

**TARKU RESOURCES LTD.**



**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS  
AND  
INFORMATION CIRCULAR**

**April 27, 2020**

## TARKU RESOURCES LTD.

### NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN** that the Annual and Special Meeting of shareholders of Tarku Resources Ltd. (the "Corporation") will be held via a conference call (shareholders must compose the following number : 1-866-296-5646 and use the passcode: 217310#) on May 25, 2020, at 11:00 a.m. (Montreal time), for the following purposes:

1. to present to shareholders the financial statements of the Corporation for the year ended September 30, 2019, as well as the related auditor's report;
2. to elect the directors of the Corporation;
3. to appoint the auditor of the Corporation and to authorize the Board of Directors to fix its remuneration;
4. to consider and, if deemed advisable, adopt a resolution to ratify and confirm the stock option plan of the Corporation;
5. to consider and, if deemed advisable, adopt a resolution to approve the repricing of the exercise price of the current outstanding options from \$0.65 to \$0.10;
6. to consider and, if deemed advisable, adopt a resolution to approve the issuance to 2 directors and officers of a total of 2,879,916 common shares to settle debts totalling \$ 198,714.31;
7. to transact such other business that may properly come before the Meeting.

The attached management proxy circular includes supplementary information on the matters to be dealt with at the Meeting and, as such, is an integral part of this Notice.

Montreal (Québec)  
April 27, 2020

**BY ORDER OF THE BOARD OF DIRECTORS**

(signed) Julien Davy  
President and Chief Executive Officer

**Since it is desirable that as many shares as possible be represented and voted at the Meeting, we urge any shareholder who is unable to attend the Meeting in person to complete and return the enclosed proxy form in accordance with the instructions contained therein.**

**TARKU RESOURCES LTD.**  
(the "Corporation")

**INFORMATION CIRCULAR**  
(Containing information as of April 27, 2020, unless indicated otherwise)

**SOLICITATION OF PROXIES**

**This information circular (the "Information Circular") is provided in connection with the solicitation of proxies to be used at the annual and special meeting of shareholders (the "Meeting") of the Corporation to be held at the time and place and for the purposes set forth in the attached Notice of Meeting and at any adjournment thereof. The enclosed proxy is being solicited by the management of the Corporation and the cost of this solicitation will be borne by the Corporation. The solicitation will be conducted primarily by mail but proxies may also be solicited personally by officers, employees or agents of the Corporation, but without additional compensation.**

If you cannot attend the Meeting in person, complete and return the enclosed form of proxy in accordance with the instructions contained therein.

**REQUIRED QUORUM**

The by-laws of the Corporation provide that a quorum is reached at a shareholders' meeting of the Corporation if one holder representing at least 5% of the issued and outstanding voting shares is present in person or represented by proxy.

**APPOINTMENT OF PROXYHOLDER AND RIGHT OF REVOCATION OF PROXIES**

The persons named in the enclosed form of proxy are Directors and Officers of the Corporation. **A shareholder has the right to appoint as his or her proxy a person, who need not be a shareholder, other than those whose names are printed on the accompanying form of proxy.** A shareholder who wishes to appoint some other person to represent him or her at the Meeting may do so either by inserting such other person's name in the blank space provided in the form of proxy and signing the form of proxy, or by completing and signing another proper form of proxy.

A shareholder may revoke a proxy at any time by an instrument in writing executed by him or, if the shareholder is a corporation, under its corporate seal, or by an officer or attorney thereof duly authorized in writing, and by sending it at the same address where the form of proxy was sent and within the delays mentioned therein, or two (2) business days preceding the date the Meeting resumes if it is adjourned, or by delivering it to the chairman of such Meeting on the day of the Meeting or any adjournment thereof.

**EXERCISE OF DISCRETION BY PROXIES**

The management undertakes to respect the holder's instructions.

**In the absence of any instructions, the proxy holder will exercise the right to vote FOR each question defined on the form of proxy, in the Notice of Meeting or in the Information Circular.**

**All resolutions will be adopted by a simple majority of the votes cast at the Meeting.**

Management does not know and cannot foresee at the present time any amendments or new points to be brought before the Meeting. If such amendments or new points were to be brought before the Meeting, the persons named in the enclosed form of proxy will vote on such matters in the way they consider advisable.

### **INFORMATION FOR BENEFICIAL SHAREHOLDERS**

**Only registered shareholders or holders of a duly designated proxy are eligible to attend and vote at the Meeting.**

Shareholders who do not hold their shares in their own name (the "Beneficial Shareholders") are advised that only the proxies of registered shareholders may be recognized and used for a vote at the Meeting. Actual shareholders who fill out and return a proxy shall indicate the name of the person (usually a brokerage house) that holds their shares as the registered shareholder. Each intermediary (broker) has its own mailing procedure and provides for its own return instructions, which should be carefully followed. The proxy provided to Beneficial Shareholders is identical to the one provided to registered shareholders. Nevertheless, its purpose is limited to instructing the registered shareholder on how to vote.

If the shares appear on the account statement supplied to a shareholder by a broker, then, generally speaking, these shares will not be registered in the name of the shareholder in the Corporation's records. It is probable that these shares will be registered in the name of the shareholder's broker or an agent of the broker. In Canada, most of these shares are registered in the name of CDS & Co. (the name of registration of Canadian Clearing and Depository Services Inc.), which acts as nominee for many Canadian brokerage firms. The voting rights attached to the shares held by brokers or their nominees may not be exercised in favour of or against resolutions except as directed by the shareholder. Without specific instructions, brokers or nominees are prohibited from exercising the voting rights attached to the shares of their customers. The directors and executive officers of the Corporation do not know for whose benefit the shares registered in the name of CDS & Co. are held.

Brokers and other intermediaries are required to request voting instructions from the Beneficial Shareholders before shareholder meetings. Brokers and other intermediaries have their own specific sending procedures and instructions for returning documents, which must be followed to the letter by the Beneficial Shareholders so that their voting rights can be exercised at the Meeting. In Canada, most brokers delegate the responsibility of obtaining instructions from their customers to Broadridge Financial Solutions Inc. ("BFSI"). A Beneficial Shareholder who receives a voting instruction form from BFSI may not use this form to vote directly at the Meeting. If you have any questions about exercising your voting rights attached to the shares that you hold through a broker or another intermediary, please contact this broker or other intermediary directly.

Although a Beneficial Shareholder cannot be recognized at the Meeting for the purpose of directly exercising the voting rights attached to the shares registered in the name of its broker (or of an agent of such broker), he/she may attend the Meeting as a proxy of the registered shareholder and exercise the voting rights attached to the shares in connection therewith.

Unless otherwise indicated, in this Information Circular as well as the attached proxy form and Notice of Meeting, "shareholders" refers to registered shareholders.

## **RECORD DATE**

The Board of Directors of the Corporation (the "Board") fixed the close of business on April 9, 2020 as the record date for determining which shareholders shall be entitled to receive Notice of the Meeting and to vote in person or by proxy at the Meeting or any adjournment thereof.

## **VOTING SECURITIES AND PRINCIPAL HOLDERS**

The Corporation is authorized to issue an unlimited number of common shares without par value, each share carrying one vote. As of the date hereof, there were 11,715,197 common shares issued and outstanding.

As of the date hereof, to the knowledge of management of the Corporation, no person holds, or has control over, 10% or more of the issued and outstanding shares of the Corporation.

## **INTEREST OF CERTAIN PERSONS IN MATTERS ON THE AGENDA**

The Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any of the following persons in any matter to be acted upon at the Meeting:

- a) each person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year;
- b) each proposed nominee for election as a director of the Corporation; and
- c) each associate or affiliate of any of the foregoing.

## **DETAILS OF MATTERS TO BE DEALT WITH AT THE MEETING**

### ***1 – FINANCIAL STATEMENTS***

The management discussion and analysis and the audited financial statements for the year ended September 30, 2019, together with the auditors' report therein, will be presented before the Meeting but will not be subject to a vote.

### ***2 – ELECTION OF DIRECTORS***

The members of the Board are elected annually, and each director holds office until the next annual meeting of shareholders or until his successor is elected or appointed. There are currently five (5) directors but the Corporation's management is of the opinion that it is in the best interest of the Corporation to reduce such number to four (4).

The Corporation's management proposes the election of the following nominees as directors and does not contemplate that any of such nominees will be unable or unwilling, for any reason, to serve as a director.

Name, city of residence and office held with the Corporation	Current principal occupation	Director since	Number of common shares of the Corporation beneficially owned or over which control is exercised <sup>(1)</sup>
Julien Davy Montreal (Québec) President, Chief Executive Officer and Director	President and Chief Executive Officer of the Corporation	June 1, 2017	708,762
Jeff Sheppard <sup>(2)</sup> Saskatoon (Saskatchewan) Chief Financial Officer and Director	Controller of 49 North Resources Inc.	October 19, 2016	171,461
Timothy Termuende <sup>(2)</sup> Cranbrook (British Columbia) Director	President and Chief Executive Officer of Eagle Plains Resources Ltd. and Taiga Gold Corp. and Director of Aben Resources Ltd.	May 13, 2014	325,765
Bernard Lapointe <sup>(2)</sup> Saguenay (Québec) Chairman	Consultant Geologist	June 1, 2018	306,333

(1) Each nominee has supplied the information concerning the number of common shares owned or over which he exercises control or direction.

(2) Member of the Audit Committee.

All the nominees have been elected directors of the Corporation at the annual and special shareholders' meeting of March 12, 2019 for which an Information Circular was issued.

Except as disclosed hereinafter, to the knowledge of the Corporation, none of the above-mentioned candidates:

(a) is, or within the last ten years, has been a director, chief executive officer or chief financial officer of any company that:

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

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

(c) has, within the last ten (10) years, 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 his assets.

Also, to the knowledge of the Corporation, no candidate for election as director 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;
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder having to decide to vote for a candidate.

**You can vote for the election of all the candidates described above, vote for the election of some of them and withhold from voting for others, or withhold from voting for all of them. Unless otherwise instructed, the persons named in the accompanying form of proxy will vote FOR the election of each of the candidates described above as director of the Corporation.**

### ***3 – APPOINTMENT OF AUDITOR AND AUTHORIZATION GIVEN TO THE BOARD TO FIX THE REMUNERATION OF THE AUDITOR***

Davidson & Company LLP, Chartered Accountants (“DC”) is the auditor of the Corporation. The Management proposes DC as auditor of the Corporation for the financial year ending September 30, 2020. In addition, for practical reasons, it is expedient at the Meeting to authorize the Board to fix the remuneration of the auditor.

**The persons named in the accompanying form of proxy will vote FOR the appointment of DC as auditor of the Corporation to hold office until the next annual meeting of the shareholders of the Corporation and the authorization for the Corporation’s directors to fix its remuneration, unless the shareholder signing the proxy has indicated his/her/its intention to abstain from voting in connection therewith.**

### ***4 - RATIFICATION AND CONFIRMATION OF THE STOCK OPTION PLAN***

The principal terms of the Stock Option Plan (the “Plan”) are described under the heading “Stock Option Plan” of this Information Circular.

The Plan is a “rolling plan” under which may be granted options for a maximum of 10% of the issued and outstanding shares of the Corporation at the time of the grant. The number of common shares that may be reserved under the Plan automatically increases or decreases as the number of issued and outstanding common shares of the Corporation increases or decreases.

Pursuant to the policies of the TSX Venture Exchange (the “TSXV”), the Plan must be approved annually by the shareholders at their Annual Meeting. Consequently, the shareholders will be asked to adopt the following resolution:

“BE IT RESOLVED to ratify and confirm the Stock Option Plan of the Corporation currently in force and to authorize any officer of the Corporation to take all necessary actions to give effect to the foregoing.”

**The persons named in the accompanying proxy form will vote FOR the resolution confirming the Plan unless the shareholder signing the proxy has indicated his/her/its intention to vote against it.**

### 5 – APPROVAL OF REPRICING OF STOCK OPTIONS

Following the consolidation of the common shares of the Corporation, effective as of February 7, 2020, on the basis of 1 new common share for each tranche of 6.5 old common shares, the number of outstanding stock options currently issued under the Plan was reduced to 784,611 and the exercise price of all such options was consequently increased to \$0.65.

Given the current trading price of the common shares on the TSXV, the Board is of the opinion that the outstanding options no longer offer an adequate incentive to their holders. Recognizing that the grant of options is a critical element of the Corporation's compensation program and that retention is critical to the Corporation achieving its business objectives, the Board considers that it is in the best interest of the Corporation to reduce the exercise price of the outstanding options.

The Board thus adopted on April 21, 2020 a resolution pursuant to which, subject to the approval of the TSXV and of the shareholders of the Corporation at the Meeting, the exercise price of all current existing options shall be reduced from \$0.65 to \$0.10 (the "Repricing").

The following table lists the details of all current outstanding options and their expiry date.

Name of holder	Number of options	Expiry date
Julien Davy	123,076	March 13, 2024
Bernard Lapointe	100,000	March 13, 2024
Jeff Sheppard	76,923	October 26, 2021
	100,000	March 13, 2024
Benoit Lafrance	123,076	March 13, 2024
Tim Termuende	38,461	October 26, 2021
	53,846	March 13, 2024
Barry Chappell	38,461	February 3, 2021
	53,846	February 3, 2021
Glen Diduck	38,461	October 26, 2021
Darren Fach	38,461	October 26, 2021
<b>Total</b>	<b>784,611</b>	

Of the 784,611 outstanding options, 615,382 are held by insiders of the Corporation and their associates (namely, Julien Davy, Bernard Lapointe, Jeff Sheppard, Benoit Lafrance and Tim Termuende).

The Corporation obtained on April 22, 2020 the conditional approval of the TSXV with respect to the Repricing.

Pursuant to the policies of the TSXV, the Repricing requires disinterested shareholder approval. Disinterested shareholder approval is the approval by a majority of the votes cast on the resolution by all shareholders at the Meeting, excluding the votes attached to the common shares held by insiders of the Corporation who hold options.



Based on the shareholding of the insiders who hold options at the date hereof, a total of 2,154,673 common shares shall be excluded from voting, representing approximately 18,4% of the issued and outstanding common shares.

Accordingly, at the Meeting, the Corporation's disinterested shareholders shall be asked to consider, and if thought advisable, adopt the following resolution:

"BE IT RESOLVED, with votes of insiders excluded therefrom, that:

1. The repricing of the exercise price of the 784,611 current outstanding options from \$0.65 to \$0.10 be and is hereby approved.
2. The Board be and is hereby authorized, at its absolute discretion, to determine whether or not to proceed with the above resolution without further approval by the shareholders.
3. Any director or officer of the Corporation is authorized and directed, on behalf of the Corporation, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements and documents and do all such acts and things that may be necessary or desirable to give effect to the foregoing resolution."

The Board recommends that shareholders vote FOR the resolution approving the Repricing.

**The persons named in the accompanying proxy form shall vote FOR the resolution approving the Repricing unless the shareholder signing the proxy has indicated his/her/its intention to vote against it.**

## ***6- ISSUANCE OF SHARES IN SETTLEMENT OF DEBTS TO DIRECTORS AND OFFICERS***

The Corporation proposes to issue a total of 2,879,916 common shares to 2 directors and officers of the Corporation, at a price of \$0.069 per share, to settle debts in the aggregate amount of \$ 198,174.31 , pursuant to debt settlement agreements entered into between the Corporation and those directors and officers (the «Debt Settlements»). Those debts represent management and consulting services provided by such directors and officers to the Corporation.

The Corporation obtained on April 22,2020 the conditional approval of the TSXV for the Debts Settlements

Mr Julien Davy, President and CEO, is owed \$126,904.31 and will be issued 1,839,192 common shares and Mr. Jeff Sheppard, CFO, through his management company, is owed \$ 71,810 and will be issued 1,040,724 common shares.

Pursuant to the Policies of the TSXV, the Debt Settlements require disinterested shareholder approval, being the approval by a majority of the votes cast on the resolution by all shareholders at the Meeting, excluding the votes attached to the common shares held by the directors and officers that are issued common shares.

Based on the shareholding of Julien Davy and Jeff Sheppard at the date hereof, a total of 880,223 common shares shall be excluded from voting, representing approximately 7,51 % of the issued and outstanding common shares.

Accordingly, at the Meeting, the Corporation's disinterested shareholders shall be asked to consider, and if thought advisable, adopt the following resolution:

"BE IT RESOLVED to approve the issuance of 2,879,916 common shares of the Corporation to 2 directors and officers of the Corporation in settlement of debts amounting to \$ 198,714.31, as described in the Information Circular".

The Board recommends that shareholders vote FOR the resolution approving the issuance of shares in settlement of debts.

**The persons named in the accompanying proxy form shall vote FOR the resolution approving the issuance of shares in settlement of debts unless the shareholder signing the proxy has indicated his/her/its intention to vote against it.**

## COMPENSATION OF EXECUTIVE OFFICERS AND DIRECTORS

### A – EXECUTIVE OFFICERS

#### Compensation Discussion and Analysis

##### Interpretation

"Named Executive Officer" ("NEO") means:

- a) a Chief Executive Officer ("CEO");
- b) a Chief Financial Officer ("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 for that financial year; and
- d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of that financial year.

The NEOs who are the subject of this Compensation Discussion and Analysis are Julien Davy, President and CEO and Jeff Sheppard, CFO.

##### Objectives of the Compensation Program

Given its current stage of development, the Corporation does not have a formal compensation program.

The objectives of the compensation of the NEOs is to:

- (a) attract, retain and motivate talented executive officers that contribute to the continued success of the Corporation;

- (b) align the interests of the NEOs of the Corporation with those of the shareholders of the Corporation;
- (c) provide to the NEOs a compensation that is competitive with those of corporations of a similar size operating a similar business in the appropriate regions.

Overall, the compensation program aims to offer total compensation packages that correspond to the total compensation packages offered to NEOs with similar talents, skills and responsibilities with corporations that have similar financial, operational and industrial characteristics. The Corporation is a mining exploration company whose operations will not generate substantial revenues for a long period of time. Therefore, the use of traditional performance criteria, such as corporate profitability, is not considered appropriate by the Corporation for the purpose of evaluating the performance of the NEOs.

### **Purpose of the Compensation Program**

The compensation program of the NEOs of the Corporation has been designed to reward such persons for reinforcing the Corporation's business objectives and values and for their individual performances.

### **Elements of the Compensation Program**

The compensation program consists of a combination of a base salary and the grant of stock options.

The annual salary is designed to attract and develop loyalty on the part of NEOs by offering them a reasonable portion of unconditional compensation.

The stock options are granted to the NEOs from time to time by the Board on the basis of their respective contributions to the development of the Corporation. The allocation of stock options upon hiring aligns rewarding the NEO on the increase in value for the shareholder in the long term. The use of stock options encourages and rewards performance, by aligning the increase in compensation of each NEO with the increase of the performance of the Corporation and the value of shareholder investments.

### **Setting the amount of each component of the compensation program**

The compensation of the NEOs of the Corporation is reviewed annually by the Board.

#### **Base Salary**

The base salary review of each NEO takes into account current competitive market conditions, experience, proven or expected performance and the particular skills of the NEO. The base salary is not evaluated on the basis of a "peer group". The Board relies on the general experience of its members in setting the base salary.

#### **Stock Options**

The Corporation has established the Plan, the principal terms of which are described under the heading "Stock Option Plan" of this Information Circular. The Board determines at its discretion the number of options to be awarded to each NEO as well as the other related terms. Previous option grants are not taken into consideration for the new grants.

## Link to Overall Compensation Objectives

Each element of the compensation program has been designed to meet one or more objectives of the overall program. The base salary, combined with the granting of stock options, has been designed to provide total compensation which the Board believes is competitive with that paid by other corporations of comparable size engaged in similar business in appropriate regions.

## Compensation and Risk Management

Given the size of the Corporation and the fact that it has not implemented a formal compensation program, it is not possible for the Board to take into consideration the risks associated with a compensation program.

## Summary Compensation Table

The following table presents information concerning all compensation paid, payable, awarded, granted, given or otherwise provided to NEOs of the Corporation for services rendered to the Corporation during the three (3) most recently completed financial years.

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$) <sup>(1)</sup>	Non-equity incentive plan compensation (\$)		Pension Value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Julien Davy <sup>(2)</sup> President and CEO	2019	96,000	n/a	32,157	n/a	n/a	n/a	n/a	128,157
	2018	86,400	n/a	n/a	n/a	n/a	n/a	n/a	86,400
	2017	40,000	n/a	n/a	n/a	n/a	n/a	n/a	40,000
Jeff Sheppard <sup>(3)</sup> CFO	2019	60,000	n/a	26,127	n/a	n/a	n/a	n/a	86,127
	2018	60,000	n/a	n/a	n/a	n/a	n/a	n/a	60,000
	2017	36,000	n/a	22,500	n/a	n/a	n/a	n/a	58,500

(1) In determining the fair value of the option-based awards, the Corporation used the Black-Scholes method, with the following assumptions: (a) risk-free interest rate: 0.62%, (b) forecast volatility: 159.32%, (c) average dividend per share: 0 %, (d) expected life: 5 years.

(2) Mr. Davy was appointed President on June 1, 2017 and CEO on June 1, 2018.

(3) Mr. Sheppard was appointed CFO on October 19, 2016.

## Incentive Plan Awards

### Outstanding Share-Based Awards and Option-Based Awards

The following table presents for each NEO all awards outstanding at the end of the last completed financial year.

Name	Options-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options <sup>(1)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Julien Davy	123,076	0.65	March 13, 2024	n/a	n/a	n/a	n/a
Jeff Sheppard	76,923 100,000	0.65 0.65	October 26, 2021 March 13, 2024	n/a n/a	n/a n/a	n/a n/a	n/a n/a

(1) The value of unexercised "in-the-money" options is calculated using the closing price of the common shares of the Corporation on the TSXV on September 30, 2019 less the respective exercise price of the options.

(2) All information provided in the table takes into account the consolidation of the common shares effective as of February 7, 2020.

### Value Vested or Earned during the year

The following table presents information concerning the value vested with respect to awards granted to the NEOs during the last completed financial year.

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Julien Davy	32,157	n/a	n/a
Jeff Sheppard	26,127	n/a	n/a

### Pension Plan Benefits

The Corporation does not have a pension plan or other similar plan.

### Termination and Change of Control Benefits

The Corporation is not bound to pay any compensation in the case of any termination of employment and change of control.

## B – DIRECTORS

### Summary Compensation Table

The compensation of the directors is established by the Board. Directors that are not NEOs do not receive any remuneration. The directors also sometimes receive stock options, at the discretion of the Board. The following table presents the awards granted to the directors of the Corporation that are not NEOs during the last completed financial year.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$) <sup>(1)</sup>	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total compensation (\$)
Benoit Lafrance	53,500	32,157	n/a	n/a	n/a	n/a	85,657
Timothy Termuende	n/a	14,069	n/a	n/a	n/a	n/a	14,069
Bernard Lapointe	n/a	26,127	n/a	n/a	n/a	n/a	26,127
Barry Chappell <sup>(1)</sup>	n/a	14,069	n/a	n/a	n/a	n/a	14,069

1) Mr. Chappell resigned as director on February 3, 2020.

## Incentive plan Awards

### Outstanding Share-based Awards and Option-based Awards

The following table presents the awards granted to the directors of the Corporation that are not NEOs outstanding at the end of the last completed year.

Name	Options-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options <sup>(1)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Benoit Lafrance	123,076	0.65	March 13, 2024	n/a	n/a	n/a	n/a
Timothy Termuende	38,461 53,846	0.65 0.65	October 26, 2021 March 13, 2024	n/a n/a	n/a n/a	n/a n/a	n/a n/a
Bernard Lapointe	100,000	0.65	March 13, 2024	n/a	n/a	n/a	n/a
Barry Chappell <sup>(2)</sup>	53,846 38,461	0.65 0.65	February 3, 2021 February 3, 2021	n/a n/a	n/a n/a	n/a n/a	n/a n/a

(1) The value of unexercised "in-the-money" options is calculated using the closing price of the common shares of the Corporation on the TSXV on September 30, 2019 less the respective exercise price of the options.

(2) Mr. Chappell resigned as director on February 3, 2020.

(3) All information provided in the table takes into account the consolidation of the common shares effective as of February 7, 2020.

### Value vested or earned during the year

The following table presents information concerning the value vested with respect to awards granted to the directors of the Corporation that are not NEOs during the last completed financial year.

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Benoit Lafrance	32,157	n/a	n/a
Timothy Termuende	14,069	n/a	n/a
Bernard Lapointe	26,127	n/a	n/a
Barry Chappell	14,069	n/a	n/a

## DIRECTORS AND OFFICERS LIABILITY INSURANCE

The Corporation maintains an insurance policy covering the civil liability of its directors and officers for any liability incurred during their term of office. The policy has a total insurance coverage of \$1,000,000 per year and a deductible of \$15,000 per claim. The total premium paid during the financial year ended September 30, 2019 was \$5,000, plus applicable taxes.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out certain details with respect to compensation plans pursuant to which equity securities of the Corporation are authorized for issuance at the end of the last completed financial year.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	784,611	0.65	386,909
Equity compensation plans not approved by security holders	n/a	n/a	n/a

1) All information provided in the table takes into account the consolidation of the common shares effective as of February 7, 2020.

## STOCK OPTION PLAN

Under the Plan, the Board may, from time to time and at its discretion, grant to the directors, officers, employees or consultants of the Corporation (the “Beneficiaries”), options to purchase common shares of the Corporation as long as the number of options granted does not exceed 10% of the number of issued and outstanding common shares of the Corporation at the time the options were granted.

The principal provisions of the Plan are the following:

1. The maximum number of shares subject to options granted to one given person may not exceed, for any twelve (12) month period, 5% of the number of the outstanding shares at each date of grant;
2. The maximum number of shares subject to options granted to a consultant during any twelve (12) month period is limited to 2% of the number of outstanding shares at each date of grant;
3. The maximum number of shares subject to options granted to a person providing investor relation services (as defined by the TSXV), during a twelve (12) month period, is limited to 2% of the outstanding shares at each date of grant;
4. The exercise price of an option shall not be less than the market price at closing on the last day preceding the grant during which there were transactions, minus the discount allowed by the TSXV;
5. The options are not transferable and cannot be exercised more than ten (10) years after the date of grant;
6. The options shall terminate upon the death, retirement, resignation or termination of employment of the beneficiary, the beneficiaries or their heirs sometimes having additional delays (that cannot exceed 12 months) stipulated by the Plan to exercise their options; and
7. The proceeds from the exercise of the options will be used for the working capital of the Corporation.

## INDEBTEDNESS OF EXECUTIVE OFFICERS AND DIRECTORS

During the fiscal year ended September 30, 2019, and as at the date of this Information Circular, none of the directors, executive officers, employees (or previous directors, executive officers or employees) of the Corporation, each proposed nominee for election as a director of the Corporation and any associate of such a person was or is indebted to the Corporation with respect to the purchase of securities of the Corporation and for any other reason.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

The management of the Corporation is not aware of any material interest, direct or indirect, that any Director, proposed Director, Officer, Shareholder of the Corporation holding, directly or indirectly, as beneficial owner, more than 10% of the outstanding common shares of the Corporation or any associate or affiliate of any such persons would have in any material transaction concluded since the beginning of the last financial year of the Corporation or in any proposed transaction which had or could have a material effect on the Corporation, other than what is disclosed in this Information Circular.

## CORPORATE GOVERNANCE PRACTICES

National Policy 58-201 Corporate Governance Guidelines and National Instrument 58-101 Disclosure of Corporate Governance Practices set out a series of guidelines for effective corporate governance. The guidelines address matters such as the composition and independence of corporate boards, the functions to be performed by boards and their committees, and the effectiveness and education of board members. Each reporting issuer must disclose on an annual basis the corporate governance practices that it has adopted.

### Board of Directors

1. Independent Directors

An independent director is a director who has no direct or indirect material relationship with an issuer. A material relationship is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a member's independent judgment. The independent directors of the Corporation are Timothy Termuende and Bernard Lapointe.

2. Non Independent Directors

Julien Davy, Benoit Lafrance and Jeff Sheppard must be considered non-independent directors of the Corporation, given the fact that they are President and CEO, former Exploration Manager and CFO of the Corporation, respectively.

### Directorships

No director is currently a director of other issuers that are also reporting issuers (or the equivalent) in a jurisdiction of Canada or a foreign jurisdiction, except for:

- |                   |   |
|-------------------|---|
| Timothy Termuende | <ul style="list-style-type: none"><li>▪ Eagle Plains Resources Ltd. (TSXV)</li><li>▪ Taiga Gold Corp. (TSXV)</li><li>▪ Aben Resources Ltd. (TSXV)</li></ul> |
| Bernard Lapointe  | <ul style="list-style-type: none"><li>▪ Vanstar Mining Resources Inc. (TSXV)</li></ul>  |

### Orientation and Continuing Education

The Corporation does not currently have a formal orientation program for new directors. The Board has not at this time taken any measures to provide continuing education for the directors. However,



upon appointment of a new Director, reports and other documents are given to him and a Board meeting is held during which he is introduced to the other Board members, legal counsel and/or the auditor and exposed to different aspects of the Corporation so that this Director may rapidly familiarize himself with the action plan, policies and outstanding files of the Corporation.

### **Ethical Business Conduct**

In view of the state of development of the Corporation, the Board has not taken formal steps to encourage and promote an ethical business conduct culture. The Corporation however takes steps to ensure that the directors do not make transactions on shares of the Corporation when communication of material information is imminent.

### **Nomination of Directors**

According to the Corporation's needs, the candidates for the Board have been chosen so far by the Board.

### **Compensation**

All matters with respect to the compensation are determined by the Board. The compensation program is described under the heading "Compensation of Executive Officers and Directors".

### **Other Board Committees**

The only committee of the Board is the Audit Committee.

### **Evaluation**

The Board as a whole is responsible for evaluating the effectiveness and contribution of each member of the Board individually and the effectiveness and contribution of the Board as a whole as well as the Audit Committee.

## **AUDIT COMMITTEE**

### **Charter**

The charter of the Audit Committee of the Board is attached hereto as Schedule "A".

### **Composition**

The current members of the Audit Committee are Timothy Termuende, Bernard Lapointe and Jeff Sheppard. Pursuant to *National Instrument 52-110 - Audit Committee ("NI 52-110")*, a member of the Audit Committee is "independent" if he has no direct or indirect material relationship with the issuer, namely a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a member's independent judgment. The Board ruled that Timothy Termuende and Bernard Lapointe are independent members of the Audit Committee while Jeff Sheppard is not independent, being the CFO of the Corporation.

The Board ruled that these three members are financially literate in order to perform their Audit Committee duties as outlined in *NI 52-110*, meaning that they each have 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 complexities of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

### Relevant training and experience

Timothy Termuende, B.Sc., P.Geo., is a professional geologist with over 35 years of experience in the mineral exploration industry. Since earning his degree in Geological Sciences at the University of British Columbia in 1987, Tim has worked on exploration projects throughout North, Central, and South America, and has inspected mineral deposits in the former Soviet Union. He is President and Chief Executive Officer of Eagle Plains Resources Ltd. and Taiga Gold Corp, both are junior exploration companies listed on the TSXV.

Bernard Lapointe, P. Geo., has more than 35 years experience in the resource sector in exploration and project development. He founded Arianne Resources in 1997 and headed the company until 2013 that became Arianne Phosphate. Mr. Lapointe contributed to the discovery and development of the Lac a Paul project located in Quebec, one of the largest phosphate projects in the world. Mr. Lapointe is now a semi-retired geologist, consultant and private investor. He sits on several technical and strategic committees of public and private exploration companies and is a lecturer of exploration financing at the Université du Québec (Chicoutimi). He holds a BA in geology (Montreal), a master's degree in structural geology (Chicoutimi) and a PhD in mineral resources from the Université du Québec (Chicoutimi). He is a member of the Ordre des géologues du Québec and Qualified Person (QP) according to National Instrument 43-101.

Jeff Sheppard is a graduate of the University of Saskatchewan (BComm) and is a Chartered Professional Accountant (CPA, CA). Mr. Sheppard is currently the Chief Financial Officer of Royal Helium Ltd (TSXV:RHC) and of Westcore Energy Ltd. (TSXV: WTR) and the Controller at 49 North Resources Inc. (TSXV: FNR), Canadian resource investment companies headquartered in the Province of Saskatchewan.

### Pre-Approval Policies and Procedures

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

### Audit Committee Oversight

At no time during the Corporation's financial year ended September 30, 2019 was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

### External Auditor Service Fees

The aggregate fees billed by the Corporation's external auditor in each of the last two (2) fiscal years are as follows:

Financial Year Ending	Audit Fees (\$) <sup>(1)</sup>	Audit-Related Fees (\$) <sup>(2)</sup>	Tax Fees (\$) <sup>(3)</sup>	All Other Fees (\$) <sup>(4)</sup>	Total
September 30, 2019	15,000	183	n/a	6,500	21,683
September 30, 2018	14,500	290	n/a	5,500	20,290

1) *Audit Fees* consist of the aggregate fees billed by the external auditor of the Corporation for audit services.

2) *Audited Related Fees* consist of the aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the financial statements of the Corporation and are not reported under "Audit Fees" above and include the provision of comfort letters and consents, consultations concerning financial accounting and reporting of specific issues and the review of documents filed with regulatory authorities.

- 3) *Tax Fees* consist of the aggregate fees billed for tax compliance, tax advice and tax planning services, including the preparation of tax returns and claims for refund; tax consultations, such as assistance and representation in connection with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from taxing authorities; tax planning services; and consultation and planning services.
- 4) *All Other Fees* include the aggregate fees billed for products and services provided by the auditor, other than the services reported above.

### **Reliance on Certain Exemptions**

At no time during the Corporation's financial year ended September 30, 2019 has the Corporation relied on the various exemptions provided under NI 52-110. However, the Corporation is not required to comply with Parts 3 and 5 of NI 52-110 given that it is a venture issuer as defined in NI 52-110.

### **OTHER QUESTIONS**

The Corporation's management is unaware of any change regarding the items listed in the Notice of Meeting or of any other item that could be submitted to the Meeting, apart from those mentioned in the Notice of Meeting. However, if changes concerning the items on the agenda mentioned in the Notice of Meeting, or other items, are submitted to the Meeting in valid form, the attached proxy form confers discretionary power upon the persons named therein to vote, using their best judgment, on the related changes or on other items.

### **ADDITIONAL INFORMATION**

Additional financial information is provided in the financial statements and the Management's report for the year ended September 30, 2019. Such documents and this Information Circular are available on SEDAR ([www.sedar.com](http://www.sedar.com)).

Copies of this Information Circular are also available by contacting the Corporation:

224 – 4th Avenue South, suite 602  
Saskatoon, Saskatchewan, S7K 5M5  
Tel: 306-653-2692

The Corporation may request the payment of reasonable fees if the requesting party is not a shareholder of the Corporation.

### **APPROVAL OF INFORMATION CIRCULAR**

The contents and the sending of the Information Circular have been approved by the Board.

Montreal, Québec, April 27, 2020

**BY ORDER OF THE BOARD**

*(s) Julien Davy*

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Julien Davy, President and CEO

## **SCHEDULE A**

### **AUDIT COMMITTEE'S CHARTER**

#### **Purpose**

The primary function of the audit committee of the Corporation (the "**Committee**") is to assist the Board of the Corporation in fulfilling its responsibilities by reviewing the financial reports and other financial information provided by the Corporation to any regulatory body or the public, the Corporation's systems of internal controls regarding preparation of those financial statements and related disclosures that management and the Board have established and the Corporation's auditing, accounting and financial reporting processes generally. Consistent with this function, the Committee encourages continuous improvement of, and fosters adherence to, the Corporation's policies, procedures and practices at all levels. The Committee's primary objectives are to:

- assist directors in meeting their responsibilities in respect of the preparation and disclosure of the financial statements of the Corporation and related matters;
- provide for open communication between directors and external auditors;
- enhance the external auditor's independence;
- increase the credibility and objectivity of financial reports; and
- strengthen the role of the outside or "independent" directors by facilitating in depth discussions between directors on the Audit Committee, management and external auditors.

#### **Composition**

The Committee is comprised of three or more directors as determined by the Board, if at all possible with the majority of whom shall be "independent" (as such term is used in National Instrument 52-110 Audit Committees ("**NI 52-110**")) unless the Board shall have determined that the exemption contained in section 3.6 of NI 52-110 would be applicable and is to be adopted by the Corporation.

All of the members of the committee shall be "financially literate" (as defined in NI 52-110) unless the Board shall determine that an exemption under NI 52-110 from such requirement in respect of any particular member would be applicable and is to be adopted by the Corporation in accordance with the provisions of NI 52-110.

The members of the Committee shall be elected by the Board at the annual organizational meeting of the Board and remain as members of the Committee until their successors shall be duly elected and qualified.

Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

#### **Meetings**

The Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its mandate to foster open communication, the Committee should meet at least annually with management and the external auditors in separate executive sessions to discuss any matters that the

Committee or each of these groups believe should be discussed privately. The Chief Financial Officer (if appointed) is required to be present at the meetings of the Committee and may be excused from all or part of any such meetings by the independent sitting members.

Minutes of all meetings of the Committee shall be taken and the Committee shall report the results of its meetings and reviews undertaken and any associated recommendations or resolutions to the Board. A written resolution signed by all Committee members entitled to vote on that resolution at a meeting of the Committee shall be valid resolution of the Committee.

A quorum for meetings of the Committee shall be majority of its members, and the rules for calling, holding, conducting and adjourning meetings of the committee shall be the same as those governing the Board.

Members of the Committee may participate in a meeting of the Committee by means of telephone or other communication device or facilities that permit all persons participating in any such meeting to hear one another.

### **Responsibilities and Duties**

To fulfill its responsibilities and duties, the Committee shall:

#### **A. Documents/Reports Review**

1. Review and update this Charter, as conditions dictate.
2. Review the financial statements, prospectuses, MD&A, annual information forms and all public disclosures containing audited or unaudited financial information (including, without limitation, annual and interim press releases and any other press releases disclosing earnings or financial results) before release and prior to Board approval where required.
3. Review the reports to management prepared by the external auditors and management responses.
4. Established procedures for:
  - (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and
  - (b) the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters.
5. Review and approve the Corporation's hiring policies regarding employees and former employees of the present and former external auditors of the issuer.
6. Review of significant auditor findings during the year, including the status of previous audit recommendations.
7. Be satisfied with and periodically assess the adequacy of procedures for the review of corporate disclosure that is derived or extracted from the financial statements.

#### **B. External Auditors**

1. Be directly responsible for overseeing the work of the external auditors, including the

resolution of disagreements between management and the external auditors regarding financial reporting.

2. Recommend to the Board the external auditors to be nominated for appointment by the shareholders.
  3. Recommend to the Board the terms of engagement of the external auditor, including their compensation and a confirmation that the external auditors shall report directly to the Committee.
  4. On an annual basis, review and discuss with the auditors all significant relationships the auditors have with the Corporation to determine the auditors' independence.
  5. Review the performance of the external auditors and approve any proposed discharge of the external auditors when circumstances warrant.
  6. When there is to be a change in auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change.
  7. Periodically consult with the external auditors, without the presence of management, about internal controls and the fullness and accuracy of the organization's financial statements.
  8. Consider, in consultation with the external auditor, the audit scope and plan of the external auditor.
  9. Pre-approve the completion of any non-audit services by the external auditors and determined which non-audit services the external auditor is prohibited from providing and the Committee may delegate to one or more independent members of the Committee the authority to preapprove non-audit services, provided that such member(s) reports to the Committee at the next scheduled meeting such pre-approval and the members(s) complies with such other procedures as may be established by the Committee from time to time.
- C. Financial Reporting Processes
1. In consultation with the external auditors and management, review the integrity of the organization's financial reporting processes both internal and external. Consider judgments concerning the appropriateness of the Corporation's accounting policies.
  2. Consider and approve, if appropriate, major changes to the Corporation's auditing and accounting principles and practices as suggested by the external auditors or management.
  3. Review risk management policies and procedures of the Corporation (i.e., hedging, litigation and insurance).
- D. Process Improvement
1. Review with external auditors their assessment of internal controls, their written reports containing recommendations for improvement, and management's response and follow-up to any identified weaknesses. The Committee shall also review annually with the external auditors their plan for their audit, and upon completion of the audit, their reports upon the financial statements.
- E. Ethical and Legal Compliance

1. Ensure that management has the proper review system in place to ensure that the Corporation's financial statements, reports and other financial information disseminated to regulatory organizations and the public satisfy legal requirements.
2. Conduct and authorize investigations into any matters within the Committee's scope of responsibilities. The Committee shall be empowered to retain, and to set and pay compensation for any independent counsel and other professionals to assist in the conduct of any investigation, subject to the Board approving any expenditure in excess of \$10,000 in this regard.
3. Perform any other activities consistent with this Charter, the Corporation's by-laws and governing law, as the Committee or the Board deems necessary or appropriate.

