



**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS OF
PEPCAP RESOURCES, INC.**

TO BE HELD ON Tuesday December 12, 2017

and

MANAGEMENT INFORMATION CIRCULAR

DATED November 7, 2017

This management information circular and the accompanying materials require your immediate attention. If you are in doubt as to how to deal with these documents or the matters to which they refer, please consult your financial, legal, tax or other professional advisor.

PEPCAP RESOURCES, INC.

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON TUESDAY, DECEMBER 12, 2017

NOTICE IS HEREBY GIVEN that the annual meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of Common Shares (“**Common Shares**”) of Pepcap Resources, Inc. (the “**Corporation**”) will be held at the offices of Borden Ladner Gervais LLP, Waterfront Centre, 200 Burrard St #1200, Vancouver, BC V7X 1T2, at 10:00 a.m. (Vancouver time) on Tuesday, December 12, 2017, for the following purposes:

1. to receive and consider the audited consolidated financial statements of the Corporation for the financial year ended September 30, 2016, together with the notes thereto and the auditors’ report thereon;
2. to elect the board of directors of the Corporation (the “**Board**”) for the ensuing year;
3. to consider, and, if deemed advisable, to approve, with or without variation, an ordinary resolution, the full text of which is set forth in the accompanying management information circular (“**Information Circular**”) prepared for the purposes of the Meeting, to approve the Corporation’s stock option plan;
4. to approve the appointment of MNP LLP as auditors of the Corporation for the ensuing year at such remuneration as may be fixed by the Board;
5. to transact any other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

The details of all matters proposed to be put before the Shareholders at the Meeting are set forth in the Information Circular of the Corporation accompanying this Notice of Annual and Special Meeting.

A Shareholder may attend the Meeting in person or may be represented by proxy. Shareholders who are unable to attend the Meeting or any adjournment thereof in person are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment thereof. To be valid, the proxy must be received by Computershare Trust Company of Canada, Attention: Proxy Department, 8th Floor, 100 University Avenue, North Tower, Toronto, Ontario M5J 2Y1, not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in British Columbia) prior to the Meeting or any adjournment or postponement thereof. Registered Shareholders may also use the internet (www.investorvote.com) to vote their Common Shares.

The record date for determination of the Shareholders entitled to receive notice of and to vote at the Meeting is November 7, 2017 (the “**Record Date**”). Only the Shareholders whose names have been entered in the register of Common Shares on the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting. To the extent that a Shareholder transfers the ownership of any Common Shares after the Record Date and the transferee of those Common Shares establishes ownership of such Common Shares and demands, not later than ten (10) days before the Meeting, to be included in the list of the Shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those Common Shares at the Meeting.

DATED this 7TH day of November 2017.

**BY ORDER OF THE BOARD OF DIRECTORS OF
PEPCAP RESOURCES, INC.**

(signed) “*Claus Andrup*”
President and Chief Executive Officer

PEPCAP RESOURCES, INC.

ANNUAL OF SHAREHOLDERS TO BE HELD ON TUESDAY, DECEMBER 12, 2017

MANAGEMENT INFORMATION CIRCULAR

GENERAL

This management information circular (the “**Information Circular**”) is furnished to holders (“**Shareholders**”) of Common Shares (“**Common Shares**”) of Pepcap Resources, Inc. (the “**Corporation**”) in connection with the solicitation of proxies by the management of the Corporation for use at the annual and special meeting (the “**Meeting**”) of Shareholders to be held at the offices of Borden Ladner Gervais LLP, Waterfront Centre, 200 Burrard St #1200, Vancouver, BC V7X 1T2, at 10:00 a.m. (Vancouver time) on Tuesday, December 12, 2017, and at any adjournment or postponement thereof, for the purposes set forth in the accompanying Notice of Annual and Special Meeting (the “**Notice of Meeting**”).

The information contained herein is given as of November 7, 2017 except where otherwise indicated. Enclosed herewith is a form of proxy for use at the Meeting. Each Shareholder who is entitled to attend at meetings of Shareholders is encouraged to participate in the Meeting and Shareholders are urged to vote on matters to be considered in person or by proxy.

Persons Making the Solicitation

This solicitation is made on behalf of the management of the Corporation. The costs incurred in the preparation of both the form of proxy and this Information Circular will be borne by the Corporation. In addition to the use of mail, proxies may be solicited by personal interviews, personal delivery, telephone or any form of electronic communication or by directors, officers and employees of the Corporation who will not be directly compensated therefor.

In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), the Corporation has determined to deliver the proxy solicitation materials directly to the non-objecting beneficial owners of Common Shares (“**NOBOs**”). The costs thereof will be borne by the Corporation.

The Corporation does not intend to pay for intermediaries to deliver proxy-related materials or Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* to the objecting beneficial owners of Common Shares (“**OBOs**”) and as such, OBOs will not receive such materials unless their intermediary assumes the costs thereof (OBOs and NOBOs are herein collectively referred to as the “**Non-Registered Shareholders**”). See also “*Proxy Related Information – Advice to Non-Registered Shareholders*” in this Information Circular.

The Corporation will not be providing the Notice of Meeting, the Information Circular or the form of proxy to registered Shareholders or Non-Registered Shareholders through the use of notice-and-access, as such term is defined in NI 54-101.

PROXY RELATED INFORMATION

Appointment and Revocation of Proxies

Those Shareholders desiring to be represented at the Meeting by proxy must deposit their respective forms of proxy with Computershare Trust Company of Canada (“**Computershare**”), Attention: Proxy Department, 8th Floor, 100 University Avenue, North Tower, Toronto, Ontario M5J 2Y1, not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in British Columbia) prior to the Meeting or any adjournment or postponement thereof. A proxy must be executed by the Shareholder or by his attorney authorized in writing, or if the Shareholder is a corporation, under its seal or by an officer or attorney thereof duly authorized. A proxy is valid only at the Meeting in respect of which it is given or any adjournment or postponement of the Meeting.

Registered Shareholders may also use the internet (www.investorvote.com) to vote their Common Shares. Shareholders will be prompted to enter the control number which is located on the form of proxy when voting by the internet. Votes by the internet must be received not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in British Columbia) prior to the time of the Meeting or any adjournment or postponement thereof. The internet may also be used to appoint a proxyholder to attend and vote at the Meeting on the Shareholder's behalf and to convey a Shareholder's voting instructions.

The Corporation may refuse to recognize any instrument of proxy deposited in writing or by the internet received later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in British Columbia) prior to the Meeting or any adjournment or postponement thereof.

The persons named in the enclosed form of proxy are officers and directors of the Corporation. Each Shareholder submitting a proxy has the right to appoint a person, who need not be a Shareholder, to represent him/her or it at the Meeting other than the persons designated in the form of proxy furnished by the Corporation. A Shareholder may exercise this right by inserting the name of the desired representative in the blank space provided in the form of proxy or by completing another form of proxy and, in either case, depositing the proxy with Computershare, at the place and within the time specified above for the deposit of proxies.

A Shareholder who has submitted a proxy may revoke it at any time prior to the exercise thereof. If a person who has given a proxy attends personally at the Meeting at which such proxy is to be voted, such person may revoke the proxy and vote in person. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or by the Shareholder's attorney authorized in writing (or if the Shareholder is a corporation, under its seal or by an officer or attorney thereof duly authorized), deposited either at Computershare Trust Company of Canada, Attention: Proxy Department, 8th Floor, 100 University Avenue, North Tower, Toronto, Ontario M5J 2Y1 at any time up to and including the last business day preceding the day of the Meeting or any adjournment or postponement thereof or with the Chairman of the Meeting on the day of the Meeting or any adjournment or postponement thereof, and upon either of such deposits, the proxy is revoked.

Exercise of Discretion

All Common Shares represented at the Meeting by properly executed proxies will be voted or withheld from voting in accordance with the instructions of the Shareholder where voting is by way of a show of hands or by ballot and, if the Shareholder specifies a choice with respect to any matter to be voted upon, the Common Shares represented by the proxy will be voted in accordance with such instructions. **In the absence of any such instructions, the persons whose names appear on the enclosed form of proxy will vote in favour of the matters set forth in the Notice of Meeting and in this Information Circular.**

The enclosed form of proxy confers discretionary authority on the persons named therein with respect to any amendments or variations of those matters specified in the form of proxy and Notice of Meeting and with respect to any other matters which may be properly brought before the Meeting or any adjournment or postponement thereof. If any such amendment, variation or other matter should come before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote such proxies in accordance with their best judgment, unless the Shareholder has specified to the contrary or that Common Shares are to be withheld from voting. At the time of printing of this Information Circular, management of the Corporation knows of no such amendment, variation or other matter.

Advice to Non-Registered Shareholders

The information in this section is of significant importance to many Shareholders, as a substantial number do not hold their Common Shares in their own name. Non-Registered Shareholders are advised that only proxies from Shareholders of record can be recognized and voted 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 Corporation. Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms).

Voting by Non-Registered Shareholders

Common Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Non-Registered Shareholder. Without specific instructions, brokers/nominees are prohibited from voting Common Shares for their clients. The directors and officers of the Corporation do not know for whose benefit the Common Shares registered in the name of CDS & Co. are held, and directors and officers of the Corporation do not necessarily know for whose benefit the Common Shares registered in the name of any broker or agent are held. Non-Registered Shareholders who complete and return a form of proxy must indicate thereon the person (usually a brokerage house) who holds their Common Shares as a registered Shareholder.

Applicable regulatory policy requires brokers and other intermediaries to seek voting instructions from Non-Registered Shareholders in advance of Shareholders' meetings. Every broker and other intermediary has its own mailing procedure, and provides its own return instructions, which should be carefully followed. The form of proxy supplied by brokers and other intermediaries to Non-Registered Shareholders may be very similar and in some cases identical to that provided to registered Shareholders. However, its purpose is limited to instructing the registered Shareholder how to vote on behalf of the Non-Registered Shareholder.

In Canada, the vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically prepares a machine-readable voting instruction form, mails those forms to Non-Registered Shareholders and asks Non-Registered Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Non-Registered Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction forms must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted.**

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

Non-Registered Shareholders should contact their broker or other intermediary through which they hold Common Shares if they have any questions regarding the voting of such Common Shares.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

Voting Rights

The authorized share capital of the Corporation consists of an unlimited number of Common Shares without nominal or par value and an unlimited number of preferred shares ("**Preferred Shares**") without nominal or par value and issuable in series. As at the date hereof, there are 36,811,344 Common Shares and no Preferred Shares issued and outstanding. Each Common Share entitles the holder thereof to one (1) vote on all matters properly coming before the Meeting or any adjournment or postponement thereof.

Record Date

The record date for the determination of Shareholders entitled to receive notice of and to vote at the Meeting or any adjournment or postponement thereof is November 7, 2017 (the "**Record Date**").

The Corporation will prepare or cause to be prepared a list of the Shareholders recorded as holders of Common Shares on its register of Shareholders as of the close of business on the Record Date, each of whom shall be entitled to vote the Common Shares shown opposite their name on the list at the Meeting or any adjournment or

postponement thereof, except to the extent that: (a) any such Shareholder has transferred ownership of any of their Common Shares subsequent to the Record Date; and (b) the transferee produces properly endorsed share certificates evidencing the transfer or otherwise establishes that the transferee owns the transferred Common Shares and demands, not later than ten (10) days before the Meeting, that they be included on the list of Shareholders entitled to vote at the Meeting, in which case the transferee will be entitled to vote the transferred Common Shares at the Meeting or any adjournment or postponement thereof.

In addition, persons who are Non-Registered Shareholders as of the Record Date will be entitled to exercise their voting rights in accordance with the procedures established under NI 54-101. See “*Proxy Related Information – Advice to Non-Registered Shareholders*”.

Principal Holders of Common Shares

To the knowledge of the directors and executive officers of the Corporation, no person or company beneficially owns, or controls or directs, directly or indirectly, 10% or more of the issued and outstanding Common Shares as at the date of this Information Circular.

<u>Name and Municipality of Residence</u>	<u>Type of Ownership</u>	<u>Number of Common Shares</u>	<u>% of Common Shares</u>
Alan Kwan, Hong Kong	Registered	15,639,551	42.5%
Azure Global HK Ltd., Hong Kong ⁽¹⁾	Registered	7,854,000	21.3%

Notes:

(1) Azure Global HK Ltd. is owned and controlled by Chua Thiam Joo.

Quorum

Under the articles of the Corporation (the “**Articles**”), a quorum of Shareholders is present at a meeting if at least two (2) individuals are present in person, each of whom is entitled to vote at a meeting, and who hold or represent by proxy in the aggregate not less than 5% of the total number of shares entitled to be voted at the meeting. If any share entitled to be voted at a meeting of Shareholders is held by two or more persons jointly, the persons or those of them who attend the meeting of Shareholders constitute only one Shareholder for the purpose of determining whether a quorum of Shareholders is present.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No person who has been a director or executive officer of the Corporation at any time since the beginning of the last financial year, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of any of the foregoing, has any material interest, directly or indirectly, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon except as disclosed in this Information Circular under the heading “*Matters to be Considered at the Meeting – Election of Directors*”.

MATTERS TO BE CONSIDERED AT THE MEETING

To the knowledge of the board of directors of the Corporation (the “**Board**”), the only matters to be brought before the Meeting are those matters set forth in the Notice of Meeting.

1. Financial Statements

At the Meeting, the audited consolidated financial statements of the Corporation for the financial year ended September 30, 2016, together with the notes thereto and the auditors’ report thereon (the “**Financial Statements**”) will be presented. Shareholder approval of the Financial Statements is not required and no formal action will be taken at the Meeting to approve the Financial Statements.

In accordance with applicable laws, the Financial Statements have been delivered to Non-Registered Shareholders who have requested copies of the Corporation's annual Financial Statements and to registered Shareholders who have not informed the Corporation in writing that they do not wish to receive copies of annual Financial Statements of the Corporation. The Financial Statements are available on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com under the Corporation's SEDAR profile.

2. Election of Directors

Pursuant to the Articles of the Corporation, the Corporation is required to have a minimum of three (3) directors. In accordance with the Articles of the Corporation, the Board has fixed the number of directors to be elected at the Meeting at three (3) directors. The Corporation currently has three (3) directors, each of whose term of office ends at the Meeting. All of the current directors of the Corporation are standing for re-election as directors.

At the Meeting, Shareholders will be asked to elect the five (5) nominees set forth in the table below as directors of the Corporation, to hold office until the next annual meeting of Shareholders or until their successors are duly elected or appointed. Each of the nominees elected as a director of the Corporation will hold office until the next annual meeting of Shareholders or until his or her successor is duly elected or appointed or his or her office is vacated earlier in accordance with the provisions of the *Business Corporations Act* (British Columbia). Management does not contemplate that any of such nominees will be unable to serve as directors.

The following is a brief description of the nominees, including the name and province or state and country of residence of each of the nominees, the date each first became a director of the Corporation, their principal occupation during the past five (5) years and the number of Common Shares beneficially owned, or controlled or directed, directly or indirectly, by each of the foregoing as of the date of this Information Circular.

Name and Province or State and Country of Residence	Director Since	Principal Occupation for Past Five Years	Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly ⁽¹⁾
Claus Andrup ⁽²⁾ Maple Ridge, British Columbia, Canada	January 31, 2012	President of Andrup Holdings Inc. since 1980. Director of Western Wind Energy Corp. (formerly Minera Cortez Resources Ltd.) (TSXV) since 1999. Director of Greenbriar Capital Corp. (TSXV) from April 2009 to March 2013.	1,009,837
Edward Rochette ⁽²⁾ Ulaanbaatar, Mongolia	May 19, 2015	Lawyer, negotiator and transaction specialist in the areas of acquisition of mining rights, international business, land management and natural resource transactions. Former CEO of East Asia Minerals Corporation (TSXV), a mineral resource exploration company since October 2011 and country manager for Forbes & Manhattan, an investment bank, in Mongolia.	232,050
Margaret Wee ⁽²⁾ Singapore, Singapore	May 19, 2015	Founder and owner of JMC Corporation since 1993, which includes JMC Employment Agency, a personnel recruitment agency and JMC IT Services Pte Ltd, an information and technology agency, each servicing the Asia Pacific region. Founded Sin Coal Pte Ltd in 2009, a coal trading company and investment vehicle which currently operates in Singapore.	3,210,049

Notes:

- (1) Information respecting the number of Common Shares beneficially owned, or over which control or direction is exercised, directly or indirectly, as at the date of this Information Circular has been furnished to the Corporation by the above named individuals.
- (2) Member of the audit committee of the Corporation.

The Board believes the election of the above named nominees as directors of the Corporation is in the best interests of the Corporation, and recommends that the Shareholders vote IN FAVOUR of electing the nominees. Unless otherwise directed to the contrary, it is the intention of the persons named in the enclosed form of proxy to vote proxies in favour of the election of the nominees set forth in the table above as directors of the Corporation.

Cease Trade Orders

To the knowledge of the Corporation, no proposed director of the Corporation (nor any personal holding company of any of such persons) is, as at the date of this Information Circular, or has been within ten (10) years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation), that: (a) was subject to a cease trade order (including a management cease trade order), an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than thirty (30) consecutive days (collectively, an “**Order**”), that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or (b) was subject to 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, other than disclosed below:

The Alberta Securities Commission issued management cease trade orders against insiders of Western Wind Energy Corp. effective June 19, 2006 (the “**2006 MCTO**”) and June 13, 2007 (the “**2007 MCTO**”). The British Columbia Securities Commission issued a cease trade order on June 8, 2007 (the “**BC 2007 MCTO**”) in connection with the inability of Western Wind to file audited financial statements for the years ended January 31, 2006 and January 31, 2007. Mr. Andrup, at the time that the 2006 MCTO, the 2007 MCTO and the BC 2007 MCTO were issued, was a director and insider of Western Wind and was subject to both the 2006 MCTO, the 2007 MCTO and the BC 2007 MCTO. The outstanding financial statements and other materials were subsequently filed on September 6, 2006 and September 7, 2007 respectively and, as a result, the 2006 MCTO, the 2007 MCTO and the BC 2007 MCTO were revoked on September 13, 2006, September 27, 2007 and September 24, 2007, respectively.

Bankruptcies

To the knowledge of the Corporation, no proposed director of the Corporation (nor any personal holding company of any of such persons): (a) is, as at the date of this Information Circular, or has been within ten (10) years before the date of this Information Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (b) has, within the ten (10) years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Penalties and Sanctions

To the knowledge of the Corporation, no proposed director of the Corporation (nor any personal holding company of any of such persons) has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in deciding whether to vote for a proposed director.

3. Approval of the Stock Option Plan

The Board has adopted an incentive stock option plan (the “**Option Plan**”), substantially in the form attached as Schedule “A” to this Information Circular, which provides that the Board may from time to time, in its discretion,

and in accordance with TSX Venture Exchange (“TSXV”) requirements, grant to directors, officers, employees and consultants to the Corporation, non-transferable options (“Options”) to purchase Common Shares, provided that the number of Common Shares reserved for issuance will not exceed 10% of the issued and outstanding Common Shares. Such Options will be exercisable for a period of up to ten (10) years from the date of grant. In connection with the foregoing, the number of Common Shares reserved for issuance to: (i) any individual will not exceed five percent (5%) of the issued and outstanding Common Shares; and (ii) all consultants will not exceed two percent (2%) of the issued and outstanding Common Shares. In addition, the Option Plan provides that: (i) no more than five percent (5%) of the issued shares of the Corporation will be granted to any individual in any twelve (12) month period; (ii) no more than two percent (2%) of the issued shares of the Corporation will be granted to any one consultant in any twelve (12) month period; and (iii) no more than an aggregate of two percent (2%) of the issued share of the Corporation will be granted to an employee conducting investor relations activities in any twelve (12) month period.

Pursuant to the policies of the TSXV, stock option plans which reserve for issuance up to 10% of a listed company’s shares must be approved annually by shareholders of the listed corporation. This approval is being sought at the Meeting.

At the Meeting, Shareholders will be asked to consider, and, if deemed advisable, to approve, with or without variation, an ordinary resolution approving the Option Plan. The text of the ordinary resolution which management intends to place before the Meeting for the approval of the Option Plan is as follows:

“**BE IT HEREBY RESOLVED** as an ordinary resolution of the shareholders of Pepcap Resources, Inc. (the “Corporation”) that:

1. the stock option plan of the Corporation, substantially in the form attached as Schedule “A” (the “Option Plan”) to the management information circular of the Corporation dated June 3, 2016, be and is hereby approved and adopted as the stock option plan of the Corporation;
2. the form of the Option Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of the Corporation; and
3. any one 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, documents and other instruments and do all such other acts and things (whether under corporate seal of the Corporation or otherwise) that may be necessary or desirable to give effect to this ordinary resolution.”

The foregoing ordinary resolution must be approved by a simple majority of the votes cast at the Meeting by the Shareholders voting in person or by proxy. **The Board believes the passing of the above resolution is in the best interests of the Corporation and recommends that the Shareholders vote IN FAVOUR of the resolution. Unless otherwise directed to the contrary, it is the intention of the persons named in the enclosed form of proxy to vote proxies in favour of the ordinary resolution approving the Option Plan for the ensuing year.**

4. **Appointment of Auditors**

Management of the Corporation intends to nominate MNP LLP (“MNP”), Chartered Accountants, of Calgary, Alberta, for re-appointment as the auditors of the Corporation, to hold office for the ensuing year until the close of the next annual meeting of Shareholders or until MNP is removed from office or resigns, at a remuneration to be fixed by the Board. MNP has been the auditors of the Corporation since its incorporation.

5. **Other Business**

Management is not aware of any other matters to come before the Meeting, other than those set out in the Notice of Meeting. **If other matters come before the Meeting, it is the intention of the management designees named in the instrument of proxy to vote the same in accordance with their best judgment in such matters.**

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

One of the Board mandates includes the review and setting of executive compensation. The Board, in arriving at its compensation decisions, considers the long-term interests of the Corporation and its stakeholders, as well as the Corporation's historical and current stage of development. At this time the Corporation does not have a compensation committee, however it may implement such a committee in the future.

The objective of the executive compensation program is to attract, motivate, reward and retain management talent that is needed to achieve the Corporation's business objectives. The Corporation attempts to ensure that compensation is competitive with other corporations of similar size and in similar industry sectors. The experience, performance and contribution of the individuals involved and the overall performance of the Corporation are also factors taken into consideration. In evaluating performance, the Board gives consideration to the Corporation's long-term interests and quantitative financial objectives, as well to the qualitative aspects of the individual's performance and achievements.

Elements of Compensation

The current executive compensation program of the Corporation has been designed to feature three (3) principal components: base salaries, cash bonuses and the incentive stock option plan which are designed to provide a combination of cash and equity-based compensation to effectively retain and motivate the executive officers to achieve the corporate goals and objectives. These elements contain both short-term incentives comprised of cash payments by way of base salaries and bonuses, and long-term incentives by way of equity-based compensation. Other components of the executive compensation program include perquisites and other personal benefits. Each component of the executive compensation program is addressed separately below.

The amount for each element of the Corporation's executive compensation program is determined based upon compensation levels provided by the Corporation's competitors as well as upon the discretion of the Board, as described below. Each element of the Corporation's executive compensation program contributes to an overall compensation package, which is designed to provide both short-term and long-term financial incentives to the executive officers and to thereby assist the Corporation to successfully implement its strategic plans.

Base Salaries

Salaries for executive officers are reviewed annually based on corporate and personal performance and on individual levels of responsibility and are set to be competitive with industry levels. Salaries of the executive officers are not determined based on benchmarks or a specific formula. Consideration is given to compensation packages that may be available to such executive officers from other employment opportunities and commercially available data on salaries disclosed by competitors and peers. As stated above, base salaries are established to be competitive in order to attract and retain highly qualified and experienced individuals.

Bonus

For the years ended September 30, 2016, the Corporation did not pay bonuses to Named Executive Officers (as defined below). Going forward, the Corporation anticipates to award cash bonuses, which are intended to motivate and reward the recipients for the achievement of short-term and long-term goals. The amount of any bonus is anticipated to be determined following a review of corporate performance, which is assessed based upon established goals and objectives, including gross revenue, earnings targets and achieving project milestones.

Stock Option Plan

The Board also administers the Option Plan that is designed to provide a long-term incentive that is aligned with shareholder value. The number of Options to be granted to each executive officer is based on the level of responsibility and experience of the individual, the performance of the individual and the number of stock options previously granted to the individual. The Board determines the number of options as appropriate, which is intended to attract and retain qualified and talented executive officers. Other than set forth above, recommendations with

respect to the payment of bonuses are not based on a specific formula or benchmarks. See “*Matters to be Considered at the Meeting – Approval of the Stock Option Plan*”.

Perquisites and Other Components

Other components of compensation include perquisites and personal benefits as determined by the Board that are consistent with the overall compensation strategy. There is no specific formula or benchmarks for assessing how perquisites or personal benefits are utilized in the total compensation package.

Risks of Compensation Policies and Practices

The Corporation’s compensation program is designed to provide executive officers incentives for the achievement of near-term and long-term objectives, without motivating them to take unnecessary risk. As part of its review and discussion of executive compensation, the Board noted the following facts that discourage the Corporation’s executives from taking unnecessary or excessive risk:

- the Corporation’s business strategy and related compensation philosophy; and
- the effective balance, in each case, between near-term and long-term focus, corporate and individual performance, and financial and non-financial performance.

Based on this review, the Board believes that the Corporation’s total executive compensation program does not encourage executive officers to take unnecessary or excessive risk.

Financial Instruments

The Corporation has not implemented any policies which restrict its executive officers and directors from purchasing financial instruments, including prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the executive officer or director.

Share-Based Awards

The Corporation has not adopted any share-based awards plan and therefore does not have a formal process to grant share-based awards to executive officers. The Corporation has not provided any share-based awards.

Non-Equity Incentive Plan Compensation

The Corporation has not adopted any non-equity incentive plans and therefore does not have a formal process to grant non-equity incentives to executive officers.

Compensation Governance

For a discussion on policies and practices by the Board to determine the compensation of the Corporation’s directors and executive officers, see “*Executive Compensation – Compensation Discussion and Analysis*”. The Corporation has not established a compensation committee. All tasks related to developing and monitoring the Corporation’s approach to executive compensation is performed by the Board.

Benefit, Contribution, Pension, Retirement, Deferred Compensation and Actuarial Plans

The Corporation currently has no defined benefit, defined contribution, pension, retirement, deferred compensation or actuarial plans for its Named Executive Officer (as defined below) or directors of the Corporation.

Compensation of Named Executive Officers

Named Executive Officers - Summary Compensation and Outstanding Option-Based Awards

The Corporation's executive compensation program is available to the "Named Executive Officers" or "NEOs" of the Corporation which is defined by applicable securities legislation to mean each of the following individuals, namely: (i) each individual who, in respect of the Corporation, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer; (ii) each individual who, in respect of the Corporation, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer; (iii) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the Chief Executive Officer and Chief Financial Officer, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6 of National Instrument 51-102 – *Continuous Disclosure Obligations*, for that financial year; and (iv) each individual who would be a Named Executive Officer under paragraph (iii) 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 following table provides compensation information for the financial years ended September 30, 2015, 2014 and 2013 in respect of the Named Executive Officers, being Clark Swanson, President and Chief Executive Officer, and Gavin Cooper, Chief Financial Officer and Corporate Secretary of the Corporation.

Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards ⁽²⁾ (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-Term Incentive Plans			
Clark Swanson, ⁽¹⁾ President and Chief Executive Officer	2016	Nil	Nil	Nil	Nil	Nil	Nil	82,767 ⁽³⁾	82,767
	2015	Nil	Nil	113,897	Nil	Nil	Nil	28,828 ⁽³⁾	225,281
	2014	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Gavin Cooper, ⁽¹⁾ Chief Financial Officer and Corporate Secretary	2016	Nil	Nil	Nil	Nil	Nil	Nil	36,000 ⁽³⁾	36,000
	2015	Nil	27,846	62,643	Nil	Nil	Nil	15,000 ⁽³⁾	90,489
	2014	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a

Notes:

- (1) Mr. Swanson resigned as President and Chief Executive Officer and a director of the Corporation on March 11, 2017 and was replaced as President and Chief Executive Officer by Mr. Claus Andrup. Mr. Gavin Cooper was appointed as Chief Financial Officer and Corporate Secretary of the Corporation on May 19, 2015 in connection with the closing of the Corporation's Qualifying Transaction.
- (2) Figures represent the grant date fair value of the options granted. The Corporation used the Black-Scholes option pricing model because it is the most common and practical method acceptable under the current IFRS accounting standards, and the former Canadian GAAP. The Black-Scholes assumptions used by the Corporation for the Options granted on May 19, 2015, were: (i) an initial expected useful life of 10 years; (ii) a forfeiture rate of 0%; (iii) expected volatility of 120%; and (iv) a risk-free interest rate of 1.65%
- (3) Mr. Swanson and Mr. Cooper are paid monthly consulting fees for services rendered of US\$5,000 and CD\$3,000 respectively.

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all awards outstanding for the Named Executive Officers as of September 30, 2016:

Option-Based Awards					Share-Based Awards	
Name and Principal Position	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share based awards that have not vested (\$)
Clark Swanson, President and Chief Executive Officer	130,455	\$0.10	February 20, 2023	Nil	Nil	Nil
	1,000,000	\$0.11	May 19, 2025	Nil	Nil	Nil
Gavin Cooper, Chief Financial Officer and Corporate Secretary	550,000	\$0.11	May 19, 2025	Nil	Nil	Nil

Notes:

- (1) The value of the unexercised in-the-money options is based on the difference between the market value of the Corporation's Common Shares on the TSXV on September 30, 2016 and the exercise price of the Options. The closing price of the Corporation's Common Shares on the TSXV on September 30, 2016 was \$0.05.

Incentive Plan Awards — Value Vested or Earned During the Year

The following table sets forth the value of all incentive plan awards vested or earned for the Named Executive Officers during the year ended September 30, 2016:

Name and Principal Position	Option-based awards – Value vested during the year ⁽¹⁾ (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Clark Swanson, President and Chief Executive Officer	Nil	Nil	Nil
Gavin Cooper, Chief Financial Officer and Corporate Secretary	Nil	Nil	Nil

Notes:

- (1) Represents the value vested or earned for the fiscal year ended September 30, 2016. The value of option-based awards vested during the year is based on difference between the market price of the underlying Common Shares at the vesting date and the Option exercise price.

Termination and Change of Control Benefits

Other than as provided for at common law, there is no contract, agreement, plan or arrangement that provides for payments to the Named Executive Officer at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Corporation or a change in the Named Executive Officer's responsibilities.

Compensation of Directors

Director Compensation

The following table provides compensation information for the financial year ended September 30, 2016 for each of the directors and former directors of the Corporation (other than Clark Swanson, whose disclosure with respect to summary compensation is set out above).

Name	Fees Earned (\$)	Share-Based Awards (\$)	Option-Based Awards ⁽²⁾ (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
Claus Andrup ⁽³⁾	Nil	Nil	Nil	N/A	N/A	22,500	22,500
Edward Rochette	Nil	Nil	Nil	N/A	N/A	Nil	Nil
Dr. Saliba Sassine ⁽¹⁾	Nil	Nil	Nil	N/A	N/A	Nil	Nil
Margaret Wee ⁽¹⁾	Nil	Nil	Nil	N/A	N/A	Nil	Nil

Notes:

- (1) Dr. Saliba Sassine resigned as a director of the Corporation on February 14, 2017.
- (2) Figures represent the grant date fair value of the options granted. The Corporation used the Black-Scholes option pricing model because it is the most common and practical method acceptable under the current IFRS accounting standards. The Black-Scholes assumptions used by the Corporation for the Options granted on May 19, 2015, were: (i) an initial expected useful life of 10 years; (ii) a forfeiture rate of 0%; (iii) expected volatility of 120%; and (iv) a risk-free interest rate of 1.65%.
- (3) Mr. Andrup was paid fees as a consultant to the Corporation on special projects.

Incentive Plan Awards – Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all awards outstanding for each of the directors and former directors of the Corporation (other than Clark Swanson, whose disclosure with respect to incentive plan awards is set out above) as of September 30, 2016:

Name	Option-Based Awards				Share-Based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share based awards that have not vested (\$)
Claus Andrup	130,455 450,000	\$0.10 \$0.11	February 20, 2023 May 19, 2025	Nil Nil	Nil Nil	Nil Nil
Edward Rochette	Nil	N/A	N/A	N/A	N/A	N/A
Margaret Wee	Nil	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) The value of the unexercised in-the-money options is based on the difference between the market value of the Corporation's Common Shares on the TSXV on September 30, 2016 and the exercise price of the Options. The closing price of the Corporation's Common Shares on the TSXV on September 30, 2016 was \$0.05.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value of all incentive plan awards vested or earned for each director and former director of the Corporation (other than Clark Swanson, whose disclosure with respect to incentive plan awards is set out above) during the year ended September 30, 2016:

Name	Option-based awards – Value vested during the year⁽¹⁾ (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Claus Andrup	Nil	Nil	Nil
Edward Rochette	Nil	Nil	Nil
Dr. Saliba Sassine	Nil	Nil	Nil
Margaret Wee	Nil	Nil	Nil

Notes:

- (1) Represents the value vested or earned for the fiscal year ended September 30, 2016. The value of option-based awards vested during the year is based on difference between the market price of the underlying Common Shares at the vesting date and the Option exercise price.

Other Compensation

Other than as set forth herein, the Corporation did not pay any other compensation to executive officers or directors (including personal benefits and securities or properties paid or distributed which compensation was not offered on the same terms to all full time employees) during the last completed financial year.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth the Corporation's equity compensation plans under which equity securities are authorized for issuance as at September 30, 2016, the end of the most recently completed financial year.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans
The Option Plan	2,260,910 ⁽¹⁾⁽²⁾⁽³⁾	\$0.10 ⁽¹⁾⁽²⁾	1,420,223 ⁽¹⁾⁽⁴⁾
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Total	2,260,910⁽¹⁾⁽²⁾⁽³⁾	N/A⁽¹⁾⁽²⁾	1,420,223⁽¹⁾⁽⁴⁾

Notes:

- (1) The Option Plan is a "rolling" stock option plan which reserves for issuance a maximum of 10% of the issued and outstanding Common Shares at the time of the Option grant.
- (2) On February 20, 2013, upon completion of the Corporation's initial public offering, the Corporation granted 574,000 Options to directors and officers of the Corporation with an exercise price of \$0.10 per Common Share.
- (3) On May 20, 2015 the Corporation issued 2,000,000 Options with an exercise price of \$0.11 per Common Share to certain directors and officers of the Corporation in connection with the closing of its Qualifying Transaction.
- (4) As of the date of this Information Circular, the Corporation has 1,430,455 Options available for further issuance under the Option Plan.

CORPORATE GOVERNANCE DISCLOSURE

General

The Board views effective corporate governance as an essential element for the effective and efficient operation of the Corporation. The Corporation believes that effective corporate governance improves corporate performance and benefits all of its Shareholders. The following statement of corporate governance practices sets out the Board's review of the Corporation's governance practices relative to National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("NI 58-101") and National Policy 58-201 - *Corporate Governance Guidelines*.

Board of Directors

The Board, which is responsible for supervising the management of the business and affairs of the Corporation, is currently comprised of five (5) directors. Following the Meeting, it is anticipated that there will be five (5) directors, of which four (4) are independent, as such term is defined in NI 58-101 and National Instrument 52-110 – *Audit Committees* ("NI 52-110"). The independent directors are Claus Andrup, Margaret Wee, Dr. Saliba Sassine and Edward Rochette. Clark Swanson, the President and Chief Executive Officer of the Corporation, is not independent by virtue of being a member of the Corporation's management or a related party thereto.

The Board has not adopted any formal terms of reference or mandate for the Board other than a charter ("**Audit Committee Charter**") for the audit committee of the Corporation ("**Audit Committee**") which is attached hereto as Schedule "B".

The Board has plenary power to manage and supervise the management of the business and affairs of the Corporation and to act in the best interest of the Corporation. The Board is responsible for the overall stewardship of the Corporation and approves all significant decisions that affect the Corporation before they are implemented. The Board also considers their implementation and reviews the results.

Other Reporting Issuer Experience

Certain of the Corporation's directors or nominee directors are currently directors or have served as directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction as follows:

Name of Director, Officer or Promoter	Name of Reporting Issuer	Exchange	Position	Term
Claus Andrup	Western Wind Energy Corp.	TSXV	Director	December 1999 to February 2013
	Laja Capital Corp.	TSXV	Director	February 2008 to April 2013
	Greenbriar Capital Corp.	TSXV	Director	April 2009 to March 2013
	BHK Mining Corp.	TSXV	CEO and Director	February 2013 to February 2016
Edward Rochette	East Asia Minerals Corporation	TSXV	CEO	October 2011 to January 2017

Orientation and Continuing Education of Board Members

While the Corporation does not have a formal orientation or training program, new directors will be provided with information with respect to the functioning of the board of directors and its committees, access to the Corporation's disclosure record, which will contain the Corporation's recently filed public documents, and access to management. A formal orientation or training program is expected to be developed over time.

Ethical Business Conduct

The Board is of the view that the fiduciary duties placed on individual directors pursuant to corporate legislation and the common law, and the conflict of interest provisions under corporate legislation which restricts an individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation.

Nomination of Directors

The size of the Board is reviewed annually when the Board considers the number of directors to recommend for election at the annual meeting of Shareholders. The Board takes into account the number of directors required to carry out the Board duties effectively, and to maintain a diversity of view and experience.

Compensation of Directors and Officers

The Board does not have a compensation committee. The Board, in arriving at its compensation decisions, considers the long-term interests of the Corporation and its stakeholders, as well as the Corporation's historical and current stage of development. It is anticipated that following the Meeting, the board of directors will establish a compensation committee and develop a specific process by which board of directors will determine compensation.

Other Board Committees

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

Assessment of Directors, the Board and Board Committees

The Board monitors the adequacy of information given to directors, the communications between the Board and management and the strategic direction and processes of the Board and its Audit Committee, to satisfy itself that the Board, its Audit Committee and its individual directors are performing effectively.

AUDIT COMMITTEE

The following information is provided in accordance with Form 52-110F2 under NI 52-110.

Audit Committee Charter

The Audit Committee is a committee of the Board established for the purpose of overseeing the accounting and financial reporting processes of the Corporation and annual external audits of the financial statements. The Audit Committee has formally set out its responsibilities and compensation requirements in fulfilling its oversight in relation to the Corporation's internal accounting standards and practices, financial information, accounting systems and procedures. The Audit Committee Charter is set forth in Schedule "B" attached hereto.

Composition of the Audit Committee

The Audit Committee of the Board currently consists of Claus Andrup, Margaret Wee and Edward Rochette. All members of the Audit Committee, except Mr. Andrup who is the President and Chief Executive Officer of the Corporation, are "Independent" and all members are "Financially Literate", as such terms are defined in NI 52-110.

Relevant Education and Experience of Audit Committee Members

Claus Andrup

Since 1980 Mr. Andrup has been the President of Andrup Corporate Consultants Inc., a company providing corporate communications and business development services to companies in the resources and land development industries. Mr. Andrup has over thirty years' experience of working with public companies in Canada and the United Kingdom and has been a director of Western Wind Energy Corp.(formerly, Minera Cortez Resources Ltd.) (TSXV) since 1999. Mr. Andrup served as a director of Greenbriar Capital Corp. (TSXV) from April 2009 to March

2013. In 2013 Mr. Andrup completed the Canadian Securities Course at Simon Fraser University. Claus Andrup has been a self-employed business consultant since August 1981.

Edward Rochette

Mr. Rochette is a negotiator and transaction specialist with over 30 years of acquisition experience in international business, land management and natural resource transactions. He is currently serving as the CEO of East Asia Minerals Corporation (TSX) which has major exploration projects in Indonesia and Mongolia, and is assisting the efforts of Forbes & Manhattan (a Toronto based Investment Bank) as their country manager in Mongolia.

Margaret Wee

Margaret Wee has been the founder and owner of JMC Corporation since 1993, which includes JMC Employment Agency, a personnel recruitment agency and JMC IT Services Pte Ltd, an information and technology agency, each servicing the Asia Pacific region. Ms. Wee founded Sin Coal Pte Ltd in 2009, a coal trading company and investment vehicle which currently operates in Singapore.

Audit Committee Oversight

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

Reliance on Certain Exemptions

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

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services under the heading "*External Auditors*" of the Audit Committee Charter of the Corporation which is attached hereto as Schedule "B".

External Auditor Service Fees (By Category)

The approximate aggregate fees paid by the Corporation to the external auditors of the Corporation for the last three financial years for audit fees are described below.

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
September 30, 2014	\$8,663	Nil	Nil	Nil
September 30, 2015	\$23,000	Nil	4,250	Nil
September 30, 2016	\$20,000	Nil	Nil	Nil

Exemption

As an issuer listed on the TSXV, the Corporation currently relies on the exemption set forth in Section 6.1 of NI 52-110 pertaining to composition of the Audit Committee and reporting obligations under NI 52-110.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No current or former director, executive officer or employee of the Corporation, or any proposed nominee director, or any of their respective associates or affiliates, is or has been at any time since the beginning of the last completed fiscal year, indebted to the Corporation or any of its subsidiaries nor has any such person been indebted to any other

entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding, provided by the Corporation or any of its subsidiaries.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth herein, the Corporation is not aware of any material interest, direct or indirect, of any “informed person” of the Corporation, any proposed director of the Corporation or any associate or affiliate, of any of the foregoing in any transaction since the commencement of the Corporation’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.

For the purposes of the above, “informed person” means: (a) a director or executive officer of the Corporation; (b) a director or executive officer of a company that is itself an informed person or subsidiary of the Corporation; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Corporation or who exercises control or direction over voting securities of the Corporation or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the Corporation other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Corporation after having purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

There are potential conflicts of interest to which all of the directors and officers of the Corporation may be subject in connection with the operations of the Corporation. All of the directors and officers are engaged in and will continue to be engaged in corporations or businesses, including publicly traded corporations, which may be in competition with the search by the Corporation for businesses or assets in order to close a Qualifying Transaction, as such term is defined in the policies of the TSXV. Accordingly, situations may arise where all of the directors and officers will be in direct competition with the Corporation. Conflicts, if any, will be subject to the procedures and remedies as provided under the *Business Corporations Act* (British Columbia).

MANAGEMENT CONTRACTS

The Corporation has no management contracts or other arrangement in place where management functions are performed by a person or company other than the directors or executive officers of the Corporation.

ADDITIONAL INFORMATION

Additional financial information is provided in the Corporation’s audited consolidated financial statements and management’s discussion and analysis for the financial year ended September 30, 2016.

Any request for these documents can be made by contacting the President and Chief Executive Officer of the Corporation at 1200 Waterfront Centre, 200 Burrard Street, Vancouver, British Columbia, V6C 3L6. Information relating to the Corporation can also be obtained on SEDAR under the Corporation’s profile at www.sedar.com.

SCHEDULE "A"
STOCK OPTION PLAN OF PEPCAP RESOURCES, INC.

1. Purpose

The purpose of the Stock Option Plan (the "**Plan**") of **PEPCAP RESOURCES, INC.**, a corporation continued under the *Business Corporations Act* (British Columbia) (the "**Corporation**") is to advance the interests of the Corporation by encouraging the directors, officers, employees and consultants of the Corporation, and of its subsidiaries and affiliates, if any, to acquire common shares in the share capital of the Corporation (the "**Shares**"), thereby increasing their proprietary interest in the Corporation, encouraging them to remain associated with the Corporation and furnishing them with additional incentive in their efforts on behalf of the Corporation in the conduct of its affairs.

2. Administration

The Plan shall be administered by the Board of Directors of the Corporation or by a special committee of the directors appointed from time to time by the Board of Directors of the Corporation pursuant to rules of procedure fixed by the Board of Directors (such committee or, if no such committee is appointed, the Board of Directors of the Corporation, is hereinafter referred to as the "**Board**"). A majority of the Board shall constitute a quorum, and the acts of a majority of the directors present at any meeting at which a quorum is present, or acts unanimously approved in writing, shall be the acts of the directors.

Subject to the provisions of the Plan, the Board shall have authority to construe and interpret the Plan and all option agreements entered into thereunder, to define the terms used in the Plan and in all option agreements entered into thereunder, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations necessary or advisable for the administration of the Plan. All determinations and interpretations made by the Board shall be binding and conclusive on all participants in the Plan and on their legal personal representatives and beneficiaries.

Each option granted hereunder may be evidenced by an agreement in writing, signed on behalf of the Corporation and by the optionee, in such form as the Board shall approve. Each such agreement shall recite that it is subject to the provisions of this Plan.

3. Stock Exchange Rules

All options granted pursuant to this Plan shall be subject to rules and policies of any stock exchange or exchanges on which the common shares of the Corporation are then listed and any other regulatory body having jurisdiction hereinafter (hereinafter collectively referred to as, the "**Exchange**").

4. Shares Subject to Plan

Subject to adjustment as provided in Section 15 hereof, the Shares to be offered under the Plan shall consist of common shares of the Corporation's authorized but unissued common shares. The aggregate number of Shares issuable upon the exercise of all options granted under the Plan shall not exceed 10% of the issued and outstanding common shares of the Corporation from time to time. If any option granted hereunder shall expire or terminate for any reason in accordance with the terms of the Plan without being exercised, the unpurchased Shares subject thereto shall again be available for the purpose of this Plan.

However, other than in connection with a "Qualifying Transaction" (as defined in Policy 2.4 of the Exchange) or otherwise accepted by the TSX Venture Exchange, during the time that the Corporation is a "Capital Pool Company" (as defined in Policy 2.4 of the Exchange), the aggregate number of Shares issuable upon the exercise of all options granted under the Plan shall not exceed 10% of the common shares of the Corporation issued and outstanding at the closing of the Corporation's initial public offering.

5. **Maintenance of Sufficient Capital**

The Corporation shall at all times during the term of the Plan reserve and keep available such numbers of Shares as will be sufficient to satisfy the requirements of the Plan.

6. **Eligibility and Participation**

Directors, officers, consultants, and employees of the Corporation or its subsidiaries, and employees of a person or company which provides management services to the Corporation or its subsidiaries ("**Management Company Employees**") shall be eligible for selection to participate in the Plan (such persons hereinafter collectively referred to as "**Participants**"). Subject to compliance with applicable requirements of the Exchange, Participants may elect to hold options granted to them in an incorporated entity wholly owned by them and such entity shall be bound by the Plan in the same manner as if the options were held by the Participant.

Subject to the terms hereof, the Board shall determine to whom options shall be granted, the terms and provisions of the respective option agreements, the time or times at which such options shall be granted and vested, and the number of Shares to be subject to each option. In the case of employees or consultants of the Corporation or Management Company Employees, the option agreements to which they are party must contain a representation of the Corporation that such employee, consultant or Management Company Employee, as the case may be, is a bona fide employee, consultant or Management Company Employee of the Corporation or its subsidiaries.

A Participant who has been granted an option may, if such Participant is otherwise eligible, and if permitted under the policies of the Exchange, be granted an additional option or options if the Board shall so determine.

7. **Exercise Price**

- (a) The exercise price of the Shares subject to each option shall be determined by the Board, subject to applicable Exchange approval, at the time any option is granted. In no event shall such exercise price be lower than the exercise price permitted by the Exchange.
- (b) Once the exercise price has been determined by the Board, accepted by the Exchange and the option has been granted, the exercise price of an option may only be reduced if at least six (6) months have elapsed since the later of the date of the commencement of the term, the date the Corporation's shares commenced trading or the date the exercise price was reduced. In the case of options held by insiders of the Corporation (as defined in the policies of the Exchange), the exercise price of an option may be reduced only if disinterested shareholder approval is obtained.

8. **Number of Optioned Shares**

- (a) The number of Shares subject to an option granted to anyone Participant shall be determined by the Board, but no one Participant shall be granted an option which exceeds the maximum number permitted by the Exchange.
- (b) No single Participant may be granted options to purchase a number of Shares equalling more than five percent (5%) of the issued common shares of the Corporation in any twelve month period unless the Corporation has obtained disinterested shareholder approval in respect of such grant and meets applicable Exchange requirements.
- (c) Options shall not be granted if the exercise thereof would result in the issuance of more than two percent (2%) of the issued common shares of the Corporation in any twelve month period to anyone consultant of the Corporation (or any of its subsidiaries).
- (d) Options shall not be granted if the exercise thereof would result in the issuance of more than two percent (2%) of the issued common shares of the Corporation in any twelve month period to persons employed to provide investor relation activities. Options granted to Consultants performing investor relations activities will contain vesting provisions such that vesting occurs

over at least 12 months with no more than one quarter (1\4) of the options vesting in any three (3) month period.

Duration of Option

Each option and all rights thereunder shall be expressed to expire on the date set out in the option agreement and shall be subject to earlier termination as provided in Sections 11 and 12, provided that in no circumstances shall the duration of an option exceed the maximum term permitted by the Exchange, being 10 years for the TSX Venture Exchange.

Option Period, Consideration and Payment

- (a) The option period shall be a period of time fixed by the Board not to exceed the maximum term permitted by the Exchange, provided that the option period shall be reduced with respect to any option as provided in Sections 11 and 12 covering cessation as a director, officer, consultant, employee or Management Company Employee of the Corporation or its subsidiaries, or death of the Participant.
- (b) Subject to any vesting restrictions imposed by the Exchange, the Board may, in its sole discretion, determine the time during which options shall vest and the method of vesting, or that no vesting restriction shall exist.
- (c) Subject to any vesting restrictions imposed by the Board, options may be exercised in whole or in part at any time and from time to time during the option period. To the extent required by the Exchange, no options may be exercised under this Plan until this Plan has been approved by a resolution duly passed by the shareholders of the Corporation.
- (d) Except as set forth in Sections 11 and 12, no option may be exercised unless the Participant is at the time of such exercise a director, officer, consultant, or employee of the Corporation or any of its subsidiaries, or a Management Company Employee of the Corporation or any of its subsidiaries.
- (e) The exercise of any option will be contingent upon receipt by the Corporation at its head office of a written notice of exercise, specifying the number of Shares with respect to which the option is being exercised, accompanied by cash payment, certified cheque or bank draft for the full purchase price of such Shares with respect to which the option is exercised. No Participant or his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any common shares of the Corporation unless and until the certificates for Shares issuable pursuant to options under the Plan are issued to him or them under the terms of the Plan.

Ceasing To Be a Director, Officer, Consultant or Employee

- (a) Subject to subsection (b), if a Participant shall cease to be a director, officer, consultant, employee of the Corporation, or its subsidiaries, or ceases to be a Management Company Employee, for any reason (other than death), such Participant may exercise his option to the extent that the Participant was entitled to exercise it at the date of such cessation, provided that such exercise must occur within 90 days after the Participant ceases to be a director, officer, consultant, employee or a Management Company Employee, unless such Participant was engaged in investor relations activities, in which case such exercise must occur within 30 days after the cessation of the Participant's services to the Corporation.
- (b) If the Participant does not continue to be a director, officer, consultant, employee of the Resulting Issuer upon completion of the Corporation's Qualifying Transaction (as such terms are defined in the policies of the Exchange), the options granted hereunder must be exercised by the Participant within the later of 12 months after completion of the Qualifying Transaction and 90 days after the Participant ceases to become a director, officer, consultant or employee of the Resulting Issuer.

- (c) Nothing contained in the Plan, nor in any option granted pursuant to the Plan, shall as such confer upon any Participant any right with respect to continuance as a director, officer, consultant, employee or Management Company Employee of the Corporation or of any of its subsidiaries or affiliates.

Death of Participant

Notwithstanding section 11, in the event of the death of a Participant, the option previously granted to him shall be exercisable only within the one (1) year after such death and then only:

- (a) by the person or persons to whom the Participant's rights under the option shall pass by the Participant's will or the laws of descent and distribution; and
- (b) if and to the extent that such Participant was entitled to exercise the Option at the date of his death.

Rights of Optionee

No person entitled to exercise any option granted under the Plan shall have any of the rights or privileges of a shareholder of the Corporation in respect of any Shares issuable upon exercise of such option until such Shares shall have been issued.

Proceeds from Sale of Shares

The proceeds from the sale of Shares issued upon the exercise of options shall be added to the general funds of the Corporation and shall thereafter be used from time to time for such corporate purposes as the Board may determine.

Adjustments

If the outstanding common shares of the Corporation are increased, decreased, changed into or exchanged for a different number or kind of shares or securities of the Corporation or another corporation or entity through re-organization, merger, re-capitalization, re-classification, stock dividend, subdivision or consolidation, any adjustments relating to the Shares optioned or issued on exercise of options and the exercise price per Share as set forth in the respective stock option agreements shall be made in accordance to the terms of such agreements.

Adjustments under this Section shall be made by the Board whose determination as to what adjustments shall be made, and the extent thereof, shall be final, binding and conclusive. No fractional Share shall be required to be issued under the Plan on any such adjustment.

Transferability

All benefits, rights and options accruing to any Participant in accordance with the terms and conditions of the Plan shall not be transferable or assignable unless specifically provided herein or the extent, if any, permitted by the Exchange. During the lifetime of a Participant any benefits, rights and options may only be exercised by the Participant.

Amendment and Termination of Plan

Subject to the policies, rules and regulations of any lawful authority having jurisdiction (including any exchange on which the Common Shares are listed for trading), the Board may at any time, without further action by the shareholders, amend the Plan or any option granted hereunder in such respects as it may consider advisable and, without limiting the generality of the foregoing, it may do so to ensure that options granted hereunder will comply with any provisions respecting stock options in the income tax or other laws in force in any country or jurisdiction of which a person to whom an option has been granted may from time to time be resident or citizen or the Board may at any time, without action by shareholders, terminate the Plan. The Board may not, however, without the consent of the option holder, alter or impair any of the rights or obligations under any option theretofore granted.

Necessary Approvals

The ability of a Participant to exercise options and the obligation of the Corporation to issue and deliver Shares in accordance with the Plan is subject to any approvals which may be required from shareholders of the Corporation and any regulatory authority or stock exchange having jurisdiction over the securities of the Corporation. If any Shares cannot be issued to any Participant for whatever reason, the obligation of the Corporation to issue such Shares shall terminate and any option exercise price paid to the Corporation will be returned to the Participant.

Effective Date of Plan

The Plan has been adopted by the Board of the Corporation subject to the approval of the Exchange and, if so approved, subject to the discretion of the Board, the Plan shall become effective upon such approvals being obtained.

Interpretation

The Plan will be governed by and construed in accordance with the laws of the Province of British Columbia.

SCHEDULE “B”

AUDIT COMMITTEE CHARTER OF PEPCAP RESOURCES, INC.

1. **Mandate**

The primary function of the audit committee (the “**Committee**”) is to assist the board of directors (the “**Board**”) of Pepcap Resources, Inc. (the “**Company**”) in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company’s systems of internal controls regarding finance and accounting and the Company’s auditing, accounting and financial reporting processes. The Committee’s primary duties and responsibilities are to:

- (a) serve as an independent and objective party to monitor the Company’s financial reporting and internal control system and review the Company’s financial statements;
- (b) review and appraise the performance of the Company’s external auditor;
- (c) provide an open avenue of communication among the Company’s auditor, financial and senior management and the Board; and
- (d) report regularly to the Board the results of its activities.

2. **Composition**

The Committee shall be comprised of a minimum three (3) directors as determined by the Board. If the Company ceases to be a “venture issuer” (as that term is defined in Multilateral Instrument 52 - 110 – *Audit Committees*), then all of the members of the Committee shall be free from any material relationship with the Company that, in the opinion of the Board, would interfere with the exercise of their independent judgment as a member of the Committee.

If the Company ceases to be a venture issuer then all members of the Committee shall also have accounting or related financial management expertise. All members of the Committee should 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 complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

The members of the Committee shall be elected by the Board at its first meeting following the annual shareholders’ meeting or until their successors are duly elected. Unless a chairperson (“**Chair**”) is elected by the full Board, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

3. **Meetings**

The Committee shall meet at least once quarterly, or more frequently as circumstances dictate or as may be prescribed by securities regulatory requirements. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer of the Company and the external auditor of the Company in separate sessions.

4. **Responsibilities and Duties**

To fulfill its responsibilities and duties, the Committee shall:

A. Documents/Reports Review

- (a) review and update this Audit Committee Charter annually;
- (b) review the Company’s financial statements, MD&A and any annual and interim earnings press releases before the Company publicly discloses this information and any reports or other financial

information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditor; and

- (c) review regular summary reports of directors and officers expense account claims at least annually, establish and review approval policies for expense reports and, as required, request audits of expense claims and policies for expense approval and reimbursements. The Chair of the Committee will be responsible for approving the expense reports of the President and the Chief Executive Officer of the Company, and the Chief Executive Officer of the Company will be responsible for approving the expense reports of the directors and officers of the Company.

B. External Auditor

- (a) review annually, the performance of the external auditor who shall be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Company;
- (b) obtain annually, a formal written statement of the external auditor setting forth all relationships between the external auditor and the Company;
- (c) review and discuss with the external auditor any disclosed relationships or services that may impact the objectivity and independence of the external auditor;
- (d) take, or recommend that the Board, appropriate action to oversee the independence of the external auditor, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- (e) recommend to the Board the selection and, where applicable, the replacement of the external auditor nominated annually for shareholder approval;
- (f) recommend to the Board the compensation to be paid to the external auditor;
- (g) at each meeting, where desired, consult with the external auditor, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements;
- (h) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company;
- (i) review with management and the external auditor the audit plan for the year-end financial statements; and
- (j) review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditor. The pre-approval requirement is waived with respect to the provision of non-audit services if:
 - i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent (5%) of the total amount of revenues paid by the Company to its external auditor during the fiscal year in which the non-audit services are provided,
 - ii. such services were not recognized by the Company at the time of the engagement to be non-audit services, and
 - iii. such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

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

C. Financial Reporting Processes

- (a) in consultation with the external auditor, review with management the integrity of the Company's financial reporting process, both internal and external;
- (b) consider the external auditor's judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting;
- (c) consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditor and management;
- (d) review significant judgments made by management in the preparation of the financial statements and the view of the external auditor as to appropriateness of such judgments;
- (e) following completion of the annual audit, review separately with management and the external auditor any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;
- (f) review any significant disagreement among management and the external auditor in connection with the preparation of the financial statements;
- (g) review with the external auditor and management the extent to which changes and improvements in financial or accounting practices have been implemented;
- (h) review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters;
- (i) review certification process;
- (j) establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters;
- (k) establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
- (l) on at least an annual basis, review with the Company's counsel, any legal matters that could have a significant impact on the Company's financial statements, the Company's compliance with applicable laws and regulations, and inquiries received from regulators or government agencies.

D. Authority

- (a) The Committee will have the authority to:
 - i. review any related-party transactions;
 - ii. engage independent counsel and other advisors as it determines necessary to carry out its duties;
 - iii. set and pay compensation for any independent counsel and other advisors employed by the Committee;
 - iv. communicate directly with the auditors; and

- v. conduct and authorize investigations into any matters within the Committee's scope of responsibilities. The Committee shall be empowered to retain independent counsel and other professionals to assist in the conduct of any investigation.