholders. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the form of proxy provided to registered Shareholders by the Company. However, its purpose is limited to instructing the registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("Broadridge") in the United States and in Canada. Broadridge typically prepares a special voting instruction form, mails this form to the Beneficial Shareholders and asks for appropriate instructions regarding the voting of Shares to be voted at the Meeting. Beneficial Shareholders are requested to complete and return the voting instructions to Broadridge by mail or facsimile. Alternatively, Beneficial Shareholders can call a toll-free number and access Broadridge's dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and to vote the Shares held by them. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Broadridge voting instruction form cannot use that form as a proxy to vote Shares directly at the Meeting – the voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have its Shares voted at the Meeting.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of their broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered Shareholder and vote the Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Shares as proxyholder for the registered Shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

Alternatively, a Beneficial Shareholder may request in writing that their broker send to the Beneficial Shareholder a legal proxy which would enable the Beneficial Shareholder to attend at the Meeting and vote his or her common shares.

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

#### NOTICE AND ACCESS

The Company is **not** sending the Meeting materials to Shareholders using "notice-and-access", as defined under National Instrument 54-101.

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

The Company is authorized to issue an unlimited number of Shares without par value. As of the record date, determined by the Board to be the close of business on June 20, 2019, a total of 57,159,341 Shares were issued and outstanding. Each Share carries the right to one vote at the Meeting.

Only registered Shareholders as of the record date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

To the knowledge of the directors and senior officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, common shares carrying more than 10% of the voting rights attached to the outstanding common shares of the Company.

#### RECEIPT OF FINANCIAL STATEMENTS

The directors will place before the Meeting the financial statements for the year ended February 28, 2019 together with the auditors' report thereon.

#### NUMBER OF DIRECTORS

At the Meeting, shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company for the ensuing year at four. The number of directors will be approved if the affirmative vote of the majority of common shares present or represented by proxy at the Meeting and entitled to vote are voted in favour to set the number of directors at four.

**Management recommends the approval of the resolution to set the number of directors of the Company at four.**

## ELECTION OF DIRECTORS

At present, the directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting, or until their successors are duly elected or appointed in accordance with the Company's Articles or until such director's earlier death, resignation or removal. The Company's current Board consists of Thomas Yingling, Binny Jassal, Charn Deol and Ian Graham. In the absence of instructions to the contrary, the enclosed form of proxy will be voted for the nominees listed in the form of proxy, all of whom are presently members of the Board.

Pursuant to the Advance Notice Policy of the Company adopted by the Board of Directors any additional director nominations for the Meeting must have been received by the Company in compliance with the Advance Notice Policy, as noted above, no later than the close of business on June 24, 2019.

Management of the Company proposes to nominate the persons named in the table below for election by the Shareholders as directors of the Company. Information concerning such persons, as furnished by the individual nominees, is as follows:

Name, Province, Country of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for last 5 Years	Periods during which Nominee has served as a Director	Number of Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly <sup>(1)(2)</sup>
<b>THOMAS YINGLING</b> <sup>(3)</sup> <i>CEO, President and Director</i> BC, Canada	Mr. Yingling benefits from over 25 years' experience managing publicly traded companies. He has served as President and CEO and/or a director of other resource based public companies. During that time Mr. Yingling has specialized in Corporate finance, assisting in raising capital, corporate communications and strategic planning for the companies. Mr. Yingling has built and maintained strong business relationships in North America, Europe and Asia.	Jan. 18, 2017 to present	742,769 <sup>(1)</sup> (of which 530,769 are held in directly)
<b>BINNY JASSAL</b> <i>CFO and Director</i> BC, Canada	Certified General Accountant and fellow member of Association of Chartered Certified Accountants in London England and holds Certificate in Accounting and Finance from Ryerson University Toronto	June 1, 2017 to present	177,154 (held indirectly)
<b>CHARN DEOL</b> <sup>(3)</sup> <i>Director</i> BC, Canada	Mr. Deol has over 30 years of experience in the financial markets. He has served on both public and private company boards. His past and current experience includes providing management and consulting services to companies, project analysis, investor relations, technical marker analysis and the financing of international projects	June 10, 2016 to present	100,000
<b>IAN GRAHAM</b> <sup>(3)</sup> <i>Director</i> BC, Canada	Businessman and graduate geologist	May 2, 2017 to present	Nil

**NOTES:**

- (1) Common shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at June 20, 2019, based upon information furnished to the Company by the individual directors
- (2) Shareholdings do not include stock options held and warrants convertible into common shares held, if any
- (3) Member of the audit committee

The term of office of those nominees set out above, who are presently directors, will expire as of the date of the Meeting. All of the directors who are elected at the Meeting will have their term of office expire at the next annual general meeting or at such time when their successors are duly elected or appointed in accordance with the Company's Articles of Incorporation and Bylaws, or with the provisions of applicable corporate legislation or until such director's earlier death, resignation or removal.

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

### Orders

No proposed director of the Company is, or within the 10 years before the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

### Bankruptcies

Except as disclosed below, to the best of management's knowledge, no proposed director of the Company is, or within 10 years before the date of this Information Circular has been, a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the 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.

Except as disclosed below, to the best of management's knowledge, no proposed director of the Company is, or within 10 years before the date of this Information Circular has been, bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Charn Deol filed for Bankruptcy on September 17, 2012 and received his "Certificate of Discharge" on June 18, 2013.

### Penalties and Sanctions

To the best of management's knowledge, no proposed director of the Company has been subject to:

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

### Participation of Directors in Other Reporting Issuers

The following Directors of the Company hold Directorships in other reporting issuers as set out below:

Name of Director	Name of Other Reporting Issuer
Thomas Yingling	Arctic Star Exploration Corp.
Binny Jassal	Equitorial Exploration Corp.
Charn Deol	Saville Resources Inc., Matica Enterprises Inc. United Lithium Corp. and Syd Financial Inc.
Ian Graham	Fidelity Minerals Corp. (formerly Montan Mining Corp.), Cache Exploration Inc., Commerce Resources Corp., Red Oak Mining Corp., WPC Resources Inc.

## STATEMENT OF EXECUTIVE COMPENSATION

### General

For the purposes of this 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 (if any) for services provided or to be provided, directly or indirectly to the Company or any of its subsidiaries (if any);

“CEO” means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

“CFO” means an individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

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

- (a) each individual who served as CEO of the Company, or who performed functions similar to a CEO, during any part of the most recently completed financial year;
- (b) each individual who served as CFO of the Company, or who performed functions similar to a CFO, during any part of the most recently completed financial year;
- (c) the most highly compensated executive officer of the Company or any of its subsidiaries (if any) other than 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, and
- (a) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

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

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

#### Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth all direct and indirect compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company or any subsidiary thereof to each NEO and each director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or director for services provided and for services to be provided, directly or indirectly, to the Company or any subsidiary thereof:

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 (\$)
Thomas Yingling	2019	144,000	0	0	0	15,000	159,000
CEO, President and Director	2018	144,000	12,000	0	0	0	156,000
Binny Jassal	2019	47,500	0	0	0	0	47,500
CFO and Director	2018	55,000	0	0	0	0	55,000
Charn Deol	2019	0	0	0	0	0	0
Director	2018	14,630	0	0	0	0	14,630
Ian Graham	2019	5,350	0	0	0	0	5,350
Director	2018	5,000	0	N/A	N/A	N/A	5,000

#### Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each NEO and director by the Company for services provided or to be provided, directly or indirectly, to the Company as at February 28, 2019.



Compensation Securities							
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
Thomas Yingling CEO, President and Director	Stock Option	220,000 <sup>(1)</sup>	Jan 18, 2017	0.525	0.525	0.0725	Jan. 18, 2022
		30,000 <sup>(1)</sup>	April 12, 2017	0.35	0.35		April 12, 2022
		50,000 <sup>(1)</sup>	June 1, 2017	0.34	0.34		June 1, 2022
		200,000	Nov. 14, 2017	0.27	0.36		Nov. 14, 2022
		100,000	Aug 10, 2018	0.10			Aug 10, 2023
Binny Jassal CFO and Director	Stock Option	80,000	Jan 18, 2017	0.525	0.525	0.0725	Jan. 18, 2022
		20,000	April 12, 2017	0.35	0.35		April 12, 2022
		150,000	Nov. 14, 2017	0.27	0.36		Nov. 14, 2022
		45,000	Jun 1, 2017	0.34			Jun 1, 2022
		100,000	Aug 10, 2018	0.10			Aug 10, 2023
Charn Deol Director	Stock Option	50,000	July 7, 2017	0.34	0.33	0.0725	July 7, 2022
		150,000	Nov. 14, 2017	0.27	0.36		Nov. 14, 2022
		100,000	Aug. 10, 2018	0.10	0.075		Aug. 10, 2023
Ian Graham Director	Stock Option	60,000	Jan 18, 2017	0.525	0.525	0.0725	Jan. 18, 2022
		40,000	April 12, 2017	0.35	0.35		April 12, 2022
		150,000	Nov. 14, 2017	0.27	0.36		Nov. 14, 2022
		50,000	Aug 10, 2018	0.10			Aug 10, 2023

Notes:

(1) Subsequently cancelled

### Exercise of Stock Options

During the financial year ended February 28, 2019 no NEO's or directors of the Company exercised compensation securities, being solely comprised of stock options.

### Stock Option Plans and Other Incentive Plans

The Company's current stock option plan (the "Plan") is a "rolling" stock option plan, whereby the aggregate number of Shares reserved for issuance, together with any other Shares reserved for issuance under any other plan or agreement of the Company, shall not exceed ten (10%) percent of the total number of issued Shares (calculated on a non-diluted basis) at the time an option is granted. The Plan provides that the Board may, from time to time, in its discretion, grant to directors, officers, employees, consultants and other personnel of the Company and its subsidiaries or affiliates, options to purchase shares of the Company. As at the date hereof, there are 3,924,000 options outstanding under the Plan. The Plan was last approved by the shareholders of the Company on July 27, 2018.

A copy of the Plan is available for review on the Company's profile at [www.sedar.com](http://www.sedar.com) and at the office of the Company at Suite 2410, 610 Granville Street, Vancouver, BC, V6C 3T3, during normal business hours up to and including the date of the Meeting. See "Particulars of Matters To Be Acted Upon – Re-Approval of Stock Option Plan".

### Employment, Consulting and Management Agreements

Management functions of the Company are not, to any substantial degree, performed other than by directors or NEOs of the Company.

Neither the Company, nor its subsidiaries, has a contract, agreement, plan or arrangement that provides for payments to a NEO following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or its subsidiaries, or a change in responsibilities of the NEO following a change in control, during the financial year end February 28, 2019, other than.

Thomas Yingling and Brahma Communications Corp. - The Company entered into an employment agreement with Brahma Communications Inc., a company wholly owned by Thomas Yingling effective March 1, 2017 with regards to the employment of Mr. Yingling as the President and Chief Executive Officer. The agreement is for a 24 month term, and is automatically renewed for subsequent 24 month terms unless earlier terminated. Pursuant to the agreement, the Company has agreed to pay Mr. Yingling a base salary of \$12,000 per month. A termination clause has been included whereby Mr. Yingling is entitled to an amount that is 14 times the base salary resulting from change of control or termination by the Company. The agreement is in good standing.

Binny Jassal and BJ Financial Accounting Consulting Inc. - The Company entered into an employment agreement with BJ Financial Accounting Consulting Inc., a company wholly owned by Binny Jassal, effective March 1, 2017 with regards to the employment of Mr. Jassal as the CFO. The agreement is for a 24 month term, and is automatically renewed for subsequent 24 month terms unless earlier terminated. Pursuant to the agreement, the Company has agreed to pay Mr.

Jassal a base salary of \$5,000 per month. A termination clause has been included whereby Mr. Jassal is entitled to an amount that is 14 times the base salary resulting from change of control or termination by the Company. Effective November, 2017, compensation was reduced to \$3,000 per month. The agreement is in good standing.

With respect to the above, "Change of Control" means any event, including an amalgamation, merger or consolidation that causes:

- (i) a third party to own or control, directly or indirectly, 50% or more of the voting shares of the Company;
- (ii) a third party to own or control, directly or indirectly, sufficient voting shares in the Company to elect a majority of the directors of the Company;
- (iii) an assignment, sale, or transfer by the Company of all or substantially all of the Company's business to a third party or to an affiliate or a wholly owned subsidiary; or
- (iv) an assignment, sale, or transfer by the Company of all or substantially all of the Company's assets to a third party or to an affiliate or a wholly owned subsidiary.

#### **Estimated Incremental Payments on Change of Control**

Under the terms of the agreement with Mr. Yingling, the estimated incremental payments, payables and other benefits that would be triggered by or could result in the event of Mr. Yingling termination by the Company without cause, resignation for good cause or termination without cause by the Company following a change of control of the Company (calculated as at February 28, 2019) total approximately \$168,000 (14 times \$12,000 per month).

Under the terms of the agreement with Mr. Jassal, the estimated incremental payments, payables and other benefits that would be triggered by or could result in the event of Mr. Jassal termination by the Company without cause, resignation for good cause or termination without cause by the Company following a change of control of the Company (calculated as at February 28, 2019) total approximately \$42,000 (14 times \$3,000 per month).

#### **Oversight and Description of Director and NEO Compensation**

##### ***Compensation of Directors***

The Company's compensation program is intended to attract, motivate, reward and retain the management talent needed to achieve the Company's business objectives of improving overall corporate performance and creating long-term value for the Company's shareholders. The compensation program is intended to reward executive officers on the basis of individual performance and achievement of corporate objectives, including the advancement of the exploration and development goals of the Company. The Company's current compensation program is comprised of base salary or fees, short term incentives such as discretionary bonuses and long term incentives such as stock options.

The Board has not created or appointed a compensation committee given the Company's current size and stage of development. All tasks related to developing and monitoring the Company's approach to the compensation of the Company's NEOs and directors are performed by the members of the Board. The compensation of the NEOs, directors and the Company's employees or consultants, if any, is reviewed, recommended and approved by the Board without reference to any specific formula or criteria. NEOs that are also directors of the Company are involved in discussion relating to compensation, and disclose their interest in and abstain from voting on compensation decisions relating to them, as applicable, in accordance with the applicable corporate legislation.

##### **Pension Disclosure**

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

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

The following table sets forth the Company's compensation plans under which equity securities are authorized for issuance as at the end of the most recently completed financial year (February 28, 2019). The Company's equity compensation plan consists of the Plan:

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)(1)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</b>
Equity compensation plans approved by securityholders	5,628,434	\$0.28	1,704,434
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
<b>Total</b>	<b>5,628,434</b>	<b>\$0.28</b>	<b>1,704,434</b>

**NOTES:**

- (1) The Company does not have any warrants or rights outstanding under any equity compensation plan.
- (2) Represents the Stock Option Plan of the Company. As at February 28, 2019, the Option Plan reserved Common Shares equal to a maximum of 10% of the issued and outstanding Common Shares for issue pursuant to the Option Plan. Based on the issued and outstanding of 56,284,341 as at February 28, 2019

The Plan provides for the issuance of stock options to acquire up to 10% of the issued and outstanding common shares as of the date of granting of the options. Pursuant to the policies of the TSX Venture Exchange (the “Exchange”), a rolling stock option plan needs to be re-approved by the shareholders of the Company annually. A copy of the Plan is available for review on the Company’s profile at [www.sedar.com](http://www.sedar.com) and at the office of the Company at Suite 2410, 610 Granville Street, Vancouver, BC, V6C 3T3, during normal business hours up to and including the date of the Meeting. Refer to “Particulars of Matters To Be Acted Upon – Re-Approval of Stock Option Plan”.

### **APPOINTMENT OF AUDITOR**

Shareholders will be asked to vote for the appointment of Smythe LLP, Chartered Professional Accountants, to serve as auditors of the Company to hold office until the next annual general meeting of the shareholders or until such firm is removed from office or resigns as provided by law and to authorize the Board of the Company to fix the remuneration to be paid to the auditors.

Management recommends that shareholders vote in favour of the appointment of Smythe LLP, Chartered Professional Accountants, as the Company’s auditors for the Company’s fiscal year ending February 28, 2019 at remuneration to be fixed by the Company’s Board.

### **AUDIT COMMITTEE DISCLOSURE**

National Instrument 52-110 Audit Committees (“NI 52-110”) of the Canadian Securities Administrators requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor.

#### **The Audit Committee Charter**

The Company’s Audit Committee is governed by an audit committee charter. A copy of the Company’s Audit Committee Charter is attached hereto as Schedule “A”.

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

The Company’s Audit Committee is comprised of three directors: Thomas Yingling, Charn Deol and Ian Graham. As defined in NI 52-110, Thomas Yingling, the Company’s President, is not “independent” and Charn Deol and Ian Graham are independent. All of the Audit Committee members are “financially literate”, as defined in National Instrument 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as the understanding of internal controls and procedures necessary for financial reporting.

The Audit Committee is responsible for review of both interim and annual financial statements for the Company. For the purposes of performing their duties, the members of the Audit Committee have the right at all times, to inspect all the books and financial records of the Company and any subsidiaries and to discuss with management and the external auditors of the Company any accounts, records and matters relating to the financial statements of the Company. The audit committee members meet periodically with management and annually with the external auditors.

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

Each of Mr. Yingling, Mr. Deol and Mr. Graham meet the requirements set out in Section 3 – Relevant Education and Experience of Form 52-110F2 Disclosure by Venture Issuers.

*Thomas Yingling* - Thomas Yingling is a successful seasoned venture capitalist who benefits from over 25 years’ experience in running resource based public companies. Mr. Yingling has served for over 25 years as President of Brahma Communications Corp., an investment consulting firm that specializes in corporate finance, investor relations and strategic corporate planning for publicly traded companies.

*Charn Deol* – Charn Deol currently sits on the audit committee of one other publicly listed company (Matica Enterprises Inc.) and has in the past decade served on the audit committee of numerous public companies. Over the last four decades of being in business in both the private and public sector Mr. Deol has had to review and complete numerous balance sheets and income statements and corporate tax forms.

*Ian Graham* –Geologist. Mr. Graham is formerly Chief Geologist with Rio Tinto Exploration from March 2006 until January 2009 and also consults to Western Potash Corp. as Evaluation and Project Development. Mr. Graham is a director at Montan Mining Corp, CMC Metals Ltd., Cache Exploration Inc., Commerce Resources Corp., Red Oak Mining Corp. and WPC Resources Inc. Mr. Graham is financially literate and is able to evaluate and understand the Company’s financial statements at the current level of complexity.

Since the commencement of the Company’s most recently completed financial year, the Company’s Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

### **Reliance on Certain Exemptions**

Since the commencement of the Company’s most recently completed financial year, the Company has not relied on the exemptions contained in sections 2.4 or 8 of NI 52-110. Section 2.4 (De Minimis Non-audit Services) provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 (Exemptions) permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110 in whole or in part.

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

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as set out in the Audit Committee Charter of the Company. A copy of the Company’s Audit Committee Charter is attached hereto as Schedule “A”.

### **External Auditor Service Fees**

In the following table, “audit fees” are fees billed by the Company’s external auditor for services provided in auditing the Company’s annual financial statements for the subject year. “Audit-related fees” are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit review of the Company’s financial statements. “Tax fees” are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. “All other fees” are fees billed by the auditor for products and services not included in the foregoing categories.

The aggregate fees billed by the Company’s external auditor in the last two fiscal years, by category, are as follows:

<b>Financial Year Ending</b>	<b>Audit Fees</b>	<b>Audit Related Fees</b>	<b>Tax Fees</b>	<b>All Other Fees</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
February 28, 2019	18,000	Nil	4,000	Nil
February 28, 2018	21,000	Nil	Nil	Nil

### **Exemption**

The Company is relying on the exemption provided by section 6.1 of NI 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

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

No current or former director, executive officer, employee, or proposed nominee for election as a director, or associate of such person is, or at any time during the most recently completed financial year has been, indebted to the Company.

No indebtedness of a current or former director, executive officer, employee, or proposed nominee for election as a director, or associate of such person to another entity is, or at any time during the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

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

Except as set out herein, no person who has been a Director or executive officer of the Company at any time since the beginning of the Company’s last financial year, no proposed nominee of management of the Company for election as a Director of the

Company and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the election of Directors.

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

Other than as disclosed below, no informed person of the Company, proposed director of the Company or any associate or affiliate of any informed person or proposed director of the Company has had any material interest, direct or indirect, in any transaction since the beginning of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company.

"Informed person" means:

- (a) a director or executive officer of the Company;
- (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;
- (c) any person or company who beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Company other than voting securities held by the person or company as underwriter in the course of a distribution; and
- (d) the Company if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

During the most recently completed financial year, the Company entered into the following transactions with Informed Persons:

- (a) During the year ended February 28, 2019, the Company incurred consulting fees of \$144,000 (2018 - \$170,630) with directors and companies controlled by the directors. These transactions are in the normal course of operations.
- (b) During the year ended February 28, 2019, the Company incurred professional fees for financial services of \$47,500 (2018 - \$55,000) with an officer and director of the Company.
- (c) During the year ended February 28, 2019, the Company incurred geological consulting fees of \$20,350 (2018 - \$5,000) with directors and companies owned by directors.

### **MANAGEMENT CONTRACTS**

Since the start of the Company's financial year ended February 28, 2019, there were no management functions of the Company, which were, to any substantial degree, performed by a person other than the directors or executive officers of the Company.

### **CORPORATE GOVERNANCE DISCLOSURE**

Pursuant to National Instrument 58-101 Disclosure of Corporate Governance Practices, the Company is required to disclose its corporate governance practices with respect to the corporate governance guidelines (the "Guidelines") adopted in National Policy 58-201. These Guidelines are not prescriptive, but have been used by the Company in adopting its corporate governance practices. The Company's approach to corporate governance is set out below.

#### **Board of Directors**

The Board of the Company facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board.

Charn Deol and Ian Graham are "independent" in that they are independent and free from any interest and any business or other relationship which could or could reasonably be perceived to, materially interfere with the director's ability to act with the best interests of the Company, other than the interests and relationships arising from shareholders. Thomas Yingling and Binny Jassal are officers of the Company and are therefore not independent.

The operations of the Company do not support a large Board, and the Board has determined that the current size and constitution of the Board is appropriate for the Company's current stage of development. In the event of a conflict of interest at a meeting of the Board, the conflicted director will, in accordance with corporate law and in accordance with his or her fiduciary obligations as a director of the Company, disclose the nature and extent of his or her interest to the meeting and abstain from voting on or against the approval of such participation.

### **Participation of Directors in Other Reporting Issuers**

The participation of the Directors in other reporting issuers is described in the table provided under “Election of Directors” in this Information Circular.

### **Board Mandate**

The Board is responsible for the conduct of the Company’s affairs generally. The Board is responsible for reviewing and approving the Company’s operating plans and budgets as presented by management. The Board is responsible for identifying the principal risks of the Company’s business and for ensuring these risks are effectively monitored and mitigated to the extent practicable. Succession planning, including the recruitment, supervision, compensation and performance assessment of the Company’s senior management personnel also falls within the ambit of the Board’s responsibilities. The Board is responsible for ensuring effective communication by the Company with its shareholders and the public and for ensuring that the Company adheres to all regulatory requirements with respect to the timeliness and content of its disclosure. In keeping with its overall responsibility for the stewardship of the financial affairs of the Company, the Board created an Audit Committee which is responsible for the integrity of the Company’s internal control and management information systems.

The Board is responsible for approving annual operating plans recommended by management. Board consideration and approval is also required for all material contracts and business transactions and all debt and equity financing proposals.

The Board delegates to management responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Company’s business in the ordinary course, managing the Company’s cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements.

The Board believes the Company is well served and the independence of the Board from management is not compromised. The Board does not have, and does not consider it necessary under the circumstances to have, any formal structures or procedures in place to ensure that the Board can function independently of management. The Board believes that its current composition is sufficient to ensure that the Board can function independently of management.

### **Position Descriptions**

The Chief Executive Officer and the Board have not, to date, developed a formal, documented position description for the Chief Executive Officer and to define the limit of management’s responsibilities. The Board is currently of the view that the respective corporate governance roles of the Board and management are clear and that the limits to management’s responsibility and authority are reasonably well-defined.

### **Orientation and Continuing Education**

New directors to the Board are provided with access to recent publicly filed documents of the Company, all reports and the Company’s internal financial information, access to management, experts and consultants, and a summary of significant corporate and securities responsibilities.

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

### **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 is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of shareholders.

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 required time, show support for the Company’s mission and strategic objectives, and a willingness to serve.

## Compensation

Charn Deol and Ian Graham are independent directors. They have the responsibility of determining compensation for the directors and senior management. To determine compensation payable, the independent directors review compensation paid for directors and Chief Executive Officers of corporations of similar size and stage of development in its industry and determine an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management, while taking into account the financial and other resources of the Company. In setting the compensation, the independent directors annually review the performance of the Chief Executive Officer in light of the Company's objectives.

## Other Board Committees

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

## Assessments

The Board regularly monitors the adequacy of information given to directors, communications between the Board and management and the strategic direction and processes of the Board and its committees. The Board is communicating with the board members.

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

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

## PARTICULARS OF MATTERS TO BE ACTED UPON

### Re-Approval of Stock Option Plan

Shareholder approval for the Company's current stock option plan (the "Plan") which the Board adopted was last obtained at the annual general meeting of the shareholders held on July 27, 2018. Management of the Company believes that incentive stock options serve an important function in furnishing directors, officers, employees and consultants (collectively, the "Eligible Parties") of the Company an opportunity to invest in the Company in a simple and effective manner and better aligning the interests of the Eligible Parties with those of the Company through ownership of shares in the Company.

The Plan is in the form of a rolling stock option plan reserving for issuance upon the exercise of options granted pursuant to the Plan a maximum of 10% of the issued and outstanding shares of the Company at any time, less any shares required to be reserved with respect to options granted by the Company prior to the implementation of the Plan. The Plan is administered by the Board of the Company, or a committee of three directors, if so appointed by the Board (the "Committee"). Subject to the provisions of the Plan, the Committee in its sole discretion will determine all options to be granted pursuant to the Plan, the exercise price therefore and any special terms or vesting provisions applicable thereto. The Committee will comply with all regulatory requirements in granting options and otherwise administering the Plan. For a summary of some of the additional provisions of the Plan, please refer to the Company's previous Information Circulars available at [www.sedar.com](http://www.sedar.com).

The Plan is subject to the re-approval of the Company's shareholders and the TSXV, and the rules of the TSXV. At the Meeting, shareholders will be asked to re-approve the Plan. A copy of the Plan is attached to this Information Circular as Schedule "B".

The Plan is a "rolling" stock option plan, whereby the aggregate number of common shares reserved for issuance under the Plan, together with any other common shares reserved for issuance under any other plan or agreement of the Company, shall not exceed ten (10%) percent of the total number of issued common shares (calculated on a non-diluted basis) at the time an option is granted.

The following information is intended as a brief description of the Plan and is qualified in its entirety by the full text of the Plan, a copy of which is attached as Schedule "B" to this Information Circular.

1. The Board shall establish the exercise price at the time each option is granted, and the exercise price will not be less than the minimum prevailing price permitted by the TSX Venture Exchange Policies.
2. All options granted under the Stock Option Plan may not have an expiry date exceeding 10 years from the date on which the option is granted.
3. Options granted to any one individual in any 12 month period cannot exceed more than 5% of the issued Shares of the Company.

4. Options granted to Insiders as a group in any 12-month period cannot exceed 10% of the total number of issued Shares of the Company.
5. Options granted to any one consultant in any 12 month period cannot exceed more than 2% of the issued Shares of the Company.
6. Options granted to all persons, in aggregate, conducting investor relations activities in any 12-month period cannot exceed more than 2% of the issued Shares of the Company.
7. Options granted to optionees performing investor relations activities will vest in stages over 12 months with 20% of the options vesting on the date of grant and 20% each three months thereafter.
8. If a director, employee or consultant of the Company is terminated for cause, then any option granted to the option holder will terminate immediately upon the option holder ceasing to be a director, employee, or consultant by reason of termination for cause.
9. If an option holder ceases to be a director, employee or consultant of the Company (other than by reason of death, disability or termination of services for cause), as the case may be, then any option granted to the option holder that had vested and was exercisable on the date of termination will expire on the earlier of the expiry date and the date that is 90 days following the date that the option holder ceases to be a director, employee or service provider of the Company.
10. If the engagement of an option holder engaged in investor relations activities as a consultant is terminated for any reason other than cause, disability or death, any option granted to such option holder that was exercisable and had vested on the date of termination will be exercisable until the earlier of the expiry date and the date that is 30 days after the effective date of the option holder ceasing to be a consultant.
11. If an option holder ceases to be a director, employee or consultant as a result of death or disability, then any option granted to the option holder that had vested and was exercisable on the date of death or disability shall be exercisable until the earlier of the expiry date and 365 days after the date of death or disability.
12. Stock options granted to directors, employees or consultants will vest when granted unless determined by the Board on a case by case basis, other than options granted to consultants performing investor relations activities, which will vest in stages over 12 months with 20% of the options vesting on the date of grant and 20% each three months thereafter.
13. The Stock Option Plan will be administered by the Board who will have the full authority and sole discretion to grant options under the Stock Option Plan to any eligible party, including themselves.
14. Options granted under the Stock Option Plan shall not be assignable or transferable by an option holder.
15. The Board may from time to time, subject to regulatory or Shareholder approval, if required under the policies of the TSX Venture Exchange, amend or revise the terms of the Stock Option Plan.

The Plan provides that other terms and conditions may be attached to a particular stock option at the discretion of the Board.

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

"BE IT RESOLVED, as an ordinary resolution of the Shareholders of the Company, that:

1. The Company does hereby approve the adoption of the Stock Option Plan (the "Stock Option Plan") as set forth in the Information Circular dated June 20, 2019 attached as Schedule "B", including the reservation for issuance under the Stock Option Plan at any time of a maximum of 10% of the issued common shares of the Company, be and is hereby ratified, confirmed and approved, subject to the acceptance of the Stock Option Plan by the TSX Venture Exchange (the "TSXV");
2. The Board be authorized in its absolute discretion to administer the Stock Option Plan and amend or modify the Stock Option Plan in accordance with its terms and conditions and with the policies of the TSXV; and
3. Any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver, under the corporate seal of the Company or otherwise, all such deeds, documents, instruments and assurances as in his or her opinion may be necessary or desirable to give effect to



the foregoing resolutions, including, without limitation, making any changes to the Stock Option Plan required by the TSXV or applicable securities regulatory authorities and to complete all transactions in connection with the administration of the Stock Option Plan.”

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

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

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Company at Suite 2410, 610 Granville Street, Vancouver, BC, V6C 3T3 to request copies of the Company’s financial statements and MD&A. Financial information is provided in the Company’s comparative financial statements and MD&A for its most recently completed financial year which are filed on SEDAR.

#### **OTHER MATTERS**

Other than the above, management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. However, if any other matters that are not known to management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgment.

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

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

DATED this 20<sup>th</sup> day of June, 2019.

#### **BY ORDER OF THE BOARD OF DIRECTORS**

THOMAS YINGLING,  
President and Chief Executive Officer

**SCHEDULE "A"**  
**AUDIT COMMITTEE CHARTER**

**I. Mandate**

The primary function of the audit committee (the "Committee") is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and Shareholders, the Company's systems of internal controls regarding finance and accounting, and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements.
- Review and appraise the performance of the Company's external auditors.
- Provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

**II. Composition**

The Committee shall be comprised of three directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Charter, the definition of "financially literate" is 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 presumably be expected to be raised by the Company's financial statements.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual Shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

**III. Meetings**

The Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

**IV. Responsibilities and Duties**

To fulfill its responsibilities and duties, the Committee shall:

**Documents/Reports Review**

1. Review and update this Charter annually.
2. Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

**External Auditors**

3. Review annually the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the Shareholders of the Company.
4. Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.

5. Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
6. Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors.
7. Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for Shareholder approval.
8. At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
9. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
10. Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
11. Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
  - i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
  - ii. such services were not recognized by the Company at the time of the engagement to be non-audit services; and
  - iii. such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

#### **Financial Reporting Processes**

12. In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
13. Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
14. Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
15. Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
16. Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
17. Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
18. Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
19. Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
20. Review certification process.

21. Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

**Risk Management**

22. To review, at least annually, and more frequently if necessary, the Company's policies for risk assessment and risk management (the identification, monitoring, and mitigation of risks).
23. To inquire of management and the independent auditor about significant business, political, financial and control risks or exposure to such risk.
24. To request the external auditor's opinion of management's assessment of significant risks facing the Company and how effectively they are being managed or controlled.
25. To assess the effectiveness of the over-all process for identifying principal business risks and report thereon to the Board.

**Other**

26. Review any related-party transactions.

**V. Annual Work Plan**

	Spring	Fall
Review audit plan and year-end statements template	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Review accounting systems and procedures	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Review auditors' letter of recommendation	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Review financial and accounting human resources	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Review Committee's charter and membership	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Review and recommend year-end financial statements	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Review MD&A	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Review external auditors' work, independence and fees	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Recommend auditors for the ensuing year	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Review Risk Management Performance	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Review and reassess the adequacy of the Code of Ethics for Financial Reporting Officers	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Review any proposed prospectus filings or similar filings	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

**SCHEDULE "B"**  
**STOCK OPTION PLAN**

**1. PURPOSE OF THE PLAN**

Unless otherwise defined, all capitalized terms are as defined below.

Berkwood Resources Ltd. (the "Company") hereby establishes a stock option plan for directors, senior officers, Employees, Management Company Employees and Consultants of the Company and its subsidiaries (collectively "Eligible Persons"), to be known as the "Stock Option Plan" (the "Plan"). The purpose of the Plan is to give to Eligible Persons, as additional compensation, the opportunity to participate in the success of the Company by granting to such individuals Options to buy Shares of the Company at a price not less than the Market Price prevailing on the Grant Date less the applicable discount, if any, permitted by TSX Policies and approved by the Board.

**2. DEFINITIONS**

In this Plan, the following terms shall have the following meanings:

- 2.1 **"Board"** means the Board of Directors of the Company.
- 2.2 **"Change of Control"** means the acquisition by any person or by any person and all Joint Actors (as defined in the Securities Act), whether directly or indirectly, of voting securities of the Company, which, when added to all other voting securities of the Company at the time held by such person or by such person and a Joint Actor, totals for the first time not less than fifty percent (50%) of the outstanding voting securities of the Company or the votes attached to those securities are sufficient, if exercised, to elect a majority of the Board of Directors of the Company.
- 2.3 **"Company"** means BERKWOOD RESOURCES LTD. and its successors.
- 2.4 **"Consultant"** means a "Consultant" as defined in the TSX Policies.
- 2.5 **"Consultant Company"** means a "Consultant Company" as defined in the TSX Policies.
- 2.6 **"Disability"** means any disability with respect to an Optionee which the Board, in its sole and unfettered discretion, considers likely to prevent permanently the Optionee from:
- (a) being employed or engaged by the Company, its subsidiaries or another employer, in a position the same as or similar to that in which he was last employed or engaged by the Company or its subsidiaries; or
  - (b) acting as a director or officer of the Company or its subsidiaries.
- 2.7 **"Discounted Market Price"** of Shares means, if the Shares are listed only on the TSX Venture Exchange, the Market Price less the maximum discount permitted under the TSX Policy applicable to Options;
- 2.8 **"Distribution"** means a "Distribution" as defined in the TSX Policies.
- 2.9 **"Eligible Persons"** has the meaning given to that term in section 1 hereof.
- 2.10 **"Employee"** means an "Employee" as defined in the TSX Policies.
- 2.11 **"Exchange"** means the TSX Venture Exchange and, if applicable, any other stock exchange on which the Shares are listed.
- 2.12 **"Expiry Date"** means the date set by the Board under section 3.1 of the Plan, as the last date on which an Option may be exercised.
- 2.13 **"Grant Date"** means the date specified in an Option Agreement as the date on which an Option is granted.
- 2.14 **"Insider"** means an "Insider" as defined in the TSX Policies, other than a person who is an insider solely by virtue of being a director or senior officer of a subsidiary of the Company.
- 2.15 **"Investor Relations Activities"** means "Investor Relations Activities" as defined in the TSX Policies.
- 2.16 **"Joint Actor"** means a person acting "jointly or in concert with" another person as that phrase is interpreted in section 96 of the Securities Act.

- 2.17 **"Management Company Employee"** means a "Management Company Employee" as defined in the TSX Policies.
- 2.18 **"Market Price"** of Shares at any Grant Date means the last closing price per Share on the trading day immediately preceding the day on which the Company announces the grant of the option or, if the grant is not announced, on the Grant Date, or if the Shares are not listed on any stock exchange, "Market Price" of Shares means the price per Share on the over-the-counter market determined by dividing the aggregate sale price of the Shares sold by the total number of such Shares so sold on the applicable market for the last day prior to the Grant Date.
- 2.19 **"Option"** means an option to purchase Shares granted pursuant to this Plan.
- 2.20 **"Option Agreement"** means an agreement, in the form attached hereto as Exhibit "A", whereby the Company grants to an Optionee an Option.
- 2.21 **"Optionee"** means each of the Eligible Persons granted an Option pursuant to this Plan and their heirs, executors and administrators.
- 2.22 **"Option Price"** means the price per Share specified in an Option Agreement, adjusted from time to time in accordance with the provisions of section 5.
- 2.23 **"Option Shares"** means the aggregate number of Shares which an Optionee may purchase under an Option.
- 2.24 **"Plan"** has the meaning given to that term in section 1 hereof.
- 2.25 **"Securities Act"** means the Securities Act, R.S.B.C. 1996, c.418, as amended, as at the date hereof.
- 2.26 **"Shares"** means the common shares in the capital of the Company as constituted on the Grant Date provided that, in the event of any adjustment pursuant to section 5, "Shares" shall thereafter mean the shares or other property resulting from the events giving rise to the adjustment.
- 2.27 **"TSX Policies"** means the policies included in the Exchange's Corporate Finance Manual and "TSX Policy" means any one of them.
- 2.28 **"Unissued Option Shares"** means the number of Shares, at a particular time, which have been reserved for issuance upon the exercise of an Option but which have not been issued, as adjusted from time to time in accordance with the provisions of section 5, such adjustments to be cumulative.

### 3. GRANT OF OPTIONS

#### 3.1 Price and Term

The Board may from time to time authorize the issue of Options to Eligible Persons of the Company and its subsidiaries. The Option Price under each Option shall be not less than the Discounted Market Price on the Grant Date. The Expiry Date for each Option shall be set by the Board at the time of issue of the Option and shall not be more than ten (10) years after the Grant Date. Options shall not be assignable (or transferable) by the Optionee.

#### 3.2 Limits on Shares Issuable on Exercise of Options

Prior to the completion of the Company's initial public offering, the number of Shares reserved for issuance under the Plan in aggregate shall not exceed 10% of the total number of the Company's issued and outstanding common shares on a non-diluted basis as of the date of listing the Company's common shares through the facilities of the TSX Venture Exchange following the completion of the Company's initial public offering.

Following the completion of the Company's initial public offering and the listing of the Company's common shares through the facilities of the TSX Venture Exchange, the number of Shares reserved for issuance under the Plan in aggregate shall not exceed 10% of the total number of issued and outstanding common shares of the Company on the Grant Date on a non-diluted basis.

The number of Shares which may be issuable under the Plan (calculated at the Grant Date), within a 12 month period:

- (a) to any one Optionee shall not exceed 5% of the total number of issued and outstanding Shares on a non-diluted basis;
- (b) to Insiders as a group shall not exceed 10% of the total number of issued and outstanding Shares on a non-diluted basis;

- (c) to any one Consultant shall not exceed 2% of the total number of issued and outstanding Shares on a non-diluted basis; and
- (d) to all Eligible Persons who undertake Investor Relations Activities shall not exceed 2% in the aggregate of the total number of issued and outstanding Shares on a non-diluted basis which shall vest in stages over a twelve month period with 20% vesting on the date of grant and 20% each three months thereafter.

### **3.3 Option Agreements**

Each Option shall be confirmed by the execution of an Option Agreement. Each Optionee shall have the option to purchase from the Company the Option Shares at the time and in the manner set out in the Plan and in the Option Agreement applicable to that Optionee. For Options to Employees, Consultants, Consultant Companies or Management Company Employees, the Company is representing herein and in the applicable Stock Option Agreement that the Optionee is a bona fide Employee, Consultant, Consultant Company or Management Company Employee, as the case may be, of the Company or its subsidiary. The execution of an Option Agreement shall constitute conclusive evidence that it has been completed in compliance with this Plan.

## **4. EXERCISE OF OPTION**

### **4.1 When Options May be Exercised**

Subject to section 4.3, an Option may be exercised to purchase any number of Option Shares up to the number of Unissued Option Shares at any time after the Grant Date up to 4:00 p.m. local time on the Expiry Date and shall not be exercisable thereafter.

### **4.2 Manner of Exercise**

The Option shall be exercisable by delivering to the Company a notice specifying the number of Option Shares in respect of which the Option is exercised together with payment in full of the Option Price for each such Option Share. Upon notice and payment there will be a binding contract for the issue of the Option Shares in respect of which the Option is exercised, upon and subject to the provisions of the Plan. Delivery of the Optionee's cheque payable to the Company in the amount of the Option Price shall constitute payment of the Option Price unless the cheque is not honoured upon presentation in which case the Option shall not have been validly exercised.

### **4.3 Termination of Employment**

In the following cases, an Option shall be exercisable as follows:

(a) Death or Disability

If the Optionee ceases to be an Eligible Person, due to his or her death or Disability or, in the case of an Optionee that is a company, the death or Disability of the person who provides management or consulting services to the Company or to any entity controlled by the Company, the Option then held by the Optionee shall be exercisable to acquire Unissued Option Shares at any time up to but not after the earlier of:

- (i) 365 days after the date of death or Disability; and
- (ii) the Expiry Date;

(b) Termination For Cause

If the Optionee, or in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person as a result of termination for cause, as that term is interpreted by the courts of the jurisdiction in which the Optionee, or, in the case of a Management Company Employee or a Consultant Company, of the Optionee's employer, is employed or engaged; any outstanding Option held by such Optionee on the date of such termination shall be cancelled as of that date.

(c) Early Retirement, Voluntary Resignation or Termination Other than For Cause

If the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person due to his or her retirement at the request of his or her employer earlier than the normal retirement date under the Company's retirement policy then in force, or due to his or her termination by the Company other than for cause, or due to his or her voluntary resignation, the Option then held by the Optionee shall be exercisable to acquire Unissued Option Shares at any time up to but not after

the earlier of the Expiry Date and the date which is 90 days (30 days if the Optionee was engaged in Investor Relations Activities) after the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person.

#### **4.4 Vesting of Option Shares**

Unless otherwise determined by the Directors, the Options shall vest on the Grant Date.

#### **4.5 Effect of a Take-Over Bid**

If a *bona fide* offer ( an "Offer") for Shares is made to the Optionee or to shareholders of the Company generally or to a class of shareholders which includes the Optionee, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of the Company, within the meaning of subsection 1(1) of the Securities Act, the Company shall, immediately upon receipt of notice of the Offer, notify each Optionee of full particulars of the Offer, and the Option may be exercised in whole or in part by the Optionee so as to permit the Optionee to tender the Option Shares received upon such exercise, pursuant to the Offer. However, if:

- (a) the Offer is not completed within the time specified therein; or
- (b) all of the Option Shares tendered by the Optionee pursuant to the Offer are not taken up or paid for by the offeror in respect thereof,

then the Option Shares received upon such exercise, or in the case of clause (b) above, the Option Shares that are not taken up and paid for, may be returned by the Optionee to the Company and reinstated as authorized but unissued Shares and with respect to such returned Option Shares, the Option shall be reinstated as if it had not been exercised. If any Option Shares are returned to the Company under this paragraph 4.4, the Company shall immediately refund the exercise price to the Optionee for such Option Shares.

#### **4.6 Acceleration of Expiry Date**

If at any time when an Option granted under the Plan remains unexercised with respect to any Unissued Option Shares, an Offer is made by an offeror, the Directors may, upon notifying each Optionee of full particulars of the Offer, declare all Option Shares issuable upon the exercise of Options granted under the Plan, and declare that the Expiry Date for the exercise of all unexercised Options granted under the Plan is accelerated so that all Options will either be exercised or will expire prior to the date upon which Shares must be tendered pursuant to the Offer. The Directors shall give each Optionee as much notice as possible of the acceleration of the Options under this section, except that not less than 5 business days and not more than 35 days' notice is required.

#### **4.7 Compulsory Acquisition or Going Private Transaction**

If and whenever there shall be a compulsory acquisition of the Shares of the Company following a takeover bid or issuer bid pursuant to Part XVII of the CBCA or any successor or similar legislation, or any amalgamation, merger or arrangement in which securities acquired in a formal takeover bid may be voted under the conditions described in Section 8.2 of OSC Rule 61-501 – Insider Bids, Issuer Bids, Business Combinations and Related Party Transactions (or any successor instrument), then following the date upon which such compulsory acquisition, amalgamation, merger or arrangement is effective, an Optionee shall be entitled to receive, and shall accept, for the same exercise price, in lieu of the number of Shares to which such Optionee was theretofore entitled to purchase upon the exercise of his or her Options, the aggregate amount of cash, shares, other securities or other property which such Optionee would have been entitled to receive as a result of such bid if he or she had tendered such number of Shares to the takeover bid.

#### **4.8 Effect of a Change of Control**

If a Change of Control occurs, all Option Shares may be exercised in whole or in part by the Optionee.

#### **4.9 Exclusion From Severance Allowance, Retirement Allowance or Termination Settlement**

If the Optionee, or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, retires, resigns or is terminated from employment or engagement with the Company or any subsidiary of the Company, the loss or limitation, if any, pursuant to the Option Agreement with respect to the right to purchase Option Shares, shall not give rise to any right to damages and shall not be included in the calculation of nor form any part of any severance allowance, retiring allowance or termination settlement of any kind whatsoever in respect of such Optionee.



#### 4.10 Shares Not Acquired

Any Unissued Option Shares not acquired by an Optionee under an Option which has expired may be made the subject of a further Option pursuant to the provisions of the Plan.

### 5. ADJUSTMENT OF OPTION PRICE AND NUMBER OF OPTION SHARES

#### 5.1 Share Reorganization

Whenever the Company issues Shares to all or substantially all holders of Shares by way of a stock dividend or other distribution, or subdivides all outstanding Shares into a greater number of Shares, or combines or consolidates all outstanding Shares into a lesser number of Shares (each of such events being herein called a "**Share Reorganization**") then effective immediately after the record date for such dividend or other distribution or the effective date of such subdivision, combination or consolidation, for each Option:

- (a) the Option Price will be adjusted to a price per Share which is the product of:
  - (i) the Option Price in effect immediately before that effective date or record date; and
  - (ii) a fraction, the numerator of which is the total number of Shares outstanding on that effective date or record date before giving effect to the Share Reorganization, and the denominator of which is the total number of Shares that are or would be outstanding immediately after such effective date or record date after giving effect to the Share Reorganization; and
- (b) the number of Unissued Option Shares will be adjusted by multiplying (i) the number of Unissued Option Shares immediately before such effective date or record date by (ii) a fraction which is the reciprocal of the fraction described in subsection (a)(ii).

#### 5.2 Special Distribution

Subject to the prior approval of the Exchange, whenever the Company issues by way of a dividend or otherwise distributes to all or substantially all holders of Shares;

- (a) shares of the Company, other than the Shares;
- (b) evidences of indebtedness;
- (c) any cash or other assets, excluding cash dividends (other than cash dividends which the Board has determined to be outside the normal course); or
- (d) rights, options or warrants;

then to the extent that such dividend or distribution does not constitute a Share Reorganization (any of such non-excluded events being herein called a "**Special Distribution**"), and effective immediately after the record date at which holders of Shares are determined for purposes of the Special Distribution, for each Option the Option Price will be reduced, and the number of Unissued Option Shares will be correspondingly increased, by such amount, if any, as is determined by the Board in its sole and unfettered discretion to be appropriate in order to properly reflect any diminution in value of the Option Shares as a result of such Special Distribution.

#### 5.3 Corporate Organization

Whenever there is:

- (a) a reclassification of outstanding Shares, a change of Shares into other shares or securities, or any other capital reorganization of the Company, other than as described in sections 5.1 or 5.2;
- (b) a consolidation, merger or amalgamation of the Company with or into another corporation resulting in a reclassification of outstanding Shares into other shares or securities or a change of Shares into other shares or securities;
- (c) an arrangement or other transaction under which, among other things, the business or assets of the Company become, collectively, the business and assets of two companies with the same shareholder group upon the distribution to the Company's shareholders, or the exchange with the Company's shareholders, of securities of the Company, or securities of another company, or both; or

- (d) a transaction whereby all or substantially all of the Company's undertaking and assets become the property of another corporation;

(any such event being herein called a "**Corporate Reorganization**") the Optionee will have an option to purchase (at the times, for the consideration, and subject to the terms and conditions set out in the Plan) and will accept on the exercise of such option, in lieu of the Unissued Option Shares which he would otherwise have been entitled to purchase, the kind and amount of shares or other securities or property that he would have been entitled to receive as a result of the Corporate Reorganization if, on the effective date thereof, he had been the holder of all Unissued Option Shares or if appropriate, as otherwise determined by the Directors.

#### **5.4 Determination of Option Price and Number of Unissued Option Shares**

If any questions arise at any time with respect to the Option Price or number of Unissued Option Shares deliverable upon exercise of an Option following a Share Reorganization, Special Distribution or Corporate Reorganization, such questions shall be conclusively determined by the Company's auditor, or, if they decline to so act, any other firm of Chartered Accountants in Vancouver, British Columbia, that the Directors may designate and who will have access to all appropriate records and such determination will be binding upon the Company and all Optionees.

#### **5.5 Regulatory Approval**

Any adjustment to the Option Price or the number of Unissued Option Shares purchasable under the Plan pursuant to the operation of any one of paragraphs 5.1, 5.2 or 5.3 is subject to the approval of the Exchange and any other governmental authority having jurisdiction.

### **6. MISCELLANEOUS**

#### **6.1 Right to Employment**

Neither this Plan nor any of the provisions hereof shall confer upon any Optionee any right with respect to employment or continued employment with the Company or any subsidiary of the Company or interfere in any way with the right of the Company or any subsidiary of the Company to terminate such employment.

#### **6.2 Necessary Approvals**

In accordance with TSX Policies, the Plan must be approved by the Company's shareholders yearly at the Company's annual general meeting. Disinterested shareholder approval (as required by the Exchange) will be obtained for any reduction in the exercise price of any Option granted under this Plan if the Optionee is an Insider of the Company at the time of the proposed amendment. The obligation of the Company to sell and deliver Shares in accordance with the Plan is subject to the approval of the Exchange and any governmental authority having jurisdiction. If any Shares cannot be issued to any Optionee for any reason, including, without limitation, the failure to obtain such approval, then the obligation of the Company to issue such Shares shall terminate and any Option Price paid by an Optionee to the Company shall be immediately refunded to the Optionee by the Company.

#### **6.3 Administration of the Plan**

The Directors shall, without limitation, have full and final authority in their discretion, but subject to the express provisions of the Plan, to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations deemed necessary or advisable in respect of the Plan. Except as set forth in section 5.4, the interpretation and construction of any provision of the Plan by the Directors shall be final and conclusive. Administration of the Plan shall be the responsibility of the appropriate officers of the Company and all costs in respect thereof shall be paid by the Company.

#### **6.4 Income Taxes**

As a condition of and prior to participation in the Plan any Optionee shall on request authorize the Company in writing to withhold from any remuneration otherwise payable to him or her any amounts required by any taxing authority to be withheld for taxes of any kind as a consequence of his or her participation in the Plan.

#### **6.5 Withholding Taxes**

The Company or any subsidiary of the Company may take such steps as are considered necessary or appropriate for the withholding and/or remittance of any taxes which the Company or any subsidiary of the Company is required by any law or regulation of any governmental authority whatsoever to withhold and/or remit in connection with any Option or Option exercise including, without limiting the generality of the foregoing, the withholding and/or remitting of all or any portion of any payment or the withholding of the issue of Common Shares to be issued upon the exercise of any Option until such time as the Optionee has

paid the Company or any subsidiary of the Company for any amount which the Company or subsidiary of the Company is required to withhold and/or remit with respect to such taxes.

#### **6.6 Amendments to the Plan**

The Directors may from time to time, subject to applicable law and to the prior approval, if required, of the Exchange or any other regulatory body having authority over the Company or the Plan, suspend, terminate or discontinue the Plan at any time, or amend or revise the terms of the Plan or of any Option granted under the Plan and the Option Agreement relating thereto, provided that no such amendment, revision, suspension, termination or discontinuance shall in any manner adversely affect any Option previously granted to an Optionee under the Plan without the consent of that Optionee. Any amendments to the Plan or options granted thereunder will be subject to the approval of the shareholders.

#### **6.7 Form of Notice**

A notice given to the Company shall be in writing, signed by the Optionee and delivered to the head business office of the Company.

#### **6.8 No Representation or Warranty**

The Company makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of the Plan.

#### **6.9 Compliance with Applicable Law**

If any provision of the Plan or any Option Agreement contravenes any law or any order, policy, by-law or regulation of any regulatory body or Exchange having authority over the Company or the Plan, then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

#### **6.10 No Assignment**

No Optionee may assign any of his or her rights under the Plan or any option granted thereunder.

#### **6.11 Rights of Optionees**

An Optionee shall have no rights whatsoever as a shareholder of the Company in respect of any of the Unissued Option Shares (including, without limitation, voting rights or any right to receive dividends, warrants or rights under any rights offering).

#### **6.12 Conflict**

In the event of any conflict between the provisions of this Plan and an Option Agreement, the provisions of this Plan shall govern.

#### **6.13 Governing Law**

The Plan and each Option Agreement issued pursuant to the Plan shall be governed by the laws of the province of British Columbia.

#### **6.14 Time of Essence**

Time is of the essence of this Plan and of each Option Agreement. No extension of time will be deemed to be or to operate as a waiver of the essentiality of time.

#### **6.15 Entire Agreement**

This Plan and the Option Agreement sets out the entire agreement between the Company and the Optionees relative to the subject matter hereof and supersedes all prior agreements, undertakings and understandings, whether oral or written.

**Approved by the Board of Directors on May 15, 2017.**

**EXHIBIT "A"**  
**BERKWOOD RESOURCES LTD. - STOCK OPTION PLAN**

**OPTION AGREEMENT**

*Without prior written approval of TSX Venture Exchange (the "Exchange") and compliance with all applicable securities legislation, the securities represented by this agreement and any securities issued upon exercise thereof may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until ●, 20●● <four months and one day after the date of grant> ●. [IF APPLICABLE]*

This Option Agreement is entered into between BERKWOOD RESOURCES LTD. ("the Company") and the Optionee named below pursuant to the Company's Stock Option Plan (the "Plan"), a copy of which is attached hereto, and confirms that:

1. on \_\_\_\_\_, \_\_\_\_\_ (the "Grant Date");
2. \_\_\_\_\_ (the "Optionee");
3. was granted the option (the "Option") to purchase \_\_\_\_\_ Common Shares (the "Option Shares") of the Company;
4. for the price (the "Option Price") of \$ \_\_\_\_\_ per Option Share;
5. which shall be exercisable ("Vested") on the date of grant:  
\_\_\_\_\_.
6. terminating on the \_\_\_\_\_, \_\_\_\_\_ (the "Expiry Date");

all on the terms and subject to the conditions set out in the Plan. For greater certainty, once Option Shares have become Vested, they continue to be exercisable until the termination or cancellation thereof as provided in this Option Agreement and the Plan.

By signing this Option Agreement, the Optionee acknowledges that the Optionee has read and understands the Plan and agrees to the terms and conditions of the Plan and this Option Agreement.

**Acknowledgement – Personal Information**

The undersigned hereby acknowledges and consents to:

- (a) the disclosure to the TSX Venture Exchange and all other regulatory authorities of all personal information of the undersigned obtained by the Company; and
- (b) the collection, use and disclosure of such personal information by the TSX Venture Exchange and all other regulatory authorities in accordance with their requirements, including the provision to third party service providers, from time to time.

IN WITNESS WHEREOF the parties hereto have executed this Option Agreement as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

BERKWOOD RESOURCES LTD.

\_\_\_\_\_  
OPTIONEE

By: \_\_\_\_\_  
Authorized Signatory

NOTE: Additional representations and warranties may be added if the Optionee is a "Consultant" in order to confirm consultancy or if Optionee performs Investor Relations for the Company.