



**Annual General Meeting of Shareholders  
to be held Tuesday, December 11, 2018**

**NOTICE OF MEETING**

**AND**

**MANAGEMENT INFORMATION CIRCULAR**

October 29, 2018





## NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

TO BE HELD ON DECEMBER 11, 2018

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**Meeting**”) of the shareholders of Barksdale Capital Corp. (the “**Company**”) will be held at Suite 610 – 815 West Hastings Street, Vancouver, B.C., on Tuesday, December 11, 2018, at 11:00 a.m. (Vancouver time) for the following purposes:

1. To receive the audited financial statements of the Company for the year ended March 31, 2018 and the report of the auditor on those statements.
2. To set the number of directors for the ensuing year at four.
3. To elect directors for the ensuing year.
4. To appoint the auditor for the Company for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditor.
5. To consider and, if thought advisable, pass an ordinary resolution ratifying and approving the Company’s existing “rolling” stock option plan as more particularly described in the Company’s management information circular dated October 29, 2018 (the “**Information Circular**”) accompanying this Notice of Meeting.
6. To transact such other business as may properly come before the Meeting or any adjournments thereof.

This Notice of Meeting is accompanied by the Information Circular and either a form of proxy for registered shareholders or a voting instruction form for beneficial shareholders (collectively the “**Meeting Materials**”). Shareholders are requested to read the Information Circular and, if unable to attend the Meeting in person, complete, date, sign and return the proxy or voting instruction form, as applicable, so that as large a representation as possible may be had at the Meeting.

This year, as described in the notice and access notification mailed to shareholders of the Company, the Company will deliver the applicable Meeting Materials to shareholders by posting the Meeting Materials on [www.envisionreports.com/BarksdaleAGM2018](http://www.envisionreports.com/BarksdaleAGM2018). The use of this alternative means of delivery is more environmentally friendly as it will help reduce paper use and it will also reduce the Company’s printing and mailing costs. The Meeting Materials will be available on [www.envisionreports.com/BarksdaleAGM2018](http://www.envisionreports.com/BarksdaleAGM2018) as of November 6, 2018, and will remain on the website for one full year thereafter. The Meeting Materials will also be available on SEDAR at [www.sedar.com](http://www.sedar.com) as of November 6, 2018.

All shareholders will receive a notice and access notification, together with a proxy or voting instruction form, as applicable, which will contain information on how to obtain electronic and paper copies of the Meeting Materials in advance of the Meeting.

Shareholders who wish to receive paper copies of the Meeting Materials may request copies using the control number as it appears on the proxy or voting instruction form accompanying your notice and access notification. For holders with a 15 digit control number, you may request materials by calling toll free, within North America – 1-866-962-0498 or direct, from outside North America – (514) 982-8716, and entering your control number as indicated on your proxy or voting instruction form. For holders with a 16 digit control number, you may request materials by calling toll free, within North America – 1-800-906-5444 or direct, from outside North America – 1-778-588-7139.

Meeting Materials will be sent to you at no cost within three business days of your request, if such request is made before the Meeting. To ensure that you receive the Meeting Materials in advance of the voting deadline and Meeting date, all requests must be received no later than December 1, 2018. If you do request paper copies of the Meeting Materials, please note that another proxy/voting instruction form will not be sent and you should retain your current one for voting purposes. To obtain paper copies of the Meeting Materials after the Meeting date, please contact 1-778-588-7139.

The Board of Directors of the Company has fixed the close of business on October 29, 2018 as the record date, being the date for the determination of the registered holders of common shares entitled to receive notice of, and to vote at, the Meeting and any adjournment thereof. The Board of Directors has also fixed 11:00 a.m. (Vancouver time) on Friday, December 7, 2018, or no later than 48 hours before the time of any adjourned Meeting (excluding Saturdays, Sundays and holidays), as the time before which proxies to be used or acted upon at the Meeting or any adjournment thereof shall be deposited with the Company's registrar and transfer agent, Computershare Investor Services Inc.

DATED at Vancouver, British Columbia, as of the 29th day of October, 2018.

**BARKSDALE CAPITAL CORP.**

By: *(signed)* **"Rick Trotman"**

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Rick Trotman  
President and Chief Executive Officer



## INFORMATION CIRCULAR

The information contained in this Information Circular, unless otherwise indicated, is as of October 29, 2018.

This Information Circular is being mailed by management of the Company to everyone who was a shareholder of record of the Company on October 29, 2018 (the “**Record Date**”), which is the date that has been fixed by the Board of Directors of the Company (the “**Board**”) as the record date to determine the shareholders who are entitled to receive notice of and to vote at the Meeting.

This Information Circular is furnished in connection with the solicitation of proxies by and on behalf of management for use at the annual general meeting of the shareholders of the Company that is to be held on Tuesday, December 11, 2018 at 11:00 a.m. (Vancouver time) at Suite 610 – 815 West Hastings Street, Vancouver, BC V6C 1B4. The solicitation of proxies will be primarily by mail. Certain employees, officers or directors of the Company may also solicit proxies by telephone, email or in person. The cost of solicitation will be borne by the Company.

This year, as described in the notice and access notification (the “**Notice and Access Notice**”) mailed to Shareholders, the Company will deliver the Meeting Materials (as defined below) to Shareholders by posting the Meeting Materials on [www.envisionreports.com/BarksdaleAGM2018](http://www.envisionreports.com/BarksdaleAGM2018). The Meeting Materials will be available on this website as of November 6, 2018, and will remain on the website for one full year thereafter. The Meeting Materials will also be available on SEDAR at [www.sedar.com](http://www.sedar.com) as of November 6, 2018. See “Notice and Access” below.

*These securityholder materials are being sent to both registered and non-registered owners of the Company’s common shares (each a “**Share**”). If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of Shares have been obtained in accordance with applicable securities laws from the Intermediary (as defined below) holding the Shares on your behalf. By choosing to send these materials to you directly, the Company (and not the Intermediary holding on your behalf) has assumed responsibility for: (i) delivering these materials to you; and (ii) executing proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.*

Under the Company’s articles (the “**Articles**”), at least one person who is, or who represents by proxy, one or more shareholders who, in the aggregate, hold at least 5% of the issued Shares entitled to vote must be present at the Meeting before any action may validly be taken at the Meeting. If such a quorum is not present in person or by proxy, the Company will reschedule the Meeting.

### **PART 1 – VOTING**

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#### **HOW A VOTE IS PASSED**

Voting at the Meeting will be by a show of hands, each shareholder having one vote, unless a poll is requested or otherwise required, in which case each shareholder is entitled to one vote for each share held.

In order to approve a motion proposed at the Meeting a majority of greater than 50% of the votes cast will be required (an “**ordinary resolution**”) unless the motion requires a special resolution in which case a majority of 66 2/3% of the votes cast will be required (a “**special resolution**”).

## WHO CAN VOTE?

Registered shareholders whose names appear on the Company's central securities register maintained by Computershare Investor Services Inc. ("**Computershare**"), the Company's registrar and transfer agent, as of the close of business on October 29, 2018, the Record Date, are entitled to attend and vote at the Meeting. Each Share is entitled to one vote.

If your Shares are registered in the name of a "nominee" (usually a bank, trust company, securities dealer or other financial institution) you should refer to the section entitled "Non-Registered Shareholders" set out below.

## HOW TO VOTE

If you are a registered shareholder and eligible to vote, you can vote your shares in person at the Meeting or by signing and returning the accompanying form of proxy (the "**Proxy**") by mail in the return envelope provided or vote by telephone or using the Internet as indicated on the form. Please see "Registered Shareholders" below.

If your shares are not registered in your name but are held by a nominee (usually a bank, trust company, securities broker or other financial institution), please see "Non-Registered Shareholders" below.

## REGISTERED SHAREHOLDERS

### Voting Instructions:

- complete, date and sign the Proxy and return it to Computershare by mail or hand delivery to Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1.
- using the telephone, call 1-866-732-VOTE (8683) toll free and follow the prompts. You will need your 15 digit control number found at the bottom of the first page of the Proxy to vote by telephone.
- log on to Computershare's website at [www.investorvote.com](http://www.investorvote.com) and following the instructions given on the website. You will need to insert your 15 digit control number found at the bottom of the first page of the Proxy to vote by the Internet.

Whichever method you choose, the Proxy must be received or voting instructions completed at least forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays) prior to the time set for the Meeting or any adjournment thereof. In the case of a corporation, the Proxy must be executed under its corporate seal or signed by a duly authorized officer or attorney for the corporation.

If you plan to vote in person at the Meeting do NOT complete and return the Proxy. Instead, you will need to register with Computershare when you arrive at the Meeting and your vote will be taken and counted at the Meeting. If your Shares are registered in the name of a corporation, a duly authorized officer of the corporation may attend on its behalf but documentation indicating such officer's authority should be presented at the Meeting.

## NON-REGISTERED SHAREHOLDERS

Only registered shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. Most shareholders are "non-registered shareholders" ("**Non-Registered Holders**") because the Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Shares. Shares beneficially owned by a Non-Registered Holder are registered either: (i) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Holder deals with in respect of the Shares (including, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSP's, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc. or The Depository Trust & Clearing Corporation) of which the Intermediary is a participant. In accordance with applicable securities law requirements, the Company has distributed copies of the Notice of Meeting, the Notice and Access Notice, this Information Circular and the Proxy or voting instruction form, as applicable, (collectively, the "**Meeting Materials**") to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders. This year, the Company has decided to use notice and access to deliver the

Meeting Materials to Shareholders. The Meeting Materials will be available on [www.envisionreports.com/BarksdaleAGM2018](http://www.envisionreports.com/BarksdaleAGM2018) as of November 6, 2018, and will remain on the website for one full year thereafter. The Meeting Materials will also be available on SEDAR at [www.sedar.com](http://www.sedar.com) as of November 6, 2018. All Shareholders will receive a Notice and Access Notice which will contain information on how to obtain electronic and paper copies of the Meeting Materials in advance of the Meeting. See “Notice and Access” below.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders and seek voting instructions unless in the case of certain proxy-related materials the Non-Registered Holder has waived the right to receive them. The majority of Intermediaries now delegate responsibility for obtaining instructions from Non-Registered Holders to Broadridge Financial Solutions Inc. (“**Broadridge**”). Broadridge typically mails a scannable voting instruction form or “VIF” to Non-Registered Holders and asks Non-Registered Holders to return the VIF to Broadridge in accordance with its instructions. Alternatively, where applicable, a Non-Registered Holder may go online to [www.investorvote.com](http://www.investorvote.com) or call 1-866-732-VOTE (8683) toll free to vote or return the completed and signed VIF directly to Computershare as provided above.

The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Shares they beneficially own. However, without specific voting instructions, Intermediaries and their agents and nominees are prohibited from voting shares for their clients. **Accordingly, each Non-Registered Shareholder should ensure that voting instructions are communicated to the appropriate party well in advance of the Meeting so that your nominee has enough time to submit your instructions to us.**

A Non-Registered Holder cannot use the VIF provided to vote directly at the Meeting. Should a Non-Registered Holder wish to attend and vote at the Meeting in person, the Non-Registered Holder must insert his or her name (or the name of such other person as the Non-Registered Holder wishes to attend and vote on his or her behalf) in the blank space provided for that purpose on the VIF and return the completed VIF in accordance with the instructions provided well in advance of the Meeting. If you bring your VIF to the Meeting, your vote will NOT count.

**Only registered shareholders have the right to revoke a proxy. Non-Registered Holders of Shares who wish to change their vote must, in sufficient time in advance of the Meeting, arrange for their respective Intermediaries to change their vote and if necessary, revoke their proxy in accordance with the revocation procedures set out below. See “Revocation of Proxies”.**

#### *You May Choose Your Own Proxyholder*

The persons named in the Proxy are directors or officers of the Company. **YOU HAVE THE RIGHT TO APPOINT A PERSON (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT ON YOUR BEHALF AT THE MEETING OTHER THAN THE PERSONS NAMED IN THE PROXY AS PROXYHOLDERS. TO EXERCISE THIS RIGHT, YOU MUST STRIKE OUT THE NAMES OF THE PERSONS NAMED IN THE PROXY AS PROXYHOLDERS AND INSERT THE NAME OF YOUR NOMINEE IN THE SPACE PROVIDED OR COMPLETE ANOTHER PROXY.**

#### *Your Voting Instructions*

A shareholder completing the enclosed Proxy may indicate the manner in which the persons named in the Proxy are to vote with respect to any matter by marking an “X” in the appropriate space. On any poll requested, those persons will vote or withhold from voting the shares in respect of which they are appointed in accordance with the directions, if any, given in the Proxy provided such directions are certain.

If a shareholder wishes to confer a discretionary authority with respect to any matter, then the space should be left blank. **In such instance, the Proxyholder, if nominated by management, intends to vote the Shares represented by the Proxy in favour of the motion.**

The Proxy, when properly completed and delivered and not revoked, confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting and other matters which may properly come before the Meeting. **It is the intention of the persons designated in the Proxy to vote in accordance with their best judgement on such matters or business.** At the time of printing of this Information Circular, management of the Company is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting.

The Proxy must be dated and signed by the shareholder or the shareholder's attorney authorized in writing. In the case of a corporation, the Proxy must be dated and duly executed under its corporate seal or signed by a duly authorized officer or attorney for the corporation.

**The completed 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 deposited with Computershare in accordance with the above instructions before the time set out in the Proxy. Non-Registered Holders must deliver their completed VIF in accordance with the instructions given by the Intermediary that forwarded the VIF to them.**

**In order to be effective, a Proxy must be deposited at the office of Computershare, no later than 11:00 a.m. (Vancouver Time) on December 7, 2018 or not less than 48 hours (excluding Saturdays, Sundays and holidays) before any adjournment or postponement of the Meeting. The deadline for the deposit of Proxies may be waived by the Chairman of the Meeting at his or her sole discretion without notice. Failure to properly complete or deposit a Proxy may result in its invalidation.**

*Revocation of Proxies*

Only registered shareholders have the power to revoke Proxies previously given. Revocation can be effected by an instrument in writing (which includes a Proxy bearing a later date) executed by the shareholder or by the shareholder's attorney authorized in writing and in the case of a corporation, duly executed under its corporate seal or signed by a duly authorized officer or attorney for the corporation, and either delivered at any time up to the close of business on the last business day preceding the day of the Meeting, or any adjournment thereof, to:

<b>Barksdale's Registered Office</b>		<b>Computershare Investor Services Inc.</b>	
Suite 610 – 815 West Hastings Street Vancouver, B.C. V6C 1B4 Canada	Or	8 <sup>th</sup> Floor - 100 University Avenue Toronto, Ontario M5J 2Y1	
Or deposited with the Chairman of the Meeting on the day of the Meeting, prior to the hour of commencement			

Non-Registered Holders of Shares who wish to change their vote must, in sufficient time in advance of the Meeting, arrange for their respective Intermediaries to change their vote and if necessary, revoke their proxy in accordance with the revocation procedures set out above.

**NOTICE AND ACCESS**

The Company will deliver the Meeting Materials to Shareholders by posting the Meeting Materials on [www.envisionreports.com/BarksdaleAGM2018](http://www.envisionreports.com/BarksdaleAGM2018). The Meeting Materials will be available on this website as of November 6, 2018, and will remain on the website for one full year thereafter. The Meeting Materials will also be available on SEDAR at [www.sedar.com](http://www.sedar.com) as of November 6, 2018.

The Company will mail paper copies of the Meeting Materials to those registered and beneficial Shareholders who have previously elected to receive paper copies of the Company's meeting materials. All other Shareholders will receive a Notice and Access Notice which will contain information on how to obtain electronic and paper copies of the Meeting Materials in advance of the Meeting.

Shareholders who wish to receive paper copies of the Meeting Materials may request copies using the control number as it appears on the Proxy or VIF accompanying your Notice and Access Notice. For holders with a 15 digit control number, you may request materials by calling toll free, within North America – 1-866-962-0498 or direct, from outside North America – (514) 982-8716, and entering your control number as indicated on your Proxy or VIF. For holders with a 16 digit control number, you may request materials by calling toll free, within North America – 1-800-906-5444 or direct, from outside North America – 1-778-588-7139. Meeting Materials will be sent to you at



no cost within three business days of receipt of your request, if such request is made before the Meeting. To ensure that you receive the Meeting Materials in advance of the voting deadline and Meeting date, all requests must be received no later than December 1, 2018. If you do request paper copies of the Meeting Materials, please note that another Proxy/VIF will not be sent and you should retain your current one for voting purposes. To obtain paper copies of the Meeting Materials after the Meeting date, please contact 1-778-588-7139.

## UNITED STATES SHAREHOLDERS

This solicitation of proxies involves securities of a corporation incorporated in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States *Securities Exchange Act of 1934*, as amended, are not applicable to the Company or this solicitation. Shareholders should be aware that disclosure and proxy solicitation requirements under the securities laws of the provinces of Canada differ from the disclosure and proxy solicitation requirements under United States securities laws. The enforcement by shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia), the majority of its directors and executive officers are residents of Canada and a significant portion of its assets and the assets of such persons are located outside the United States. Shareholders may not have standing to bring a claim against a foreign corporation or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign corporation and its officers and directors to subject themselves to a judgment by a United States court.

## PART 2 - VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Company has only one class of shares entitled to be voted at the Meeting, namely, common shares without par value. All issued Shares are entitled to be voted at the Meeting and each has one vote. As of October 29, 2018 there were 32,175,583 Shares issued and outstanding.

Only those shareholders of record on October 29, 2018 will be entitled to vote at the Meeting or any adjournment thereof.

To the knowledge of the directors and executive officers of the Company, only the following person beneficially owns, or exercises control or direction, directly or indirectly, over Shares carrying 10% or more of the voting rights attached to all outstanding Shares of the Company which have the right to vote in all circumstances:

Name and Municipality of Residence	Number of Shares <sup>(1)</sup>	Percentage of Issued and Outstanding Shares
Regal Resources Inc. Vancouver, B.C.	3,850,000 <sup>(2)</sup>	11.97%

- (1) This information is not within the knowledge of the management of the Company and has been furnished by the respective holders, or has been extracted from the register of shareholdings maintained by the Company's transfer agent or from insider reports filed by the holders and available through the Internet at [www.sedi.ca](http://www.sedi.ca).
- (2) On October 5, 2017, the Company issued a total of 5,100,000 common shares to Regal Resources Inc. ("Regal") in connection with the Company's option (the "Option") to acquire up to a 67.5% undivided interest in the Sunnyside property located in Santa Cruz County, Arizona (the "Sunnyside Property"). Of these 5,100,000 shares, 3,850,000 shares are currently held in escrow subject to cancellation and return to treasury if the Company determines not to proceed with the Option following completion of its initial exploration program on the Sunnyside Property. The Company has one year following receipt of all necessary governmental approvals and permits including drill permits to complete an initial exploration program of \$3,000,000 on the Sunnyside Property. The Company has no knowledge as to Regal's other Shareholdings in the Company, if any, including the status of the other 1,250,000 Shares issued to Regal on October 5, 2017. See the Company's news releases dated August 15, 2017 and October 5, 2017 for further details regarding the Company's Option to acquire up to a 67.5% undivided interest in the Sunnyside Property.

## PART 3 - THE BUSINESS OF THE MEETING

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### FINANCIAL STATEMENTS

The audited financial statements of the Company for the year ended March 31, 2018 will be placed before you at the Meeting. A copy of these financial statements, together with the auditor's report thereon, and management's discussion and analysis, were mailed to those shareholders who returned the request for annual and interim financial statement return card mailed to shareholders in connection with the Company's last annual general meeting held on December 13, 2017 and indicated to the Company that they wished to receive same. These financial statements and MD&A are also available for review under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com). See Part 8 "OTHER INFORMATION – Additional Information" below.

### ELECTION OF DIRECTORS

Directors of the Company are elected for a term of one year. Management proposes to nominate the persons named under the heading "*Nominees for Election*" below for election as directors of the Company. Each director elected will hold office until the next annual general meeting or until his successor is duly elected or appointed, unless his office is earlier vacated in accordance with the Articles of the Company or he becomes disqualified to act as a director.

It is proposed to set the number of directors at four. This requires the approval of the shareholders of the Company by an ordinary resolution, which approval will be sought at the Meeting.

**Unless the shareholder directs that his or her Shares be otherwise voted or withheld from voting in connection with the setting of the number of directors, the persons named in the enclosed Proxy will vote FOR the number of directors of the Company to be set at four (4).**

#### *Nominees for Election*

The Board of the Company presently consists of four (4) directors to be elected annually. At the Meeting, it is proposed to maintain the number of directors elected at four (4) directors to hold office until the next annual general meeting or until their successors are duly elected or appointed. **Unless the shareholder directs that his or her Shares be otherwise voted or withheld from voting in connection with the election of directors, the persons named in the enclosed Proxy will vote FOR the election of the four (4) nominees whose names are set forth below.** Management does not contemplate that any of the following nominees will be unable to serve as a director but if that should occur for any reason prior to the Meeting, the persons named in the enclosed Proxy shall have the right to vote for another nominee in their discretion.

The following table and notes thereto state the names, provinces/states and countries of residence of all persons proposed to be nominated for election as directors, the date on which each of them first became a director of the Company, all positions and offices with the Company held by each of them, the principal occupation or employment of each of them, and the approximate number of Shares of the Company beneficially owned, or controlled or directed, directly or indirectly, by each of them as at the Record Date. The biographical information set out below as to principal occupation of, and number of Shares owned by, each of the nominees, not being within the knowledge of the Company, has been furnished by the nominees. The Company also has an audit committee, the members of which are indicated below.

Name, Province/State and Country of Residence and Position with Company	Present Principal Occupation <sup>(1)</sup>	Previously a Director Since	Shares Owned <sup>(2)</sup>
<b>Glenn Kumoi</b> <sup>(3)</sup> B.C., Canada <i>Director</i>	Vice-President General Counsel and Corporate Secretary, Gold Standard Ventures Corp. (TSX; NYSE-American); June 2017 to present; Vice-President General Counsel and Corporate Secretary, Rubicon Minerals Corporation; December 2009 to January 2017	October 11, 2017	125,000

Name, Province/State and Country of Residence and Position with Company	Present Principal Occupation <sup>(1)</sup>	Previously a Director Since	Shares Owned <sup>(2)</sup>
<b>Peter McRae</b> <sup>(3)</sup> Ontario, Canada <i>Director</i>	Senior Vice-President, Corporate Affairs and Chief Legal Officer of Americas Silver Corporation (TSX; NYSE-American) and predecessor companies, November 2011 to present; Attorney at Weil Gotshal & Manges LLP, 2007 to 2011	October 11, 2017	75,000
<b>Jeffrey O'Neill</b> <sup>(3)</sup> B.C., Canada <i>Director</i>	President/Owner, JMO Enterprises Ltd. (private consulting firm), 2002 to present; Regional Sales Manager, Western Canada, Primus Business Solutions, 2007 to 2013	August 26, 2016	945,000
<b>Richard S. Silas</b> B.C., Canada <i>Corporate Secretary and Director</i>	Principal of Universal Solutions Inc., private company providing management and administration services to TSX Venture Exchange issuers, 1997 to present; Director, Gold Standard Ventures Corp., Aug 2009 to Sep 2017 (Corporate Secretary, July 2010 to June, 2017)	June 15, 2016	612,000

- (1) Includes occupations for preceding five years unless the director was elected at the previous annual meeting and was shown as a nominee for election as a director in the information circular for that meeting.
- (2) The approximate number of shares of the Company carrying the right to vote in all circumstances beneficially owned, directly or indirectly, or over which control or direction is exercised by each proposed nominee as of October [29], 2018. This information is not within the knowledge of the management of the Company and has been furnished by the respective individuals, or has been extracted from the register of shareholdings maintained by the Company's transfer agent or from insider reports filed by the individuals and available through the Internet at www.sedi.ca.
- (3) Member of audit committee.

The Company does not have an executive committee. Pursuant to the provisions of the *Business Corporations Act* (British Columbia), the Company is required to have an audit committee whose members are indicated above. See also Part 6 "AUDIT COMMITTEE" below.

The Company's management recommends that shareholders vote in favour of the nominees for election as directors. **Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the election of the four nominees as directors of the Company for the ensuing year.**

#### ***Corporate Cease Trade Orders or Bankruptcy***

Save as set out below, as of the date of this Information Circular, no proposed nominee for election as a director of the Company is, or has been, within ten years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
- (b) was subject to an event that resulted, after the director or executive officer ceased to be director or executive officer, in the company being subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (c) 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.

Richard S. Silas is a former director and officer of Northern Star Mining Corp. (“**Northern Star**”), a reporting issuer whose common shares were previously listed for trading on a predecessor to the TSX Venture Exchange (the “**TSXV**”). Effective August 18, 2010, Northern Star filed a Notice of Intention to Make a Proposal (the “**Proposal**”) under the *Bankruptcy and Insolvency Act* (Canada) (the “**Bankruptcy Act**”) and appointed Deloitte & Touche Inc. as its trustee. On January 24, 2011, the deadline for filing its Proposal under the Bankruptcy Act expired and Northern Star was deemed to have filed an assignment in bankruptcy as of such date. Richard Silas resigned as a director and officer of Northern Star effective such date.

Mr. Silas is also a former director of Spirit Bear Capital Corp., a capital pool company that was suspended from trading by the TSXV on May 15, 2014 for failure to complete a qualifying transaction within 24 months of its listing.

Mr. Kumoi was an officer of Rubicon Minerals Corporation (“**RMC**”) when a restructuring transaction was commenced under the *Companies’ Creditors Arrangement Act* (“**CCAA**”) on October 20, 2016, and when RMC emerged from the CCAA proceedings on December 20, 2016 after a successful implementation of the restructuring transaction.

### ***Penalties or Sanctions***

Save as set out below, as of the date of this Information Circular, no proposed nominee for election as a director of the Company is, or has been, subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

On April 29, 2013, Mr. Silas was fined \$8,000 by the Autorité des marchés financiers in Quebec for failure to file insider reports within the prescribed time periods in respect of changes in his control over securities of Northern Star in November 2008 and April 2010. Such fine has been paid in full.

### ***Personal Bankruptcy***

As of the date of this Information Circular, no proposed nominee for election as a director of the Company has, within the ten years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

### ***Conflicts of Interest***

Certain of the directors are currently, or may in the future become, involved in managerial or director positions with other issuers, both reporting and non-reporting, whose operations may, from time to time, be in direct competition with those of the Company or with entities which may, from time to time, provide financing to, or make equity investments in, competitors of the Company.

The directors are required by law to act honestly and in good faith with a view to the best interest of the Company and to disclose any interests which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the directors will consider, among other things, the degree of risk to which the Company may be exposed relative to the potential reward and its financial position at that time.

In addition, the directors of the Company also have other employment or other business or time restrictions placed on them and accordingly will only be able to devote part of their time to the business and affairs of the Company.

Save as aforesaid, to the Company’s knowledge, there are no known existing or potential conflicts of interest among the Company and its promoters, directors, officers or other members of management as a result of their outside business interests.

## APPOINTMENT OF THE AUDITOR

Davidson & Company LLP, Chartered Professional Accountants, were first appointed as auditor of the Company on July 5, 2017. See also Part 6 "AUDIT COMMITTEE – *External Auditor Service Fees*".

At the Meeting the shareholders will be asked to consider, and if deemed advisable, to pass the following resolution with respect to the appointment of auditors for the Company:

"RESOLVED, as an ordinary resolution, THAT that Davidson & Company LLP, Chartered Professional Accountants, be appointed as the Company's auditor for the ensuing year, at a remuneration to be fixed by the Board of Directors."

**Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the above resolution with respect to the appointment of Davidson & Company LLP as the auditor of the Company for the ensuing year and authorizing the Board to fix the remuneration to be paid to the auditor.**

## ANNUAL RATIFICATION OF STOCK OPTION PLAN

Policy 4.4 of the TSX Venture Exchange (the "TSXV") specifies that all listed issuers must implement a stock option plan. The Company's current stock option plan, which was adopted on December 13, 2017 (the "Option Plan") is a "rolling" plan as characterized by TSXV policy pursuant to which the aggregate number of Shares reserved for issuance thereunder may not exceed, at the time of grant, in aggregate 10% of the Company's issued and outstanding Shares from time to time. TSXV policy requires that shareholder approval for "rolling" stock option plans must be obtained annually.

The principal purposes of the Option Plan are to provide the Company with the advantages of the incentive inherent in share ownership on the part of those persons responsible for the success of the Company; to create in those persons a proprietary interest in, and a greater concern for, the welfare and success of the Company; to encourage such persons to remain with the Company; to attract new talent to the Company; and to reduce the cash compensation the Company would otherwise have to pay.

The material terms of the Option Plan are as follows:

1. The number of Shares subject to each option is determined by the Board, or if appointed, by a special committee of directors appointed from time to time by the Board, provided, at the time the options are granted, that:
  - (a) the number of Shares subject to option, in the aggregate, shall not exceed 10% of the Company's then issued shares;
  - (b) no more than 5% of the issued Shares of the Company may be granted to any one optionee in any 12 month period (unless the Company has obtained "disinterested" shareholder approval);
  - (c) no more than 2% of the issued Shares of the Company may be granted to any one consultant in any 12 month period; and
  - (d) no more than an aggregate of 2% of the issued Shares of the Company may be granted to persons employed to provide "investor relations activities" in any 12 month period.
2. The exercise price of the options cannot be set at less than the last closing price of the Company's Shares on the stock exchange on which the Shares of the Company are then listed before the date on which the options are granted by the Company, less the maximum allowable discount from market as may be permitted under the policies of such exchange, if any, or such other minimum exercise price as may be required by such exchange.
3. The options may be exercisable for a period of up to 10 years.
4. All options are non-assignable and non-transferable and, if granted to "insiders" or at an exercise price less than market, will be legended with a four month TSXV hold period commencing on the date the stock options are granted.

5. The options shall be subject to such vesting requirements, if any, as may be determined by the Board from time to time provided that options granted to consultants performing “investor relations activities” must vest in stages over at least 12 months with no more than 1/4 of the options vesting in any three month period.
6. Reasonable topping up of options granted to an individual will be permitted.
7. The option can only be exercised by the optionee and only so long as the optionee is a director, officer, employee or consultant of the Company, any of its subsidiaries or a management company employee or within a reasonable period of time, not to exceed one year, after the optionee ceases to be in at least one of such positions to the extent that the optionee was entitled to exercise the option at the date of such cessation.
8. In the event of death of an optionee, the option previously granted to him shall be exercisable as to all or any of the Shares in respect of which such option has not previously been exercised at the date of the optionee’s death (including the right to purchase Shares not otherwise vested at such time), by the legal representatives of the optionee at any time up to and including (but not after) a date one year following the date of death of the optionee or the expiry time of the option, whichever occurs first.
9. Options may provide that, in the event of the sale by the Company of all or substantially all of the property and assets of the Company or in the event of a take-over bid or tender offer for the Shares of the Company, the optionees under such options shall be entitled, for a stated period of time thereafter, to exercise and acquire all Shares under their option, including Shares available under the option that are not otherwise vested at that time.
10. Disinterested shareholder approval for any reduction in the exercise price of a previously granted option shall be obtained prior to the exercise of such option if the optionee is an “insider” of the Company at the time of the proposed reduction.

The full text of the Option Plan is available for review on SEDAR under the Company’s profile at [www.sedar.com](http://www.sedar.com).

At the Meeting, the shareholders will be asked to consider, and if deemed advisable, to pass the following resolutions:

"RESOLVED, as an ordinary resolution, THAT:

1. the Company’s stock option plan adopted December 13, 2017 (the “Option Plan”), be and is hereby ratified, confirmed, authorized and approved;
2. the reservation under the Option Plan of up to a maximum of 10% of the issued shares of the Company, on a rolling basis, as at the time of granting of the stock option pursuant to the Option Plan be and the same is hereby authorized and approved; and
3. any one director or officer of the Company be and is hereby authorized and directed, for and on behalf of the Company, to execute and deliver all such documents, agreements and instruments, and to do all such other acts and things as such director or officer may determine to be necessary or advisable to give effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such documents, agreements or instruments or the doing of any such act or thing.”

*Recommendation of the Board*

The Board unanimously recommends that the shareholders vote in favour of ratifying and approving the Option Plan.

**Unless the shareholder directs that his or her Shares be otherwise voted or withheld from voting in connection with the approval of the Option Plan, the persons named in the enclosed Proxy will vote FOR the approval of the above resolution.**

#### **PART 4 – STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUER**

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See the “STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUER” attached as Exhibit “A” to this Information Circular for details of, inter alia, the executive compensation paid to the Company’s “Named Executive Officers” for the year ended March 31, 2018.

#### **PART 5 – SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

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The following information is as of March 31, 2018, the Company’s most recently completed financial year.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b>
Equity compensation plans approved by securityholders	2,600,000	\$0.53	617,558
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
<b>Total</b>	<b>2,600,000</b>	<b>\$0.53</b>	<b>617,558</b>

As of the date of this Information Circular, the Company’s only equity compensation plan is its “rolling” stock option plan for directors, officers, employees and consultants of the Company. See Part 3 “THE BUSINESS OF THE MEETING – *Annual Ratification of Stock Option Plan*” for details of the material terms of the Company’s Option Plan.

#### **PART 6 – AUDIT COMMITTEE**

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National Instrument 52-110 *Audit Committees* of the Canadian Securities Administrators (“NI 52-110”) requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with the Company’s external auditor as set forth below.

##### **1. The Audit Committee Charter**

The Company’s audit committee is governed by an audit committee charter, the text of which is attached as Exhibit “B” to this Information Circular.

##### **2. Composition of Audit Committee**

The Company’s audit committee is currently comprised of three directors, Glenn Kumoi (Chair), Peter McRae and Jeffrey O’Neill. All three members of the Company’s audit committee are considered “independent” as that term is defined in applicable securities legislation.

All three members also have the ability to read and understand financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements and are therefore considered “financially literate”.

##### **3. Relevant Education and Experience**

All of the audit committee members are business persons with experience in financial matters; each has an understanding of accounting principles used to prepare financial statements and varied experience as to general

application of such accounting principles, as well as the internal controls and procedures necessary for financial reporting, garnered from working in their individual fields of endeavor.

Glenn Kumoi, B.A, LL B., is Vice President General Counsel and Corporate Secretary of Gold Standard Ventures Corp. (“**Gold Standard**”) (TSX; NYSE-American). Mr. Kumoi is also a lawyer and executive leader with extensive experience in the areas of financing, project development, mergers and acquisitions, corporate governance and legal compliance. In the 20 years prior to joining Gold Standard in 2017, Glenn was the VP General Counsel and Corporate Secretary of three other public companies including Rubicon Minerals Corporation and Ballard Power Systems. During that time, Glenn was a key part of the executive teams who raised in aggregate over \$700 million.

Peter McRae, B.S. in finance and J.D., is Senior Vice President, Corporate Affairs of Americas Silver Corp. (TSX; NYSE-American). He has led the execution of this company’s corporate development and financing efforts. Previously, Mr. McRae was an attorney at Weil, Gotshal & Manges LLP, based in New York, in the firm’s corporate department representing some of the largest organizations and private equity firms in the world. Peter is a member of the New York and Ontario Bars and holds a certificate in Mining Law.

Jeffrey O’Neill is President and owner of JMO Enterprises Ltd., a private consulting firm specializing in acquiring mineral exploration projects in Canada and the USA. From 2007 to 2013 Mr. O’Neill acted as Regional Sales Manager, Western Canada, for Primus Business Solutions. In 2003, Jeff co-founded Momentum Conferencing solutions, the largest Canadian reseller of voice collaboration solutions, and acted as its Vice President of Sales until 2007.

#### **4. Audit Committee Oversight**

Since the commencement of the Company’s most recently completed financial year ended March 31, 2018, the Board has not failed to adopt a recommendation of the audit committee to nominate or compensate an external auditor.

#### **5. Reliance on Certain Exemptions**

Since the commencement of the Company’s most recently completed financial year ended March 31, 2018, the Company has not relied on the exemptions contained in sections 2.4 or 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

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

All non-audit services which are proposed to be provided by the Company’s external auditor are subject to the prior approval of the audit committee, provided that the audit committee may delegate to one or more independent members the authority to approve non-audit services if such services are presented to the full audit committee at its next scheduled meeting. The audit committee may also satisfy the requirement for pre-approval of non-audit services if (i) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than 5% of the total amount of fees paid by the Company and its subsidiaries to the external auditor during the applicable fiscal year, (ii) the services are brought to the attention of, and approved prior to completion of the audit by, the audit committee or by one or more of its members to whom authority to grant such approval has been delegated, or (iii) by adopting specific policies and procedures for the engagement of non-audit services provided that such policies and procedures are detailed as to the particular service, the audit committee is informed of each non-audit service and the procedures do not include delegation of the audit committee’s responsibilities to management.

#### **7. External Audit Service Fees (By Category)**

In the following table, “audit fees” are fees billed by the Company’s external auditor for services provided in auditing the Company’s annual financial statements for the subject year. “Audit-related fees” are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company’s financial statements. “Tax fees” are fees billed by the auditor



for professional services rendered for tax compliance, tax advice and tax planning. “All other fees” are fees billed by the auditor for products and services not included in the foregoing categories.

The fees paid by the Company to Davidson & Company LLP, the Company’s auditor, for services rendered to the Company in each of the last two fiscal years, by category, are as follows:

<b>Financial Ending</b>	<b>Period</b>	<b>Audit Fees</b>	<b>Audit Related Fees</b>	<b>Tax Fees</b>	<b>All Other Fees</b>
March 31, 2018		10,200	Nil	Nil	Nil
March 31, 2017		10,200	Nil	Nil	Nil

## **8. Exemption**

The Company is relying on the exemption provided by section 6.1 of NI 52-110, which provides that the Company, as a venture issuer, is not required to comply with Part 5 (Reporting Obligations) of NI 52-110.

## **PART 7 – CORPORATE GOVERNANCE**

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day to day management of the Company. The Board and senior management consider good corporate governance to be central to the effective and efficient operation of the Company.

National Policy 58-201 *Corporate Governance Guidelines* (“**NP 58-201**”) establishes corporate governance guidelines, which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company’s practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted.

National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) also requires the Company to disclose annually in its Information Circular certain information concerning its corporate governance practices. As a “venture issuer” the Company is required to make such disclosure with reference to the requirements of Form 58-101F2, which disclosure is set forth below.

### **1. Board of Directors**

#### *Structure and Composition*

The Board is currently composed of four directors.

NP 58-201 suggests that the board of directors of every listed company should be constituted with a majority of individuals who qualify as “independent” directors under NI 52-110, which provides that a director is independent if he or she has no direct or indirect “material relationship” with the company. “Material relationship” is defined as a relationship which could, in the view of the Company’s board of directors, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The Board is responsible for determining whether a director is an independent director. Of the current directors, Richard Silas is not an independent director because of his position as Corporate Secretary. On the other hand, Glenn Kumoi, Peter McRae and Jeffrey O’Neill are considered to be independent directors of the Company as they have no ongoing interest or material relationship with the Company other than their shareholdings and stock options in the Company and serving as directors.

Accordingly, the Board is comprised of a majority of independent Board members.

### *Mandate of the Board*

The mandate of the Board is to manage or supervise the management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company's affairs directly and through its committees (see "Committees of the Board of Directors" below). In fulfilling its mandate, the Board, among other matters, is responsible for reviewing and approving the Company's overall business strategies and its annual business plan, reviewing and approving the annual corporate and exploration budget and forecast, reviewing and approving significant capital investments outside the approved budget; reviewing major strategic initiatives to ensure that the Company's proposed actions accord with shareholder objectives; reviewing succession planning; assessing management's performance against approved business plans and industry standards; reviewing and approving the reports and other disclosure issued to shareholders; ensuring the effective operation of the Board; and safeguarding shareholders' equity interests through the optimum utilization of the Company's capital resources. The Board also takes responsibility for identifying the principal risks of the Company's business and for ensuring these risks are effectively monitored and mitigated to the extent reasonably practicable. At this stage of the Company's development, the Board does not believe it is necessary to adopt a written mandate, as sufficient guidance is found in the applicable corporate and securities legislation and regulatory policies. However, as the Company grows, the Board will move to develop a formal written mandate.

The Board delegates to management, through the Company's executive officers, responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Company's business in the ordinary course, managing the Company's cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements. The Board also looks to management to furnish recommendations respecting corporate objectives, long-term strategic plans and annual operating plans.

The Board is currently comprised of a majority of independent directors thus providing the independent directors with significant input and leadership in exercising their responsibilities for independent oversight of management. In addition, each member of the Board understands that he is entitled to seek the advice of an independent expert if he reasonably considers it warranted under the circumstances and the "independent" directors have the ability to meet independently of management whenever deemed necessary.

### *Directorships*

As of the date of this Information Circular, the directors of the Company are currently directors and/or executive officers of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction as follows.

<b>Name of Director</b>	<b>Name of Other Reporting Issuer</b>	<b>Market/Tier</b>	<b>Position</b>	<b>Period</b>
Richard Silas	Sanibel Ventures Corp.	TSXV	President, CFO and Corporate Secretary	Since June 2018
Glenn Kumoi	Gold Standard Ventures Corp.	TSX NYSE-American	VP General Counsel and Corporate Secretary	Since June 2017
Peter McRae	Americas Silver Corporation	TSX NYSE-American	SVP, Corporate Affairs, CLO and Corporate Secretary	Since November 2011 (with predecessor companies)
Jeffrey O'Neill	Sanibel Ventures Corp.	TSXV	Director	Since June 2018

The above information has been provided by the directors and has not been independently verified by the Company.

### *Ethical Business Conduct*

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives.

The Board itself must comply with the conflict of interest provisions of the *Business Corporations Act* (British Columbia), as well as the relevant securities regulatory instruments, in order to ensure that directors exercise

independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

To date, the Board has not adopted a formal written Code of Business Conduct and Ethics having found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate and securities legislation on the individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company and its shareholders. In addition, the limited size of the Company's operations and the small number of officers and employees has allowed the Board to monitor on an ongoing basis the activities of management and to ensure that the highest standard of ethical conduct is maintained. As the Issuer grows in size and scope, the Board anticipates that it will formulate and implement a formal Code of Business Conduct and Ethics.

#### *Nomination and Assessment*

Given its current size and stage of development, the Board has not appointed a nominating committee and these functions are currently performed by the Board as a whole. Nominees are generally the result of recruitment efforts by Board members, including both formal and informal discussions among Board members and the Chief Executive Officer, and proposed directors' credentials are reviewed in advance of a Board meeting with one or more members of the Board prior to the proposed director's nomination.

New directors are briefed on strategic plans, short, medium and long term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing company policies. However, there is no formal orientation for new members of the Board, and this is considered to be appropriate, given the Company's size and current operations.

The skills and knowledge of the Board as a whole is such that no formal continuing education process is currently deemed required. The Board is comprised of individuals with varying backgrounds, who have, both collectively and individually, extensive experience in running and managing public companies, particularly mineral resource companies. Board members are encouraged to communicate with management, auditors and technical consultants to keep themselves current with industry trends and developments and changes in legislation, with management's assistance. Board members have full access to the Company's records. Reference is made to the table under the heading "*Election of Directors*" in Part 3 "THE BUSINESS OF THE MEETING" for a description of the current principal occupations of the Company's Board.

The Board does not, at present, have a formal process in place for assessing the effectiveness of the Board as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant. Based on the Company's current size, its stage of development and the limited number of individuals on the Board, the Board considers a formal assessment process to be inappropriate at this time. The Board plans to continue evaluating its own effectiveness and the effectiveness and contribution of its committees or individual directors on an ad hoc basis.

#### *Committees of the Board of Directors*

At the present time, the Board of the Company has appointed one formal committee, being the Audit Committee.

The audit committee is currently comprised of Glenn Kumoi (Chair), Peter McRae and Jeffrey O'Neill and is primarily responsible for the policies and practices relating to integrity of financial and regulatory reporting of the Company, as well as internal controls to achieve the objectives of safeguarding the Company's assets; reliability of information; and compliance with policies and laws. See Part 6 "AUDIT COMMITTEE" for further information regarding the mandate of the Company's audit committee, its specific authority, duties and responsibilities, as well as the Audit Committee Charter.

As the Company grows, and its operations and management structure become more complex, the Board will likely find it appropriate to constitute additional standing committees, such as a Corporate Governance Committee, Compensation Committee and Nominating Committee, and to ensure that such committees are governed by written charters and are composed of at least a majority of independent directors.

## Compensation

At this time, the Company does not believe its size and limited scope of operations requires a formal compensation committee and the Board as a whole is responsible for determining all forms of compensation (including long-term incentive in the form of stock options) to be granted to the Company's executive officers and to the directors to ensure such arrangements reflect the responsibilities and risks associated with each position. In addition, any compensation to be paid to executive officers who are also directors must be approved by the disinterested directors thereby providing the independent directors with significant input into compensation decisions.

See the "STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUER - *Oversight and Description of Director and Named Executive Officer Compensation*" attached as Exhibit "A" to this Information Circular for a discussion of the Company's philosophy, objectives and processes with respect to executive compensation.

## **PART 8 – OTHER INFORMATION**

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### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

#### *Aggregate Indebtedness*

No individual who is, or at any time during the most recently completed financial year of the Company was, a director or officer of the Company, no proposed nominee for election as a director of the Company, and no associate of any one of them is, or at any time since the beginning of the most recently completed financial year of the Company has been, indebted to the Company or any of its subsidiaries (other than in respect of amounts which would constitute routine indebtedness) or to another entity (where such indebtedness to such other entity is, or was at any time during the most recently completed financial year of the Company, 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).

#### *Indebtedness of Directors and Executive Officers under Securities Purchase and Other Programs*

As of the date hereof, there is no indebtedness owing to the Company, any of its subsidiaries or any other entity (where such indebtedness to such other entity is 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) in connection with the purchase of securities or otherwise by any current or former executive officers, directors or employees of the Company or any of its subsidiaries.

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

Other than disclosed elsewhere in this Information Circular and below, no informed person (as defined below), proposed nominee for election as a director, or any associate or affiliate of any informed person or proposed nominee, has had a material interest, direct or indirect, in any transaction with the Company or any of its subsidiaries or in any proposed transaction since the beginning of the last completed financial year that has materially affected the Company or any of its subsidiaries or is likely to do so.

On October 5, 2017, the Company completed a non-brokered private placement financing of 13,530,000 common shares at a price of \$0.40 per share for gross proceeds of \$5,412,000. Certain informed persons participated in such private placement as follows.

<b>Name of Informed Person</b>	<b>Position</b>	<b>Number of Shares</b>	<b>Aggregate Purchase Price</b>
Richard Silas	Secretary and Director	100,000	\$40,000
Glenn Kumoi	Director	125,000	\$50,000
Peter McRae	Director	75,000	\$30,000
Michael Waldkirch	CFO	125,000 <sup>(1)</sup>	\$50,000

(1) These shares were purchased through a private company controlled by Mr. Waldkirch.

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

#### **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON AT THE MEETING**

None of the directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company’s last completed financial year, none of the other insiders of the Company and no associate or affiliate of any of the foregoing persons has any substantial interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of the directors, the ratification and approval of the Option Plan and any interest arising from the ownership of shares of the Company where the shareholder will receive no extra or special benefit or advantage not shared on a pro-rata basis by all holders of common shares in the capital of the Company.

#### **MANAGEMENT CONTRACTS**

The management functions of the Company are performed by its directors and executive officers (or private companies controlled by such executive officers) and the Company has no management agreements or arrangements under which such management functions are performed by persons other than the directors and executive officers (or private companies controlled by such executive officers) of the Company. See the headings “*Director and Named Executive Officer compensation, excluding compensation securities*” and “*Employment, Consulting and Management Agreements*” in the STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUER – attached as Exhibit “A” to this Information Circular for details of the fees paid or payable to the Company’s Named Executive Officers (or private companies controlled by such Named Executive Officers) and directors for, inter alia, the year ended March 31, 2018.

#### **OTHER MATTERS**

Management of the Company is not aware of any other matters to come before the Meeting other than as set forth in the Notice of Meeting that accompanies this Information Circular. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the Shares represented thereby in accordance with their best judgment on such matter.

#### **OTHER MATERIAL FACTS**

There are no other material facts other than as disclosed herein.

#### **ADDITIONAL INFORMATION**

Financial information about the Company is provided in its comparative financial statements and Management’s Discussion and Analysis for the year ended March 31, 2018. You may obtain copies of such documents without charge upon request to us at #610 – 815 West Hastings Street, Vancouver, B.C., Canada V6C 1B4 – telephone (778) 588 - 7139 / facsimile (604) 687 - 3567. You may also access such documents, together with the Company’s additional disclosure documents, through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com).

**BOARD APPROVAL**

The Board of the Company has approved the contents and the delivery of this Information Circular to its Shareholders.

DATED at Vancouver, British Columbia, as of the 29th day of October, 2018.

**BY ORDER OF THE BOARD**

*(signed)* **“Rick Trotman”**

Rick Trotman  
President and Chief Executive Officer

**EXHIBIT "A"**

**STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUER**

See attached.



FORM 51-102F6V

STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUERS  
FOR THE YEAR ENDED MARCH 31, 2018

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The information contained in this statement of executive compensation (the “**Statement**”) of Barksdale Capital Corp. (the “**Company**”), unless otherwise indicated, is as of September 24, 2018.

**Forwarding Looking Information**

Certain statements contained in this Statement may constitute “forward-looking information” as the term is defined under applicable securities laws. The forward-looking information includes, without limitation, the Company’s intentions and plans with respect to compensation of its executive officers and directors and other statements concerning anticipated future events, conditions or results that are not historical facts. These statements reflect management’s current estimates, beliefs, intentions and expectations; they are not guarantees of future performance. The Company cautions that all forward-looking information is inherently uncertain and that actual performance may be affected by a number of material factors, many of which are beyond the Company’s control. Such factors include, among others, risks and uncertainties relating to exploration; the ability of the Company to obtain additional financing; the Company’s limited operating history; the need to comply with environmental and governmental regulations; potential defects in title to the Company’s properties; fluctuations in currency exchange rates; fluctuating prices of commodities; operating hazards and risks; competition; and other risks and uncertainties. Accordingly, actual future events, conditions and results may differ materially from the estimates, beliefs, intentions and expectations expressed or implied in the forward-looking information. Unless otherwise expressly stated, all statements are made as of the date hereof and, save as required by law, the Company is under no obligation to update or alter any forward-looking information.

**Definitions:** For the purpose of this Statement:

“*company*” includes other types of business organizations such as partnerships, trusts and other unincorporated business entities.

“*compensation securities*” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted share units granted or issued by the company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the company or any of its subsidiaries.

“*external management company*” includes a subsidiary, affiliate or associate of the external management company.

“*Named Executive Officer*” or “*NEO*” means each of the following individuals:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer (“**CEO**”);
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer (“**CFO**”);



- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for that financial year; and
- (d) each individual who would be a named executive officer under paragraph (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 that financial year.

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

“*underlying securities*” means any securities issuable on conversion, exchange or exercise of compensation securities.

#### Director and Named Executive Officer compensation, excluding compensation securities

The following table provides a summary of compensation paid, directly or indirectly, for each of the two most recently completed financial years, to the directors and NEOs of the Company, other than compensation securities:

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites <sup>(1)</sup> (\$)	Value of all other compensation (\$)	Total compensation (\$)
Rick Trotman President and CEO <sup>(2)</sup>	2018	64,585 <sup>(3)</sup>	Nil	Nil	Nil	Nil	64,585
Michael Waldkirch CFO <sup>(4)</sup>	2018 2017	57,001 <sup>(3)</sup> 18,500 <sup>(6)</sup>	Nil Nil	Nil Nil	Nil Nil	Nil Nil	57,001 18,500
Richard Silas Corporate Secretary and Director <sup>(7)</sup> (former CEO)	2018 2017	80,000 <sup>(8)</sup> 9,000 <sup>(8)</sup>	Nil Nil	Nil Nil	Nil Nil	Nil Nil	80,000 9,000
Jeffrey O'Neill <sup>(9)</sup> Director	2018 2017	500 <sup>(12)</sup> Nil	Nil	Nil	Nil	Nil	500
Glenn Kumoi <sup>(10)</sup> Director	2018	750 <sup>(12)</sup>	Nil	Nil	Nil	Nil	750
Peter McRae <sup>(11)</sup> Director	2018	500 <sup>(12)</sup>	Nil	Nil	Nil	Nil	500
Ross Wilmot (former CEO and CFO) <sup>(13)</sup>	2017	Nil	Nil	Nil	Nil	Nil	Nil

- (1) The value of perquisites received by each of the Named Executive Officers and directors, including property or other personal benefits provided to the Named Executive Officers and directors that are not generally available to all employees, were not in the aggregate greater than \$15,000.
- (2) Mr. Trotman was appointed President and CEO of the Company effective December 13, 2017.
- (3) This figure represents management fees paid to a private company controlled by Mr. Trotman for the period December 13, 2017 to March 31, 2018 and includes a signing bonus of \$25,000 paid to Mr. Trotman upon joining the Company.
- (4) Mr. Waldkirch was appointed CFO of the Company on August 26, 2016.

- (5) This figure represents the fees paid to a private company controlled by Mr. Waldkirch for professional fees.
- (6) This figure represents the fees paid to a private company controlled by Mr. Waldkirch for management fees (as to \$9,000) and professional accounting services (as to \$9,500).
- (7) Mr. Silas was appointed Corporate Secretary of the Company on December 13, 2017 and acted as President and Chief Executive Officer of the Company from August 26, 2016 to December 12, 2017.
- (8) This figure represents the fees paid to a private company controlled by Mr. Silas for management and administrative fees.
- (9) Mr. O'Neill was first appointed as a director of the Company on August 26, 2016.
- (10) Mr. Kumoi was first appointed as a director of the Company on October 11, 2017.
- (11) Mr. McRae was first appointed as a director of the Company on October 11, 2017.
- (12) This amount represents fees paid to the director in consideration for his services as a director of the Company.
- (13) Mr. Wilmot ceased to act as President and CEO of the Company effective August 26, 2016.

### External Management Companies

As of the date of this Statement, there are no contracts with external management companies in effect.

### Stock Options and Other Compensation Securities

The following table discloses all compensation securities granted or issued to each Named Executive Officer or director during the most recently completed financial year ended March 31, 2018 for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

Compensation securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class <sup>(7)</sup>	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at financial year end (\$)	Expiry date
Rick Trotman President and CEO	Stock option	600,000 stock options <sup>(1)</sup> or 1.86% <sup>(2) (3) (5)</sup>	Nov. 14, 2017	\$0.88	\$0.88	\$0.72	Nov. 14, 2022
Michael Waldkirch CFO	Stock option	120,000 stock options <sup>(1)</sup> or 0.37% <sup>(2) (4) (5)</sup>	Oct. 6, 2017	\$0.42	\$0.42	\$0.72	Oct. 6, 2022
Richard Silas Corporate Secretary and Director	Stock option	170,000 stock options <sup>(1)</sup> or 0.53% <sup>(2) (4) (5)</sup>	Oct. 6, 2017	\$0.42	\$0.42	\$0.72	Oct. 6, 2022
Jeffrey O'Neill Director	Stock option	Nil <sup>(6)</sup>	N/A	N/A	N/A	N/A	N/A
Glenn Kumoi Director	Stock option	120,000 stock options <sup>(1)</sup> or 0.37% <sup>(2) (4) (5)</sup>	Oct. 6, 2017	\$0.42	\$0.42	\$0.72	Oct. 6, 2022
Peter McRae Director	Stock option	100,000 stock options <sup>(1)</sup> or 0.31% <sup>(2) (4) (5)</sup>	Oct. 6, 2017	\$0.42	\$0.42	\$0.72	Oct. 6, 2022

(1) Each stock option entitles the holder to purchase one common share of the Company.

(2) This figure represents the number of underlying common shares issuable upon exercise of the stock option as a percentage of the total issued and outstanding common shares of the Company as at March 31, 2018 (being 32,175,583 shares).

- (3) These stock options are subject to vesting on the basis of 1/3 on November 14, 2017, 1/3 on November 14, 2018 and 1/3 on November 14, 2019.
- (4) These options were fully vested at the time of granting
- (5) These options represent all of the stock options held by the holder as at March 31, 2018.
- (6) Subsequent to March 31, 2018, Mr. O'Neill was granted a stock option to purchase a total of 100,000 common shares of the Company at an exercise price of \$0.79 per share on or before April 19, 2023.
- (7) No compensation securities were re-priced, cancelled and replaced, extended or otherwise materially modified during the Company's most recently completed financial year.

No compensation securities were exercised by any Named Executive Officer or director of the Company during the most recently completed financial year ended March 31, 2018.

### **Stock Option Plans and Other Incentive Plans**

On December 13, 2017, the shareholders adopted a new "rolling" stock option plan (the "**2017 Stock Option Plan**") for the Company in place of the Company's 2009 stock option plan to better reflect the current policies of the TSX Venture Exchange (the "**Exchange**") and applicable securities legislation.

The principal purposes of the 2017 Stock Option Plan are to provide the Company with the advantages of the incentive inherent in share ownership on the part of those persons responsible for the success of the Company; to create in those persons a proprietary interest in, and a greater concern for, the welfare and success of the Company; to encourage such persons to remain with the Company; to attract new talent to the Company; and to reduce the cash compensation the Company would otherwise have to pay.

The material terms of the 2017 Stock Option Plan are as follows:

1. The number of shares subject to each option is determined by the board of directors of the Company (the "**Board**"), or if appointed, by a special committee of directors appointed from time to time by the Board, provided, at the time the options are granted, that:
  - (a) the number of shares subject to option, in the aggregate, shall not exceed 10% of the Company's then issued shares;
  - (b) no more than 5% of the issued shares of the Company may be granted to any one optionee in any 12 month period (unless the Company has obtained "disinterested" shareholder approval);
  - (c) no more than 2% of the issued shares of the Company may be granted to any one consultant in any 12 month period; and
  - (d) no more than an aggregate of 2% of the issued shares of the Company may be granted to persons employed to provide "investor relations activities" in any 12 month period.
2. The exercise price of the options cannot be set at less than the last closing price of the Company's shares on the stock exchange on which the shares of the Company are then listed before the date on which the options are granted by the Company, less the maximum allowable discount from market as may be permitted under the policies of such exchange, if any, or such other minimum exercise price as may be required by such exchange.
3. The options may be exercisable for a period of up to 10 years.
4. All options are non-assignable and non-transferable and, if granted to "insiders" or at an exercise price less than market, will be legended with a four month Exchange hold period commencing on the date the stock options are granted.

5. The options shall be subject to such vesting requirements, if any, as may be determined by the Board from time to time provided that options granted to consultants performing “investor relations activities” must vest in stages over at least 12 months with no more than 1/4 of the options vesting in any three month period.
6. Reasonable topping up of options granted to an individual will be permitted.
7. The option can only be exercised by the optionee and only so long as the optionee is a director, officer, employee or consultant of the Company, any of its subsidiaries or a management company employee or within a reasonable period of time, not to exceed one year, after the optionee ceases to be in at least one of such positions to the extent that the optionee was entitled to exercise the option at the date of such cessation.
8. In the event of death of an optionee, the option previously granted to him shall be exercisable as to all or any of the shares in respect of which such option has not previously been exercised at the date of the optionee’s death (including the right to purchase shares not otherwise vested at such time), by the legal representatives of the optionee at any time up to and including (but not after) a date one year following the date of death of the optionee or the expiry time of the option, whichever occurs first.
9. Options may provide that, in the event of the sale by the Company of all or substantially all of the property and assets of the Company or in the event of a take-over bid or tender offer for the shares of the Company, the optionees under such options shall be entitled, for a stated period of time thereafter, to exercise and acquire all shares under their option, including Shares available under the option that are not otherwise vested at that time.
10. Disinterested shareholder approval for any reduction in the exercise price of a previously granted option shall be obtained prior to the exercise of such option if the optionee is an “insider” of the Company at the time of the proposed reduction.

The policies of the Exchange require that shareholder approval for “rolling” stock option plans must be obtained annually. A copy of the 2017 Stock Option Plan is available for review under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

As at March 31, 2018, there were a total of 2,600,000 stock options outstanding under the 2017 Stock Option Plan.

There are currently no other equity or non-equity incentive plan awards in place for the Company’s Named Executive Officers or directors.

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

Effective September 1, 2018, the Company entered into an employment agreement with Rick Trotman (the “**Trotman Agreement**”) to act as the Company’s President and Chief Executive Officer on a full time basis at an annual salary of \$174,000 (\$14,500 per month) to be reviewed annually.

Effective September 1, 2018, the Company entered into a consulting agreement with a private company controlled by Michael Waldkirch (the “**Waldkirch Agreement**”) to provide, on an independent contractor basis, accounting and financial management services to the Company, at an annual base fee of \$72,000 (\$6,000 per month) to be reviewed annually, plus reasonable additional fees for preparing the Company’s annual year-end financial statements. In conjunction with the Waldkirch Agreement, Michael Waldkirch acts as the Chief Financial Officer of the Company.

Effective September 1, 2018, the Company entered into a consulting agreement with a private company controlled by Richard Silas (the “**Silas Agreement**”) to provide, on an independent contractor basis, corporate secretarial and administrative services to the Company at an annual base fee of \$102,000 (\$8,500 per month) to be reviewed annually, plus additional reasonable annual year-end preparation fees. In conjunction with the Silas Agreement, Richard Silas acts as the Corporate Secretary of the Company.

Each of the Trotman Agreement, the Waldkirch Agreement and the Silas Agreement provides for termination payments in certain circumstances. In each case, Messrs. Trotman, Waldkirch and Silas will be entitled to receive a lump sum termination payment equal to such Named Executive Officer’s annual base salary/fee plus bonus in the event he is terminated without cause or upon a change of control of the Company.

The following table sets out the estimated incremental payments payable to each Named Executive Officer of the Company that would be triggered by, or result from, a change of control, severance, termination or constructive dismissal as of September 1, 2018. The table below assumes the exercise of all unexercised options (both vested and unvested) on September 1, 2018.

	<b>Rick Trotman (\$)</b>	<b>Michael Waldkirch (\$)</b>	<b>Richard Silas (\$)</b>
<b>Termination Without Cause/Constructive Dismissal</b>			
Base Salary/Fee Termination Payment	174,000	72,000	102,000
Benefits and Perks	Nil	Nil	Nil
Annual Incentives <sup>(1)</sup>	Nil	Nil	Nil
Long-Term Incentives <sup>(2)</sup>	Nil	31,200	44,200
Pension Benefits	Nil	Nil	Nil
<b>Change of Control</b>			
Base Fee/Termination Payment	174,000	72,000	102,000
Benefits and Perks	Nil	Nil	Nil
Annual Incentives <sup>(1)</sup>	Nil	Nil	Nil
Long-Term Incentives <sup>(2)</sup>	Nil	31,200	44,200
Pension Benefits	Nil	Nil	Nil

(1) To date, no discretionary bonuses have been paid to the Named Executive Officers by the Company.

(2) Assumes the exercise of all vested and unvested “in-the-money” options on September 1, 2018. The closing price of the Company’s shares on the Exchange on August 31, 2018 was \$0.68 per share.

Save as aforesaid, as of the date of this Statement, there is no compensatory plan, contract or arrangement whereby a Named Executive Officer is entitled to receive any severance or termination payment from the Company or its subsidiaries, including periodic payments or instalments, in the event of the termination or constructive dismissal of the officer’s employment with the Company or its subsidiaries or following a change of control of the Company.

#### **Oversight and Description of Director and Named Executive Officer Compensation**

##### *Director Compensation*

Currently, the Company pays its non-executive directors a fixed fee of \$500 for each Board meeting attended by the directors, with an additional fee of \$250 per meeting paid to the Chair of any committee. See the table of compensation, excluding compensation securities, under the heading “*Director and Named Executive Officer compensation, excluding compensation securities*” above for details of the fees paid to the Company’s non-executive directors during the fiscal year ended March 31, 2018.

The non-executive directors are also entitled to receive incentive stock options from time to time in accordance with the terms of the 2017 Stock Option Plan and the policies of the Exchange. The granting of incentive stock options provides a link between director compensation and the Company’s share price. It also rewards directors for achieving results that improve Company performance and thereby increase shareholder value. In making a determination as to whether a grant of long-term incentive stock options is appropriate, and if so, the number of options that should be granted, the Board will consider, inter alia, the number and terms of outstanding incentive stock options held by each director; the value in securities of the Company that the Board intends to award as compensation; the potential dilution to shareholders and the cost to the Company; general industry standards; and the limits imposed by the terms of the 2017 Stock Option Plan and the Exchange. Any “interested” director who is being considered for the grant of an option by the Company is required to declare his interest in such grant and abstain from voting thereon.

The granting of incentive stock options also allows the Company to reward the directors' efforts to increase value for shareholders without requiring the Company to use cash from its treasury. The terms and conditions of the Company's stock option grants, including vesting provisions and exercise prices, are governed by the terms of the 2017 Stock Option Plan, which are described under "*Stock Option Plans and Other Incentive Plans*" above.

See the table of compensation securities, under the heading "*Stock Options and Other Compensation Securities*" above for details of the stock options granted to the Company's non-executive directors during the fiscal year ended March 31, 2018.

The directors may also be reimbursed for actual expenses reasonably incurred by them in the performance of their duties as directors.

#### *Named Executive Officer Compensation*

The Company's policies on compensation for its Named Executive Officers are intended to provide appropriate compensation for executives that is internally equitable, externally competitive and reflects individual achievements in the context of the Company. The overriding principles in establishing executive compensation provide that compensation should:

- (a) reflect fair and competitive compensation commensurate with an individual's experience and expertise in order to attract and retain highly qualified executives;
- (b) reflect recognition and encouragement of leadership, entrepreneurial spirit and team work;
- (c) reflect an alignment of the financial interests of the executives with the financial interest of the Company's shareholders;
- (d) include stock options and, in certain circumstances, bonuses to reward individual performance and contribution to the achievement of corporate performance and objectives;
- (e) reflect a contribution to enhancement of the Company's shareholder value; and
- (f) provide incentive to the executives to continuously improve operations and execute on corporate strategy.

#### *Goals and Objectives*

Given the Company's current size and stage of development, the Board has not appointed a formal compensation committee and accordingly the Board as a whole is responsible for determining the compensation (including long-term incentive in the form of stock options) to be granted to the Company's executive officers and directors to ensure that such arrangements reflect the responsibilities and risks associated with each position. Management directors are required to abstain from voting in respect of their own compensation thereby providing the independent members of the Board with considerable input as to executive compensation.

The Board will review, on an annual basis, the corporate goals and objectives relevant to executive compensation, evaluate each executive officer's performance in light of those goals and objectives and set the executive officer's compensation level based, in part, on this evaluation. The Board will take into consideration the Company's overall performance, shareholder returns and the awards given to executive officers in past years. The Board may also consider the value of similar incentive awards to executive officers at comparable junior resource companies listed on the Exchange or other exchanges, however, as of the date of this Statement, no specific companies or selection criteria for the establishment of a benchmark group have been identified by the Board.

The Board's compensation philosophy is aimed at attracting and retaining quality and experienced people which is critical to the success of the Company and includes a "pay-for-performance" element which supports the Company's commitment to delivering strong performance for the shareholders.

#### *Executive Compensation Program*

Executive compensation is comprised of three elements: base salary or fee, short-term incentive compensation (discretionary cash bonuses) and long-term incentive compensation (share options). The Board will review all three components in assessing the compensation of individual executive officers and of the Company as a whole.

Base salaries or fees and bonuses (discretionary) are intended to provide current compensation and a short-term incentive for executive officers to meet the Company's goals, as well as to remain competitive with the industry. Base salaries or fees are compensation for job responsibilities and reflect the level of skills, expertise and capabilities demonstrated by the executive officers. Executive officers will also be eligible to receive discretionary bonuses as determined by the Board from time to time based on each officer's responsibilities, his achievement of individual and corporate objectives and the Company's financial performance. Cash bonuses are intended to reward the executive officers for meeting or exceeding the individual and corporate performance objectives set by the Board.

The Board recognizes that the Company operates in a highly competitive environment when it comes to recruiting and retaining executives with high calibre skills and experience and that recruiting and retaining qualified personnel is critical to the Company's success. However, the Board also recognizes the uncertain capital markets for junior resource issuers and the need to balance competitive executive compensation packages against available cash resources.

Stock options are an important part of the Company's long-term incentive strategy for its officers, permitting them to participate in any appreciation of the market value of the Company's shares over a stated period of time, and are intended to reinforce commitment to long-term growth and shareholder value. Stock options reward overall corporate performance, as measured through the price of the Company's shares and enable executives to acquire and maintain a significant ownership position in the Company. Stock options also represent an additional form of compensation to the Company's Named Executive Officers without directly impacting the Company's cash resources.

#### *Option Based Awards*

Executive officers of the Company, as well as directors, employees and consultants, are eligible to participate in the Company's 2017 Stock Option Plan to receive grants of stock options. Individual stock options are granted by the Board as a whole and the size of the options will be dependent on, among other things, each officer's level of responsibility, authority and importance to the Company and the degree to which such officer's long term contribution to the Company will be crucial to its long-term success.

Stock options will normally be granted by the Board when an executive officer first joins the Company based on his or her level of responsibility within the Company. Additional grants may be made periodically to ensure that the number of options granted to any particular officer is commensurate with the officer's level of ongoing responsibility within the Company and to provide an additional form of non-cash compensation. The Board will also evaluate the number of options an officer has been granted, the exercise price of the options and the term remaining on those options when considering further grants. Options are usually priced at the closing trading price of the Company's shares on the business day immediately preceding the date of grant and the current policy of the Board is that options expire two to five years from the date of grant.

See the table of compensation securities, under the heading "*Stock Options and Other Compensation Securities*" above for details of the stock options granted to the Company's Named Executive Officers during the fiscal year ended March 31, 2018. See also "*Stock Option Plans and Other Incentive Plans*" above for details of the material terms of the Company's 2017 Stock Option Plan.

Other than as described above there are no other prerequisites provided to the Named Executive Officers.

Currently, the Company does not use specific benchmark groups in determining compensation or any element of compensation for the Named Executive Officers.

#### **Pension Disclosure**

Currently, the Company does not have any pension, retirement or deferred compensation plans, including defined contribution plans.

**EXHIBIT "B"**

**CHARTER FOR THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS**

See attached.



**BARKSDALE CAPITAL CORP.**

(the "Company")

**AUDIT COMMITTEE CHARTER**

**1. Mandate**

The audit committee will assist the board of directors (the "Board") in fulfilling its financial oversight responsibilities. The audit committee will review and consider in consultation with the auditors the financial reporting process, the system of internal control and the audit process. In performing its duties, the committee will maintain effective working relationships with the Board, management, and the external auditors. To effectively perform his or her role, each committee member must obtain an understanding of the principal responsibilities of committee membership as well and the company's business, operations and risks.

**2. Composition**

The Board will appoint from among their membership an audit committee after each annual general meeting of the shareholders of the Company. The audit committee will consist of a minimum of three directors.

*2.1 Independence*

A majority of the members of the audit committee must not be officers, employees or control persons of the Company.

*2.2 Expertise of Committee Members*

Each member of the audit committee must be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the committee. The Board shall interpret the qualification of financial literacy expertise in its business judgment and shall conclude whether a director meets this qualification.

**3. Meetings**

The audit committee shall meet in accordance with a schedule established each year by the Board, and at other times that the audit committee may determine. The audit committee shall meet at least annually with the Company's Chief Financial Officer and external auditors in separate executive sessions.

**4. Roles and Responsibilities**

The audit committee shall fulfill the following roles and discharge the following responsibilities:

#### 4.1 *External Audit*

The audit committee shall be directly responsible for overseeing the work of the external auditors in preparing or issuing the auditor's report, including the resolution of disagreements between management and the external auditors regarding financial reporting and audit scope or procedures. In carrying out this duty, the audit committee shall:

- (a) recommend to the Board the external auditor to be nominated by the shareholders for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company;
- (b) review (by discussion and enquiry) the external auditors' proposed audit scope and approach;
- (c) review the performance of the external auditors and recommend to the Board the appointment or discharge of the external auditors;
- (d) review and recommend to the Board the compensation to be paid to the external auditors; and
- (e) review and confirm the independence of the external auditors by reviewing the non-audit services provided and the external auditors' assertion of their independence in accordance with professional standards.

#### 4.2 *Internal Control*

The audit committee shall consider whether adequate controls are in place over annual and interim financial reporting as well as controls over assets, transactions and the creation of obligations, commitments and liabilities of the Company. In carrying out this duty, the audit committee shall:

- (a) evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Company; and
- (b) ensure that the external auditors discuss with the audit committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

#### 4.3 *Financial Reporting*

The audit committee shall review the financial statements and financial information prior to its release to the public. In carrying out this duty, the audit committee shall:

##### *General*

- (a) review significant accounting and financial reporting issues, especially complex, unusual and related party transactions; and

- (b) review and ensure that the accounting principles selected by management in preparing financial statements are appropriate.

*Annual Financial Statements*

- (c) review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements;
- (d) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered; and
- (e) review management's discussion & analysis respecting the annual reporting period prior to its release to the public.

*Interim Financial Statements*

- (f) review and approve the interim financial statements prior to their release to the public; and
- (g) review management's discussion & analysis respecting the interim reporting period prior to its release to the public.

*Release of Financial Information*

- (h) where reasonably possible, review and approve all public disclosure, including news releases, containing financial information, prior to its release to the public.

4.4 *Non-Audit Services*

All non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements) which are proposed to be provided by the external auditors to the Company or any subsidiary of the Company shall be subject to the prior approval of the audit committee.

*Delegation of Authority*

- (a) The audit committee may delegate to one or more independent members of the audit committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the audit committee at its next scheduled meeting.

*De-Minimis Non-Audit Services*

- (b) The audit committee may satisfy the requirement for the pre-approval of non-audit services if:
  - (i) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount

of fees paid by the Company and its subsidiaries to the external auditor during the fiscal year in which the services are provided; or

(ii) the services are brought to the attention of the audit committee and approved, prior to the completion of the audit, by the audit committee or by one or more of its members to whom authority to grant such approvals has been delegated.

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

(c) The audit committee may also satisfy the requirement for the pre-approval of non-audit services by adopting specific policies and procedures for the engagement of non-audit services, if:

- (i) the pre-approval policies and procedures are detailed as to the particular service;
- (ii) the audit committee is informed of each non-audit service; and
- (iii) the procedures do not include delegation of the audit committee's responsibilities to management.

#### *4.5 Other Responsibilities*

The audit committee shall:

- (a) establish procedures for the receipt, retention and treatment of complaints received by the company regarding accounting, internal accounting controls, or auditing matters;
- (b) establish procedures for the confidential, anonymous submission by employees of the company of concerns regarding questionable accounting or auditing matters;
- (c) ensure that significant findings and recommendations made by management and external auditor are received and discussed on a timely basis;
- (d) review the policies and procedures in effect for considering officers' expenses and perquisites;
- (e) perform other oversight functions as requested by the Board; and
- (f) review and update this Charter and receive approval of changes to this Charter from the Board.

#### *4.6 Reporting Responsibilities*

The audit committee shall regularly update the Board about committee activities and make appropriate recommendations.

**5. Resources and Authority of the Audit Committee**

The audit committee shall have the resources and the authority appropriate to discharge its responsibilities, including the authority to

- (a) engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for any advisors employed by the audit committee; and
- (c) communicate directly with the internal and external auditors.

**6. Guidance – Roles & Responsibilities**

The following guidance is intended to provide the Audit Committee members with additional guidance on fulfillment of their roles and responsibilities on the committee:

**6.1 Internal Control**

- (a) evaluate whether management is setting the goal of high standards by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities;
- (b) focus on the extent to which external auditors review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of an IT systems breakdown; and
- (c) gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.

**6.2 Financial Reporting**

*General*

- (a) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements; and
- (b) ask management and the external auditors about significant risks and exposures and the plans to minimize such risks; and
- (c) understand industry best practices and the Company's adoption of them.

*Annual Financial Statements*

- (d) review the annual financial statements and determine whether they are complete and consistent with the information known to committee members, and assess whether

the financial statements reflect appropriate accounting principles in light of the jurisdictions in which the Company reports or trades its shares;

- (e) pay attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;
- (f) focus on judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of loan losses; warranty, professional liability; litigation reserves; and other commitments and contingencies;
- (g) consider management's handling of proposed audit adjustments identified by the external auditors; and
- (h) ensure that the external auditors communicate all required matters to the committee.

*Interim Financial Statements*

- (i) be briefed on how management develops and summarizes interim financial information, the extent to which the external auditors review interim financial information;
- (j) meet with management and the auditors, either telephonically or in person, to review the interim financial statements; and
- (k) to gain insight into the fairness of the interim statements and disclosures, obtain explanations from management on whether:
  - (i) actual financial results for the quarter or interim period varied significantly from budgeted or projected results;
  - (ii) changes in financial ratios and relationships of various balance sheet and operating statement figures in the interim financials statements are consistent with changes in the company's operations and financing practices;
  - (iii) generally accepted accounting principles have been consistently applied;
  - (iv) there are any actual or proposed changes in accounting or financial reporting practices;
  - (v) there are any significant or unusual events or transactions;
  - (vi) the Company's financial and operating controls are functioning effectively;
  - (vii) the Company has complied with the terms of loan agreements, security indentures or other financial position or results dependent agreement; and

(viii) the interim financial statements contain adequate and appropriate disclosures.

6.3 *Compliance with Laws and Regulations*

- (a) periodically obtain updates from management regarding compliance with this policy and industry “best practices”;
- (b) be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements; and
- (c) review the findings of any examinations by securities regulatory authorities and stock exchanges.

6.4 *Other Responsibilities*

- (a) review, with the company’s counsel, any legal matters that could have a significant impact on the company’s financial statements.

