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## **INFORMATION CIRCULAR**

As at November 8, 2016, unless otherwise noted

### **FOR THE ANNUAL GENERAL AND SPECIAL MEETING OF THE SHAREHOLDERS TO BE HELD ON DECEMBER 15, 2016**

#### **SOLICITATION OF PROXIES**

This information circular is furnished in connection with the solicitation of proxies by the management of Logan Resources Ltd. (the “Company”) for use at the Annual General and Special Meeting (the “Meeting”) of the Shareholders of the Company to be held at the time and place and for the purposes set forth in the Notice of Meeting and at any adjournment thereof.

#### **PERSONS OR COMPANIES MAKING THE SOLICITATION**

**The enclosed Instrument of Proxy is solicited by management of the Company (“Management”).** Solicitations will be made by mail and possibly supplemented by telephone or other personal contact to be made without special compensation by regular officers and employees of the Company. The Company does not reimburse Shareholders’ nominees or agents (including brokers holding shares on behalf of clients) for the cost incurred in obtaining from their principals, authorization to execute the Instrument of Proxy. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company. None of the directors of the Company have advised that they intend to oppose any action intended to be taken by Management as set forth in this Information Circular.

#### **APPOINTMENT AND REVOCATION OF PROXIES**

The persons named in the accompanying Instrument of Proxy are directors or officers of the Company and are nominees of Management. **A Shareholder has the right to appoint a person to attend and act for him/her on his/her behalf at the Meeting other than the persons named in the enclosed Instrument of Proxy. To exercise this right, a Shareholder should strike out the names of the persons named in the Instrument of Proxy and insert the name of his/her nominee in the blank space provided, or complete another proper form of Instrument of Proxy. The completed Instrument of Proxy should be deposited with the Company’s Registrar and Transfer Agent, TSX Trust Company, located at 200 University Avenue, Suite 300, Toronto, ON, M5H 4H1, at least 48 hours before the time of the Meeting or any adjournment thereof, excluding Saturdays, Sundays and holidays.**

The Instrument of Proxy must be dated and be signed by the Shareholder or by his/her attorney in writing, or, if the Shareholder is a Company, it must either be under its common seal or signed by a duly authorized officer.

**In addition to revocation in any other manner permitted by law, a Shareholder may revoke a Proxy either by (a) signing a Proxy bearing a later date and depositing it at the place and within the time**

aforesaid, or (b) signing and dating a written notice of revocation (in the same manner as the Instrument of Proxy is required to be executed as set out in the notes to the Instrument of Proxy) and either depositing it at the place and within the time aforesaid or with the Chairman of the Meeting on the day of the Meeting or on the day of any adjournment thereof, or (c) registering with the Scrutineer at the Meeting as a Shareholder present in person, whereupon such Proxy shall be deemed to have been revoked.

## **NON-REGISTERED HOLDERS OF COMPANY'S SHARES**

**Only Shareholders whose names appear in the Company's Central Securities Register (the "Registered Shareholders") or duly appointed proxyholders are permitted to vote at the Meeting. Shareholders who do not hold their common shares in their own name ("Beneficial Shareholders") are advised that only proxies from Shareholders of record can be recognized and voted at the Meeting.** Beneficial Shareholders who complete and return an Instrument of Proxy must indicate thereon the person (usually a brokerage house) who holds their common shares as registered Shareholder. Every intermediary (broker) has its own mailing procedure, and provides its own return instructions, which should be carefully followed. The form of proxy supplied to Beneficial Shareholders is similar to that provided to Registered Shareholders. However, its purpose is limited to instructing the registered Shareholder how to vote on behalf of the Beneficial Shareholder. Management of the Company does not intend to pay for intermediaries to forward to objecting beneficial owners under National Instrument 54-101 the proxy-related materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary*, and in case of an objecting beneficial owner, the objecting beneficial owner will not receive the materials unless the objecting beneficial owner's intermediary assumes the cost of delivery.

If common shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those common shares will not be registered in such Shareholder's name on the records of the Company. Such common shares will more likely be registered under the name of the Shareholder's broker or agent of that broker. In Canada, the vast majority of such common shares are registered under the name of CDS & Co. (the registration for the Canadian Depository for Securities, which company acts as nominee for many Canadian brokerage firms). Common shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers/nominees are prohibited from voting shares for their clients. The directors and officers of the Company do not know for whose benefit the common shares registered in the name of CDS & Co. are held.

In accordance with National Instrument 54-101 of the Canadian Securities Administrators, the Company has distributed copies of the Notice of Meeting, this Information Circular and the Instrument of Proxy to the clearing agencies and intermediaries for onward distribution. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings unless the Beneficial Shareholders have waived the right to receive meeting materials. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their common shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the Instrument of Proxy provided by the Company to the Registered Shareholders. However, its purpose is limited to instructing the Registered Shareholder how to vote on behalf of the Beneficial Shareholder. Should a Beneficial Shareholder receive such a form and wish to vote at the Meeting, the Beneficial Shareholder should strike out the Management proxyholder's name in the form and insert the Beneficial Shareholder's name in the blank provided. The majority of brokers now delegate the responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically applies a special sticker to the proxy forms, mails those forms to the Beneficial Shareholders and requests Beneficial Shareholders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of common shares to be represented at the Meeting. **A Beneficial Shareholder receiving a proxy with a Broadridge sticker on it cannot use that proxy to vote**

**common shares directly at the Meeting – the proxy must be returned to Broadridge well in advance of the Meeting in order to have the common shares voted.** All references to Shareholders in this Information Circular and the accompanying Instrument of Proxy and Notice of Meeting are to Shareholders of record unless specifically stated otherwise.

## **VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES**

**On any poll, the persons named in the enclosed Instrument of Proxy will vote the shares in respect of which they are appointed and, where directions are given by the Shareholder in respect of voting for or against any resolution, will do so in accordance with such direction.**

**If no choice is specified on the proxy with respect to a matter to be acted upon, the proxy confers discretionary authority with respect to the matter upon the proxyholder named on the Instrument of Proxy. In the absence of any direction in the Instrument of Proxy, it is intended that the proxyholder named by Management in the Instrument of Proxy will vote the shares represented by the proxy in favour of the motions proposed to be made at the Meeting as stated under the headings in this Information Circular.** The Instrument of Proxy enclosed, when properly signed, confers discretionary authority with respect to amendments or variations to any matters which may properly be brought before the Meeting.

At the time of printing of this Information Circular, the Management of the Company is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any other matters which are not now known to the Management should properly come before the Meeting, the Proxies hereby solicited will be exercised on such matters in accordance with the best judgement of the nominee.

## **FINANCIAL STATEMENTS**

The audited financial statements of the Company for the year ended March 31, 2016 will be presented to the Shareholders at the Meeting.

## **VOTING SHARES AND PRINCIPAL HOLDERS THEREOF**

At November 8, 2016 the Company had 42,737,750 Common Shares without par value issued and outstanding. All Common Shares in the capital of the Company are of the same class and each carries the right to one vote. The quorum for a meeting of Shareholders is two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the Meeting.

November 8, 2016 has been determined as the record date as of which Shareholders are entitled to receive notice of and attend and vote at the Meeting. Shareholders desiring to be represented by proxy at the Meeting must deposit their proxies at the place and within the time set forth in the notes to the Instrument of Proxy in order to entitle the person duly appointed by the proxy to attend and vote thereat.

To the knowledge of the directors and senior officers of the Company, as at November 8, 2016, no Shareholder beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to the Common Shares of the Company.

## **FIXING THE NUMBER OF DIRECTORS AND ELECTION OF DIRECTORS**

**The persons named in the enclosed Instrument of Proxy intend to vote in favour of the ordinary resolution fixing the number of directors on the board of directors of the Company (the “Board of Directors”) at four (4).** Although Management is nominating four (4) individuals to stand for election, the names of further nominees for directors may come from the floor at the Meeting. Each director of the

Company is elected annually and holds office until the next Annual General Meeting unless that person ceases to be a director before then. Management of the Company proposes to nominate the persons herein listed for election as directors of the Company to serve until their successors are elected or appointed. In the absence of instructions to the contrary, the Common Shares represented by proxy will, on a poll, be voted for the nominees herein listed. **MANAGEMENT OF THE COMPANY DOES NOT CONTEMPLATE THAT ANY OF THE NOMINEES WILL BE UNABLE TO SERVE AS A DIRECTOR. IN THE EVENT THAT PRIOR TO THE MEETING ANY VACANCIES OCCUR IN THE SLATE OF NOMINEES HEREIN LISTED, IT IS INTENDED THAT DISCRETIONARY AUTHORITY SHALL BE EXERCISED BY MANAGEMENT TO VOTE THE PROXY ON ANY POLL FOR THE ELECTION OF ANY PERSON OR PERSONS AS DIRECTOR UNLESS THE SHAREHOLDER HAS SPECIFIED OTHERWISE IN THE PROXY. UNLESS AUTHORITY TO DO SO IS WITHHELD, THE PERSONS NAMED IN THE ACCOMPANYING INSTRUMENT OF PROXY INTEND TO VOTE FOR THE ELECTION OF ALL OF THE NOMINEES.**

The following table sets out the names of the persons to be nominated for election as directors, the positions and offices which they presently hold with the Company, their respective principal occupations or employment during the past five years if such nominee is not presently an elected director and the number of Common Shares of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of this Information Circular:

Name, Province or State and Country of Ordinary Residence of Nominee <sup>(4)</sup> and Present Positions with the Company	Principal Occupation and, if not a Presently Elected Director, Occupation during the last Five Years <sup>(4)</sup>	Period from which Nominee has been a Director	Number of Common Shares Held <sup>(1)(2)</sup>
Stewart Wallis <sup>(3)</sup> British Columbia, Canada Non-Executive Chairman and Director	President of Sundance Geological Ltd.	December 16, 2013	303,125
Mark J. Morabito British Columbia, Canada Director	Founder and CEO of King & Bay West Management Corp. since December 2009.	July 7, 2016	2,973,000
Richard Grayston <sup>(3)</sup> British Columbia, Canada Director	Self-employed Business Consultant.	July 26, 2012	50,000
Mark Lotz <sup>(3)</sup> British Columbia, Canada Director	Self-employed Chartered Professional Accountant since 1998.	July 7, 2016	Nil

- (1) Common shares beneficially owned, directly and indirectly, or over which control or direction is exercised, at the date hereof, based upon the information furnished to the Company by individual directors and officers. Unless otherwise indicated, such Common Shares are held directly. These figures do not include Common Shares that may be acquired on the exercise of any share purchase warrants or stock options held by the respective directors or officers.
- (2) The directors, and nominees, as a group beneficially own, directly or indirectly, 3,326,125 Common Shares of the Company representing 7.79% of the total issued and outstanding Common Shares of the Company.
- (3) Current Member of the audit committee of the Company.
- (4) The information as to country of residence and principal occupation, not being within the knowledge of the Company, has been furnished by the respective directors individually.

Pursuant to the applicable securities legislation, the Company is required to have an audit committee. The general function of the audit committee is to review the overall audit plan and the Company's system of

internal controls, to review the results of the external audit, and to resolve any potential dispute with the Company's auditors.

The audit committee of the Company currently consists of Stewart Wallis, Mark Lotz, and Richard Grayston. The members of the audit committee of the Company will be determined following the Meeting at the discretion of the Board of Directors and in accordance with applicable corporate and securities law. Aside from the audit committee, there are no other standing committees of the Board of Directors.

## **PENALTIES AND SANCTIONS**

Other than as disclosed below, no proposed director of the Company is, or within the 10 years prior to the date of this Information Circular, has been, a director, chief executive officer or chief financial officer of any company that while that person was acting in that capacity:

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

Other than as disclosed below, no proposed director of the Company is, or within the 10 years prior to the date of this Information Circular, has been, a director or executive officer of any company that while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Other than as disclosed below, no proposed director has individually, within the 10 years prior to this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, officer or Shareholder.

Other than as disclosed below, 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.

Richard Grayston was a director, President, CEO and CFO of Ranger Canyon Energy Inc., a reporting issuer in Alberta, when a cease trade order was issued against Ranger Canyon Energy Inc. on May 21, 2009 by the Alberta Securities Commission for failure to file audited financial statements for the year ended December 31, 2008. Mr. Grayston has since resigned his positions with Ranger Canyon Energy Inc.

In 2008, Mark Lotz was subject to a proceeding by the Investment Dealers Association of Canada (now Investment Industry Regulatory Organization of Canada ("IIROC")). On January 5, 2009, An IIROC appeal panel found Mr. Lotz to have committed a negligent omission that violated IIROC bylaws by failing to disclose an outside business activity in a registration form and failing to disclose that he had

become the Chief Financial Officer of a publicly traded company. As a result of this decision, Mr. Lotz was subject to fines totalling \$20,000 and required to write and pass the examination based on the Partners, Directors and Officers Course administered by the Canadian Securities Institute.

## **APPOINTMENT AND REMUNERATION OF AUDITOR**

Davidson & Company LLP, Chartered Professional Accountants, of Vancouver, British Columbia, the current Auditors of the Company, were appointed on April 26, 2012 and are the current Auditors of the Company. The persons named in the enclosed Instrument of Proxy will vote for the reappointment of Davidson & Company LLP, Chartered Professional Accountants, of Vancouver, British Columbia, as Auditors of the Company, to hold office until the next Annual General Meeting of the Shareholders at remuneration to be fixed by the directors.

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

Other than as disclosed elsewhere in this Information Circular, none of the directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company's last completed financial year and no associate or affiliate of any of the foregoing persons 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.

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

Other than transactions carried out in the ordinary course of business of the Company or its subsidiary, none of the directors or executive officers of the Company, any shareholder directly or indirectly beneficially owning, or exercising control or direction over, more than 10% of the outstanding Common Shares, nor an associate or affiliate of any of the foregoing persons has had, during the most recently completed financial year of the Company or during the current financial year, any material interest, direct or indirect, in any transactions that materially affected or would materially affect the Company or its subsidiary.

## **STATEMENT OF EXECUTIVE COMPENSATION**

### **Definitions**

For the purpose of this Information Circular:

“**Chief Executive Officer**” or “**CEO**” of the Company means an individual who served as chief executive officer of the Company or acted in a similar capacity during the most recently completed financial year;

“**Chief Financial Officer**” or “**CFO**” of the Company means an individual who served as chief financial officer of the Company or acted in a similar capacity during the most recently completed financial year;

“**Executive officer**” of the Company for the financial year, means an individual who at any time during the year was:

- (a) a chair of the Company;
- (b) a vice-chair of the Company;
- (c) the president of the Company;

- (d) a vice-president of the Company in charge of a principal business unit, division or function such as sales, finance or production; or
- (e) an officer of the Company or any of its subsidiaries or any other person who performed a policy-making function in respect of the Company.

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

- (a) a CEO;
- (b) a CFO;
- (c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6, for that financial year; and
- (d) 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, nor acting in a similar capacity, at the end of that financial year;

**“equity incentive plan”** means an incentive plan, or portion of an incentive plan, under which awards are granted and that falls within the scope of IFRS 2 Share-based Payment;

**“incentive plan”** means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period;

**“incentive plan award”** means compensation awarded, earned, paid, or payable under an incentive plan;

**“non-equity incentive plan”** means an incentive plan or portion of an incentive plan that is not an equity incentive plan;

**“option-based award”** means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features;

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

**“share-based award”** means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock.

## **Compensation Discussion and Analysis**

### ***Compensation Philosophy, Objectives and Process***

During the financial year ended March 31, 2016, the Board of Directors of the Company did not have a compensation committee. The Board of Directors as a whole is responsible for determining all forms of compensation to be granted to the Named Executive Officers and the directors. Compensation of Named Executive Officers and directors is determined based on discussion by the Board of Directors based on subjective factors, without any formal objectives, criteria or analysis. The Company’s Named Executive

Officers are compensated through consulting agreements and or management services arrangements. The Board of Directors does not have a pre-determined compensation plan and does not engage in benchmarking practices. The general objectives of the Company's compensation strategy are to (a) compensate management in a manner that encourages and rewards a high level of performance and results with a view to increasing long-term shareholder value; and (b) align management's interests with the long-term interests of shareholders.

### ***Analysis of Elements***

The key elements of executive compensation awarded by the Company are base salary or management fees. There is no policy or target regarding cash and non-cash elements of the Company's compensation program. The Board of Directors is of the view that all elements should be considered, rather than any single element. The Company does not currently provide its NEOs with personal benefits and does not grant performance or other bonuses.

### ***Long Term Incentives***

The Company has a Stock Option Plan (the "Plan") for the granting of stock options to the directors, officers and consultants of the Company. The purpose of granting such stock options is to assist the Company in compensating, attracting, retaining and motivating such persons and to closely align the personal interest of such persons to that of the Company's shareholders. The allocation of options under the Plan is determined by the Board of Directors which, in determining such allocations, considers such factors as previous grants to individuals, overall company performance, peer company performance, share price performance, the business environment and labour market, the role and performance of the individual in question and, in the case of grants to non-executive directors, the amount of time directed to the Company's affairs. No stock options were granted during the fiscal year ended March 31, 2016.

### ***Hedging Restrictions***

The Company does not have any policies that restrict an NEO or director from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

### ***Risk Management and Assessment***

In light of the Company's size, current activity level and the balance between long-term objectives and short-term financial goals with respect to the Company's executive compensation program, the Board does not deem it necessary to consider at this time the implications of the risks associated with its compensation policies and practices.

### **Compensation Governance**

During the financial year ended March 31, 2016, the Board of Directors of the Company did not have a compensation committee. The Board of Directors has not adopted any formal policies or practices to determine compensation for the Company's directors and executive officers.

### ***Compensation Advisor***

The Company has not, at any time, during or since the Company's most recently completed financial year, retained a compensation consultant or advisor to assist the Board of Directors in determining the compensation of any of the Company's directors or executive officers.

## Summary Compensation Table

The following table contains information about the compensation paid to, or earned by, those who were during the fiscal year ended March 31, 2016, the Company's Named Executive Officers. The Company had two Named Executive Officers during the fiscal year ended March 31, 2016, namely Carlo Valente and Stewart Wallis.

Name and principal position)	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$) <sup>(5)</sup>	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Carlo Valente <sup>(1)</sup> CFO	2016	Nil	Nil	Nil	Nil	Nil	Nil	3,564	3,564
	2015	Nil	Nil	Nil	Nil	Nil	Nil	1,949	1,949
	2014	Nil	Nil	Nil	Nil	Nil	Nil	3,436	3,436
Stewart Wallis <sup>(2)</sup> President & CEO	2016	Nil	Nil	Nil	Nil	Nil	Nil	840	840
	2015	Nil	Nil	Nil	Nil	Nil	Nil	2,430	2,430
	2014	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(1) Mr. Valente was appointed CFO on July 26, 2013. Mr. Valente does not receive compensation directly from the Company. Mr. Valente is an employee of King & Bay West Management Corp. ("**King & Bay West**"). King & Bay West is a company that provides management services to the Company. King & Bay West invoices the Company on a monthly basis for fees for management services provided which are determined based on the usage of such services by the Company. The amount set out for Mr. Valente under the heading "All other compensation" is the amount paid by King & Bay West directly to Mr. Valente during the applicable fiscal year based on the estimated time Mr. Valente spent providing services to the Company.

(2) Mr. Wallis was appointed President and CEO of the Company on March 25, 2014. Mr. Wallis did not receive compensation directly from the Company. Mr. Wallis, through his company, Sundance Geological Ltd., is a consultant to King & Bay West. King & Bay West is a company that provides management services to the Company. King & Bay West invoices the Company on a monthly basis for fees for management services provided which are determined based on the usage of such services by the Company. The amount set out for Mr. Wallis under the heading "All other compensation" is the amount paid by King & Bay West directly to Mr. Wallis, through Sundance Geological Ltd., during the applicable fiscal year based on the estimated time Mr. Wallis spent providing services to the Company.

(3) No option-based awards have been granted to the NEOs during the fiscal years 2014, 2015 or 2016.

## Option-based Awards

The only equity compensation plan which the Company has in place is its stock option plan (the "Plan"). The Plan has been established to attract and retain employees, consultants, officers or directors to the Company and to motivate them to advance the interests of the Company by affording them with the opportunity to acquire an equity interest in the Company.

As at the end of the financial year ended March 31, 2016, 1,510,421 Common Shares were reserved to be granted pursuant to the Plan, of which no incentive stock options to purchase Common Shares were granted to the Named Executive Officers, other officers or the directors of the Company. The exercise price of the options is fixed by the Board at the time of grant at the market price of the Common Shares, subject to all applicable regulatory requirements. The allocation of the option grants is approved by the Board of Directors of the Company and past grants are taken into consideration when determining future grants.

## *Outstanding share-based awards and option-based awards*

No share-based and option-based awards were granted or outstanding during or at the end of any of the financial years ended March 31, 2016, March 31, 2015 or March 31, 2014 for the NEOs of the Company during those years.

***Incentive plan awards – value vested or earned during the financial year ended March 31, 2016***

No share-based or option-based awards were granted, outstanding or became vested during or at the financial year ended March 31, 2016 for the NEOs of the Company during the financial year ended March 31, 2016.

**Pension Plan Benefits**

The Company does not have any pension or retirement plans or arrangements for its Named Executive Officers.

**Termination and Change of Control Benefits**

There are no provisions in any contract, agreement, plan or arrangement that provides for payments to an NEO at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control in the Company or a change in the NEO's responsibilities.

**Director Compensation**

Other than directors' fees paid to Richard Grayston (Chair of the Audit Committee), no cash compensation was paid to the directors of the Company in their capacity as directors during the financial year ended March 31, 2016. The directors of the Company are eligible to receive options to purchase Common Shares pursuant to the terms of the Company's incentive stock option plan.

The following table contains information about the compensation paid to, or earned by Directors of the Company who were not Named Executive Officers. During the financial year ended March 31, 2016, the Company had two directors who were not Named Executive Officers, being Evelyn Cox and Richard Grayston.

<b>Name</b>	<b>Fees earned (\$)</b>	<b>Share-based awards (\$)</b>	<b>Option-based awards (\$)<sup>(3)</sup></b>	<b>Non-equity incentive plan compensation (\$)</b>	<b>Pension value (\$)</b>	<b>All other compensation (\$)</b>	<b>Total (\$)</b>
Evelyn Cox <sup>(1)</sup> Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Richard Grayston <sup>(2)</sup> Director	Nil	Nil	Nil	Nil	Nil	\$4,000	\$4,000

1. Ms. Cox resigned as a director of the Company effective July 7, 2016.
2. Mr. Grayston receives directors' fees in the amount of \$1,000 per quarter for acting as chair of the audit committee.
3. No option-based awards were granted to directors during the year ended March 31, 2016.

Other than directors' fees paid to Mr. Grayston as set out above, the Company does not have any compensation plans or arrangements for its directors and it does not propose to pay or distribute any non-cash compensation during the current financial year, other than the possible grant of incentive stock options.

***Incentive plan awards - Outstanding share-based awards and option-based awards granted to Directors***

No share-based and option-based awards were granted to or outstanding for directors who were not NEOs of the Company during or at the end of the financial year ended March 31, 2016.

***Incentive plan awards – value vested or earned during the financial year ended March 31, 2016***

No share-based and option-based awards were granted, outstanding or became vested during or at the end of the financial year ended March 31, 2016 for directors who were not NEOs of the Company during the financial year ended March 31, 2016.

**EQUITY COMPENSATION PLAN INFORMATION**

The following table sets out particulars of the compensation plans and individual compensation arrangements under which equity securities of the Company are authorized for issuance as of March 31, 2016:

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights<sup>(1)</sup></b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b>	<b>Number of securities remaining available for future issuance under equity compensation plans</b>
Equity compensation plans approved by securityholders	Nil	Nil	1,510,421
Equity compensation plans not approved by securityholders <sup>(1)</sup>	Nil	Nil	Nil
<b>Total</b>	Nil	Nil	1,510,421

<sup>(1)</sup> The Company has a “rolling” stock option plan that reserves 10% of the Company’s outstanding Common Shares from time to time for issuance as stock options.

**INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

Other than routine indebtedness, no current or former director, executive officer or senior officer of the Company, employee or any proposed nominee for election as a director of the Company, or any associate or affiliate of any such director, executive officer or senior officer, employee or proposed nominee, is or has been indebted to the Company or any of its subsidiaries, or to any other entity that was provided a guarantee or similar arrangement by the Company or any of its subsidiaries in connection with the indebtedness, at any time since the beginning of the most recently completed financial year of the Company.

**MANAGEMENT CONTRACTS**

On November 1, 2014, the Company entered into a Management Services Agreement with King & Bay West of Suite 1240, 1140 West Pender Street, Vancouver, British Columbia V6E 4G1, to provide services and facilities to the Company. King & Bay West is a private company which is owned by Mark Morabito of British Columbia, a former director of the Company. The following are the executive officers of King & Bay West, all of whom are residents of British Columbia, Canada: Mr. Mark Morabito, President & CEO and Ms. Sheila Paine, Secretary. King & Bay West provides the Company with administrative and management services. The services provided by King & Bay West include shared facilities, geological, technical, accounting, corporate communications, legal and corporate development services. The fees for these management services are determined and allocated to the Company based on the cost or value of the services provided to the Company as determined by King & Bay West, and the Company reimburses King & Bay West for such costs on a monthly basis. During the financial year ended March 31, 2016, the Company incurred fees of \$71,997 (excluding taxes) to King & Bay West. Of this amount \$53,998 was for King & Bay West personnel provided to the Company (including key management personnel) and \$17,999 was for overhead and third party costs incurred by King & Bay West on behalf of the Company.

## AUDIT COMMITTEE

### The Audit Committee Charter

The Audit Committee Charter is attached as Appendix “A” to this Information Circular.

### Composition of the Audit Committee

The following are the current members of the Audit Committee:

Stewart Wallis	Not Independent <sup>(1)</sup>	Financially Literate <sup>(1)</sup>
Richard Grayston	Independent <sup>(1)</sup>	Financially Literate <sup>(1)</sup>
Mark Lotz	Independent <sup>(1)</sup>	Financially Literate <sup>(1)</sup>

<sup>(1)</sup> As defined by National Instrument 52-110 (“NI 52-110”).

Until his resignation as President and Chief Executive Officer of the Company on July 7, 2016, Mr. Wallis was an executive officer of the Company and therefore is not independent. Mr. Grayston and Mr. Lotz are independent directors.

### Relevant Education and Experience

All of the Audit Committee members are senior level businesspersons with extensive experience in financial matters; each has a broad understanding of accounting principles used to prepare financial statements and varied experience as to general application of such accounting principles, as well as the internal controls and procedures necessary for financial reporting, garnered from working in their individual fields of endeavour. In addition, each of the members of the Audit Committee has knowledge of the role of an audit committee in the realm of reporting companies from their years of experience as directors of public companies other than the Company.

Mr. Grayston is a business consultant with more than 30 years of experience in financial and economic consulting and public company management. Mr. Grayston has experience with reviewing financial statements and related management discussion and analysis, and discussing financial issues with management, accountants and auditors, and as a result, he possesses the understanding of accounting principles and the ability to analyze and evaluate the financial statements of the Company. Mr. Grayston received a Ph.D. in Finance and Economics from the University of Chicago in 1971, an M.B.A. from the University of Chicago in 1969, a B.A. of Commerce from the University of British Columbia in 1966 and became a Certified General Accountant in 1977.

Mr. Wallis is the President of Sundance Geological Ltd., a private entity owned and controlled by him, which provides geological services, including evaluations and prefeasibility studies, for individuals and mining companies based throughout the world. Mr. Wallis is a past Chief Executive Officer and President, and continues to serve on the board of directors and as a member of the Audit Committee, of Jet Metal Corp. (TSX-V). Mr. Wallis has experience with reviewing financial statements and related management discussion and analysis, and discussing financial issues with management, accountants and auditors, and as a result, he possesses the understanding of accounting principles and the ability to analyze and evaluate the financial statements of the Company. Mr. Wallis holds a Bachelor of Science Degree in Geology from McMaster University, in Hamilton, Ontario and is a member of the Association of Professional Engineers and Geoscientists of British Columbia.

Mr. Lotz is a Chartered Professional Accountant with 22 years of experience primarily in the minerals industry and related securities businesses. He has held CFO positions with several well-known mining and exploration companies including African Queen Mines, Sacre-Coeur Minerals, Ltd., and Prophecy Resources Corp. He has also served as a senior executive officer for two Vancouver based securities

firms and a financial compliance officer for the Vancouver Stock Exchange, the predecessor to the TSX Venture Exchange. Mr. Lotz is also a director and serves as a member and Chair of audit committee of Jet Metal Corp. (TSX-V). Mr. Lotz holds a legacy Chartered Accountant (CA) designation and is a member of the Chartered Professional Accountants of British Columbia. Mr. Lotz received his Bachelor of Business Administration from Simon Fraser University in June 1989.

### **Audit Committee Oversight**

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

### **Reliance on Certain Exemptions**

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

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

The Audit Committee has adopted specific policies and procedures for the engagement and pre-approval of non-audit services, as described in the attached Audit Committee Charter under the heading "External Auditors". With respect to the engagement of non-audit services, the Audit Committee will:

- (a) 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. In the event that the Company wishes to retain the services of the Company's external auditors for tax compliance, tax advice or tax planning, the Chief Financial Officer of the Company shall consult with the Chair of the Audit Committee, who shall have the authority to approve or disapprove on behalf of the Audit Committee, such non-audit services. All other non-audit services shall be approved or disapproved by the Audit Committee as a whole, provided that 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 Audit Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Audit Committee.

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

### **External Auditor Service Fees (By Category)**

The aggregate fees billed by the Company's external auditors in each of the last two fiscal years for audit fees are set out in the table below. "Audit Fees" includes fees for audit services including the audit services completed for the Company's subsidiaries. "Audit-Related Fees" includes fees for assurance and

related services by the Company's external auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and not reported under Audit Fees including the review of interim filings. "Tax Fees" includes fees for professional services rendered by the external auditor for tax compliance, tax advice, and tax planning. "All Other Fees" includes all fees billed by the external auditors for services not covered in the other three categories.

<b>Financial Year Ending</b>	<b>Audit Fees</b>	<b>Audit Related Fees</b>	<b>Tax Fees</b>	<b>All Other Fees</b>
March 31, 2016	\$14,000	\$Nil	\$1,500	\$Nil
March 31, 2015	\$15,000	\$Nil	\$2,500	\$Nil

### **Exemption**

The Company is relying on the exemption in section 6.1 of NI 52-110 with respect to compliance with the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

### **STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

On June 30, 2005, the Canadian Securities Administrators introduced in final form National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101") and National Policy 58-201 – *Corporate Governance Guidelines* ("NP 58-201"). The Company has reviewed its own corporate governance practices in light of the NP 58-201 guidelines. In certain cases, the Company's practices comply with NP 58-201, however, the Board of Directors considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore certain guidelines have not been adopted.

Set out below is a description of certain corporate governance practices of the Company, as required by NI 58-101.

#### **Board of Directors**

NI 58-201 recommends that boards of directors of reporting issuers be composed of a majority of independent directors. NI 52-110 sets out the standard for director independence. Under NI 52-110, a director is independent if he or she has no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Board of Directors, be reasonably expected to interfere with the exercise of a director's independent judgment. During the last financial year, the Board of Directors was composed of a majority of independent directors. Stewart Wallis was the Chief Executive Officer and President of the Company and therefore not considered to be independent. Evelyn Cox and Richard Grayston were considered independent.

The proposed Board of Directors is Stewart Wallis, Mark J. Morabito, Richard Grayston and Mark Lotz. Mr. Wallis is the former Chief Executive Officer and President of the Company and therefore not considered to be independent. Mr. Morabito is the current Chief Executive Officer of the Company and therefore not considered to be independent. The Board of Directors believes that, given the Company's inactivity, management is effectively supervised by Mr. Grayston and Mr. Lotz, the non-management directors of the Company, on an informal basis, as the non-management directors are actively and regularly involved in reviewing the operations of the Company and have regular and full access to management.

During the year ended March 31, 2016, the independent directors did not hold regularly scheduled meetings at which the non-independent directors and members of management are not in attendance.

The Company does not currently have a Chair of the Board of Directors or a lead director. To facilitate the Board operating independently of Management, the following processes are in place:

- the Board can hold in-camera meetings with the non-management directors;
- at Board meetings, members of management, including the Chief Executive Officer, are not present for the discussion and determination of certain matters; and
- under the Company's Articles any one director may call a Board meeting.

### **Directorships**

Currently, the following directors serve on the following boards of directors of other public companies:

<b>Director</b>	<b>Public Company Board Membership</b>
Richard Grayston	Anacott Resources Corp. Sparx Energy Corp. Teldar Resources Corp. SG Spirit Gold Inc. Golden Raven Resources Ltd.
Mark J. Morabito	Alderon Iron Ore Corp. Excelsior Mining Corp. Jet Metal Corp. Roughrider Exploration Limited
Stewart Wallis	Jet Metal Corp.
Mark Lotz	Golden Raven Resources Ltd. Grandfield Pacific Inc. Jet Metal Corp. Vodis Pharmaceuticals Inc.

### **Orientation and Continuing Education**

The Company provides an orientation program to new directors. This program consists of providing education regarding directors' responsibilities, corporate governance issues, the audit committee charter, and recent and developing issues related to corporate governance and regulatory reporting. The Company also encourages senior management to participate in professional development programs and courses and supports Management's commitment to training and developing employees. The Board of Directors provides comprehensive information regarding the Company to new directors and continuing education for directors on an ad hoc basis in respect of issues that are necessary for them to understand to meet their obligations as directors.

### **Ethical Business Conduct**

The Board of Directors expects Management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives. To date, the Board of Directors has not adopted a formal written Code of Business Conduct and Ethics. However, the current size of the Company's operations and the relatively small number of officers and employees allow the independent members of the Board of Directors to monitor on an ongoing basis the activities of Management and to ensure that the highest standard of ethical conduct is maintained. As the Company grows in size and scope, the Board of Directors anticipates that it will formulate and implement a formal Code of Business Conduct and Ethics.

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

### **Nomination of Directors**

The Company does not at this time have a specific committee responsible for the nomination of directors. The Board of Directors determines new nominees to the Board of Directors, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the Board of Directors members, including both formal and informal discussions among Board of Directors members and the CEO. Proposed directors' credentials are reviewed in advance of a Board of Directors meeting with one or more members of the Board of Directors prior to the proposed director's nomination.

### **Compensation**

During the financial year ended March 31, 2016, the Board of Directors did not have a compensation committee. The quantity and quality of the directors' and executive officers' compensation is reviewed and determined by the Board of Directors as a whole. Further details about the Company's compensation practices are disclosed in this information circular under the heading "Statement of Executive Compensation".

### **Other Board Committees**

The Company does not have any standing committees other than the Audit Committee.

### **Assessments**

The Board of Directors does not, at present, have a formal process in place for assessing the effectiveness of the Board of Directors as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant.

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

### **Approval and Ratification of Amended Stock Option Plan**

At the Meeting, Shareholders will be asked to consider, and if thought advisable, approve an amended stock option plan for the Company (the "2016 Plan" or the "Plan") to replace the Company's existing stock option plan (the "2013 Plan") which was last approved by Shareholders at the Company's annual and general meeting of Shareholders held December 22, 2015. Like the 2013 Plan, the 2016 Plan is a "rolling" stock option plan and is established to attract and retain employees, consultants, officers or

directors to the Company and to motivate them to advance the interests of the Company by affording them with the opportunity to acquire an equity interest in the Company. The Company has made certain amendments to the 2016 Plan with respect to income tax compliance matters. The terms of the 2016 Plan are otherwise consistent with the terms of the 2013 Plan.

The Plan reserves for issuance a maximum of 10% of the Common Shares at the time of a grant of options under the Plan. The Plan is administered by the Board of Directors and provides for grants of non-transferable options under the Plan at the discretion of the Board of Directors to directors, senior officers, employees, management company employees of, or consultants to, the Company and its subsidiaries, or their permitted assigns (each an “**Eligible Person**”).

The Board of Directors has the authority under the Plan to determine the exercise price per Common Share at the time an option is granted, but such price shall not be less than the closing price of the Common Shares on the TSX Venture Exchange (the “**Exchange**”) on the last trading day preceding the date on which the grant of the option is approved by the Board of Directors. The Board of Directors also has the authority under the Plan to determine other terms and conditions relating to the grant of options, including any applicable vesting provisions, provided that any options granted to consultants performing Investor Relations Activities must vest in stages over a period of not less than 12 months with no more than one-quarter of the options vesting in any three-month period.

The term of options granted under the Plan shall not exceed 10 years from the date of grant. However, as permitted by the Policy, the Plan has been amended to include an automatic extension of the expiry date associated with any option that expires during a trading blackout period imposed by the Company in accordance with insider trading policies. Under the Plan, if an option expires within a blackout period, the expiry date will be automatically extended to ten (10) business days following the date on which the blackout period is lifted.

All options granted under the Plan are not assignable or transferable other than by will or the laws of dissent and distribution. Other than Eligible Persons engaged in Investor Relations Activities, if an optionee ceases to be an Eligible Person for any reason whatsoever other than termination for cause or death, each fully vested option held by such optionee will cease to be exercisable 90 days following the termination date (being the date on which such optionee ceases to be an Eligible Person), provided that in no event shall such right extend beyond the expiry date of such options. If an optionee dies, the legal representative of the optionee may exercise the optionee's options within one year after the date of the optionee's death but only up to and including the original option expiry date. In the case of an optionee who is an Eligible Person engaged in Investor Relations Activities, each fully vested option held by such optionee will cease to be exercisable within 30 days from the date such optionee ceases to provide Investor Relations Activities, provided that in no event shall such right extend beyond the expiry date of such options. In the case of an optionee who is an Eligible Person who is terminated for cause, any option held by such optionee shall expire immediately.

In adherence with the TSX Venture Exchange Policy 4.4 – *Incentive Stock Options* (the “**Policy**”), the Plan also includes the following limitations on stock option grants:

- (a) unless the Company obtains shareholder approval (which must be disinterested shareholder approval if required by the policies of the Exchange) the aggregate number of Common Shares issuable pursuant to options granted under the Plan, together with Common Shares issuable under any other Share Compensation Arrangement of the Company shall not at any time exceed 10% of the number of Common Shares outstanding immediately prior to the grant of any such option;
- (b) the aggregate number of Common Shares issuable to any one Eligible Person who is a Consultant (as defined in the Plan) shall not, within a one year period, exceed 2% of the number of Common Shares outstanding immediately prior to the grant of any such option;

- (c) the aggregate number of Common Shares issuable to all Eligible Persons retained in Investor Relations Activities shall not, within a one year period, exceed 2% of the number of Common Shares outstanding immediately prior to the grant of any such option; and
- (d) unless the Company obtains disinterested shareholder approval, the aggregate number of Common Shares issuable to any one Eligible Person (and where permitted, any companies that are wholly owned by that Eligible) shall not, within a one year period, exceed 5% of the number of Common Shares outstanding immediately prior to the grant of any such option.

Furthermore, the Plan provides that shareholder approval must be obtained to effect any of the following modifications to the Plan: (a) an increase in the benefits under the Plan; (b) an increase in the number of Common Shares which may be issued under the Plan; (c) modifications to the requirements as to the eligibility for participation in the Plan; (d) modifications to the limitations on the number of options that may be granted to any one person or category of persons under the Plan; (e) modifications to the method for determining the exercise price of options granted under the Plan; (f) an increase in the maximum option period; or (g) modifications to the expiry and termination provisions applicable to options granted under the Plan.

The Company currently has 42,737,750 Common Shares outstanding which means 4,273,775 Common Shares could be reserved for issuance upon the exercise of stock options. As of the date of this circular, there is a total of 2,800,000 Common Shares reserved for the exercise of outstanding stock options.

Therefore, at the Meeting, Shareholders will be asked to pass a resolution in the following form:

“BE IT RESOLVED, as an Ordinary Resolution of the Shareholders of the Company, that:

1. Subject to regulatory approval, the 10% rolling stock option plan (the “Plan”) pursuant to which the directors may, from time to time, authorize the issuance of options to directors, officers, employees and consultants of the company to a maximum of 10% of the issued and outstanding Common Shares at the time of the grant, with a maximum of 5% of the Company’s issued and outstanding shares being reserved to any one person on a yearly basis, be and is hereby approved and ratified.
2. The Company be and is hereby authorized to grant stock options pursuant to and subject to the terms and conditions of the Plan entitling the option holders to purchase Common Shares of the Company.
3. Any one director or officer of the Company be and is hereby authorized to execute any and all documents as the director or officer deems necessary to give effect to the transactions contemplated in the Plan.”

The full text of the Plan will be available for review at the Meeting and may be obtained from the Company prior to the Meeting by sending a request in writing to the Company at Suite 1240, 1140 West Pender Street, Vancouver, British Columbia, V6E 4G1.

Management recommends that Shareholders vote in favour of the resolution to approve the Plan. **In the absence of contrary instruction, the persons named in the enclosed Instrument of Proxy intend to vote for the approval of the resolution to approve the Plan.**

## **OTHER MATTERS**

It is not known if any other matters will come before the Meeting other than set forth above and in the Notice of Meeting, but if such should occur, the persons named in the accompanying Proxy intend to vote

on any poll, on such matters in accordance with their best judgment, exercising discretionary authority with respect to amendments or variations of matters identified in the Notice of Meeting and other matters which may properly come before the Meeting or any adjournment thereof.

### **ADDITIONAL INFORMATION**

**Additional information regarding the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders can obtain copies of the Company's financial statements and management discussion and analysis of financial results by sending a request in writing to the Company at 1240, 1140 West Pender Street, Vancouver, British Columbia, V6E 4G1. Financial information regarding the Company is provided in the Company's audited comparative financial statements for the years ended March 31, 2016 and 2015 and in the accompanying management discussion and analysis, both of which are available on SEDAR at [www.sedar.com](http://www.sedar.com).**

DATED at Vancouver, British Columbia, this 8<sup>th</sup> day of November, 2016.

*"Mark J. Morabito"*

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Mark J. Morabito  
Chief Executive Officer

**APPENDIX “A”  
to the Information Circular as at November 8, 2016 of  
Logan Resources Ltd.**

**AUDIT COMMITTEE CHARTER**

The following Audit Committee Charter was adopted by the Audit Committee of the Board of Directors and the Board of Directors of Logan Resources Ltd. (the “Company”):

*Mandate*

The primary function of the audit committee (the “Committee”) is to assist the Company’s 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; and
- provide an open avenue of communication among the Company’s auditors, financial and senior management and the Board of Directors.

*Composition*

The Committee shall be comprised of a minimum three directors as determined by the Board of Directors. If the Company ceases to be a “venture issuer” (as that term is defined in National Instrument 52-110), then all of the members of the Committee 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.

If the Company ceases to be a “venture issuer” (as that term is defined in National Instrument 52-110), then all members 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 Audit Committee 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. The position description and responsibilities of the Chair are set out in Schedule “A” attached hereto.

*Meetings*

The Committee shall meet at least quarterly, 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. The Committee may ask members of management of the Company or others to attend meetings or to provide information as necessary.

Quorum for the transaction of business at any meeting of the Committee shall be a majority of the number of members of the Committee or such greater number as the Committee shall by resolution determine.

Meetings of the Committee shall be held from time to time as the Committee or the Chair shall determine upon 48 hours' notice to each of its members. The notice period may be waived by unanimous resolution of the Committee.

The Committee shall keep minutes of its meetings which shall be submitted to the Board. The Committee may, from time to time, appoint any person who need not be a member, to act as a secretary at any meeting.

Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose. Actions of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose. The Committee shall report its determinations to the Board at the next scheduled meeting of the Board, or earlier as the Committee deems necessary.

#### *Responsibilities and Duties*

To fulfill its responsibilities and duties, the Committee shall:

#### **1. Documents/Reports Review**

- (a) review and update this Audit Committee Charter annually; and
- (b) 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.

#### **2. External Auditors**

- (a) review annually, the performance of the external auditors who shall be ultimately accountable to the Company's Board of Directors and the Committee as representatives of the shareholders of the Company;
- (b) obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with the professional standards for the external auditors;
- (c) review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors;
- (d) take, or recommend that the Company's full Board of Directors take appropriate action to oversee the independence of the external auditors, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- (e) recommend to the Company's Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval;

- (f) recommend to the Company's Board of Directors the compensation to be paid to the external auditors;
- (g) 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;
- (h) 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;
- (i) review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements; and
- (j) 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. In the event that the Company wishes to retain the services of the Company's external auditors for tax compliance, tax advice or tax planning, the Chief Financial Officer of the Company shall consult with the Chair of the Committee, who shall have the authority to approve or disapprove on behalf of the Committee, such non-audit services. All other non-audit services shall be approved or disapproved by the Committee as a whole, provided that 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.

### **3. Financial Reporting Processes**

- (a) in consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external;
- (b) consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting;
- (c) consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management;
- (d) 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;

- (e) 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;
- (f) review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements;
- (g) review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented;
- (h) review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters;
- (i) review certification process;
- (j) establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
- (k) establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

#### **4. Other Responsibilities**

- (a) review any related-party transactions;
- (b) the Committee shall perform any other activities consistent with this Charter and governing law, as the Committee or the Board deems necessary or appropriate.

#### *Authority*

The Committee shall have the authority to:

- (a) engage independent counsel and other advisors including accounting or other consultants or experts as it determines necessary to carry out its duties;
- (b) set and pay the compensation for advisors employed by the Committee;
- (c) communicate directly with the internal and external auditors;
- (d) access, on an unrestricted basis, the books and records of the Company; and
- (e) conduct any investigation appropriate to its responsibilities, and it may request the external auditors, as well as any officer of the Company, or outside counsel for the Company, to attend a meeting of the Committee or to meet with any members of, or advisors to, the Committee;
- (f) the Committee shall have the authority to engage the external auditors to perform a review of the interim financial statements.

## **SCHEDULE “A”**

### **Position Description for the Chair of the Audit Committee**

#### **I. Purpose**

The Chair of the Audit Committee of the Board shall be a director who is elected by the Board to act as the leader of the Committee in assisting the Board in fulfilling its financial reporting and control responsibilities to the shareholders of the Company.

#### **II. Who may be Chair**

The Chair will be selected from amongst the directors of the Company who have a sufficient level of financial sophistication and experience in dealing with financial issues to ensure the leadership and effectiveness of the Committee.

#### **III. Responsibilities**

The following are the primary responsibilities of the Chair:

- chairing all meetings of the Committee in a manner that promotes meaningful discussion;
- ensuring adherence to the Committee’s Charter and that the adequacy of the Committee’s Charter is reviewed annually;
- providing leadership to the Committee to enhance the Committee’s effectiveness, including:
  - providing the information to the Board relative to the Committee’s issues and initiatives and reviewing and submitting to the Board an appraisal of the Company’s independent auditors and internal auditing functions;
  - ensuring that the Committee works as a cohesive team with open communication, as well as ensuring open lines of communication among the independent auditors, financial and senior management and the Board of Directors for financial and control matters;
  - ensuring that the resources available to the Committee are adequate to support its work and to resolve issues in a timely manner;
  - ensuring that the Committee serves as an objective party to monitor the Company’s financial reporting process and internal control systems, as well as to monitor the relationship between the Company and the independent auditors to ensure independence;
  - ensuring that procedures are in place to assess the audit activities of the independent auditors and the internal audit functions; and
  - ensuring that procedures are in place for dealing with complaints received by the Company regarding accounting, internal controls and auditing matters, and for employees to submit confidential anonymous concerns regarding questionable accounting or auditing matters.
- managing the Committee, including:
  - adopting procedures to ensure that the Committee can conduct its work effectively and efficiently, including committee structure and composition, scheduling, and management of meetings;

- preparing the agenda of the Committee meetings and ensuring pre-meeting material is distributed in a timely manner and is appropriate in terms of relevance, efficient format and detail;
- ensuring meetings are appropriate in terms of frequency, length and content;
- obtaining and reviewing with the Committee an annual report from the independent auditors, and arranging meetings with the auditors and financial management to review the scope of the proposed audit for the current year, its staffing and the audit procedures to be used;
- overseeing the Committee's participation in the Company's accounting and financial reporting process and the audits of its financial statements;
- ensuring that the auditors report directly to the Committee, as representatives of the Company's shareholders; and
- annually reviewing with the Committee its own performance.