

**ALDERSHOT RESOURCES LTD.**  
**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS**  
**TO BE HELD ON SEPTEMBER 5, 2018**  
**AND**  
**MANAGEMENT INFORMATION CIRCULAR**

**August 6, 2018**



**ALDERSHOT RESOURCES LTD.  
NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING  
OF THE HOLDERS OF COMMON SHARES  
TO BE HELD ON SEPTEMBER 5, 2018**

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the "Meeting") of the holders (the "Shareholders") of common shares ("Common Shares") in the capital of Aldershot Resources Ltd. (the "Company") will be held at the offices of McCarthy Tétrault LLP, Suite 4000, 421 – 7th Avenue S.W., Calgary, Alberta T2P 4K9 on Wednesday, September 5, 2018 at 1:00 p.m. (Calgary time), for the following purposes:

1. to receive the audited financial statements for the fiscal year ended January 31, 2018 and the report of the auditors thereon;
2. to fix the number of directors to be elected at six;
3. to elect directors for the ensuing year;
4. to appoint the auditors of the Company to hold office until the next annual meeting of the Shareholders and to authorize the directors to fix their remuneration;
5. to approve a new stock option plan of the Company, as more particularly described in the management information circular dated August 6, 2018 (the "Information Circular");
6. to approve a change of name of the Company to "Solo Growth Corp.", as more particularly described in the Information Circular;
7. to approve a continuance of the Company from the *Business Corporations Act* (British Columbia) to the *Business Corporations Act* (Alberta), as more particularly described in the Information Circular; and
8. to transact such other business as may properly come before the Meeting or any adjournments thereof.

Only Shareholders of record at the close of business on July 30, 2018 (the "Record Date") are entitled to notice of and to attend the Meeting or any adjournment or adjournments thereof and to vote thereat, unless, after the Record Date, a holder of record transfers his or her Common Shares and the transferee, upon producing properly endorsed share certificates or otherwise establishing that he or she owns such Common Shares, requests, not later than 10 days before the Meeting, that the transferee's name be included in the list of shareholders entitled to vote such Common Shares, in which case such transferee shall be entitled to vote such Common Shares, as the case may be, at the Meeting.

Shareholders may vote in person at the Meeting or any adjournment or adjournments thereof, or they may appoint another person (who need not be a Shareholder) as their proxy to attend and vote in their place.

Shareholders unable to be present at the Meeting are requested to date and sign the enclosed form of proxy and return it to the Company's agent, Computershare Trust Company of Canada, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, in the enclosed envelope provided for that purpose. Alternatively, Shareholders may complete their proxy by telephone at 312-588-4290 or online at [www.investorvote.com](http://www.investorvote.com) by following the instructions provided on the form of proxy. In order to be valid, proxies must be received by 1:00 p.m. (Calgary time) on or prior to August 31, 2018 or the second last business day preceding the any adjournment of the Meeting or deposited with the Chair of the Meeting on the day of the Meeting prior to the commencement of the Meeting.

The Information Circular relating to the business to be conducted at the Meeting accompanies this notice.

Calgary, Alberta  
August 6, 2018

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "*Pali Bedi*"

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Pali Bedi  
President, Chief Executive Officer and a director



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**ALDRESHOT RESOURCES LTD.  
Suite 1100, 634 – 6th Avenue S.W.  
Calgary, Alberta T2P 0S4**

**MANAGEMENT INFORMATION CIRCULAR**

**FOR THE ANNUAL GENERAL AND SPECIAL MEETING OF THE HOLDERS  
OF COMMON SHARES OF ALDRESHOT RESOURCES LTD. TO BE HELD ON SEPTEMBER 5, 2018**

**Dated: August 6, 2018**

**PURPOSE OF SOLICITATION**

This management information circular (the “Information Circular”) is furnished in connection with the solicitation of proxies by or on behalf of the management of Aldershot Resources Ltd. (the “Company”) for use at the annual general and special meeting of the holders (the “Shareholders”) of the common shares (the “Common Shares”) in the capital of the Company to be held at the offices of McCarthy Tétrault LLP, Suite 4000, 421 – 7th Avenue S.W., Calgary, Alberta T2P 4K9 on Wednesday, September 5, 2018 at 1:00 p.m. (Calgary time), and any adjournment or adjournments thereof (the “Meeting”) for the purposes set forth in the Notice of Annual General and Special Meeting (the “Notice of Meeting”) accompanying this Information Circular.

**RECORD DATE**

The Shareholders of record on July 30, 2018 (the “Record Date”) are entitled to notice of, and to attend and vote at, the Meeting except to the extent that:

1. such person transfers his or her Common Shares after the Record Date; and
2. the transferee of those Common Shares produces properly endorsed share certificates or otherwise establishes his or her ownership to the Common Shares and makes a demand to the registrar and transfer agent of the Company, not later than 10 days before the Meeting, that his or her name be included on the shareholders’ list for the Meeting.

Any registered Shareholder of the Company at the close of business on the Record Date who either personally attends the Meeting or who completes and delivers a proxy will be entitled to vote or have his or her Common Shares voted at the Meeting. However, a person appointed under a form of proxy will be entitled to vote the Common Shares represented by that form only if it is effectively delivered in the manner set out under the heading “*Proxy Information - Completion of Proxies*”.

**PROXY INFORMATION**

**Solicitation of Proxies**

The solicitation of proxies is made on behalf of the management of the Company. The costs incurred in the preparation of the enclosed form of proxy (the “Form of Proxy”), Notice of Meeting and this Information Circular and costs incurred in the solicitation of proxies will be borne by the Company. Solicitation of proxies will be primarily by mail, but may also be in person, by telephone or by electronic means. The Company is not relying on the notice-and-access provisions of National Instrument 54-101 – Communications with Beneficial Owners of Securities of a Reporting Issuer to send proxy related materials to registered Shareholders or beneficial owners of Common Shares in connection with the Meeting.

## **Completion of Proxies**

The Form of Proxy affords Shareholders or intermediaries an opportunity to specify that the Common Shares registered in their name shall be voted for or against or withheld from voting in respect of certain matters as specified in the accompanying Notice of Meeting.

The persons named in the enclosed Form of Proxy are the President and Chief Executive Officer and the Vice President, Finance and Chief Financial Officer, respectively, of the Company.

A REGISTERED SHAREHOLDER OR AN INTERMEDIARY HOLDING COMMON SHARES ON BEHALF OF A NON-REGISTERED SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY, WHO NEED NOT BE A SHAREHOLDER, TO ATTEND AND ACT ON THEIR BEHALF AT THE MEETING, IN THE PLACE OF THE PERSONS DESIGNATED IN THE FORM OF PROXY FURNISHED BY THE COMPANY. TO EXERCISE THIS RIGHT, THE SHAREHOLDER OR INTERMEDIARY SHOULD STRIKE OUT THE NAMES OF THE PERSONS NAMED IN THE FORM OF PROXY AND INSERT THE NAME OF THEIR NOMINEE IN THE BLANK SPACE PROVIDED, OR SUBMIT ANOTHER APPROPRIATE PROXY.

In order to be effective, the Form of Proxy, together with the power of attorney or other authority, if any, under which it was signed or a notarially certified copy thereof, must be mailed or completed by telephone at 312-588-4290 or online at [www.investorvote.com](http://www.investorvote.com) so as to be deposited at the office of the Company's agent, Computershare Trust Company of Canada ("Computershare"), 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, not later than 1:00 p.m. (Calgary time) on August 31, 2018 or the second last business day preceding the any adjournment of the Meeting or deposited with the Chair of the Meeting on the day of the Meeting prior to the commencement of the Meeting. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date of its execution. If a Form of Proxy is not dated, it will be deemed to bear the date on which it was mailed by management of the Company.

## **Appointment and Revocation of Proxies**

A Shareholder or intermediary who has submitted a Form of Proxy may revoke it by instrument in writing executed by the Shareholder or intermediary or his or her attorney authorized in writing, or, if the Shareholder is a corporation, under its corporate seal and executed by a director, officer or attorney thereof duly authorized, and deposited either: (i) with the Company at its offices or at the office of the Company's agent, Computershare, at any time prior to the close of business on the second last business day preceding the day of the Meeting, or any adjournment thereof, at which the Form of Proxy is to be used; or (ii) with the Chair of the Meeting prior to the commencement of the Meeting on the day of the Meeting, and upon such deposit the previous Form of Proxy is revoked.

## **Exercise of Discretion by Proxies**

A Shareholder or intermediary may indicate the manner in which the persons named in the enclosed Form of Proxy are to vote with respect to any matter by checking the appropriate space. On any poll, those persons will vote or withhold from voting the Common Shares in respect of which they are appointed in accordance with the directions, if any, given in the Form of Proxy. If the Shareholder or intermediary wishes to confer a discretionary authority with respect to any matter, the space should be left blank. IN SUCH INSTANCE, THE PERSONS NAMED IN THE ENCLOSED FORM OF PROXY INTEND TO VOTE THE COMMON SHARES REPRESENTED BY THE PROXY IN FAVOUR OF THE MOTION.

The enclosed Form of Proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. At the time of printing of this Information Circular, management of the Company knows of no such amendment, variation or other matter. However, if any other matters which are not now known to management should properly come before the Meeting, the proxies in favour of management nominees will be voted on such matters in accordance with the best judgment of the management nominees.



## **Advice to Beneficial Holders of Securities**

The information set forth in this section is of significant importance to many investors who do not own Common Shares in their own name (“Beneficial Shareholders”). 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 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). Common Shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for their clients. Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate individuals.

In accordance with applicable securities law requirements, the Company will have distributed copies of the Notice of Meeting, Form of Proxy and this Information Circular (the “Meeting Materials”) to the intermediaries for distribution to Beneficial Shareholders. Intermediaries are required to forward the Meeting Materials to Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them. Intermediaries often use service companies to forward the Meeting Materials to Beneficial Shareholders.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of securityholders meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of that broker) is typically similar to the Form of Proxy provided to registered Shareholders by the Company. However, the purpose of the broker’s form of proxy is limited to instructing the registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“Broadridge”). Broadridge typically asks Beneficial Shareholders to return voting instruction forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting voting of Common Shares to be represented at the Meeting. A Beneficial Shareholder receiving a Broadridge voting instruction form cannot use that voting instruction form to vote Common Shares directly at the Meeting. The Broadridge voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.

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

Management does not intend to pay for intermediaries to forward proxy solicitation materials to Beneficial Shareholders who have objected to their intermediary/broker disclosing ownership information about them pursuant to applicable securities laws (“Objecting Beneficial Shareholders”). Consequently, an Objecting Beneficial Shareholder will not receive the proxy solicitation materials unless the Objecting Beneficial Shareholder’s intermediary/broker assumes the cost of delivery. The Company is not using “notice and access” to send its proxy related materials to Shareholders, and paper copies of such materials will be sent to all Shareholders. The Company will not send proxy related materials directly to

non-objecting Beneficial Shareholders as such materials will be delivered to non-objecting Beneficial Shareholders through their intermediaries.

If you have any questions respecting the voting of Common Shares held through an intermediary, please contact that intermediary for assistance.

### **INFORMATION CONCERNING THE COMPANY**

The Company was incorporated pursuant to the provisions of the *Business Corporations Act* (British Columbia) (the “BCBCA”) on September 8, 1987. The Company is a reporting issuer in British Columbia and Alberta. The Common Shares are listed on the TSX Venture Exchange (the “Exchange”) under the trading symbol “ALZ”. Upon completion of the Name Change (as defined below), it is anticipated that the Common Shares will be listed under a new trading symbol, “SOLO”.

On June 28, 2018, the Company announced, among other things: (i) the completion of a non-brokered private placement of \$25.6 million; and (ii) the appointment of a new management team and board of directors of the Company (the “Board”), which includes the director nominees described in this Information Circular (collectively, the “Transaction”).

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

The Company is authorized to issue an unlimited number of Common Shares and 10,000,000 preferred shares of the Company (“Preferred Shares”). As at the date hereof, there are 569,047,133 fully paid and non-assessable Common Shares issued and outstanding and no Preferred Shares issued and outstanding. The holders of the Common Shares are entitled to receive notice of all meetings of Shareholders and to attend and vote the Common Shares at all such meetings. Each Common Share carries with it the right to one vote.

The articles of the Company provide that if one person is present in person or is represented by proxy, a quorum for the purposes of conducting a shareholders meeting is constituted.

Any registered Shareholder at the close of business on July 30, 2018, being the Record Date, who either personally attends the Meeting or who completes and delivers a Form of Proxy will be entitled to vote or have his or her Common Shares voted at the Meeting. However, a person appointed under a Form of Proxy will be entitled to vote the Common Shares represented by that Form of Proxy only if it is effectively delivered in the manner set out under the heading “*Proxy Information - Completion of Proxies*”.

To the best of the knowledge of the directors and executive officers of the Company, as at August 6, 2018, no person or company beneficially owned, directly or indirectly, or exercised control or direction over, voting securities of the Company carrying more than 10% of the voting rights attached to the Common Shares.

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

The Shareholders of the Company will be asked to consider and, if deemed appropriate:

- (a) by ordinary resolution, to fix the Board at six members;
- (b) by ordinary resolution, to elect the directors of the Company;
- (c) by ordinary resolution, to appoint auditors for the ensuing year and to authorize the directors of the Company to fix their remuneration;
- (d) by ordinary resolution, to approve a new stock option plan of the Company for the ensuing year;
- (e) by special resolution, to approve a change of the name of the Company to “Solo Growth Corp.”;

- (f) by special resolution, to approve a continuance of the Company under the *Business Corporations Act* (Alberta) (“ABCA”); and
- (g) to transact such other business as may properly come before the Meeting or any adjournments thereof.

Additional detail regarding each of the matters to be acted on at the Meeting is contained below.

### FIXING NUMBER OF DIRECTORS

It is proposed that the number of directors to be elected at the Meeting to hold office until the next annual meeting or until their successors are elected or appointed, subject to the articles of the Company, be set at six. Unless otherwise directed, it is the intention of management to vote proxies in the accompanying form in favour of setting the number of directors to be elected at the Meeting at six.

### ELECTION OF DIRECTORS

Action is to be taken at the Meeting with respect to the election of directors. The Shareholders will be asked to pass an ordinary resolution at the Meeting to elect, as directors, the nominees whose names are set forth in the table below. Voting for the election of nominees will be conducted on an individual, and not on a slate, basis. Each nominee elected will hold office until the next annual meeting of the Shareholders or until his successor is duly elected or appointed, unless his office is vacated earlier in accordance with the Company’s articles and bylaws.

The following information relating to the nominees as directors is based on information received by the Company from the respective nominees, and sets forth the name and municipality of residence of the persons proposed to be nominated for election as directors, all other positions and offices within the Company now held by them, their principal occupations or employments, the periods during which they have served as directors of the Company and the number of Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised by each of them as at the date hereof.

<b>Name, Municipality of Residence</b>	<b>Positions Presently Held</b>	<b>Director Since</b>	<b>Principal Occupation for Previous Five Years</b>	<b>Number and Percentage of Common Shares Beneficially Owned or Over Which Control or Direction, Directly or Indirectly, is Exercised</b>
Pali Bedi Calgary, Alberta	Director, President and Chief Executive Officer	June 28, 2018	President, Chief Executive Officer and a director of the Corporation since June 2018 and Chief Executive Officer of Solo Liquor Stores Ltd. (“Solo Liquor”) since 1996. Principal at Avison Young Real Estate Alberta since 2000.	32,220,000 (5.66%)
Richard McHardy <sup>(2)</sup> Calgary, Alberta	Director	June 28, 2018	President and Chief Executive Officer of Spartan Energy Corp. (“Spartan Energy”) from December 2013 until May 2018. Prior thereto, President and Chief Executive Officer of Spartan Oil Corp. (“Spartan Oil”) from March 2011 to January 2013.	9,000,000 (1.58%)
Ron Hozjan <sup>(1)</sup> Calgary, Alberta	Director	June 28, 2018	Vice President, Finance and Chief Financial Officer of Tamarack Valley Energy Ltd. (“Tamarack”) since 2010.	3,400,000 (0.60%)

Name, Municipality of Residence	Positions Presently Held	Director Since	Principal Occupation for Previous Five Years	Number and Percentage of Common Shares Beneficially Owned or Over Which Control or Direction, Directly or Indirectly, is Exercised
Shahin (Sonny) Mottahed <sup>(1)</sup> Calgary, Alberta	Director	June 28, 2018	Chief Executive Officer, co-founder and a director of 51st Parallel Inc. ("51st Parallel") since incorporation. President, Chief Executive Officer and Chairman of Target Capital Inc. d.b.a CBI <sup>2</sup> Capital ("CBI <sup>2</sup> ") since December 2017. Chief Executive Officer and a Managing Partner of Black Spruce Merchant Capital ("Black Spruce") since April 2012.	3,520,000 (0.62%)
Michael Stark <sup>(1)(2)</sup> Calgary, Alberta	Director	June 28, 2018	Chairman of Spartan Energy from December 2013 to May 2018. Prior thereto, Chairman of Spartan Oil from June 2011 to June 2013.	8,000,000 (1.41%)
James Miller <sup>(2)</sup> Calgary, Alberta	Chair	June 28, 2018	President of Boarder Capital Inc. ("Boarder Capital") since May 2013. Prior thereto, Broker at Avison Young from January 2004 to May 2013.	10,000,000 (1.76%)

**Notes:**

- (1) Member of the Audit Committee.  
(2) Member of the Corporate Governance and Compensation Committee.

## Biographies

### Pali Bedi

Mr. Bedi has 22 years of experience in the controlled substance retail market having served as the Chief Executive Officer of Solo Liquor, Canada's largest private liquor retailer, since 1996. Mr. Bedi was integral in growing Solo Liquor from 8 to 64 stores since 2010, which now sees over 20,000 customers per day in 31 municipalities across Alberta. Mr. Bedi brings 30 years of commercial real estate experience and has been a Principal at Avison Young Real Estate Alberta for 18 years, specializing in all aspects of commercial real estate including development. As President & CEO of Genco Development Corporation, Mr. Bedi has developed, leased and successfully sold in excess of 1.0 million square feet of retail, office and industrial real estate spanning five communities in Alberta throughout his career.

### Richard McHardy

Mr. McHardy has been a founder of several public companies and has extensive experience in leadership positions and over 20 years' experience in all aspects of securities and mergers and acquisitions. Mr. McHardy has been instrumental in a number of significant transactions including: (i) a founder and the President and Chief Executive Officer of Spartan Energy from December 10, 2013 to May 28, 2018 when it was acquired for approximately \$1.4 billion by Vermilion Energy Inc.; (ii) a founder and the President and Chief Executive Officer of Spartan Oil from March 2011 to January 2013 when it completed a business combination with Bonterra Energy Corp. for a total transaction value of approximately \$480 million; (iii) a founder and the President and Chief Executive Officer of Spartan Exploration Ltd. ("Spartan Exploration"), from January 2008 to June 2011 when it completed an arrangement with a public senior oil and gas company in a transaction valued at approximately \$244 million; and (iv) a founder and the President of Titan Exploration Ltd. ("Titan Exploration") prior to its acquisition by Canetic Resources Trust for approximately \$116 million. Mr. McHardy has served as corporate secretary for a number of public companies and was a partner at McCarthy Tétrault LLP, where he practiced securities and corporate law.

### Ron Hozjan

Mr. Hozjan has been Vice President, Finance and Chief Financial Officer of Tamarack, a public company listed on the Toronto Stock Exchange, since 2010. Mr. Hozjan is a Chartered Professional Accountant with over 30 years of oil and gas experience and over 20 years of experience as a senior financial officer. Prior to Tamarack, Mr. Hozjan served as the Chief Financial Officer of Vaquero Resources Ltd., which was acquired by RMP Energy Ltd. Prior thereto, he was the Vice President, Finance and Chief Financial Officer at a predecessor firm, Vaquero Energy Ltd., which grew successfully before merging with Highpine Oil & Gas Limited. Previously, Ron held various senior finance positions at Storm Energy Ltd., Beau Canada Exploration Ltd. and Renaissance Energy Ltd.

### Sonny Mottahed

Mr. Mottahed is the co-founder and Chief Executive Officer of 51st Parallel, an Alberta-based, pre-production applicant to become a licensed provider of cannabis focused on the recreational market. 51st Parallel has a strategic relationship and technical services agreement with LivWell Enlightened Health™, a vertically integrated cannabis company. Mr. Mottahed is also the President, Chief Executive Officer and Chairman of CBI<sup>2</sup>, a publicly listed company that develops and manages a diversified portfolio of predominantly early stage cannabis investment opportunities. Mr. Mottahed brings significant senior leadership and financial expertise to the Canadian cannabis market. Mr. Mottahed is currently the Chief Executive Officer and Managing Partner of Black Spruce, a corporate finance advisory firm based in Calgary. Prior thereto, Mr. Mottahed was the Managing Director, Investment Banking at Raymond James Ltd. in Calgary where he was instrumental in raising \$4.0 billion in capital over 4 years.

### Michael Stark

Mr. Stark is an independent businessman and previously a certified financial planner. He was the Chairman of Spartan Energy from December 10, 2013 to May 28, 2018. Prior thereto, Mr. Stark was the Chairman of Spartan Oil from June 2011 to January 2013 and the Chairman of Spartan Exploration from January 2008 to June 2011. Mr. Stark was also the Chairman of Titan Exploration from August 2004 until December 2007. Mr. Stark has served on the audit committee of several public issuers.

### James Miller

Mr. Miller is the President of Boarder Capital, a commercial real estate focused private equity firm. Mr. Miller has over 25 years' experience in the investment and commercial real estate business, starting his career at CBRE Group where he achieved the title of Vice President and Top Producer very early in his career. Mr. Miller joined an international private equity fund from 1998 to 2002 focused on commercial and multi-residential real estate assets. During his time at the private equity fund, Mr. Miller assisted in redeveloping and repositioning value add assets throughout Canada and the United States. Mr. Miller has directly participated in over \$1.5 billion worth of commercial real estate transactions including foreign, pension fund, REIT and private capital investments. Mr. Miller joined Avison Young in 2004 becoming "Top Producer of the Year" in 2005, 2006, 2007 and 2011. During his tenure with Avison Young, Mr. Miller led the Calgary Capital Markets Group, and was active as a senior leader of the company's national Capital Markets Group as well as sitting on the National Executive Committee.

### **Corporate Cease Trade Orders or Bankruptcies**

None of the above proposed directors are, or within 10 years prior to the date of this Information Circular have been, a director, chief executive officer or chief financial officer of any company that, while such person was acting in that capacity, was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant issuer access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days.

None of the above proposed directors are, or within 10 years prior to the date of this Information Circular have been, a director, chief executive officer or chief financial officer of any company that was subject to

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

None of the above proposed directors are, or within 10 years prior to the date of this Information Circular have been, a director or executive officer of any company that, while 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.

### **Personal Bankruptcies**

None of the above proposed directors have, within 10 years prior to the date of this Information Circular, become bankrupt, made a proposal under any bankruptcy or insolvency legislation, been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold their assets.

### **Penalties or Sanctions**

None of the above proposed directors have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority, or have entered into a settlement agreement with a securities regulatory authority, or any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

In the absence of contrary instructions, the persons named in the accompanying Form of Proxy intend to vote the Common Shares represented thereby in favour of the election to the Board of those persons designated above as nominees for election as directors. The Board does not contemplate that any of such nominees will be unable to serve as a director. However, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, proxies in favour of management designees will be voted for another nominee in their discretion, unless the Shareholder has specified in its Form of Proxy that its Common Shares are to be withheld from voting on the election of directors.

## **APPOINTMENT OF AUDITORS**

On August 6, 2018, in connection with the Transaction, Dale Matheson Carr-Hilton Labonte LLP ("DMCL") resigned as auditors of the Company. On August 6, 2018, the Board approved the appointment of KPMG LLP ("KPMG") as successor auditors to fill the vacancy created by DMCL. Additional documents related to the change of auditor, being the change of auditor notice and the acknowledgements of that notice by DMCL and KPMG, are set out in Schedule F to this Information Circular.

The Shareholders will be asked to pass an ordinary resolution at the Meeting to appoint KPMG as auditors of the Company, to hold office until the next annual meeting of the Shareholders, at such remuneration to be determined by the Board.

In the absence of contrary instructions, the persons named in the accompanying Form of Proxy intend to vote the Common Shares represented thereby in favour of the appointment of KPMG as the independent auditors of the Company.

## **Change in Year End**

Subsequent to the Transaction, the Company changed its fiscal year end from January 31 to December 31. The change of year end notice is expected to be filed on or about August 7, 2018 under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

## **NEW STOCK OPTION PLAN**

At the Meeting, Shareholders will be asked to approve an ordinary resolution (the "New Stock Option Plan Resolution") to approve and adopt a new stock option plan (the "New Stock Option Plan"), a copy of which is attached hereto as Schedule A, for the ensuing year. A summary of the terms of the New Stock Option Plan is included under the heading "*Executive Compensation – New Stock Option Plan*" in this Information Circular.

The Exchange requires all listed companies with 10% rolling security-based compensation plans to obtain annual shareholder approval of such plans. The Board believes that the passing of the New Stock Option Plan Resolution is in the best interest of the Company and unanimously recommends that Shareholders vote in favour of the New Stock Option Plan Resolution.

At the Meeting, the Shareholders will be asked to approve the following ordinary resolution:

"BE IT RESOLVED THAT:

1. the new stock option plan (the "New Stock Option Plan"), substantially in the form attached as Schedule A to the management information circular of the Company dated August 6, 2018, be and is hereby approved and adopted as the stock option plan of the Company;
2. the form of New Stock 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 Company; and
3. any one director or officer of the Company be and the same is hereby authorized and directed for and in the name of and on behalf of the Company to execute or cause to be executed, whether under corporate seal of the Company or otherwise, and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as in the opinion of such director or officer may be necessary or desirable in order to carry out the terms of this resolution, such determination to be conclusively evidenced by the execution and delivery of such documents or the doing of any such act or thing."

In the absence of contrary instructions, the persons named in the accompanying Form of Proxy intend to vote the Common Shares represented thereby in favour of the approval of the New Stock Option Plan Resolution.

## **CHANGE OF NAME**

At the Meeting, Shareholders will be asked to consider and, if thought appropriate, to pass a special resolution (the "Name Change Resolution") authorizing the Board to change the name of the Company to "Solo Growth Corp." or such other name as the Board, in its sole discretion, determines appropriate and which all applicable regulatory authorities, including the Exchange, may accept, and to amend the Company's articles accordingly (the "Name Change"). The Name Change will reflect the Company's retail-focused cannabis business strategy.

The Name Change Resolution, substantially in the form set forth below, requires the approval of not less than two-thirds of the votes cast in respect thereof by the Shareholders present in person or represented

by proxy at the Meeting. The Board believes that the passing of the Name Change Resolution is in the best interest of the Company and unanimously recommends that Shareholders vote in favour of the Name Change Resolution.

Notwithstanding the foregoing, as indicated in the text of the Name Change Resolution, the Board may, in its sole discretion determine that the Company not proceed with the Name Change.

At the Meeting, Shareholders will be asked to consider and, if thought appropriate, to approve a special resolution in the following form:

“BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. the name of the Company be changed to “Solo Growth Corp.” or such other name as the Board, in its sole discretion, determines appropriate and subject to the approval of all applicable regulatory authorities;
2. any one director or officer of the Company be and is hereby authorized and directed, for and on behalf of the Company (whether under corporate seal or otherwise), to execute and deliver articles of amendment, in duplicate, to the Registrar of Companies under the *Business Corporations Act* (British Columbia) (“BCBCA”), and all documents and instruments and to take such other actions as such director or officer may deem necessary or desirable to implement the foregoing special resolutions and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such documents or instruments and the taking of any such actions;
3. upon articles of amendment having become effective in accordance with the BCBCA, the articles of the Company are amended accordingly; and
4. notwithstanding approval of the shareholders of the Company as herein provided, the Board may, in its sole discretion, revoke the special resolution before it is acted upon without further approval of the shareholders of the Company.”

The Name Change will not affect the validity of currently outstanding share certificates of the Company or the trading of the Common Shares. However, if the Name Change is approved by the Shareholders and implemented by the Board, registered Shareholders will be required to exchange their Common Share certificates for Common Share certificates evidencing the new name of the Company. At such time as the Board determines that the Name Change should occur, the registered holders of Common Shares will be sent a letter of transmittal containing instructions on how to surrender Common Share certificates issued under the previous name of the Company to the transfer agent. The transfer agent will forward to each registered holder of Common Shares who has sent the required documents new Common Share certificates evidencing the new name of the Company. Until surrendered, each Common Share certificate representing Common Shares issued under the former name of the Company will be deemed for all purposes to represent the same number of Common Shares to which the holder is entitled following the Name Change.

Shareholders should not destroy any Common Share certificates and should not submit any Common Share certificates until requested to do so.

In the absence of contrary instructions, the persons named in the accompanying Form of Proxy intend to vote the Common Shares represented thereby in favour of the Name Change Resolution.

#### **CONTINUANCE**

At the Meeting, Shareholders will be asked to consider and, if thought appropriate, to pass a special resolution (the “Continuance Resolution”) authorizing the continuance of the Company from the BCBCA



to the ABCA (the “Continuance”). The text of the Continuance Resolution to be voted on at the Meeting by the Shareholders is set forth under the heading “*Continuance Resolution*” below.

### **Purpose of the Continuance**

For corporate and administrative reasons, the Board is of the view that it would be appropriate to continue the Company as an Alberta company. The head office of the Company is located in Alberta as its primary business and its proposed retail cannabis locations and all of the members of the Board and management are located in Alberta.

### **Shareholder Dissent Rights**

Shareholders of the Company that oppose the Continuance Resolution, may, subject to compliance with certain conditions, dissent from the Continuance Resolution under Section 309 of the BCBCA and be entitled to be paid the fair value for their Common Shares, determined immediately before the passing of the Continuance Resolution, in accordance with Section 245 of the BCBCA. The full texts of Section 309 and Section 245 of the BCBCA are set out in Schedule B to this Information Circular. A Shareholder of the Company may dissent only with respect to all of the Common Shares held by the Shareholder or on behalf of any one beneficial owner and registered in such Shareholder’s name. Persons who are beneficial owners of Common Shares registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent, should be aware that only the registered owner of such Common Shares is entitled to dissent. A Shareholder who beneficially owns Common Shares but is not the registered holder thereof, should contact the registered holder for assistance.

Dissenting Shareholders must provide a written objection to the Continuance Resolution to the Company at Suite 1100, 634 – 6th Avenue S.W., Calgary, Alberta T2P 0S4, Attention: Chief Executive Officer, by no later than 9:00 a.m. (Calgary time) on the second business day immediately preceding the date of the Meeting. No Shareholder who has voted in favour of the Continuance Resolution shall be entitled to dissent with respect to the Continuance.

### **Procedure of the Continuance**

In order to effect the Continuance:

- (a) The Company must obtain the approval of the Shareholders to the Continuance by way of the Continuance Resolution, being a special resolution to be passed by not less than two-thirds of the votes cast in respect thereof by the Shareholders present in person or represented by proxy at the Meeting.
- (b) The Company must make a submission to the Exchange for acceptance of the Continuance.
- (c) The Company must make an application to the Registrar of Companies for British Columbia for authorization to continue out of BCBCA.
- (d) Once the Continuance Resolution is passed and the Company has obtained consent from the Registrar of Companies for British Columbia and acceptance of the Continuance by the Exchange, the Company must file the prescribed documents under the ABCA, which include the articles of continuance, notice of address and notice of directors, with the Registrar of Corporations for Alberta to obtain a certificate of continuance.
- (e) On the date shown on the certificate of continuance issued by the Registrar of Corporations under the ABCA, the Company will become a Company under the laws of the Province of Alberta as if it had been incorporated under the ABCA.

As of the effective date of the Continuance, the Company's current constating documents, notice of articles under the BCBCA will be replaced with articles of continuance and by-laws under the ABCA, the legal domicile of the Company will be the Province of Alberta and the Company will no longer be subject to the provisions of the BCBCA. The Continuance will not result in any change in the business of the Company or its assets, liabilities, net worth or management or its share capital.

### **Certain Differences Between the BCBCA and the ABCA**

In approving the Continuance, Shareholders will be approving the adoption of all matters collateral thereto, including the articles of continuance and the certificate of continuance and will be agreeing to hold securities in a Company governed by the ABCA. In some instances, Shareholders' rights and remedies under the ABCA differ from those under the BCBCA. The material difference between the BCBCA and the ABCA are outlined in Schedule C to this Information Circular. In exercising their vote, Shareholders should consider the distinctions between the ABCA and the BCBCA.

Notwithstanding the alteration of shareholders' rights and obligations under the ABCA and the proposed Continuance, the Company will still be bound by the rules and policies of the Exchange, the Alberta Securities Commission and the British Columbia Securities Commission, as well as any other applicable securities legislation.

Nothing that follows should be construed as legal advice to any particular Shareholder, all of whom are advised to consult their own legal advisors respecting all of the implications of the Continuance. The information in this Information Circular, including Schedule C, is a summary only. Reference should be made to the full text of the both the ABCA and the BCBCA, and the regulations thereunder for particulars of the differences between them.

The Board is of the view that changing the corporate domicile of the Company from British Columbia to Alberta would not adversely affect the rights of Shareholders and would be advantageous to the Company.

### **Continuance Resolution**

The Continuance Resolution, substantially in the form set forth below, requires the approval of not less than two-thirds of the votes cast in respect thereof by the Shareholders present in person or represented by proxy at the Meeting. The Board believes that the passing of the Continuance Resolution is in the best interest of the Company and unanimously recommends that Shareholders vote in favour of the Continuance Resolution.

Notwithstanding the foregoing, as indicated in the text of the Continuance Resolution, the Board may, in its sole discretion determine that the Company not proceed with the Continuance.

At the Meeting, Shareholders will be asked to consider and, if thought appropriate, to approve a special resolution in the following form:

"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. the continuance of the Company under the *Business Corporations Act* (Alberta) ("ABCA") is authorized;
2. the Company is authorized to make application to the Registrar of Companies for British Columbia (the "Registrar") pursuant to subsection 308(5) of the *Business Corporations Act* (British Columbia) ("BCBCA") for authorization to permit the Company to continue under the ABCA;
3. effective upon obtaining the necessary authorization from the Registrar, the Company is authorized to make application pursuant to section 188 of the ABCA for a certificate of

continuance pursuant to which the Company will continue as a body corporate under the ABCA;

4. effective upon the issuance of a certificate of continuance, the articles and by-laws attached to these resolutions be adopted by the Company in substitution for, and to the exclusion of, the existing notice of articles and articles of the Company;
5. the directors of the Company, in their discretion, are authorized to abandon the application for continuance under the ABCA at any time without further approval of the shareholders of the Company;
6. each director and officer of the Company, acting alone, is authorized to do all such acts and things and to execute (whether under the seal of the Company or otherwise) and deliver all such documents as in such director's or officer's opinion may be necessary or desirable to complete the transactions hereby approved and authorized."

In the absence of contrary instructions, the persons named in the accompanying Form of Proxy intend to vote the Common Shares represented thereby in favour of the Continuance Resolution.

#### **OTHER MATTERS COMING BEFORE THE MEETING**

The Board knows of no other matters to come before the Meeting other than as referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the Common Shares represented by proxy solicited hereby will be voted on such matters in accordance with the best judgement of the person voting such proxy.

## EXECUTIVE COMPENSATION

### General

All currency amounts expressed herein, unless otherwise indicated, are expressed in Canadian dollars.

The following information relates to the Company's financial year ended January 31, 2018 and the Company's compensation philosophy and practices prior to the completion of the Transaction.

For the purpose of this statement of executive compensation, a "CEO" or "CFO" means each individual who served as Chief Executive Officer or Chief Financial Officer, respectively, of the Company or acted in a similar capacity during the most recently completed financial year. A "Named Executive Officer" or "NEO" means: (a) each CEO, (b) each CFO, (c) the Company's most highly compensated officer, other than the CEO and CFO, who was serving as an officer at the end of the most recently completed financial year and whose total compensation was more than \$150,000, and (d) any additional individuals who would be a Named Executive Officer under subsection (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of the financial year.

Based on the foregoing definitions, the Company's Named Executive Officers in respect of the year ended January 31, 2018 were: Jeremy Caddy, former CEO and President and Frank DeMarte, former CFO and Corporate Secretary.

### Summary of Named Executive Officers' Compensation

#### *Pre-Transaction*

Prior to the completion of the Transaction, the compensation of NEOs was reviewed annually and determined by the former board of directors of the Company (the "Former Board"). The level of compensation for NEOs was determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources. In the Former Board's view, there was no need for the Company to design or implement a formal compensation program for NEOs.

The NEOs received no annual salaries for the year ended January 31, 2018. The Former Board reviewed salaries annually to ensure that they reflected each respective NEO's performance and experience in fulfilling his or her role. Due to the relatively small size of the Company, limited cash resources, and the early stage and scope of the Company's operations, the NEOs received limited salaries relative to industry standards.

Prior to the completion of the Transaction, the Company provided the NEOs the opportunity to participate in the Company's former stock option plan (the "Former Stock Option Plan"). The Former Board did not employ a prescribed methodology when determining the grant or allocation of stock options to acquire Common Shares to NEOs under the Former Stock Option Plan ("Former Options"). Other than the Former Stock Option Plan, the Company did not offer any long term incentive plans, share compensation plans, retirement plans, pension plans, or any such benefit programs for the NEOs. A summary of the terms of the Former Stock Option Plan is included under the heading "*Former Stock Option Plan*" below.

#### *Post-Transaction*

On June 28, 2018, the Board established the Corporate Governance and Compensation Committee. The Corporate Governance and Compensation Committee will assist the Board in carrying out its responsibilities to the Company with respect to, among other things, compensation matters. The Corporate Governance and Compensation Committee's responsibilities with respect to compensation matters include but are not limited to: (i) reviewing and, as appropriate, approving, compensation, including salary and bonuses in the form of cash or other compensation, awarded to all of the Company's

staff, including the officers of the Company but not the Chief Executive Officer; and (ii) reviewing and providing recommendations to the Board on the compensation of the Chief Executive Officer. Information concerning the composition and function and mandate of the Corporate Governance and Compensation Committee is set out under the heading “*New Corporate Governance Practices – Corporate Governance and Compensation Committee*”.

The Board will rely on the knowledge and experience of its members to set appropriate levels of compensation for future NEOs. When determining NEO compensation, the Board will use all data available to it to ensure that such compensation is set at a level that is both commensurate with the size of the Company, responsibilities of the particular NEO and retention of the NEOs, who are considered by the Board to be essential to the success of the Company.

The Board will review the various elements of the NEOs’ compensation in the context of the total compensation package (including salary, incentive bonuses and awards of stock options), recommend the NEOs’ compensation packages, and where appropriate, engage in benchmarking for the purpose of establishing compensation levels relative to industry peers.

The new executive compensation program will consist of three components: (a) base compensation in the form of salary; (b) incentive bonuses in the form of cash payments; and (c) subject to Shareholder approval, long-term compensation in the form of options to purchase Common Shares issued under the New Stock Option Plan (“New Options”). For the Named Executive Officers, the stock option component will be an essential part of their compensation. No NEO or director of the Company will be permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation, or held, directly or indirectly, by a Named Executive Officer or director of the Company.

#### *Base Compensation and Incentive Bonuses*

Base compensation for executive officers of the Company will be set annually, having regard to the individual’s job responsibilities, contribution, experience and proven or expected performance, as well as to market conditions. In setting base compensation levels, consideration is expected to be given to such factors as level of responsibility, experience and expertise in addition to the policies of the Exchange.

Incentive bonuses, in the form of cash payments, are designed to add a variable component of compensation based on corporate and individual performance for executive officers.

#### *Stock Options*

To provide a long-term component to the executive compensation program, executive officers of the Company are eligible to receive New Options. The maximization of shareholder value is encouraged by granting New Options since such grants provide an incentive to eligible persons to further the development, growth and profitability of the Company. Consideration will be given to granting New Options amongst the various organizational levels of management, including directors, officers and certain consultants. The Chief Executive Officer will make recommendations to the Board for the Chief Financial Officer and other key employees. These recommendations are to take into account factors such as awards made in previous years, the number of New Options outstanding per individual and the level of responsibility. The Board, as a whole, will determine the New Options to be issued to the Chief Executive Officer. A summary of the terms of the New Stock Option Plan is included under the heading “*New Stock Option Plan*” below.

### Compensation Table for NEOs

The following table and notes thereto provide a summary of the compensation paid to the NEOs of the Company for the two most recently completed financial years ended January 31, 2018 and 2017:

Name, Principal Positions	Year End	Salary (\$)	Share-based Awards (\$)	Option-based Awards (\$) <sup>(1)</sup>	Non-Equity Incentive Plan Compensation		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-Term Incentive Plans			
Jeremy Caddy <sup>(2)</sup> <i>Former CEO, President and Director</i>	2018	Nil	N/A	Nil	Nil	Nil	N/A	Nil	Nil
	2017	Nil	N/A	Nil	Nil	Nil	N/A	Nil	Nil
Frank DeMarte <sup>(3)</sup> <i>Former CFO and Secretary</i>	2018	Nil	N/A	Nil	Nil	Nil	N/A	Nil	Nil
	2017	Nil	N/A	Nil	Nil	Nil	N/A	Nil	Nil

#### Notes:

- (1) The amounts disclosed herein for the option-based awards are calculated based on the fair value of the Former Options granted during the year as at the grant date using the Black-Scholes model using the following assumptions on the grant date: risk-free interest rate ranging from 1.57%; volatility 110%; dividend yield 0% and approximate expected lives of 2 years.
- (2) Mr. Caddy did not receive any additional compensation for his role as a director of the Company. In connection with the completion of the Transaction, Mr. Caddy resigned as CEO, President and a director of the Company on June 28, 2018.
- (3) In connection with the completion of the Transaction, Mr. DeMarte resigned as CFO and Secretary on June 28, 2018.

### Incentive Plan Awards

#### Outstanding Option-based Awards and Share-based Awards held by NEOs

The following table and notes thereto provide a summary of the awards outstanding for the NEOs of the Company at the end of the most recently completed financial year ended January 31, 2018:

Name, Principal Positions	Number of Common Shares underlying Unexercised Options	Option-based Awards <sup>(1)</sup>			Share-based Awards <sup>(2)</sup>		
		Option Exercise Price	Option Expiration Date	Value of the Unexercised in- the-Money Options <sup>(3)</sup>	Number of Unvested Shares or Units	Market Value of Unvested Share-based Awards	Market Value of Vested Share- based Awards not Paid Out or Distributed
Jeremy Caddy <i>Former CEO, President and Director</i>	400,000	\$0.05	September 12, 2019	Nil	N/A	N/A	N/A
	100,000	\$0.05	December 8, 2018	Nil			
Frank DeMarte <i>Former CFO and Secretary</i>	1,500,000	\$0.05	September 9, 2018	Nil	N/A	N/A	N/A

#### Notes:

- (1) In connection with the completion of the Transaction, all outstanding Former Options were exercised or terminated. The Company proposes to adopt the New Stock Option Plan as discussed under the heading "New Stock Option Plan" below.

- (2) The Company currently has no share-based awards, nor did the Company have any share-based awards outstanding as at January 31, 2018.
- (3) Calculated based on the difference between the exercise price of the Former Options and the closing price of the Common Shares on the Exchange on January 31, 2018, being \$0.04.

### *Value Vested or Earned by NEOs During the Year*

The following table and notes thereto provide a summary of the value vested or earned by the NEOs of the Company through awards for the most recently completed financial year ended January 31, 2018:

<b>Value Vested or Earned During the Year</b>			
<b>Name, Principal Positions</b>	<b>Option-based Awards<sup>(1)</sup></b>	<b>Share-based Awards<sup>(2)</sup></b>	<b>Non-Equity Incentive Plan Compensation<sup>(2)</sup></b>
Jeremy Caddy <i>Former CEO, President and Director</i>	Nil	N/A	N/A
Frank DeMarte <i>Former CFO and Secretary</i>	Nil	N/A	N/A

**Notes:**

- (1) Represents the aggregate dollar value that would have been realized if the Former Options had been exercised on the vesting date based on the difference between the closing market price of the Common Shares on the date immediately preceding the vesting date and the exercise price of the Former Options held.
- (2) The Company currently has no non-equity incentive plan awards or share-based awards outstanding, nor did the Company have any non-equity incentive plan awards or share-based awards outstanding as at January 31, 2018.

### **Pension Plan Benefits**

The Company does not have a pension plan or provide any benefits following or in connection with retirement. In addition, the Company does not have a deferred compensation plan.

### **Employment, Consulting and Management Agreements**

Prior to the completion of the Transaction, Mr. Caddy was the Company's CEO and Frank DeMarte was the Company's CFO. Neither received any compensation during the year ended January 31, 2018 and no agreements were in place with either person.

Neither the Company, nor its subsidiaries, had a contract, agreement, plan or arrangement that provided for payments to a NEO following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or its subsidiaries, or a change in responsibilities of the NEO following a change in control.

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

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

There are no contracts, agreements, plans or arrangements whereby any current NEO or director is entitled to receive payments from the Company in the event of the resignation, retirement or other termination of the NEO's or director's services with the Company, change of control of the Company or a change in the NEO's responsibilities.

## Summary of Directors' Compensation

### *Pre-Transaction*

Compensation of the former directors of the Company was reviewed annually and determined by the Former Board. The level of compensation for the former directors was determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources.

In the Former Board's view, there was no need for the Company to design or implement a formal compensation program for directors. While the Former Board considered granting Former Options to directors from time to time, the Board did not employ a prescribed methodology when determining the grant or allocation of Former Options. Other than the Former Stock Option Plan, as discussed under the heading "*Former Stock Option Plan*" below, the Company did not offer any long term incentive plans, share compensation plans or any other such benefit programs for directors. For further information on compensation paid to the non-employee directors of the Company, see "Compensation Table for Directors" below.

### *Post-Transaction*

The directors of the Company will be entitled to receive compensation for services in their capacity as directors. Members of the Board will be entitled to be reimbursed for all reasonable expenses incurred to attend meetings. In addition, the New Stock Option Plan will allow for the grant of New Options to the directors of the Company. A summary of the terms of the New Stock Option Plan is included under the heading "*New Stock Option Plan*" below.

### *Compensation Table for Directors*

The following table sets forth all amounts of compensation for each director of the Company, other than directors who were also NEOs, for the most recently completed fiscal year ended January 31, 2018:

Name	Fees Earned (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$) <sup>(1)</sup>	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Philip George Crabb <sup>(2)</sup>	Nil	N/A	Nil	N/A	N/A	Nil	Nil
Christopher Gulka <sup>(3)</sup>	Nil	N/A	Nil	N/A	N/A	Nil	Nil
Ian M. Adams <sup>(4)</sup>	6,000	N/A	Nil	N/A	N/A	Nil	6,000

#### Notes:

- (1) The amounts disclosed herein for the option-based awards are calculated based on the fair value of the Former Options granted during the year based on their fair value of each grant as at the grant date using the Black-Scholes model using the following assumptions on the grant date: risk-free interest rate ranging from 1.57%; volatility 110%; dividend yield 0% and approximate expected lives of 2 years. The information is disclosed in the audited financial statements of the Company as at January 31, 2018. The Company chose this methodology because it is recognized as the most common methodology used for valuing options and value comparisons.
- (2) In connection with the completion of the Transaction, Mr. Crabb resigned as a director of the Company on June 28, 2018.
- (3) Mr. Gulka became a director effective June 12, 2017. In connection with the completion of the Transaction, Mr. Gulka resigned as a director of the Company on June 28, 2018.



(4) Mr. Adams resigned as a director effective June 6, 2017.

### ***Incentive Plan Awards***

#### ***Outstanding Option-based Awards and Share-based Awards held by Directors***

The following table sets forth for each of the Company's directors, other than directors who are also NEOs, all amounts of compensation for the Company's most recently completed fiscal year ended January 31, 2018:

Name	Option-based Awards <sup>(1)</sup>				Share-based Awards <sup>(2)</sup>		
	Number of Shares underlying Unexercised Options	Option Exercise Price	Option Expiration Date	Value of the Unexercised in-the-Money Options <sup>(3)</sup>	Number of Unvested Shares or Units	Market Value of Unvested Share-based Awards	Market Value of Vested Share-based Awards not Paid Out or Distributed
Philip George Crabb	500,000	\$0.05	September 9, 2019	Nil	N/A	N/A	N/A
Christopher Gulka	1,500,000	\$0.05	September 9, 2018	Nil	N/A	N/A	N/A
Ian M. Adams	Nil	N/A	N/A	N/A	N/A	N/A	N/A

**Notes:**

- (1) In connection with the completion of the Transaction, all outstanding Former Options were exercised or terminated. The Company proposes to adopt the New Stock Option Plan as discussed under the heading "New Stock Option Plan" below.
- (2) The Company currently has no share-based awards, nor did the Company have any share-based awards outstanding as at January 31, 2018.
- (3) Calculated based on the difference between the exercise price of the New Options and the closing price of the Common Shares on the Exchange on January 31, 2018, being \$0.04.

### **Former Stock Option Plan**

Prior to the completion of the Transaction, the Company adopted the Former Stock Option Plan pursuant to which the Former Board could grant Former Options to NEOs, directors and employees of the Company or affiliated corporations and to consultants retained by the Company.

The purpose of the Former Stock Option Plan was to attract, retain and motivate NEOs, directors, employees and other service providers by providing them with the opportunity to acquire an interest in the Company and benefit from the Company's growth. Under the Former Stock Option Plan, the maximum number of Common Shares reserved for issuance, including Former Options outstanding, was equal to 10% of the Common Shares outstanding from time to time (the "10% Maximum"). The 10% Maximum was an "evergreen" provision, meaning that, following the exercise, termination, cancellation or expiration of any Former Options, a number of Common Shares equivalent to the number of Former Options so exercised, terminated, cancelled or expired would have automatically become reserved and available for issuance in respect of future Former Option grants.

Under the Former Stock Option Plan, the number of Common Shares that could have been subject to Former Options on a yearly basis to any one person could not exceed 5% of the number of Common Shares at the time of the grant. Former Options could be granted to any employee, officer, director, consultant, affiliate or subsidiary of the Company and exercisable at a price which was not less than the market price of the Common Shares on the date of the grant. The former directors of the Company could, by resolution, determine the time period during which any Former Option could be exercised (the "Exercise Period"), provided that the Exercise Period did not contravene any rule or regulation of such exchange on which the Common Shares could be listed. All Former Options would terminate on the earliest to occur of (a) the expiry of their term; (b) the date of termination of an optionee's employment, office or position as director, if terminated for just cause; (c) 90 days (or such other period of time as

permitted by any rule or regulation of such exchange on which the Common Share could be listed) following the date of termination of an optionee's position as a director or NEO, if terminated for any reason other than the optionee's disability or death; (d) 30 days following the date of termination of an optionee's position as a consultant engaged in investor relations activities, if terminated for any reason other than the optionee's disability, death, or just cause; and (e) the date of any sale, transfer or assignment of the Former Option.

Former Options were non-assignable and were subject to early termination in the event of the death of a participant or in the event a participant ceases to be a NEO, director, employee, consultant, affiliate, or subsidiary of the Company. Subject to the foregoing restrictions, and certain other restrictions set out in the Former Stock Option Plan, the Former Board was authorized to provide for the granting of Former Options and the exercise and method of exercise of Former Options granted under the Former Stock Option Plan.

The Exchange requires listed companies that have "rolling" stock option plans in place to receive shareholder approval for such plans on a yearly basis at the company's annual Shareholders' meeting. The Former Stock Option Plan was most recently approved at the Shareholders' meeting on October 17, 2017.

### **New Stock Option Plan**

Pursuant to the policies of the Exchange, the Company is permitted to have "rolling" equity-based compensation arrangements. On July 31, 2018, the Board approved the New Stock Option Plan, attached hereto as Schedule A, pursuant to which options to purchase Common Shares (the "New Options") may be granted to directors, officers, employees and consultants of the Company. At the Meeting, Shareholders will be asked to vote on the New Stock Option Plan Resolution for the ensuing year. There are currently no New Options outstanding under the New Stock Option Plan.

#### ***Description of the Stock Option Plan***

The purposes of the New Stock Option Plan are: (a) to provide directors, officers, employees and consultants of the Company an incentive to achieve the longer term objectives of the Company; (b) to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Company; and (c) to attract and retain in the employ of the Company or any of its subsidiaries, persons of experience and ability by providing them with the opportunity to acquire an increased proprietary interest in the Company.

#### ***Eligibility***

The New Stock Option Plan will provide for the granting of New Options to purchase Common Shares to directors, officers, employees and consultants of the Company or any of its subsidiaries.

#### ***Administration***

The New Stock Option Plan will be administered by the Board and the Board may, subject to applicable law, delegate its powers to administer the New Stock Option Plan to a committee of the Board. New Options may be granted at the discretion of the Board, in such number that may be determined at the time of grant, subject to the limits set out in the New Stock Option Plan. Previous grants will be taken into account when considering new grants.

#### ***Exercise Price***

The exercise price of New Options granted under the New Stock Option Plan will be fixed by the Board at the time of grant, provided that the exercise price shall be not less than the discounted market price of the Common Shares in accordance with the policies of the Exchange.

### *Maximum Percentage of Common Shares Reserved*

The aggregate number of Common Shares that may be issued pursuant to the exercise of New Options awarded under the New Stock Option Plan and all other security-based compensation arrangements of the Company is 10% of the Common Shares outstanding from time to time (on a non-diluted basis), subject to the following limitations:

- (a) the aggregate number of Common Shares reserved for issuance to any one person under the New Stock Option Plan, within a 12 month period, must not exceed 5% of the issued and outstanding Common Shares (on a non-diluted basis);
- (b) the aggregate number of Common Shares reserved for issuance to any single consultant under the New Stock Option Plan within a 12 month period, shall not exceed 2% of the issued and outstanding Common Shares; and
- (c) the aggregate number of Common Shares reserved for issuance to any one participant employed to provide investor relations activities (as defined in the New Stock Option Plan) within a 12-month period, must not exceed 2% of the issued and outstanding Common Shares.

### *Transferability*

The New Options will not be assignable or transferable by a participant, except for a limited right of assignment in the event of the death of the participant.

### *Term and Vesting*

The term of the New Options granted will be determined by the Board in its discretion, to a maximum of five years from the date of the grant of the New Options. The vesting period or periods within this period during which a New Option or a portion thereof may be exercised shall be determined by the Board. Further, the Board may, in its sole discretion at any time or in the agreement in respect of any New Options granted, accelerate, or provide for the acceleration of, vesting of New Options previously granted.

### *Early Expiration*

Unless otherwise provided in an agreement evidencing the grant of New Options, New Options shall terminate at the earlier of: (a) 30 days after the participant ceasing (other than by reason of death) to be at least one of an officer, director, employee or consultant of the Company or a subsidiary of the Company, as the case may be; and (b) the expiry date of the New Option. If before the expiry of a New Option in accordance with the terms thereof a participant ceases to be an employee, officer, director or consultant by reason of the death of the participant, any unvested portion of such New Option shall vest within one year following the earlier of the death of the participant and the expiry date of the New Option. In addition, such New Option may, subject to the terms thereof and any other terms of the New Stock Option Plan, be exercised by the legal personal representative(s) of the participant's estate.

### *Takeover or Change of Control*

In the event of any disposition of all or substantially all of the assets of the Company, or the dissolution, merger, amalgamation or consolidation of the Company with or into any other corporation or of such corporation into the Company, or any change in control of the Company occurring, the Company will have the power to make such arrangements as it shall deem appropriate for the exercise of outstanding New Options or continuance of outstanding New Options, including, without limitation, to amend any option agreement to permit the exercise of any or all of the remaining New Options prior to the completion of any such transaction.

### *Voluntary Black-out Periods*

The Company has adopted a policy on trading in the securities of the Company which results in the imposition of self-imposed black-out periods from time to time, preventing officers, directors, employees

and consultants from exercising New Options. For example, these black-out periods would be imposed prior to the release of financial statements and when the Company is considering various possible transactions or is completing material operations that could, if consummated or successfully completed, have a significant effect on the trading price or value of the Company's securities. This policy will be adopted as part of Company's approach to responsible governance. However, the imposition of voluntary black-out periods can penalize the Company, and its insiders and employees where their New Options have not been exercised prior to the voluntary black-out period and such stock options would expire during such period.

Pursuant to the New Stock Option Plan, the expiration of the term of any New Options that would fall during any black-out period or within 10 days following the termination of any black-out period will be extended for a period of 10 business days following the expiry of such black-out period, such that all participants will always have a maximum of 10 business days following a voluntary black-out period to exercise New Options. This provision applies to all participants.

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLAN

The following table sets out the equity compensation plan information as described above under the heading "*Executive Compensation - Former Stock Option Plan*" and the securities issuable thereunder as at January 31, 2018:

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Former Options	Weighted Average Exercise Price of Outstanding Former Options	Number of Securities Remaining Available for Future Issuance under the Former Stock Option Plan
Equity compensation plans approved by Shareholders	4,950,000 <sup>(1)</sup>	\$0.05	419,773 <sup>(2)</sup>
Equity compensation plans not approved by Shareholders	N/A	N/A	N/A
Total	4,950,000	\$0.05	419,773

**Notes:**

- (1) Based on the 53,697,733 Common Shares outstanding as at January 31, 2018.
- (2) In connection with the completion of the Transaction, all outstanding Former Options issued under the Former Stock Option Plan were exercised or terminated. The Company proposes to adopt the New Stock Option Plan as discussed under the heading "*New Corporate Governance Practices – New Stock Option Plan*" below.

### INDEBTEDNESS OF DIRECTORS AND OFFICERS

No director or executive officer of the Company, nor any of their associates or affiliates, nor any employee of the Company is or has been indebted to the Company since the beginning of the most recently completed fiscal year of the Company, nor is, or at any time since the beginning of the most recently completed fiscal year of the Company has, any indebtedness of any such person been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

### INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

There are no material interests, direct or indirect, of directors or executive officers of the Company or any person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the outstanding Common Shares or any known associate or affiliate of such persons, in any transaction since the commencement of the Company's most recently completed financial year.

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

Other than as disclosed in this Information Circular, management of the Company is not aware of any material interest of any director or nominee for director or executive officer or anyone who has held office as such since the beginning of the Company's last financial year or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting.

## **NEW CORPORATE GOVERNANCE PRACTICES**

In accordance with National Instrument 58-101 – Disclosure of Corporate Governance Practices and National Policy 58-201 – Corporate Governance Guidelines (“NP 58-201”), issuers are to disclose the corporate governance practices that they have adopted. NP 58-201 provides guidance on corporate governance practices. The Company is also subject to National Instrument 52-110 – *Audit Committees* (“NI 52-110”), which has been adopted in each of the Canadian provinces and territories and which prescribes certain requirements in relation to audit committees.

The Board is responsible for the governance of the Company. The Board and the Company's management consider good corporate governance to be central to the effective and efficient operation of the Company. Below is a discussion of the Company's approach to corporate governance.

### **Corporate Governance and Compensation Committee**

The Board has established a Corporate Governance and Compensation Committee. The members of the Corporate Governance and Compensation Committee are Messrs. McHardy, Miller and Stark. Mr. McHardy is the Chair of the Corporate Governance and Compensation Committee. All members of the Corporate Governance and Compensation Committee are independent members of the Board within the meaning of NI 52-110. The Corporate Governance and Compensation Committee convenes at least four times annually and otherwise as deemed appropriate by the Chair of the Corporate Governance and Compensation Committee.

### ***Mandate of the Corporate Governance and Compensation Committee***

On July 31, 2018, the Board adopted a written mandate that sets forth the responsibilities of the Corporate Governance and Compensation Committee, which include:

- (a) developing and reviewing the Company's approach and procedures in relation to governance matters;
- (b) reviewing the competencies and skills of the Board and its individual members to identify and recommend new director nominees annually;
- (c) establishing a process for direct communications with Shareholders, including through the whistleblowing policy;
- (d) reviewing and approving compensation, including salary and bonuses in the form of cash or other compensation, for the Company's staff, including the officers of the Company but not the Chief Executive Officer;
- (e) reviewing and providing recommendations to the Board on the compensation of the Chief Executive Officer; and
- (f) reviewing and, as appropriate, approving employment contracts or other major agreements for the Company's employees.

## Compensation Policies and Practices

The Company's compensation policies and practices are intended to align management incentives with the long term interests of the Company's and its Shareholders and to attract and retain qualified personnel. In each case, the Company seeks an appropriate balance of risk and reward. On July 31, 2018, the Board adopted the following practices that are designed to avoid inappropriate or excessive risks:

- **Ownership Guidelines.** The Company has implemented share ownership guidelines (the "Ownership Guidelines") for executive officers and non-executive directors of the Company to further align their interests with the long-term interests of Shareholders. The Ownership Guidelines require that, within three years of joining the Company, each executive officer or non-executive director has a minimum holding of Common Shares or Common Share equivalents that have an aggregate value of at least: (i) three times the annual base salary for the Chief Executive Officer; (ii) two times the annual base salary for each other officer of the Company; and (iii) three times the amount of the annual Board retainer for each non-executive director.
- **Anti-Hedging Policy.** The Company has adopted a written anti-hedging policy (the "Anti-Hedging Policy") that prohibits a NEO or director, among others, from purchasing financial instruments, including prepaid variable forward contracts, instruments for the short sale or purchase or sale of call or put options, equity swaps, collars, or units of exchangeable funds, that are designed to or that may reasonably be expected to have the effect of hedging or offsetting a decrease in the market value of any securities of the Company.

The Anti-Hedging Policy has been implemented to ensure that directors, executive officers and employees of the Company are prohibited from hedging or monetizing transactions in order to lock in the value of their securities of the Company. Examples would include the entry into prepaid variable forward contracts, instruments for the short sale or purchase or sale of call or put options, equity swaps, collars, or units of exchangeable funds that have the effect of offsetting a decrease in the market value of securities held in the Company.

In addition, pursuant to the Anti-Hedging Policy governing insider trading, short term speculative trading of the Common Shares by officers, directors and employees is strongly discouraged as it conflicts with the best interests of the Company and its Shareholders. Consequently, insiders including the Company's NEOs, directors and their related persons, are not only discouraged from frequently trading the Common Shares, but are also specifically prohibited from short selling any Common Shares and from trading in any derivative instruments involving the Company's securities.

- **Clawback Policy.** The Company has implemented a written clawback policy (the "Clawback Policy") for situations where a director, executive officer or other employee receives additional incentive compensation as a result of his or her own misconduct (the "Overpayment Amounts"). In such situations, the director, executive officer or other employee shall be obligated to reimburse the Company for such Overpayment Amounts and the Board shall be given the discretion to determine the steps required to effect such recovery.

## Nomination of Directors

The Corporate Governance and Compensation Committee is responsible for reviewing the size and composition of the Board and identifying potential director nominees, with the goal of ensuring that the Board consists of an appropriate number of directors who collectively possess the skills and competencies identified as being critical to the effectiveness of the Board.

As part of its annual process, the Corporate Governance and Compensation Committee will consider succession planning for Board members and discuss guidelines to assist in the process of identifying new

Board members. The profile of ideal characteristics and qualifications of nominees will take into account the Company's governance framework, including its diversity policy, and current Board composition.

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

The Board currently consists of six directors, five of whom are independent based upon the tests for independence set forth in NI 52-110. Mr. Bedi is not independent by virtue of serving as President and Chief Executive Officer of the Company.

### **Board Oversight**

The Board exercises its independent supervision over the Company's management through a combination of formal meetings of the Board as well as informal discussions amongst the Board members. The independent directors can also hold scheduled meetings at which non-independent directors and members of management are not in attendance. Where matters arise at Board meetings which require decision making and evaluation that is independent of management and interested directors, the meeting breaks into an in camera session among the independent and disinterested directors.

### **Directorships in Other Reporting Issuers**

The following table sets out the directors of the Company that are presently a director of other reporting issuers.

<u>Name</u>	<u>Name of Reporting Issuer</u>	<u>Exchange</u>
Ron Hozjan	Tamarack Valley Energy Ltd.	TSX
Shahin Mottahed	Razor Energy Corp.	TSXV
	Target Capital Inc.	TSXV & CSE

### **Board Mandate**

The Board has adopted a written mandate, attached hereto as Schedule D, that summarizes, among other things, the Board's duties and responsibilities. The Board is responsible for the overall stewardship of the Company and dealing with issues which are pivotal to determining the Company's strategy and direction. The Board has directly, and through the appointment of certain committees, put in place an effective system for monitoring the implementation of corporate strategies. The Board is not involved in the day to day operations of the Company, as these operations are conducted by the Company's management. The Board meets regularly to consider and approve the strategic objectives of the Company and management plans designed to accomplish those objectives. Where appropriate, key management personnel and professional advisors are invited to attend Board meetings to speak to these issues. The Board also meets as necessary to consider specific developments and opportunities as they arise, including asset acquisitions and dispositions and financing proposals. The Board approves, among other things, all issuances of securities of the Company, the appointment of officers, the entering into of lines of credit or other significant borrowing activities and all significant transactions. The Board considers, but has no formal policies, concerning management development and succession and risk management.

Essential to strategic planning is assessing and understanding business risks and related control systems. The Board helps set limits with respect to business risks, to the extent they can be managed, and approves strategies for minimizing risks. Implementations of these strategies are then monitored by the Board. The Board, through the Audit Committee, requires management of the Company to put into place systems to address financial risks and to periodically report to the Board on these systems and risks.

Management has implemented procedures to provide reasonable assurance of effective communication with the Company's shareholders and the public. The Company's management is responsible for the issuance of press releases and communications with the financial community. The Board reviews and approves all principal continuous disclosure documents, the release of interim and annual financial statements, annual information forms, prospectuses and information circulars.

The Corporate Governance and Compensation Committee is responsible for monitoring the governance systems of the Company with a view to ongoing improvements, reviewing the composition of the Board and developing criteria for new Board appointments. The Corporate Governance and Compensation Committee also acts as a nominating committee for new directors, oversees and approves the Company's compensation plans and evaluates the overall Board effectiveness.

### **Position Descriptions**

The Board has developed a written position description for the Chair of the Board, the Chair of each committee and the Chief Executive Officer of the Company.

The Chair of each committee of the Board schedules meetings of the committee and organizes and presents agendas for such meetings.

The Board, in conjunction with management, sets the Company's annual objectives which become the objectives against which the Chief Executive Officer's performance is measured. The Board has plenary power; any responsibility which is not delegated to management or a Board committee remains with the Board.

### **Orientation and Continuing Education**

While the Company does not have a formal orientation and training program, new members of the Board are provided with:

- (a) a copy of the policies and mandates of the Board and its committees and copies of the Company's corporate governance policies, which provides information respecting the functioning of the Board;
- (b) access to recent, publicly filed documents of the Company;
- (c) access to management; and
- (d) access to legal counsel in the event of any questions relating to the Company's compliance and other obligations.

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

### **Ethical Business Conduct**

In establishing its corporate governance practices, the Board has been guided by applicable Canadian securities legislation, including NP 58-201, and the guidelines of the Exchange for effective corporate governance. The Board is committed to a high standard of corporate governance practices. The Board believes that this commitment is not only in the best interests of its Shareholders, but that it also promotes effective decision making at the Board level.



Additionally, in order to encourage and promote a culture of ethical business conduct, the Board has adopted a Code of Business Conduct and Ethics (the “Code”) wherein directors, officers and employees of the Company and others are provided with a mechanism by which they can raise complaints regarding financial and regulatory reporting, internal accounting controls, auditing or health, safety and environmental matters or any other matters and raise concerns about any violations of the Code in a confidential and, if deemed necessary, anonymous process. The Code is available on the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com).

The Board has instructed its management and employees to abide by the Code and to bring any breaches of the Code to the attention of the Corporate Governance and Compensation Committee. Compliance with the Code is monitored primarily through the reporting process within the Company’s organizational structure.

It is a requirement of applicable corporate law that directors who have an interest in a transaction or agreement with the Company promptly disclose that interest at any meeting of the Board at which the transaction or agreement will be discussed and abstain from discussions and voting in respect to same if the interest is material. The Code imposes a similar disclosure requirement on all non-director representatives of the Company and requires such persons to report such conflict to the executive officer to whom that person reports in the course of his employment responsibilities, or, in the case of a senior executive officer, to the Audit Committee and fully inform such person or the committee, as applicable, of the facts and circumstances related to the conflict or potential conflict. The representative is prohibited from taking any further action in respect of the matter or transaction giving rise to such conflict or potential conflict unless and until he is authorized to do so by his reporting officer or the Audit Committee.

#### **Audit Committee**

Please see the discussion under the heading “*Audit Committee*”.

#### **Assessments**

The Board is responsible to assess, on an ongoing basis, its overall performance and that of its committees. The objective of this review is to contribute to a process of continuous improvement in the Board’s execution of its responsibilities. The review will identify any areas where the directors of the Company or management believe that the Board could make a better collective contribution to overseeing the affairs of the Company. The Board is also responsible for regularly assessing the effectiveness and contribution of each director, having regard to the competencies and skills each director is expected to bring to the Board. The Board relies on informal evaluations of the effectiveness through both formal and informal communications with Board members and through participation with other Board members on committees and matters relating to the Board.

### **AUDIT COMMITTEE**

The Audit Committee is a committee of the Board to which the Board delegates its responsibility for oversight of the financial reporting process. The Audit Committee is also responsible for managing, on behalf of the Shareholders, the relationship between the Company and the external auditor. Pursuant to NI 52-110, the Company is required to disclose certain information with respect to its Audit Committee, as summarized below.

#### **Audit Committee Charter**

On July 31, 2018, the Board adopted a new Audit Committee charter (the “Audit Committee Charter”), attached hereto as Schedule E. The mandate of the Audit Committee is to oversee and provide assistance in financial reporting, financial policies and internal controls as well as to work with the external auditors to ensure the accuracy of the Company’s financial disclosures. The Audit Committee must pre-approve all non-audit services to be provided by an external auditor.

## Composition of the Audit Committee

As of the date hereof, the Audit Committee is comprised of:

<u>Name of Director</u>	<u>Independent (Yes/No)<sup>(1)</sup></u>	<u>Financially Literate (Yes/No)</u>
Ron Hozjan <sup>(2)</sup>	Yes	Yes
Michael Stark	Yes	Yes
Sonny Mottahed	Yes	Yes

### Notes:

- (1) As defined in NI 52-110.
- (2) Chair of the Audit Committee

## Relevant Education and Experience

Collectively, the Audit Committee has the education and experience to fulfill the responsibilities outlined in the Audit Committee Charter.

Mr. Hozjan has been Vice President, Finance and Chief Financial Officer of Tamarack, a public company listed on the Toronto Stock Exchange, since 2010. Mr. Hozjan is a Chartered Professional Accountant with over 30 years of oil and gas experience and over 20 years of experience as a senior financial officer. Prior to Tamarack, Mr. Hozjan served as the Chief Financial Officer of Vaquero Resources Ltd., which was acquired by RMP Energy Ltd. Prior thereto, he was the Vice President, Finance and Chief Financial Officer at a predecessor firm, Vaquero Energy Ltd., which grew successfully before merging with Highpine Oil & Gas Limited. Previously, Ron held various senior finance positions at Storm Energy Ltd., Beau Canada Exploration Ltd. and Renaissance Energy Ltd.

Mr. Stark is an independent businessman and previously a certified financial planner. He was the Chairman of Spartan Energy from December 10, 2013 to May 28, 2018. Prior thereto, Mr. Stark was the Chairman of Spartan Oil from June 2011 to January 2013 and the Chairman of Spartan Exploration from January 2008 to June 2011. Mr. Stark was also the Chairman of Titan Exploration from August 2004 until December 2007. Mr. Stark has served on the audit committee of several public issuers.

Mr. Mottahed is the co-founder and Chief Executive Officer of 51st Parallel, an Alberta-based, pre-production applicant to become a licensed provider of cannabis focused on the recreational market. 51st Parallel has a strategic relationship and technical services agreement with LivWell Enlightened Health™, a vertically integrated cannabis company. Mr. Mottahed is also the President, Chief Executive Officer and Chairman of CBI<sup>2</sup>, a publicly listed company that develops and manages a diversified portfolio of predominantly early stage cannabis investment opportunities. Mr. Mottahed brings significant senior leadership and financial expertise to the Canadian cannabis market. Mr. Mottahed is currently the Chief Executive Officer and Managing Partner of Black Spruce, a corporate finance advisory firm based in Calgary. Prior thereto, Mr. Mottahed was the Managing Director, Investment Banking at Raymond James Ltd. in Calgary where he was instrumental in raising \$4.0 billion in capital over 4 years.

Each member of the Audit Committee has:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements;
- (b) the ability to assess the general application of those principles in connection with the accounting for estimates, accruals and provisions;
- (c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the

Company's financial statements, or experience actively supervising individuals engaged in such activities; and

- (d) an understanding of internal controls and procedures for financial reporting.

### **Audit Committee Oversight**

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

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

The Audit Committee is authorized by the Board to review the performance of the Company's external auditors, and approve in advance the provision of services other than audit services and to consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the Company. The Audit Committee is authorized to approve any non-audit services or additional work, which the Chair of the Audit Committee deems as necessary.

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

The fees for auditor services billed by the Company's external auditors for the last two fiscal years ended January 31 are as follows:

<u>Financial Year</u>	<u>Audit Fees</u>	<u>Audit-related Fees<sup>(1)</sup></u>	<u>Tax Fees</u>	<u>All Other Fees</u>
2018	\$10,000	-	\$750	\$200
2017	\$11,000	\$220	\$750	-

**Note:**

- (1) Audit-related Fees include amounts billed for non-audit services, such as non-audit reviews of interim financial statements.

### **Reliance on Certain Exemptions**

The Company is relying on the exemption in section 6.1 of NI 52-110.

## **ADDITIONAL INFORMATION**

Financial information of the Company is provided in the Company's comparative annual financial statements and management's discussion and analysis for its most recently completed financial year. A copy of these documents may be obtained by contacting the Company's Vice President, Finance and Chief Financial Officer at Suite 1100, 634 – 6th Ave, S.W., Calgary, Alberta T2P 0S4.

Copies of these documents, as well as additional information relating to the Company contained in documents filed by the Company with the Canadian securities regulatory authorities, may also be accessed through the SEDAR website at [www.sedar.com](http://www.sedar.com).

## SCHEDULE A STOCK OPTION PLAN

### 1. Purpose

The purpose of the Plan is to provide an incentive to the directors, officers, employees and consultants of the Company or any of its subsidiaries to achieve the longer-term objectives of the Company; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Company; and to attract and retain in the employ of the Company or any of its subsidiaries, persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Company.

### 2. Definitions And Interpretation

When used in this Plan, unless there is something in the subject matter or context inconsistent therewith, the following words and terms shall have the respective meanings ascribed to them as follows:

- (a) "Black-out Period" means any period during which a policy of the Company prevents an Insider from trading in the Common Shares;
- (b) "Board" means the board of directors of the Company;
- (c) "Common Shares" means common shares in the capital of the Company and any shares or securities of the Company into which such common shares are changed, converted, subdivided, consolidated or reclassified;
- (d) "Company" means Aldershot Resources Ltd. and any successor Company and any reference herein to action by the Company means action by or under the authority of its Board or a duly empowered committee appointed by the Board;
- (e) "Exchange" means the TSX Venture Exchange Inc. or any other stock exchange on which the Common Shares are listed;
- (f) "Exchange Policies" means, collectively, Policy 4.4 of the Exchange entitled "Incentive Stock Options", Policy 1.1 of the Exchange entitled "Interpretation" and any other policies set forth in the Corporate Finance Manual of the Exchange applicable to incentive stock options;
- (g) "Option" means an option granted by the Company to an Optionee entitling such Optionee to acquire a designated number of Common Shares from treasury at a price determined by the Board;
- (h) "Option Period" means the period determined by the Board during which an Optionee may exercise an Option not to exceed the maximum period permitted by the Exchange, which maximum period is five years from the date the Option is granted;
- (i) "Optionee" means a person who is a director, officer, employee or consultant of the Company or a subsidiary of the Company; a Company wholly-owned by such persons; or any other individual or body corporate who may be granted an option pursuant to the requirements of the Exchange, who is granted an Option pursuant to this Plan; and
- (j) "Plan" shall mean the Company's incentive stock option plan as embodied herein and as from time to time amended.

Capitalized terms in the Plan that are not otherwise defined herein shall have the meaning set out in the Exchange Policies, including without limitation "Consultant", "Discounted Market Price", "Employee",

“Insider”, “Investor Relations Activities”, “Management Corporation Employee”, “Tier I Issuer” and “Tier 2 Issuer”.

Wherever the singular or masculine is used in this Plan, the same shall be construed as meaning the plural or feminine or body corporate and vice versa, where the context or the parties so require.

### **3. Administration**

The Plan shall be administered by the Board. The Board shall have full and final discretion to interpret the provisions of the Plan and to prescribe, amend, rescind and waive rules and regulations to govern the administration and operation of the Plan. All decisions and interpretations made by the Board shall be binding and conclusive upon the Company and on all persons eligible to participate in the Plan, subject to the approval of the Exchange (including shareholder approval if required by the Exchange). Notwithstanding the foregoing or any other provision contained herein, the Board shall have the right to delegate the administration and operation of the Plan to a committee of directors appointed from time to time by the Board, in which case all references herein to the Board shall be deemed to refer to such committee.

### **4. Eligibility**

The Board may at any time and from time to time designate those Optionees who are to be granted an Option pursuant to the Plan and grant an Option to such Optionee. Subject to Exchange Policies and the limitations contained herein, the Board is authorized to provide for the grant and exercise of Options on such terms (which may vary as between Options) as it shall determine. No Option shall be granted to any person except upon the approval of the Board. A person who has been granted an Option may, if he is otherwise eligible and if permitted by Exchange Policies, be granted an additional Option or Options if the Board shall so determine. Pursuant to Exchange Policies, the Company shall represent that the Optionee is a bona fide Employee, Consultant or Management Corporation Employee in respect of Options granted to such Optionee.

### **5. Participation**

Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Optionee’s relationship or employment with the Company.

Notwithstanding any express or implied term of this Plan or any Option to the contrary, the granting of an Option pursuant to the Plan shall in no way be construed as conferring on any Optionee any right with respect to continuance as a director, officer, employee or consultant of the Company or any subsidiary of the Company.

Options shall not be affected by any change of employment of the Optionee or by the Optionee ceasing to be a director, officer or employee of or a consultant to the Company or any of its subsidiaries, where the Optionee at the same time becomes or continues to be a director, officer or employee of or a consultant to the Company or any of its subsidiaries.

No Optionee shall have any of the rights of a shareholder of the Company in respect of Common Shares issuable on exercise of an Option until such Common Shares shall have been paid for in full and issued by the Company on exercise of the Option, pursuant to this Plan.

### **6. Common Shares Subject to Options**

The number of authorized but unissued Common Shares that may be issued upon the exercise of Options granted under the Plan at any time plus the number of Common Shares reserved for issuance under outstanding incentive stock options otherwise granted by the Company shall not exceed 10% of the

issued and outstanding Common Shares on a non-diluted basis, and such number shall increase or decrease as the number of issued and outstanding Common Shares changes.

Subject to Exchange Policies, the aggregate number of Common Shares reserved for issuance to any one Optionee under Options granted in any 12 month period shall not exceed 5% of the issued and outstanding Common Shares determined at the date of grant, or 2% of the issued and outstanding Common Shares determined at the date of grant in the case of an Optionee who is a Consultant. In addition, no more than an aggregate of 2% of the issued and outstanding Common Shares determined at the date of grant may be granted to Employees conducting Investor Relations Activities.

Appropriate adjustments shall be made as set forth in Section 14 hereof in both the number of Common Shares covered by individual grants and the total number of Common Shares authorized to be issued hereunder, to give effect to any relevant changes in the capitalization of the Company.

If any Option granted hereunder shall expire or terminate for any reason without having been exercised in full, the unexercised Common Shares subject thereto shall again be available for the purpose of the Plan.

No fractional shares may be purchased or issued hereunder.

If the Expiry Date occurs during or within 10 days after the last day of a Black-out Period, the Expiry Date for the Option will be the last day of such 10 day period.

Each Option granted by the Company prior to the date of the approval of the Plan by the shareholders of the Company, including Options granted under previously approved stock option plans of the Company, be and are continued under and shall be subject to the terms of the Plan after the Plan has been approved by the shareholders of the Company.

#### **7. Option Agreement**

A written agreement will be entered into between the Company and each Optionee to whom an Option is granted hereunder, which agreement will set out the number of Common Shares subject to option, the exercise price and any other terms and conditions approved by the Board, all in accordance with the provisions of this Plan (herein referred to as the "Option Agreement"). The Option Agreement will be in such form as the Board may from time to time approve, and may contain such terms as may be considered necessary in order that the Option will comply with any provisions respecting options in the income tax or other laws in force in any country or jurisdiction of which the Optionee may from time to time be a resident or citizen or the rules of the Exchange or any other regulatory body having jurisdiction over the Company.

#### **8. Option Period and Exercise Price**

Each Option and all rights thereunder shall be expressed to expire on the date set out in the applicable Option Agreement, which date shall be no later than the expiry of the Option Period (the "Expiry Date"), subject to earlier termination as provided in Sections 10, 11 and 16 hereof.

Subject to Exchange Policies and any limitations imposed by any other regulatory authority having jurisdiction over the Company, the exercise price of an Option granted under the Plan shall be as determined by the Board when such Option is granted and shall be an amount at least equal to the Discounted Market Price of the Common Shares. In the event that the Company proposes to reduce the exercise price of Options granted to an Optionee who is an Insider of the Company at the time of the proposed amendment, such amendment shall not be effective until disinterested shareholder approval has been obtained in respect of the reduction of the exercise price, if required by the rules and policies of the Exchange then in effect.

**9. Exercise of Options**

An Optionee shall be entitled to exercise an Option granted to him at any time prior to the Expiry Date, subject to Sections 10, 11 and 16 hereof and to vesting limitations which may be imposed by the Board at the time such Option is granted as set out in the Option Agreement. Subject to Exchange Policies, the Board may, in its sole discretion, determine the time during which an Option shall vest and the method of vesting, or that no vesting restriction shall exist.

The exercise of any Option will be conditional upon receipt by the Company at its head office of a written notice of exercise, specifying the number of Common Shares in respect of which the Option is being exercised, accompanied by cash payment, certified cheque or bank draft for the full purchase price of such Common Shares with respect to which the Option is being exercised.

**10. Ceasing to be a Director, Officer, Employee or Consultant**

If an Optionee ceases to be a director, officer, employee or consultant of the Company or its subsidiaries for any reason other than death, any Options granted to such Optionee will terminate on the 30th day following the effective date such Optionee ceases to be a director, officer, employee or consultant of the Company or its subsidiaries or the expiry time of such Option, whichever occurs first, and shall be of no further force or effect whatsoever as to the Common Shares in respect of which an Option has not previously been exercised; however, such Options may be exercised by an Optionee who has ceased to be a director, officer, employee or consultant only if the Optionee was entitled to exercise the Options at the date of such cessation pursuant to the terms of the Optionee's Option Agreement.

**11. Death of Optionee**

In the event of the death of an Optionee, the Option previously granted to him shall be exercisable within one year following the date of the death of the Optionee or prior to the Expiry Date, whichever is earlier, and then only:

- (a) to the extent that the Optionee was entitled to exercise the by the person or persons to whom the Optionee's rights under the Option shall pass by the Optionee's will or the laws of descent and distribution, or by the Optionee's legal personal representative; and
- (b) Option at the date of the Optionee's death pursuant to the terms of the Optionee's Option Agreement.

**12. Optionee's Rights Not Transferable**

No right or interest of any Optionee in or under the Plan is assignable or transferable, in whole or in part, either directly or by operation of law or otherwise in any manner except pursuant to Section 11 hereof, subject to the requirements of the Exchange, or as otherwise allowed by the Exchange.

Subject to the foregoing, the terms of the Plan shall bind the Company and its successors and assigns, and each Optionee and his heirs, executors, administrators and personal representatives.

**13. Takeover or Change of Control**

The Company shall have the power, in the event of:

- (a) any disposition of all or substantially all of the assets of the Company, or the dissolution, merger, amalgamation or consolidation of the Company with or into any other Company or of such Company into the Company, or
- (b) any change in control of the Company,

to make such arrangements as it shall deem appropriate for the exercise of outstanding Options or continuance of outstanding Options, including without limitation, to amend any Option Agreement to permit the exercise of any or all of the remaining Options prior to the completion of any such transaction. If the Company shall exercise such power, the Option shall be deemed to have been amended to permit the exercise thereof in whole or in part by the Optionee at any time or from time to time as determined by the Company prior to the completion of such transaction.

#### **14. Adjustments**

In the event of:

- (a) any subdivision, redivision or change of the Common Shares at any time during the term of the Option into a greater number of Common Shares, the Company shall deliver, at the time of any exercise thereafter of the Option, such number of Common Shares as would have resulted from such subdivision, redivision or change if the exercise of the Option had been made prior to the date of such subdivision, redivision or change;
- (b) any consolidation or change of the Common Shares at any time during the term of the Option into a lesser number of Common Shares, the number of Common Shares deliverable by the Company on any exercise thereafter of the Option shall be reduced to such number of Common Shares as would have resulted from such consolidation or change if the exercise of the Option had been made prior to the date of such consolidation or change; or
- (c) any reclassification of the Common Shares at any time outstanding or change of the Common Shares into other shares, or in case of the consolidation, amalgamation or merger of the Company with or into any other Company (other than a consolidation, amalgamation or merger which does not result in a reclassification of the outstanding Common Shares or a change of the Common Shares into other shares), or in case of any transfer of the undertaking or assets of the Company as an entirety or substantially as an entirety to another Company, at any time during the term of the Option, the Optionee shall be entitled to receive, and shall accept, in lieu of the number of Common Shares to which he was theretofore entitled upon exercise of the Option, the kind and amount of shares and other securities or property which such holder would have been entitled to receive as a result of such reclassification, change, consolidation, amalgamation, merger or transfer if, on the effective date thereon he had been the holder of the number of Common Shares to which he was entitled upon exercise of the Option.

Adjustment shall be made successively whenever any event referred to in this section shall occur. Appropriate adjustments to: (i) the number of Shares subject to the Plan and, as regards to Options granted or to be granted, in the number of Shares optioned; and (ii) the Exercise Price, shall be made by the Board to give effect to adjustments in the number of Shares resulting from any of the above mentioned subdivisions, consolidations or reclassifications of the Shares, the payment of distributions or dividends by the Company (other than dividends in the ordinary course) or other relevant changes in the authorized or issued capital of the Company, which changes occur subsequent to the approval of the Plan by the Board.

#### **15. Costs**

The Company shall pay all costs of administering the Plan.

#### **16. Termination and Amendment**

- (a) The Board may amend or terminate this Plan or any outstanding Option granted hereunder at any time without the approval of the shareholders of the Company or any Optionee whose Option is amended or terminated, in order to conform this Plan or such Option, as the case may be, to applicable law or regulation or the requirements of the Exchange or any other regulatory authority



having jurisdiction over the Company, whether or not such amendment or termination would affect any accrued rights, subject to the approval of the Exchange or such other regulatory authority.

- (b) The Board may amend or terminate this Plan or any outstanding Option granted hereunder for any reason other than the reasons set forth in Section 16(a) hereof, subject to the approval of the Exchange or any other regulatory authority having jurisdiction over the Company, and the approval of the shareholders of the Company if required by the Exchange or such other regulatory authority. Subject to Exchange Policies, disinterested shareholder approval will be obtained for any reduction in the exercise price of an Option if the Optionee is an Insider of the Company at the time of the proposed amendment. No such amendment or termination will, without the consent of an Optionee, alter or impair any rights which have accrued to him prior to the effective date thereof.
- (c) The Plan, and any amendments thereto, shall be subject to acceptance and approval by the Exchange. Any Options granted prior to such approval and acceptance shall be conditional upon such approval and acceptance being given and no such Options may be exercised unless and until such approval and acceptance are given.

**17. Applicable Law**

This Plan shall be governed by, administered and construed in accordance with the laws of Canada applicable therein.

**18. Prior Plans**

On the effective date (as defined in Section 19 hereof), subject to Exchange approval and, if required, shareholder approval:

- (a) the Plan shall entirely replace and supersede prior stock option plans, if any, enacted by the Company; and
- (b) all outstanding options shall be deemed to be granted pursuant to the Plan.

**19. Effective Date**

This Plan shall become effective as of and from, and the effective date of the Plan shall be, the date of shareholder approval for the Plan, if such approval is required by the Exchange, subject to final Exchange approval for the Plan, or the date of final Exchange approval for the Plan if the Exchange does not require shareholder approval for the Plan.

**SCHEDULE B**  
**SHAREHOLDER DISSENT RIGHTS**

Shareholders may dissent

“309 Any shareholder of a company may send a notice of dissent, under Division 2 of Part 8, in respect of a resolution under section 308 (2) to authorize the continuation of the company into a jurisdiction other than British Columbia, to the company or, if the continuation has taken effect, to the continued corporation.”

Payment for notice shares

“245 (1) A company and a dissenter who has complied with section 244 (1) may agree on the amount of the payout value of the notice shares and, in that event, the company must (a) promptly pay that amount to the dissenter...”

“‘payout value’ means (a) in the case of a dissent in respect of a resolution, the fair value that the notice shares had immediately before the passing of the resolution...”

## **SCHEDULE C**

### **COMPARISON OF SHAREHOLDERS RIGHTS UNDER BCBCA AND ABCA**

Below summarizes the differences between a Shareholder rights under the *Business Corporations Act* (British Columbia) ("BCBCA") and the *Business Corporations Act* (Alberta) ("ABCA").

#### **Ability to Set Necessary Levels of Shareholder Consent**

BCBCA: a company, in its articles, can establish levels for various shareholder approvals (other than those prescribed by the BCBCA). The percentage of votes required for a special resolution, referred to as a "special majority", can be specified in the articles and may be no less than two-thirds (%) and no more than three-quarters (3/4) of the votes cast.

ABCA: there is no flexibility on shareholder approvals, which are either ordinary resolutions passed by a majority of the votes cast or, where prescribed by the ABCA, are special resolutions passed by not less than two-thirds (%) of the votes cast.

#### **Sale of Assets**

BCBCA: the directors of a company may dispose of all or substantially all of the business or undertakings of the company (a) if it is in the ordinary course of the company's business, or (b) with shareholder approval authorized by a special resolution. A special resolution requires approval by a "special majority", which is specified in a company's articles, and is at least two-thirds (%) and not more than three-quarters (3/4) of the votes cast by those shareholders voting in person or by proxy at a meeting of the shareholders.

ABCA: requires the approval of the holders of two-thirds (%) of the shares of a company represented at a duly called meeting to approve a sale, lease or exchange of all or substantially all of the company's property. Each share of the company carries the right to vote in respect of a sale, lease or exchange of all or substantially all of the property of a company whether or not the share otherwise carries the right to vote. Holders of shares of a class or series can vote separately only if that class or series is affected by the sale, lease or exchange in a manner different from the shares of another class or series.

#### **Amendments to the Charter Documents of a Company**

BCBCA: changes to a company's articles will be effected by the type of resolution specified by the BCBCA, or, if not specified by the BCBCA, then the type of resolution specified in the articles of the company which, for many changes, including change of name or alterations to the articles, could provide for approval solely by a resolution of the directors. In the absence of specific guidance by the BCBCA or the articles, most corporate alterations will require a special resolution. Changes to the special rights and restrictions attached to issued shares requires, in addition to any resolution provided for by the articles, consent by a special resolution of the holders of the class or series of shares affected. A proposed amalgamation or continuance of a company out of the jurisdiction requires a special resolution as described above.

ABCA: substantive changes to the charter documents of a company require a resolution passed by not less than two-thirds (%) of the votes cast by the shareholders voting on the resolution authorizing the change. Where certain specified rights of the holders of a class of shares are affected differently by the change than the rights of the holders of other classes of shares, a resolution passed by not less than two-thirds (2/3) of the votes cast by the holders of all of the shares of a company, whether or not they carry the right to vote, and a special resolution of each class, or series, as the case may be, even if such class or series is not otherwise entitled to vote is required to approve the change. A resolution to amalgamate an ABCA company requires a special resolution passed by the holders of each class of shares or series of shares, whether or not such shares otherwise carry the right to vote, if such class or series of shares are affected differently.

## **Rights of Dissent and Appraisal**

BCBCA: registered shareholders who dissent on certain actions being taken by a company may exercise a right of dissent and require the company to purchase the shares held by such shareholder at the fair value of such shares. The dissent right is applicable where the company proposes to pass: (a) a resolution to alter the articles to change restrictions on the company's powers or on the business it is permitted to carry on; (b) a resolution to adopt an amalgamation agreement; (c) a resolution to approve an amalgamation into a foreign jurisdiction; (d) a resolution to approve an arrangement, the terms of which arrangement permit dissent; (e) a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertakings; (f) a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia; and (g) any other resolution, if dissent is authorized by the resolution, or where any court order permits dissent.

ABCA: provides that registered shareholders who dissent on certain actions being taken by a company may exercise a right of dissent and require the company to purchase the shares held by such shareholders at the fair value of such shares. This dissent right is available where a company proposes to: (a) amend its articles to add, change or remove any provision restricting or constraining the issue or transfer of any class of shares; (b) amend its articles to add, change or remove any restrictions on business or businesses that the company may carry on; (c) amend its articles to add or remove an express statement establishing the unlimited liability of shareholders; (d) enter into certain statutory amalgamations; (e) continue out of the jurisdiction; and (f) sell, lease or exchange all or substantially all of its property.

## **Oppression Remedies**

BCBCA: a shareholder, including a beneficial owner of a share of a company, or any other person whom the court considers to be an appropriate person to make an application, has the right to apply to court on the grounds that: (a) the affairs of the company are being or have been conducted, or that the powers of the directors are being or have been exercised, in a manner oppressive to one or more of the shareholders, including the applicant; or (b) some act of the company has been done or is threatened, or that some resolution of the shareholders or of the shareholders holding shares of a class or series of shares has been passed or is proposed, that is unfairly prejudicial to one or more of the shareholders, including the applicant. On such an application, the court may make such order as it sees fit including an order to prohibit any act proposed by the company.

ABCA: a shareholder, former shareholder, director, former director, officer, former officer or a creditor of a company or any of its affiliates, or any other person who, in the discretion of a court, is a proper person to seek an oppression remedy, may apply to a court for an order to rectify the matters complained of where in respect of a company or any of its affiliates any act or omission of a company or its affiliates effects a result, the business or affairs of a company or its affiliates are or have been carried on or conducted in a manner, or the powers of the directors of the company or any of its affiliates are or have been exercised in a manner, that is oppressive or unfairly prejudicial to, or that unfairly disregards the interest of, any security holder, creditor, director or officer.

## **Shareholder Derivative Actions**

BCBCA: a shareholder, including a beneficial shareholder or a director of a company may, with leave of the court, prosecute a legal proceeding in the name and on behalf of the company to enforce a right, duty or obligation owed to the company that could be enforced by the company itself or to obtain damages for any breach of such a right, duty or obligation. An applicant may also, with leave of the court, defend a legal proceeding brought against a company.

ABCA: a broader right to bring a derivative action is contained in the ABCA and this right extends to a shareholder, former shareholder, director, former director, officer, former officer or a creditor of a company or any of its affiliates, or any other person who, in the discretion of a court, is a proper person to

make an application to court to bring a derivative action. In addition, the ABCA permits derivative actions to be commenced or intervened in the name and on behalf of a company or any of its subsidiaries.

### **Requisition of Meetings**

BCBCA: provides that one or more shareholders of a company holding not less than five percent (5%) of the issued voting shares of the company may give notice to the directors requiring them to call and hold a general meeting which meeting must be held within four months. If the directors do not call a meeting within 21 days of receiving the requisition, the requisitioning shareholders, or any one or more requisitioning shareholders holding in the aggregate more than two and one-half percent (2.5%) of the issued voting shares of the company, may call the meeting.

ABCA: permits the holders of not less than five percent (5%) of the issued shares that carry the right to vote at a meeting to require the directors to call and hold a meeting of the shareholders of the company for the purposes stated in such holders' requisition. If the directors do not call a meeting within 21 days of receiving the requisition, any shareholder who signed the requisition may call the meeting.

### **Place of Meetings**

BCBCA: requires all meetings of shareholders to be held in British Columbia unless (a) the company's articles provide for a location outside the province, (b) the location is approved by the type of resolution required by the articles for such purpose or, if no type of resolution is specified in the articles, by ordinary resolution of the shareholders, or (c) approved in writing by the British Columbia Registrar of Companies before the meeting is held.

ABCA: provides that a meeting of shareholders may be held outside Alberta where the articles so provide or where all shareholders entitled to vote at such a meeting so agree.

### **Directors**

BCBCA: provides no residency requirements for directors of a company incorporated under the BCBCA. The BCBCA provides that a public company must have at least three (3) directors. A director may be removed by a special resolution or, if the articles otherwise provide that a director may be removed by a resolution of the shareholders passed by less than a special majority or may be removed by some other method, by the resolution or method specified.

ABCA: at least one-quarter (1/4) of directors of a company incorporated under the ABCA must be resident Canadians. The ABCA provides that a distributing company must have not less than three directors, at least two of whom are not officers or employees. Under the ABCA, a director may be removed by an ordinary resolution of the shareholders.

### **Quorum**

BCBCA: the quorum is the quorum established by the articles or if no quorum is established, it is two shareholders entitled to vote at the meeting whether present in person or represented by proxy.

ABCA: unless the bylaws otherwise provide, a quorum of shareholders is present at a meeting of shareholders, irrespective of the number of persons actually present at the meeting, if the holder or holders of a majority of the shares entitled to vote at the meeting are present in person or represented by proxy. If a company has only one shareholder, or only one holder of any class or series of shares, the shareholder present in person or by proxy constitutes a meeting.

## **Dividends**

BCBCA: a company may pay dividends to its shareholders by shares, warrants or money, unless the company is insolvent or the payment of the dividends would render the company insolvent.

ABCA: a company may not pay dividends if the company is, or would after the payment be, unable to pay its liabilities as they become due, or the realizable value of the company's assets would thereby be less than the aggregate of its liabilities and stated capital of all classes.

**SCHEDULE D  
BOARD OF DIRECTORS MANDATE**

**Effective as and from July 31, 2018**

**1. GENERAL**

The Board of Directors (the “Board”) of Aldershot Resources Ltd. (the “Corporation”) is responsible for the stewardship of the Corporation’s affairs and the activities of management of the Corporation in the conduct of day to day business, all for the benefit of its shareholders.

The primary responsibilities of the Board are:

- (a) to maximize long term shareholder value;
- (b) to approve the strategic plan of the Corporation;
- (c) to ensure that processes, controls and systems are in place for the management of the business and affairs of the Corporation and to address applicable legal and regulatory compliance matters;
- (d) to maintain the composition of the Board in a way that provides an effective mix of skills and experience to provide for the overall stewardship of the Corporation;
- (e) to ensure that the Corporation meets its obligations on an ongoing basis and operates in a safe and reliable manner; and
- (f) to monitor the performance of the management of the Corporation to ensure that it meets its duties and responsibilities to the shareholders.

**2. COMPOSITION AND OPERATION**

The number of directors shall be not less than the minimum and not more than the maximum number specified in the Corporation’s articles and shall be set from time to time within such limits by resolutions of the shareholders or of the Board as may be permitted by law. Directors are elected to hold office for a term of one year. At least 25 percent of the directors must be Canadian residents. The Board will analyze the application of the “independent” standard as such term is referred to in National Instrument 58-101 – Disclosure of Corporate Governance Practices, to individual members of the Board on an annual basis and disclose that analysis. The Board will in each year appoint a chair of the Board (the “Chair”).

The Board operates by delegating certain of its authorities to management and by reserving certain powers to itself. The Board retains the responsibility of managing its own affairs including selecting its Chair, nominating candidates for election to the Board, constituting committees of the Board and determining compensation for the directors. Subject to the articles and by-laws of the Corporation and the *Business Corporations Act* (British Columbia) (the “BCBCA”), and at such time that the Corporation is continued into Alberta, the *Business Corporations Act* (Alberta) (the “ABCA”), the Board may constitute, seek the advice of, and delegate certain powers, duties and responsibilities to, committees of the Board.

**3. MEETINGS**

The Board shall have a minimum of four regularly scheduled meetings per year. Special meetings are called as necessary. Occasional Board trips are scheduled, if possible, in conjunction with regular Board meetings, to offer directors the opportunity to visit sites and facilities at different operational locations. A quorum for a meeting of the Board shall consist of a simple majority of the members of the Board.

The Board will schedule executive sessions where directors meet with or without management participation at each regularly-scheduled meeting of the Board.

#### **4. SPECIFIC DUTIES**

##### **(a) Oversight and Overall Responsibility**

In fulfilling its responsibility for the stewardship of the affairs of the Corporation, the Board shall be specifically responsible for:

- (i) providing leadership and direction to the Corporation and management with the view to maximizing shareholder value. Directors are expected to provide creative vision, initiative and experience in the course of fulfilling their leadership role;
- (ii) satisfying itself as to the integrity of the Chief Executive Officer (the “CEO”) and other senior officers of the Corporation and ensuring that a culture of integrity is maintained throughout the Corporation;
- (iii) approving the significant policies and procedures by which the Corporation is operated and monitoring compliance with such policies and procedures, and, in particular, compliance by all directors, officers and employees with the provisions of the Code of Business Conduct and Ethics;
- (iv) reviewing and approving material transactions involving the Corporation, including material investments by the Corporation and material capital expenditures by the Corporation;
- (v) approving budgets, monitoring operating performance and ensuring that the Board has the necessary information, including key business and competitive indicators, to enable it to discharge this duty and take any remedial action necessary;
- (vi) establishing methods by which interested parties may communicate directly with the Chair or with the independent directors as a group and cause such methods to be disclosed;
- (vii) developing written position descriptions for the Chair and for the chair of each Board committee; and
- (viii) making regular assessments of the Board and its individual members, as well as the effectiveness and contributions of each Board committee.

##### **(b) Legal Requirements**

- (i) The Board has the oversight responsibility for meeting the Corporation’s legal requirements and for properly preparing, approving and maintaining the Corporation’s documents and records.
- (ii) The Board has the statutory responsibility to:
  - A. manage the business and affairs of the Corporation;
  - B. act honestly and in good faith with a view to the best interests of the Corporation;



- C. exercise the care, diligence and skill that responsible, prudent people would exercise in comparable circumstances; and
  - D. act in accordance with its obligations contained in the BCBCA and the regulations thereto or, at such time that the Corporation is continued into Alberta, the ABCA and the regulations thereto, the articles and by-laws of the Corporation, and other relevant legislation and regulations.
- (iii) The Board has the statutory responsibility for considering the following matters as a full Board which in law may not be delegated to management or to a committee of the Board:
- A. any submission to the shareholders of a question or matter requiring the approval of the shareholders;
  - B. the filling of a vacancy among the directors or in the office of auditor;
  - C. the appointment of additional directors;
  - D. the issuance of securities except in the manner and on the terms authorized by the Board;
  - E. the declaration of dividends;
  - F. the purchase, redemption or any other form of acquisition of shares issued by the Corporation, except in the manner and on the terms authorized by the Board;
  - G. the payment of a commission to any person in consideration of such person's purchasing or agreeing to purchase shares of the Corporation from the Corporation or from any other person, or procuring or agreeing to procure purchasers for any shares of the Corporation;
  - H. the approval of management proxy circulars;
  - I. the approval of any financial statements to be placed before the shareholders of the Corporation at an annual general meeting; and
  - J. the adoption, amendment or repeal of any by-laws of the Corporation.

**(c) Independence**

The Board shall have the responsibility to:

- (i) implement appropriate structures and procedures to permit the Board to function independently of management (including, without limitation, through the holding of meetings at which non-independent directors and management are not in attendance, if and when appropriate);
- (ii) implement a system which enables an individual director to engage an outside advisor at the expense of the Corporation in appropriate circumstances; and
- (iii) provide an orientation and education program for newly appointed members of the Board.

**(d) Strategy Determination**

The Board shall:

- (i) adopt and annually review a strategic planning process and approve the corporate strategic plan, which takes into account, among other things, the opportunities and risks of the Corporation's business; and
- (ii) annually review operating and financial performance results relative to established strategy, budgets and objectives.

**(e) Managing Risk**

The Board has the responsibility to identify and understand the principal risks of the Corporation's business, to achieve a proper balance between risks incurred and the potential return to shareholders, and to ensure that appropriate systems are in place which effectively monitor and manage those risks with a view to the long-term viability of the Corporation.

**(f) Appointment, Training and Monitoring of Senior Management**

The Board shall:

- (i) appoint the CEO and other senior officers of the Corporation, approve (upon recommendations from the Corporate Governance and Compensation Committee) their compensation, and monitor and assess the CEO's performance against a set of mutually agreed corporate objectives directed at maximizing shareholder value;
- (ii) ensure that a process is established that adequately provides for succession planning including the appointment, training and monitoring of senior management;
- (iii) establish limits of authority delegated to management; and
- (iv) develop a written position description for the CEO.

**(g) Reporting and Communication**

The Board has the responsibility to:

- (i) verify that the Corporation has in place policies and programs to enable the Corporation to communicate effectively with its shareholders, other stakeholders and the public generally;
- (ii) verify that the financial performance of the Corporation is reported to shareholders, other security holders and regulators on a timely and regular basis;
- (iii) verify that the financial results of the Corporation are reported fairly and in accordance with International Financial Reporting Standards from time to time;
- (iv) verify the timely reporting of any other developments that have a significant and material impact on the value of the Corporation;
- (v) report annually to shareholders on its stewardship of the affairs of the Corporation for the preceding year; and

- (vi) develop appropriate measures for receiving stakeholder feedback.

**(h) Monitoring and Acting**

The Board has the responsibility to:

- (i) review and approve the Corporation's financial statements and oversee the Corporation's compliance with applicable audit, accounting and reporting requirements;
- (ii) verify that the Corporation operates at all time within applicable laws and regulations to the highest ethical and moral standards;
- (iii) approve and monitor compliance with significant policies and procedures by which the Corporation operates;
- (iv) monitor the Corporation's progress towards its goals and objectives and to work with management to revise and alter its direction in response to changing circumstances;
- (v) take such action as it determines appropriate when the Corporation's performance falls short of its goals and objectives or when other special circumstances warrant; and
- (vi) verify that the Corporation has implemented appropriate internal control and management information systems.

**(i) Other Activities**

The Board may perform any other activities consistent with this mandate, the articles and by-laws of the Corporation and any other governing laws as the Board deems necessary or appropriate including, but not limited to:

- (i) preparing and distributing the schedule of Board meetings for each upcoming year;
- (ii) calling meetings of the Board at such time and such place and providing notice of such meetings to all members of the Board in accordance with the by-laws of the Corporation; and
- (iii) ensuring that all regularly-scheduled Board meetings and committee meetings are properly attended by directors. Directors may participate in such meetings by conference call if attendance in person is not possible.

**(j) Code of Business Conduct and Ethics**

The Board shall be responsible to adopt a "Code of Business Conduct and Ethics" for the Corporation which shall address:

- (i) conflicts of interest;
- (ii) the protection and proper use of the Corporation's investments and opportunities;
- (iii) the confidentiality of information;

- (iv) fair dealing with various stakeholders of the Corporation;
- (v) compliance with laws, rules and regulations; and
- (vi) the reporting of any illegal or unethical behaviour.

## **5. BOARD COMMITTEES**

The Board shall at all times maintain: (a) an Audit Committee and (b) a Corporate Governance and Compensation Committee, both of which must report to the Board. Each such committee must operate in accordance with the by-laws, applicable law, its committee charter and the applicable rules of any stock exchange on which the shares are traded. The Board may also establish such other committees as it deems appropriate and delegate to such committees such authority permitted by its by-laws and applicable law, and as the Board sees fit. The purpose of the Board committees is to assist the Board in discharging its responsibilities. Notwithstanding the delegation of responsibilities to a Board committee, the Board is ultimately responsible for matters assigned to the committees for determination. Except as may be explicitly provided in the charter of a particular committee or a resolution of the Board, the role of a Board committee is to review and make recommendations to the Board with respect to the approval of matters considered by the committee.

## **6. DIRECTOR ACCESS TO MANAGEMENT**

The Corporation shall provide each director with complete access to the management of the Corporation, subject to reasonable advance notice to the Corporation and reasonable efforts to avoid disruption to the Corporation's management, business and operations. Prior to any director of the Corporation initiating a discussion with any employee of the Corporation, including management, such director shall have the obligation to provide notice to the Chair and the CEO that the director intends on initiating such a discussion.

## **7. DIRECTOR COMPENSATION**

The Board, upon recommendation of the Corporate Governance and Compensation Committee, will determine and review the form and amount of compensation to directors.

**SCHEDULE E  
AUDIT COMMITTEE CHARTER**

**ALDERSHOT RESOURCES LTD.  
MANDATE OF THE AUDIT COMMITTEE**

**Effective as and from July 31, 2018**

**ROLE AND OBJECTIVE**

The Audit Committee (the “Committee”) is a committee of the board of directors (the “Board”) of Aldershot Resources Ltd. (the “Corporation”) to which the Board has delegated its responsibility for oversight of the nature and scope of the annual audit, management’s reporting on internal accounting standards and practices, financial information and accounting systems and procedures, financial reporting and statements and recommending, for Board approval, the audited financial statements and other mandatory disclosure releases containing financial information. The objectives of the Committee, with respect to the Corporation and its subsidiaries, are as follows:

- To assist directors to meet their responsibilities in respect of the preparation and disclosure of the financial statements of the Corporation and related matters.
- To provide better communication between the Board and external auditors.
- To ensure the external auditors’ independence.
- To review management’s implementation and maintenance of an effective system of internal control over financial reporting and disclosure control over financial reporting.
- To increase the credibility and objectivity of financial reports.
- To facilitate in-depth discussions between directors on the Committee, management and external auditors.

The primary responsibility for the financial reporting, information systems, risk management and internal and disclosure controls of the Corporation is vested in management and overseen by the Board. At each meeting, the Committee may meet separately with management and will meet in separate, closed sessions with the external auditors and then with the independent directors in attendance.

**MANDATE AND RESPONSIBILITIES OF COMMITTEE**

**Financial Reporting and Related Public Disclosure**

1. It is a primary responsibility of the Committee to review and recommend for approval to the Board the annual and quarterly financial statements of the Corporation. The Committee is also to review and recommend to the Board for approval the financial statements and related information included in prospectuses, management discussion and analysis, financial press releases, information circular-proxy statements and annual information forms, including financial outlooks and future-oriented financial information included therein. The process should include but not be limited to:
  - a. reviewing changes in accounting principles, or in their application, which may have a material impact on the current or future years’ financial statements;
  - b. reviewing significant management judgments and estimates that may be material to financial reporting including alternative treatments and their impacts;

- c. reviewing the presentation and impact of any significant risks and uncertainties that may be material to financial reporting including alternative treatments and their impacts;
  - d. reviewing accounting treatment of significant, unusual or non-recurring transactions;
  - e. reviewing adjustments raised by the external auditors, whether or not included in the financial statements;
  - f. reviewing unresolved differences between management and the external auditors;
  - g. determining through inquiry if there are any related party transactions and ensure the nature and extent of such transactions are properly disclosed; and
  - h. reviewing all financial reporting relating to risk exposure including the identification, monitoring and mitigation of business risk and its disclosure.
2. The Committee shall satisfy itself that adequate procedures are in place for the review of the Corporation's public disclosure of financial information from the Corporation's financial statements and periodically assess the adequacy of those procedures.

#### **Internal Controls Over Financial Reporting and Information Systems**

1. It is the responsibility of the Committee to satisfy itself on behalf of the Board with respect to the Corporation's internal control over financial reporting and information systems. The process should include but not be limited to:
  - a. inquiring as to the adequacy and effectiveness of the Corporation's system of internal controls over financial reporting and review the evaluation of internal controls over financial reporting by external auditors;
  - b. establishing procedures for the confidential, anonymous submission by employees of the Corporation of concerns relating to accounting, internal control over financial reporting, auditing or Code of Business Conduct and Ethics matters and periodically review a summary of complaints and their related resolution; and
  - c. establishing procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters.

#### **External Auditors**

1. With respect to the appointment of external auditors by the Board, the Committee shall:
  - a. be directly responsible for overseeing the work of the external auditors engaged for the purpose of issuing an auditors' report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditors regarding financial reporting;
  - b. review the terms of engagement of the external auditors, including the appropriateness and reasonableness of the auditors' fees;
  - c. review and evaluate annually the external auditors' performance, and periodically (at least every five years) conduct a comprehensive review of the external auditors;
  - d. recommend to the Board appointment of external auditors and the compensation of the external auditors;

- e. when there is to be a change in auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change;
  - f. review and approve any non-audit services to be provided by the external auditors' firm and consider the impact on the independence of the auditors; between scheduled meetings, the Chair of the Committee is authorized to approve all audit related services and non-audit services provided by the external auditors for individual engagements with estimated fees of \$25,000 and under; and shall report all such approvals to the Committee at its next scheduled meeting;
  - g. inquire as to the independence of the external auditors and obtain, at least annually, a formal written statement delineating all relationships between the external auditors and the Corporation as contemplated by Independence Standards Board Standard No. 1 – Independence Discussions with Audit Committees;
  - h. review the Annual Report of the Canadian Public Accountability Board (“CPAB”) concerning audit quality in Canada and discuss implications for the Corporation;
  - i. review any reports issued by CPAB regarding the audit of the Corporation; and
  - j. discuss with the external auditors, without management being present, the quality of the Corporation's financial and accounting personnel, the completeness and accuracy of the Corporation's financial statements and elicit comments of senior management regarding the responsiveness of the external auditors to the Corporation's needs.
2. The Committee shall review with the external auditors (and the internal auditor if one is appointed by the Corporation) their assessment of the internal control over financial reporting of the Corporation, their written reports containing recommendations for improvement of internal control over financial reporting and other suggestions as appropriate, and management's response and follow-up to any identified weaknesses.
  3. The Committee shall also review and approve annually with the external auditors their plan for their audit and, upon completion of the audit, their reports upon the financial statements of the Corporation and its subsidiaries.

### **Compliance**

1. It is the responsibility of the Committee to review management's process for the certification of annual and interim financial reports in accordance with required securities legislation.
2. It is the responsibility of the Committee to ascertain compliance with covenants under loan agreements.
3. The Committee shall review the Corporation's compliance with all legal and regulatory requirements as it pertains to financial reporting, taxation, internal control over financial reporting and any other area the Committee considers to be appropriate relative to its mandate or as may be requested by the Board.

### **Other Matters**

1. It is the responsibility of the Committee to review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and external auditors of the Corporation.

2. The Committee may also review any other matters that the Committee feels are important to its mandate or that the Board chooses to delegate to it.
3. The Committee shall undertake annually a review of this mandate and make recommendations to the Corporate Governance and Compensation Committee as to proposed changes.

## **COMPOSITION**

1. This Committee shall be composed of at least three individuals appointed by the Board from amongst its members, all of whom shall be independent (within the meaning of section 1.4 and 1.5 of National Instrument 52-110 Audit Committees ("NI 52-110")) unless the Board determines to rely on an exemption in NI 52-110.
2. The chair of the Committee (the "Committee Chair") shall be appointed by the Board.
3. A quorum shall be a majority of the members of the Committee.
4. All of the members must be financially literate (within the meaning section 1.6 of NI 52-110) unless the Board has determined to rely on an exemption in NI 52-110. Being "financially literate" means members 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 issues that can reasonably be expected to be raised by the Corporation's financial statements.

## **MEETINGS**

1. The Committee shall meet at least four times per year and/or as deemed appropriate by the Committee Chair.
2. The Committee shall meet not less than quarterly with the auditors, independent of the presence of management.
3. Agendas, with input from management, shall be circulated to Committee members and relevant management personnel along with background information on a timely basis prior to the Committee meetings.
4. The chief executive officer and the chief financial officer of the Corporation or their designates shall be available to attend at all meetings of the Committee upon the invitation of the Committee.
5. Other staff shall attend meetings upon invitation by the Committee should the Committee deem them necessary for the provision of information.

## **REPORTING / AUTHORITY**

1. Following each meeting, in addition to a verbal report, the Committee will report to the Board by way of providing copies of the minutes of such Committee meeting at the next Board meeting after a meeting is held (these may still be in draft form).
2. Supporting schedules and information reviewed by the Committee shall be available for examination by any director.
3. The Committee shall have the authority to investigate any financial activity of the Corporation and to communicate directly with the internal and external auditors. All employees are to cooperate as requested by the Committee.



4. The Committee may retain, and set and pay the compensation for, persons having special expertise and/or obtain independent professional advice to assist in fulfilling its duties and responsibilities at the expense of the Corporation.
5. The Committee shall annually review this mandate and make recommendations to the Corporate Governance and Compensation Committee as to proposal changes.

**SCHEDULE F**  
**CHANGE OF AUDITOR REPORTING PACKAGE**

**ALDRSHOT RESOURCES LTD.**  
(the “Corporation”)

**Notice of Change of Auditor**

To: Alberta Securities Commission  
British Columbia Securities Commission

And to: Dale Matheson Carr-Hilton Labonte LLP (“**DMCL LLP**”)  
KPMG LLP

Pursuant to National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”), the Corporation hereby gives notice as follows:

1. On August 6, 2018, by mutual agreement, DMCL LLP resigned as auditor of the Corporation.
2. Effective August 6, 2018, KPMG LLP was appointed as the new auditor of the Corporation.
3. The resignation of DMCL LLP and the appointment of KPMG LLP have been approved by the board of directors of the Corporation (the “**Board**”) and the contents and filing of this notice have been approved by the Board.
4. There were no reservations contained in DMCL LLP’s report on the Corporation’s financial statements for the financial years ended January 31, 2018 or January 31, 2017.
5. In the opinion of the Board, there have been no “reportable events” as such term is defined in NI 51-102, between the Corporation and DMCL LLP.

Dated this 6<sup>th</sup> day of August, 2018.

**ALDRSHOT RESOURCES LTD.**

Per: (signed) “*Stephanie Bunch*”

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Name: Stephanie Bunch  
Title: Vice President, Finance and Chief  
Financial Officer



**DALE MATHESON CARR-HILTON LABONTE LLP**  
CHARTERED PROFESSIONAL ACCOUNTANTS

**VANCOUVER**  
1500 – 1140 W. Pender Street  
Vancouver, BC V6E 4G1  
TEL 604.687.4747 | FAX 604.689.2778

**TRI-CITIES**  
700 – 2755 Lougheed Hwy.  
Port Coquitlam, BC V3B 5Y9  
TEL 604.941.8266 | FAX 604.941.0971

**WHITE ROCK**  
301 – 1656 Martin Drive  
White Rock, BC V4A 6E7  
TEL 604.531.1154 | FAX 604.538.2613

[WWW.DMCL.CA](http://WWW.DMCL.CA)

August 6, 2018

**British Columbia Securities Commission**

P.O. Box 10142, Pacific Centre  
9<sup>TH</sup> Floor – 701 West Georgia Street  
Vancouver, B.C. V7Y 1L2

**TSX Venture Exchange**

P.O. Box 11633  
Suite 2700 – 650 West Georgia Street  
Vancouver, B.C. V6B 4N9

**Alberta Securities Commission**

Suite 600, 250 – 5<sup>th</sup> Street S.W.  
Calgary, Alberta T2P 0R4

Dear Sirs:

**Re: Aldershot Resources Ltd. (the “Company”)**  
**Notice Pursuant to National Instrument 51-102 - Change of Auditor**

As required by the National Instrument 51-102 and in connection with us not being appointed as auditor of the Company, we have reviewed the information contained in the Company's Notice of Change of Auditor, dated August 6, 2018 and agree with the information contained therein, based upon our knowledge of the information relating to the said notice and of the Company at this time.

Yours very truly,

**DALE MATHESON CARR-HILTON LABONTE LLP**  
CHARTERED PROFESSIONAL ACCOUNTANTS

**PARTNERSHIP OF:**

**VANCOUVER** Bradley G. Allen Inc. Robert J. Burkart, Inc. Kenneth P. Chong Inc. Alvin F. Dale Ltd. Donald L. Furney, Ltd. David J. Goertz, Inc. Matthew G. Gosden, Inc. Barry S. Hartley, Inc. Cherry H. Ho, Inc. Robert J. Matheson, Inc. Rakesh I. Patel Inc. Lorraine W. Rinfret, Inc. Brad A. Robin Inc.  
**SURREY** Michael K. Braun Inc. Peter J. Donaldson, Inc. Harjit S. Sandhu, Inc. **TRI-CITIES** Isomura Services Corp. Brian M. Legge Inc. Fraser G. Ross, Ltd. Brian A. Shaw Inc.



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To: Alberta Securities Commission  
British Columbia Securities Commission

And to: Aldershot Resources Ltd. (the “**Corporation**”)

And to: Dale Matheson Carr-Hilton Labonte LLP (“**DMCL LLP**”)

Please be advised that, in connection with National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”), we hereby notify you that we have read the Corporation’s notice of change of auditor (the “**Notice**”) dated August 3, 2018 and, as more particularly described below, we are in agreement with each of the statements contained in the Notice.

1. On August 6, 2018, by mutual agreement, DMCL LLP resigned as auditor of the Corporation.

We agree.

2. Effective August 6, 2018, KPMG LLP was appointed as the new auditor of the Corporation.

We agree.

3. The resignation of DMCL LLP and the appointment of KPMG LLP have been approved by the board of directors of the Corporation (the “**Board**”) and the Board, and the contents and filing of this notice have been approved by the Board.

We agree.

4. There were no reservations contained in DMCL LLP’s report on the Corporation’s financial statements for the financial years ended January 31, 2018 and January 31, 2017.

We agree.



5. In the opinion of the Board, there have been no “reportable events” as such term is defined in NI 51-102, between the Corporation and DMCL LLP.

We agree.

Dated this 6<sup>th</sup> day of August, 2018.

**KPMG LLP**

Per: Lee Bardwell CPA, CA, CFA  
Name

Partner  
Title



