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## **MANAGEMENT INFORMATION CIRCULAR**

(This document contains information as at May 25, 2018 and all amounts are in Canadian dollars, unless otherwise indicated.)

### **GENERAL PROXY INFORMATION**

This Management Information Circular is furnished to the shareholders (the “Shareholders”) of Giga Metals Corporation (the “Company”) by the board of directors of the Company (the “Board”) in connection with the solicitation by the Company’s Board of proxies to be voted at the Annual General and Special Meeting (the “Meeting”) of the Shareholders to be held on Friday, June 29, 2018 at 10:00 a.m. PST.

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

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

### **Appointment and Revocation of Proxy**

#### *Registered Shareholders*

Registered Shareholders are entitled to vote at the Meeting. A Shareholder is entitled to one vote for each common share in the capital of the Company (“Common Shares”) that such Shareholder holds on May 25, 2018 (the “Record Date”) on the resolutions to be acted upon at the Meeting and any other matter to come before the Meeting. The persons named as proxy holders (the “Designated Persons”) in the enclosed form of proxy are directors and/or officers of the Company.

**In order to be voted, the completed form of proxy must be received by the Company’s registrar and transfer agent, Computershare Trust Company of Canada, at their offices located at 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1 (Tel: 1 800 564 6253), at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) prior to the scheduled commencement of the Meeting or an adjournment of the Meeting.**

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

A Shareholder who has given a proxy may revoke it at any time, before it is exercised, by an instrument in writing: (a) executed by that Shareholder or by that Shareholder's attorney-in-fact authorized in writing or, where that Shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation and (b) delivered either: (i) to the Company at #203-700 West Pender Street, Vancouver, BC V6C 1G8 (Attention: Mark Jarvis) at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof; (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof; or (iii) in any other manner provided by law. Also, a proxy will automatically be revoked by either: (a) attendance at the Meeting and participation in a poll (ballot) by a Shareholder or (b) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the notice of meeting and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company knows of no such amendments, variations, or other matters to come before the Meeting. **The shares represented by a Shareholder's proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for. If the Shareholder specifies a choice with respect to any matter to be voted upon, the shares represented by that Shareholder's proxy will be voted accordingly.**

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

**A Shareholder has the right to appoint a person to attend and act for him on his behalf at the Meeting other than the persons named in the enclosed instrument of proxy. To exercise this right, the Shareholder must strike out the names of the persons named in the instrument of proxy and insert the name of his nominee in the blank space provided, or complete another instrument of proxy. Such Shareholder should notify the nominee of the appointment, obtain the nominee's consent to act as proxy and should provide instruction to the nominee on how the Shareholder's shares should be voted. The nominee should bring personal identification to the meeting.**

**If no choice is specified in the proxy with respect to a matter to be acted upon, the proxy confers discretionary authority with respect to that matter upon the designated persons named in the form of proxy. It is intended that the designated persons will vote the common shares represented by the proxy in favour of each matter identified in the proxy and for the nominees of the company's board of directors for directors and auditor.**

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

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

### Non Registered Shareholders

The information set out in this section is of significant importance to those Shareholders who do not hold shares in their own name. Shareholders who do not hold their shares in their own name (referred to in this Information Circular as “Beneficial Shareholders”) should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder’s name on the records of the Company. Such Common Shares will more likely be registered under the names of the Shareholder’s broker or an agent of that broker. In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). **Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person well in advance of the Meeting.**

Regulatory policies require intermediaries to seek voting instructions from Beneficial Shareholders in advance of a shareholders’ meeting. Beneficial Shareholders have the option of either not objecting to their intermediary disclosing certain ownership information about themselves to the Company (such Beneficial Shareholder are designated as non-objecting beneficial owners, or “NOBOs”) or objecting to their intermediary disclosing ownership information about themselves to the Company (such Beneficial Shareholders are designated as objecting beneficial owners, or “OBOs”).

In accordance with the requirements of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Company has elected to send the notice of meeting, this Information Circular and a request for voting instructions (a “VIF”) instead of a proxy (the notice of meeting, Information Circular and VIF or proxy are collectively referred to as the “Meeting Materials”), directly to the NOBOs and indirectly through intermediaries to the OBOs. The intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to the OBOs.

Meeting Materials sent to Beneficial Shareholders are accompanied by a VIF, instead of a proxy. By returning the VIF in accordance with the instructions noted on it, the Beneficial Shareholder is able to instruct the intermediary (or other registered shareholder) how to vote the Beneficial Shareholder’s shares on the Beneficial Shareholder’s behalf. For this to occur, it is important that the VIF be completed and returned in accordance with the specific instructions noted on the VIF.

The majority of intermediaries now delegate responsibility for obtaining instructions from Beneficial Shareholders to Broadridge Investor Communication Solutions, Inc. (“Broadridge”) in Canada. Broadridge typically prepares a machine-readable VIF, mails these VIFs to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs to Broadridge, usually by way of mail, the internet or telephone. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting by proxies for which Broadridge has solicited voting instructions. If you have any questions respecting the voting of shares held through an intermediary, please contact that intermediary for assistance.

In either case, the purpose of this procedure is to permit Beneficial Shareholders to direct the voting of the shares which they beneficially own. **A Beneficial Shareholder receiving a VIF, through Broadridge or another intermediary, cannot use that form to vote Common Shares directly at the Meeting. Beneficial Shareholders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.** Should a Beneficial Shareholder who receives a VIF wishes to attend the Meeting or have someone else attend on their behalf, the Beneficial Shareholder

may request a legal proxy as set forth in the VIF, which will grant the Beneficial Shareholder or their nominee the right to attend and vote at the Meeting.

Only Registered Shareholders have the right to revoke a proxy. A Beneficial Shareholder who wishes to change its vote must, at least seven (7) days before the Meeting, arrange for its intermediary to revoke its VIF on its behalf.

All references to Shareholders in this Information Circular and the accompanying instrument of proxy and notice of meeting are to Registered Shareholders unless specifically stated otherwise.

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

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

Except as otherwise disclosed herein, no: (a) person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year; (b) proposed nominee for election as director of the Company; and (c) 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 of the matters to be acted upon other than the election of directors and the appointment of auditors.

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

The Company is authorized to issue an unlimited number of Common Shares without par value, of which 42,024,015 Common Shares are issued and outstanding as of May 25, 2018, the Record Date. Although the Company is also authorized to issue an unlimited number of Class A Preference Shares without par value, none of these preference shares have been issued.

Only the registered holders of Common Shares who were holders as of the Record Date are entitled to vote at the Meeting. These registered holders of Common Shares will be entitled to one vote for each Common Share held on the Record Date.

#### **MATTERS TO BE ACTED UPON AT THE MEETING**

##### ***Appointment and Remuneration of Auditors***

Shareholders will be asked to vote for an ordinary resolution to re-appoint Dale Matheson Carr-Hilton LaBonte, Chartered Accountants of Vancouver, British Columbia, as the auditors of the Company until the next annual general meeting of the Shareholders and to authorize the Board to fix their remuneration.

**Management recommends shareholders to vote for the ratification of the appointment of Dale Matheson Carr-Hilton LaBonte, Chartered Accountants, as the Company's auditors for the Company's fiscal year ending December 31, 2017 at a remuneration to be fixed by the Company's Board.**

**UNLESS SUCH AUTHORITY IS WITHHELD, PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE APPOINTMENT OF DALE MATHESON CARR-HILTON LABONTE, CHARTERED ACCOUNTANTS, AS AUDITORS OF THE COMPANY TO HOLD OFFICE UNTIL THE NEXT ANNUAL GENERAL MEETING OF**

**THE SHAREHOLDERS AND TO AUTHORIZE THE BOARD OF DIRECTORS TO FIX THEIR REMUNERATION.**

*Election of Directors*

The directors of the Company are elected at each annual general meeting of the Company and hold office until the next annual general meeting or until their successors are elected or appointed, unless the director's office is earlier vacated in accordance with the Company's Articles or applicable corporate statutes.

The Shareholders will be asked to pass an ordinary resolution to fix the number of directors of the Company at four (4). Management of the Company proposes to nominate each of the following persons for re-election as a director. Information concerning such persons, as furnished by the individual nominees, is as follows:

<b>Name, Province &amp; Country of Residence and Position Held with the Company</b>	<b>Principal Occupation During the Last Five Years</b>	<b>Number of Voting Securities Beneficially Owned or Controlled or Directed, Directly or Indirectly <sup>(1)</sup></b>	<b>Period(s) During Which Served as a Director of the Company</b>
MARK JARVIS <sup>(3)</sup>  British Columbia, Canada  President, CEO and Director	Businessman; President and CEO of the Company from January 2004 to present; President and CEO, director of Shoal Point Energy Ltd. from February 2013 to present; director of Claren Energy Corp., (formerly Terra Nova Energy Ltd. from February 2014 to present;	3,295,415	January 9, 2004 to present
LYLE DAVIS <sup>(2)(3)(4)(5)</sup>  British Columbia, Canada  Chairman and Director	Director of the Company from June 2004 to present; CEO of Condor Resources Inc. from July 2013 to present; director of Claren Energy Corp., (formerly Terra Nova Energy Ltd.) from February 2014 to December 22, 2017.	76,000	June 11, 2004 to present
DR. JONATHAN HYKAWY <sup>(2)(4)(5)</sup>	Director of the Company from September 12, 2017;	Nil	September 12, 2017 to present

Toronto, Ontario  Director	director of Cobalt 27 Capital Corp. from March 24, 2017 to December 20, 2017;		
PHILLIP ROBINSON (2)(4)(5)  Zurich, Switzerland  Director	Businessman; Director of the Company from November 1, 2017 to present; Senior Associate at Pala Investments Ltd. from July 2015 to present;	Nil	November 1, 2017 to present

- (1) The information as to security holdings of each director has been provided by the respective proposed directors and nominees and is not within the Company's knowledge.
- (2) Member of the Company's audit committee.
- (3) Member of the Company's disclosure committee.
- (4) Member of the Company's nominating committee.
- (5) Member of the Company's compensation committee.

Management recommends shareholders to vote for the nominees for re-election as directors.

**UNLESS SUCH AUTHORITY IS WITHHELD, PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF A RESOLUTION TO FIX THE NUMBER OF DIRECTORS AT FOUR (4) AND TO APPOINT AS DIRECTORS, MARK JARVIS, LYLE DAVIS, DR. JONATHAN HYKAWY AND PHILLIP ROBINSON.**

Management does not contemplate that any of the nominees will be unable to serve as a director.

#### **CORPORATE CEASE TRADE ORDERS OR BANKRUPTCIES**

Other than described below, none of the directors of the Company is, or within the past ten years prior to the date hereof has been, a director or executive officer of any issuer that, while that person was acting in the capacity:

- (a) was subject to a cease trade or similar order that denied the issuer access to any statutory exemptions for a period of more than 30 consecutive days;
- (b) was subject to an event that resulted, after the director or executive officer ceased to be a director or senior officer, in the issuer being the subject of a cease trade or similar order or an order that denied the issuer access to any statutory exemptions for a period of more than 30 consecutive days; or
- (c) was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to the bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangements or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the person.

No proposed director of the Company is, or was, within the ten (10) years before the date of this Information Circular, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets of the person.

The above information was provided by management of the Company.

### Statement of Executive Compensation – Venture Issuers

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

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

<b>Name and Position</b>	<b>Year</b>	<b>Salary, Consulting Fee, Retainer or Commission (\$)</b>	<b>Bonus (\$)</b>	<b>Committee or Meeting Fees (\$)</b>	<b>Value of all other compensation (\$)</b>	<b>Total Compensation (\$)</b>
Mark Jarvis President and CEO (1)	2017	14,000	Nil	Nil	Nil	14,000
	2016	Nil	Nil	Nil	5,082	5,082
	2015	Nil	Nil	Nil	Nil	Nil
Brian Fiddler CFO (2)	2017	21,200	Nil	Nil	Nil	21,200
	2016	9,000	Nil	Nil	5,082	14,082
	2015	19,000	Nil	Nil	Nil	19,000
Leslie Young Corporate Secretary (3)	2017	18,400	Nil	Nil	Nil	18,400
	2016	9,000	Nil	Nil	5,082	14,082
	2015	19,000	Nil	Nil	Nil	19,000
Lyle Davis, Chairman & Director (4)	2017	Nil	Nil	Nil	21,253	21,253
	2016	Nil	Nil	Nil	5,082	5,082
	2015	Nil	Nil	Nil	Nil	Nil
Tom Milner, Director (5)	2017	2,500	Nil	Nil	Nil	2,500
	2016	8,000	Nil	Nil	7,986	15,986
	2015	Nil	Nil	Nil	Nil	Nil
Dr. Jonathan Hykawy	2017	Nil	Nil	Nil	18,146	18,146

(6)						
Phillip Robinson (7)	2017	Nil	Nil	Nil	52,263	52,263

- (1) Mark Jarvis was appointed Chief Executive Officer and President of the Company on January 9, 2004.
- (2) Brian Fiddler was appointed as Chief Financial Officer on January 9, 2003 and ceased on April 15, 2018.
- (3) Leslie Young was appointed Corporate Secretary February 26, 2004.
- (4) Lyle Davis was appointed a director of the Company on June 11, 2004.
- (5) Tom Milner was appointed a director of the Company on October 9, 2007 and ceased on October 26, 2017.
- (6) Dr. Jonathan Hykawy was appointed as a director of the Company on September 11, 2017.
- (7) Phillip Robinson was appointed as a director of the Company on November 1, 2017.

### Stock options and other compensation securities

Name and Position	Type of Compensation Security	Number of compensation securities, number of underlying securities and % of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
<b>Mark Jarvis</b>  <b>President &amp; Chairman</b>	Stock Options	175,000	Jun-30-16	0.10	0.06	0.74	Jun-30-21
	Stock Options	150,000	Feb-5-18	0.55	0.51	0.74	Feb-5-23
<b>Brian Fiddler</b>  <b>CFO</b>	Stock Options	175,000	Jun-30-16	0.10	0.06	0.74	Jun-30-21
	Stock Options	25,000	Feb-5-18	0.55	0.51	0.74	Feb-5-23
<b>Leslie Young</b>  <b>Corp Sec.</b>	Stock Options	175,000	Jun-30-16	0.10	0.06	0.74	Jun-30-21
	Stock Options	25,000	Feb-5-18	0.55	0.51	0.74	Feb-5-23
<b>Lyle Davis</b>  <b>Director</b>	Stock Options	100,000*	Jun-30-16	0.10	0.06	0.74	Jun-30-21
	Stock Options	100,000	Oct-4-17	0.40	0.30	0.74	Oct-4-22
	Stock Options	75,000	Feb-5-18	0.55	0.51	0.74	Feb-5-23
<b>Tom Milner</b> <b>Director</b>	Stock Options	275,000	Jun-30-16	0.10	0.06	0.74	Jun-30-21



<b>Dr. Jon Hykawy</b>	Stock Options	100,000	Sep-19-17	0.22	0.23	0.74	Sep-19-22
<b>Director</b>	Stock Options	75,000	Feb-5-18	0.55	0.51	0.74	Feb-5-23
<b>Phillip Robinson</b>	Stock Options	100,000	Nov-1-17	0.80	0.76	0.74	Nov-1-22
<b>Director</b>	Stock Options	75,000	Feb-5-18	0.55	0.51	0.74	Feb-5-23

\*75,000 options were exercised by Mr. Davis, leaving 100,000.

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

Name and Position	Type of Compensation Security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
<b>Lyle Davis, Director</b>	Stock Options	75,000	0.10	December 8, 2017	0.66	0.56	49,500

#### Employment, consulting and management agreements

Currently the CFO and Corporate Secretary of the Company have ongoing employment agreements to perform duties to the Company as it pertains to their positions.

#### Oversight and description of director and named executive officer compensation

The directors of the Company do not receive any compensation in cash for services rendered in their capacity as a director until such time the Company has sufficient cash reserves. The Board does have a compensation committee. The compensation of the Company's executive officers is determined by the compensation Committee as a whole and currently have no cash bonus or incentives in place other than the Company's stock option plan.

Name and Principal Position	Year	Salary	Share-based awards	Option-based awards	Non-equity incentive plan compensation		Pension value	All other compensation	Total compensation
					(\$)				
					Annual incentive plans	Long-term incentive plans			
Mark Jarvis President and CEO	12/31/2017	14,000	Nil	Nil	Nil	Nil	Nil	Nil	14,000
	12/31/2016	Nil	Nil	5,082	Nil	Nil	Nil	Nil	5,082
	12/31/2015	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Brian Fiddler CFO	12/31/2017	21,200	Nil	Nil	Nil	Nil	Nil	Nil	21,200
	12/31/2016	9,000	Nil	5,082	Nil	Nil	Nil	Nil	14,082
	12/31/2015	19,000	Nil	Nil	Nil	Nil	Nil	Nil	19,000
Leslie Young Corporate Secretary	12/31/2017	18,400	Nil	Nil	Nil	Nil	Nil	Nil	18,400
	12/31/2016	9,000	Nil	5,082	Nil	Nil	Nil	Nil	14,082
	12/31/2015	19,000	Nil	Nil	Nil	Nil	Nil	Nil	19,000

## **Pension Plan Benefits**

Not applicable.

## **CORPORATE GOVERNANCE DISCLOSURE**

National Instrument 58-101 *Disclosure of Corporate Governance Practices*, requires all reporting issuers to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines (the “Guidelines”) adopted in National Policy 58-201 *Corporate Governance Principles*. These Guidelines are not prescriptive, but have been used by the Company in adopting its corporate governance practices. The Company’s corporate governance policies and mandates may also be publicly viewed on the Company’s website at [www.gigametals.com](http://www.gigametals.com).

## **Board of Directors**

### **Independence of Members of Board**

The Company’s current Board consists of four directors, three of which are independent based upon the tests for independence set forth in NI 52-110. Messrs. Lyle Davis, Phillip Robinson and Dr. Jon Hykawy are independent. Mr. Mark Jarvis is not independent as he is the President and Chief Executive Officer of the Company.

Management is nominating four (4) individuals to the Company’s Board: Mark Jarvis, Lyle Davis, Jon Hykawy and Phillip Robinson, all of whom are currently directors of the Company.

The Guidelines suggest that the Board of every reporting issuer should be constituted with a majority of individuals who qualify as “independent” directors under National Instrument 52-110 *Audit Committees* (“NI 52-110”), which provides that 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 Company’s Board, be reasonably expected to interfere with the exercise of a member’s independent judgment.

Of the Company’s current directors, all directors except Mark Jarvis are considered to be independent directors, as they have no direct or indirect material relationship with the Company. Mark Jarvis is not considered to be an independent director as he is also an executive officer of the Company.

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

### **Participation of Directors in Board Meetings**

For the year ended December 31, 2017, five regular board meeting were held. All directors were in attendance, either in person or via teleconference.

### **Board Mandate**

The Board is responsible for the conduct of the Company’s affairs generally. The Board is responsible for reviewing and approving the Company’s operating plans and budgets as presented by management. The Board is responsible for identifying the principal risks of the Company’s business and for ensuring these risks are effectively monitored and mitigated to the extent practicable. Succession planning, including the recruitment, supervision, compensation and performance assessment of the Company’s senior management personnel also fall within the ambit of the Board’s responsibilities. The Board is

responsible for ensuring effective communications by the Company with its shareholders and the public and for ensuring that the Company adheres to all regulatory requirements with respect to the timeliness and content of its disclosure. In keeping with its overall responsibility for the stewardship of the financial affairs of the Company, the Board created an Audit Committee which is responsible for the integrity of the Company's internal control and management information systems.

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

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

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

### **Position Descriptions**

Given the small size of the Company, the board does not have written position descriptions for its chairman or its committee chairs. The Board delineates the role and responsibilities of these individuals through reference to industry norms, past practice and in the case of the CEO, through his employment contract with the Company.

The Chairman is independent of management and is responsible for leading the discussion and ensuring that the Board convenes as often as is required in order to meet the needs of the Company. In addition, the Chairman also meets with the CEO on a regular basis to help with this function. The Audit Committee has a chair and a charter which charter provides structure and guidance with respect to the roles of the board, committee and the chair. In addition, the chair of the Audit Committee is independent of management. The Disclosure Committee does not have a written description for the chair. The Chair of the Disclosure Committee is independent from Management and has a Corporate Disclosure Policy which provides of timely, factual and accurate disclosure of all corporate information to Security holders of the Company and to the public.

### **Directorships**

The following table is a list of directorships in other reporting issuers held by the director(s) of the Company.

<b>Name of Director</b>	<b>Name of Reporting Issuer</b>
Lyle Davis	Condor Resources Inc. Earl Resources Limited ***
Mark Jarvis	Shoal Point Energy Ltd. ** Claren Energy Corp. *
Dr. Jon Hykawy	Cobalt 27 Capital Corp. ****

- (\*) Mr. Jarvis became a director of Claren Energy Corp. effective February 18, 2014.  
(\*\*) Mr. Jarvis became a director of Shoal Point Energy Ltd. effective February 2013.  
(\*\*\*) Mr. Davis became a director of Earl Resources Limited as of November 7, 2017.  
(\*\*\*\*) Dr. Hykawy became a director of Cobalt 27 on March 24, 2017 and ceased on December 20, 2017.

### **Orientation and Continuing Education**

Due to the size of the Company's current Board, the Board does not have a formal process of orientation or education program for the new members of the Board. However, any new directors will be given the opportunity to: (a) familiarize themselves with the Company, the current directors and members of management; (b) review copies of recently publicly filed documents of the Company, technical reports and the Company's internal financial information; (c) have access to technical experts and consultants; and (d) review a summary of significant corporate and securities legislation. Directors are also given the opportunity for continuing education.

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

### **Ethical Business Conduct**

The Board has adopted a Code of Ethics and Insider Trading Policy which has been distributed to its directors, officers, employees and consultants. A copy of the Code is available from the Company on written request or may be viewed on the Company's website.

### **Nomination of Directors**

The Board has a nominating committee. The Board considers its size each year when it passes a resolution determining the number of directors to be appointed at each annual general meeting of Shareholders. The Board has determined that the configuration of four (4) directors proposed at the Meeting is the appropriate number of directors, taking into account the number required to carry out duties effectively while maintaining a diversity of views and experiences.

### **Compensation**

The directors of the Company do not receive cash compensation for services rendered in his capacity as a director until such time the Company has sufficient cash reserves. The directors of the Company receive options from time to time. The Board has a compensation committee. The compensation committee members are as of the date hereof Lyle Davis, Dr. Jon Hykawy and Phillip Robinson.

### **Other Board Committees**

The Board has an audit committee and a disclosure committee.

The disclosure committee is responsible for ensuring compliance with the Company's corporate disclosure policy, which provides for timely, factual and accurate disclosure of corporate information to security holders and to the public. The members of the disclosure committee are those persons who from time to time occupy the following offices of the Company: chief executive officer, chief financial officer, the chairman of the Board, the executive vice-president and the corporate secretary.

Please refer to the section entitled "Audit Committee" and Schedule "A" *Audit Committee Charter* for more information regarding the Audit Committee.

### **Assessments**

Due to the size of the Company's current Board, the Board does not formally review individual Board members or committee members and their contributions. The Board is of the view that the Company's shareholders are the most important assessors of Board performance and that they provide the most effective, objective assessment of the Board's performance.

## AUDIT COMMITTEE

### Audit Committee Charter

The text of the audit committee's charter is attached as "Schedule A" to this circular.

### Composition of the Audit Committee

The audit committee members are as of the date hereof Lyle Davis, Jon Hykawy and Phillip Robinson, each of whom is a director and financially literate in accordance with NI 52-110.

### Audit Fees

Year Ended	Audit Fees (\$)	Tax Fees (\$)	All Other Fees (\$)
31-Dec-17	10,000	Nil	Nil
31-Dec-16	10,000	Nil	1,500

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as elsewhere in this Information Circular or the documents of the Company incorporated by reference, no "Informed Person" (as defined in National Instrument 51-102 *Continuous Disclosure Obligations*), no proposed director of the Company and no associate or affiliate of any Informed Person or proposed director, has any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction, which has materially affected or would materially affect the Company or any of its subsidiaries.

## MANAGEMENT CONTRACTS

No management functions of the Company or any of its subsidiaries are to any substantial degree performed by a person other than the directors or executive officers of the Company.

## DISCLOSURE REGARDING SECURITY BASED COMPENSATION ARRANGEMENTS

The TSX-V requires that listed issuers must disclose on an annual basis, in their information circulars, the terms of their security based compensation arrangements and any amendments that were adopted in the last fiscal year. Accordingly, the Company is providing the disclosure below.

### Stock Option Plan

The Shareholders will be asked to approve the unallocated options issuable pursuant to the Plan every year in accordance with the rules and policies of the TSX-V. Therefore, the Shareholders will be asked for such approval at the annual meeting of the shareholders of the Corporation.

The only security based compensation arrangement which the Company has in place is the amended and restated stock option plan (the "Plan"), which was approved by the Company's Shareholders at the Company's annual general and special meeting held on June 27, 2008. The Company amended and restated its previous stock option plan (approved by Shareholders at the Company's 2004 annual general meeting) (the "2004 Plan") to meet the requirements of the policies of the TSX-V as set out in the TSX-V Company Manual (the "Manual"). The Company also made certain amendments to the 2004 Plan, to allow for beneficial tax treatment of incentive stock options by certain eligible persons who are subject to tax in the United States.

The purpose of the Plan is to advance the interests of the Company by encouraging the directors, officers, employees, consultants and management company employees of the Company to acquire Shares in the Company, thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of their affairs.

The rules of the TSX-V provide that all unallocated options issuable under a "rolling" stock option plan must be approved by Shareholders every year after the institution of the stock option plan.

### Eligible Participants

Stock options (“Options”) to purchase Shares may be granted to the following persons under the Plan:

- a) Eligible Employees (as defined in the Plan);
- b) Service Providers (as defined in Section 613(b) of the Manual);
- c) directors;
- d) consultants; and
- e) such other persons as the plan administrator will select, subject to applicable laws.

### Securities Available for Issuance under the Plan

Subject to adjustment as provided in Section 13 of the Plan, the Options to be offered under the Plan consist of authorized but unissued Shares of the Company. The aggregate number of shares to be delivered upon the exercise of all Options granted under the Plan cannot exceed an amount equal to 10% of the issued shares of the Company at the time of any granting of Options (on a non-diluted basis). Based upon 42,024,015 Shares outstanding on the Record Date, this amounts to 4,202,401 Shares.

The Company currently has 3,525,000 Options issued and outstanding under the Plan, representing 8.39% of the Company’s currently issued and outstanding Shares (on a non-diluted basis).

### Issuances to Insiders

The Plan limits the number of Options which may be granted under the Plan to Insiders (as defined under applicable laws) as follows:

- a) the number of Shares reserved for issuance with respect to options granted to Insiders cannot exceed ten percent (10%) of the issued and outstanding Shares on the grant date;
- b) the issuance to Insiders, within a one year period, cannot result in a number of Shares issued to Insiders exceeding ten percent (10%) of the issued and outstanding Shares; and
- c) the issuance of Shares to any one Insider, within a one year period, cannot exceed five percent (5%) of the issued and outstanding Common Shares.

### Issuances to Individuals

The Plan limits the number of Options which may be granted under the Plan to any individual. No person is eligible to receive Options to purchase more than 5% of the issued and outstanding Shares (subject to adjustment as set forth in Section 13 of the Plan). Additionally, the number of Options granted to persons employed in investor relations activities and to consultants is limited to 2% of the issued and outstanding Shares.

### Option Price

The exercise price of each Option is determined by the plan administrator in accordance with applicable laws, including the Manual and, for certain Options, the United States Internal Revenue Code of 1986. The exercise price per Share cannot be less than the closing trading price of the Shares on the TSX-V on the last trading day preceding the date on which the Option is granted (or if the Shares are not then listed and posted for trading on the TSX-V, on such other stock exchange or quotation system on which the Shares are listed and posted for trading as may be selected by the Board). In the event that the Shares are not listed and posted for trading on any stock exchange or other quotation system, the exercise price will

be the fair market value of the Shares as determined by the plan administrator. Additional restrictions on the exercise price of Options are stated in Section 4.1(c) of the Plan.

### Vesting

The Plan provides that no Option will be exercisable until it has vested. The plan administrator may, in its sole discretion, determine the time during which Options will vest and the method of vesting or that no vesting restriction will exist. The vesting of one or more outstanding Options may be accelerated by the plan administrator at such times and in such amounts as it will determine in its sole discretion.

### Term

Subject to Sections 11 and 12 of the Plan, the term of each Option (the "Option Period") is a period of time fixed by the plan administrator, not to exceed the maximum period permitted by any stock exchange or quotation system on which the Shares are then listed or other regulatory body having jurisdiction.

### Termination

The Plan provides that, if an Optionee ceases to be a director, officer, employee or consultant, as the case may be, of the Company for any reason (other than death), that person may, but only within 90 days next succeeding his ceasing to be a director, officer, employee or consultant, exercise his Option to the extent that he was entitled to exercise it at the date of such cessation provided that, in the case of such person who is engaged in investor relations activity on behalf of the Company, the 90 day period will be shortened to 30 days. In the case of termination of employment or contractual relationship with the Company or its subsidiaries for cause (as determined in the sole discretion of the plan administrator), the Options will terminate immediately.

In the event of the death of an Option holder, the Option previously granted to him is exercisable only within the 12 months next succeeding such death and then only:

- a) by the person or persons to whom the Option holder's rights under the Option will pass by the Option holder's will or the laws of descent and distribution of the Option holder's domicile at the time of death; and
- b) if and to the extent that he was entitled to exercise the Option at the date of his death.

### Transferability

All benefits, rights and Options accruing to the Option holder in accordance with the terms and conditions of the Plan are not transferable or assignable unless specifically provided for by the Plan.

### Amendment

The plan administrator may, at any time, suspend or terminate the Plan. The Board may, subject to such approvals as may be required under the rules of any stock exchange or which the Shares are then listed, or other regulatory body having jurisdiction or any applicable securities laws, also at any time amend or revise the terms of the Plan, provided that no such amendment or revision will alter the terms of any Options granted under the Plan prior to such amendment or revision.

Notwithstanding the foregoing, the events triggering acceleration of vesting of outstanding Options may be modified, expanded or eliminated without the consent of Option holders and the plan administrator may modify grants to persons who are eligible to receive Options under this Plan who are foreign nationals or employed outside Canada and the United States to recognize differences in local law, tax policy or custom.

So long as it remains a policy of the TSX-V, or such other stock exchange or quotation system on which the Company's Shares are listed and posted for trading, the Company will obtain disinterested shareholder approval for any reduction in the exercise price of the Option if the Option holder is an Insider of the Company at the time of the proposed amendment.

*Copy of the Plan*

A copy of the Plan is available for review at the offices of the Company at Suite 203-700 West Pender Street, Vancouver, BC V6C 1G8 or at Clark Wilson LLP, the registered offices of the Company, at Suite 900 – 885 West Georgia Street, Vancouver, B.C. V6C 3H1 during normal business hours up to and including the date of the Meeting.

**ADDITIONAL INFORMATION**

Additional information relating to the Company is on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information relating to the Company is provided in the Company's comparative financial statements and MD&A for the fiscal year ended December 31, 2017. Shareholders may contact the Company to request copies of financial statements and MD&A at the following address: #203-700 West Pender Street, Vancouver, British Columbia, Canada V6C 1G8.

**APPROVAL OF THE BOARD OF DIRECTORS**

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

Dated at Vancouver, British Columbia, this 30<sup>th</sup> day of May, 2018.

**BY ORDER OF THE BOARD OF DIRECTORS**

*“Mark Jarvis”*

**Mark Jarvis**  
**President, CEO and Director**



## **SCHEDULE A**

### **AUDIT COMMITTEE CHARTER**

#### **Overall Purpose and Objectives**

- The audit committee will assist the board in fulfilling its oversight responsibilities.
- The audit committee will review the quarterly and annual financial statements, including the MD&A, prior to the presentation of the statements to the board.
- The audit committee will review the company's internal financial reporting system and the audit process, and make recommendations to the board as required.
- In performing its duties, the committee will maintain effective working relations with the board of directors, the management, and the external auditors.
- Each committee member will obtain an understanding of the committee's responsibilities, and their responsibilities as committee members.

#### **Authority**

- The board authorizes the audit committee, within the scope of its responsibilities, to:
  1. Seek any information it requires from any employee (and all employees are directed to co-operate with any request made by the audit committee).
  2. Ensure the attendance of company officers at meetings as appropriate.
  3. Obtain outside legal or other professional advice.
- The audit committee shall recommend to the board their choice for auditor, and the compensation of the auditor <sup>1</sup>.
- The auditor shall report directly to the audit committee <sup>2</sup>.
- The audit committee shall pre-approve any non-audit services to be provided by the auditor <sup>3</sup>.

#### **Organization**

- The audit committee will consist of (3) members, of which (2) will be independent.
- Members will be appointed for a (1) year term.
- The chairman of the audit committee will be nominated by the board.
- A quorum for any meeting will be (2) members.
- The secretary of the audit committee will be the company secretary.
- Meetings will be held not less than (4) times a year. Special meetings may be convened as required.
- The meetings will be minuted.
- The auditor may convene a meeting if they consider it necessary.
- The auditor will be invited to at least (1) meeting a year, and invited to make presentations as required.

#### **Roles and Responsibilities – Financial Statements**

- Review the financial statements and determine whether they are complete and consistent with the information known to the committee members.
- Review the financial statements with respect to appropriate accounting principles.
- Meet with management to review the statements.
- Review the management discussion and analysis to ensure it is understandable and consistent with their knowledge of the financial statements.

**Roles and Responsibilities – Annual Audit**

- Review the auditor’s proposed audit scope, and ensure there are no unreasonable restrictions or limitations on the scope.
- Consider the independence of the auditor by reviewing any other services they provide the company (tax, consulting, etc.).
- Meet with management and the auditors to review the results of the audit.
- Review the performance of the auditors.
- Make recommendations to the board regarding the reappointment of the auditor.
- Meet separately with the auditor to discuss any matters that the committee or the auditors believe should be discussed privately.
- Ensure that significant findings and recommendations made by the auditors are brought to the attention of the full board.
- Ensure that management responds to the recommendations from the auditor.

**Roles and Responsibilities – Other**

- Ensure the board is aware of matters which may significantly impact the financial statements or affairs of the company.
- If necessary, institute special investigations and if deemed necessary, hire special counsel or experts to assist.
- Review and update the charter, and have changes approved by the board.
- Establish procedures for the confidential submission by employees with respect to questionable accounting practices.
- Establish procedures with respect to the treatment of complaints received by the company regarding accounting or auditing matters.