



YOHO RESOURCES INC.

NOTICE OF ANNUAL AND SPECIAL MEETING

AND

MANAGEMENT PROXY CIRCULAR

WITH RESPECT TO THE

ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON JUNE 9, 2015

**MANAGEMENT PROXY CIRCULAR
DATED MAY 4, 2015**

YOHO RESOURCES INC.

**NOTICE OF ANNUAL AND SPECIAL MEETING
OF SHAREHOLDERS TO BE HELD
JUNE 9, 2015**

TO THE HOLDERS OF COMMON SHARES

Notice is hereby given that an Annual and Special Meeting (the "**Meeting**") of the holders of common shares (the "**Common Shares**") of Yoho Resources Inc. ("**Yoho**" or the "**Corporation**") will be held in the conference room located on the +15 level, 521 – 3rd Avenue S.W., Calgary, Alberta, on June 9, 2015 at 3:00 p.m. (Calgary time) for the following purposes:

1. to receive and consider the financial statements of the Corporation for the year ended September 30, 2014 and the auditors' report thereon;
2. to fix the number of directors to be elected at the Meeting at seven (7) members;
3. to consider and, if thought appropriate, to pass an ordinary resolution electing seven (7) directors of the Corporation;
4. to consider and, if thought appropriate, to pass an ordinary resolution appointing the auditors of the Corporation and authorizing the directors to fix their remuneration as such;
5. to consider and if thought appropriate, to pass, with or without variation, an ordinary resolution approving the Corporation's option plan, all as more particularly described in the accompanying Information Circular - Management Proxy Statement of the Corporation dated May 4, 2015; and
6. to transact such further and other business as may properly come before the Meeting or any adjournment or adjournments thereof.

The nature of the business to be transacted at the Meeting and the specific details of the matters proposed to be put to the Meeting are described in further detail in the accompanying Information Circular.

The record date for the determination of shareholders entitled to receive notice of and to vote at the Meeting is May 4, 2015 (the "**Record Date**"). Shareholders of Yoho whose names have been entered in the register of shareholders at the close of business on that date will be entitled to receive notice of and to vote at the Meeting, provided that, to the extent a shareholder transfers the ownership of any of his shares after such date and the transferee of those shares establishes that he owns the shares and requests, not later than 10 days before the Meeting, to be included in the list of shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those shares at the Meeting.

A shareholder may attend the Meeting in person or may be represented by proxy. Shareholders who are unable to attend the Meeting or any adjournment thereof in person are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment thereof. To be effective, the enclosed proxy must be mailed so as to reach or be deposited with the President of Yoho c/o the Corporation's Transfer Agent and Registrar, Valiant Trust Company, Proxy Department, Suite 310, 606 – 4th Street S.W., Calgary, Alberta T2P 1T1 or by fax at 403-233-2857, not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time set for the Meeting or any adjournment thereof.

The instrument appointing a proxy shall be in writing and shall be executed by the shareholder or his attorney authorized in writing or, if the shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized.

The persons named in the enclosed form of proxy are directors and/or officers of Yoho. Each shareholder has the right to appoint a proxyholder other than such persons, who need not be a shareholder, to attend and to act for such shareholder and on such shareholder's behalf at the Meeting. To exercise such right, the names of the nominees of management should be crossed out and the name of the shareholder's appointee should be legibly printed in the blank space provided.

In the event of a strike, lockout or other work stoppage involving postal employees, all documents required to be delivered by a Yoho shareholder should be delivered by facsimile to Valiant Trust Company at 403-233-2857.

DATED at Calgary, Alberta this 4th day of May, 2015.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "Brian McLachlan"

Brian McLachlan

President, Chief Executive Officer and a Director

YOHO RESOURCES INC.

INFORMATION CIRCULAR - MANAGEMENT PROXY STATEMENT

**for the Annual and Special Meeting of Shareholders to be held
June 9, 2015**

INTRODUCTION AND GENERAL PROXY INFORMATION

Solicitation of Proxies

This Information Circular - Management Proxy Statement (the "**Information Circular**") is furnished in connection with the solicitation of proxies by the management of Yoho for use at the annual and special meeting of the shareholders ("**Shareholders**") of the Corporation (the "**Meeting**") to be held in the conference room located on the +15 level, 521 – 3rd Avenue S.W., Calgary, Alberta, on June 9, 2015 at 3:00 p.m. (Calgary time), and at any adjournment thereof, for the purposes set forth in the Notice of Annual and Special Meeting. Unless otherwise stated, the information contained in this Information Circular is given as at May 4, 2015.

No person has been authorized by Yoho to give any information or make any representations in connection with the transactions herein described other than those contained in this Information Circular and, if given or made, any such information or representation must not be relied upon as having been authorized by Yoho.

Each outstanding common share (a "**Common Share**") is entitled to one vote on each resolution voted on at the Meeting. The board of directors of Yoho (the "**Board of Directors**") has fixed the record date for the Meeting at the close of business on May 4, 2015 (the "**Record Date**"). Yoho will prepare, as of the Record Date, a list of Shareholders entitled to receive the Notice of Meeting and showing the number of Common Shares held by each such Shareholder. Each Yoho Shareholder named in the list is entitled to vote the Common Shares shown opposite such Shareholder's name at the Meeting except to the extent that such holder transfers ownership of the Common Shares after the Record Date, in which case the transferee shall be entitled to vote such Common Shares upon establishing ownership and requesting, by 4:30 p.m. (Calgary time) not later than 10 days before the Meeting, to be included in the list of Shareholders entitled to vote at the Meeting.

A quorum for the transaction of business at the Meeting shall be present if two (2) Shareholders holding in the aggregate five percent (5%) of the Common Shares entitled to vote at the Meeting are present in person or represented by proxy.

Appointment of Proxies

Those Shareholders who desire to be represented at the Meeting by proxy must deposit their proxy with the President c/o the Corporation's Transfer Agent and Registrar, Valiant Trust Company, Proxy Department, Suite 310, 606 – 4th Street S.W., Calgary, Alberta T2P 1T1 or by fax at 403-233-2857, not later than 48 hours (excluding Saturdays, Sundays and holidays) before the day of the Meeting, or adjournment or adjournments thereof. A proxy must be executed by the Shareholder or his attorney authorized in writing, or if the Shareholder is a corporation, under its seal by an officer or attorney thereof duly authorized.

The persons named in the accompanying proxy are directors and officers of Yoho. A Shareholder has the right to appoint a person (who need not be a Shareholder) to attend and act on such Shareholder's behalf

at the Meeting other than the persons named in the proxy. To exercise this right, the Shareholder must strike out the name of the persons named in the proxy and insert the name of his or her nominee in the space provided or complete another appropriate form of proxy and, in either case, deposit the proxy with Yoho at the place and within the time specified above for the deposit of proxies.

Persons Making the Solicitation

The solicitation is made on behalf of the management of Yoho. The costs incurred in the preparation and mailing of the Instrument of Proxy, Notice of Meeting and this Information Circular will be borne by Yoho. In addition to solicitation by mail, proxies may be solicited by personal interviews, telephone or by other means of communication and by directors and officers of Yoho, who will not be specifically remunerated therefor. While no arrangements have been made to date by Yoho, Yoho may contract for the distribution and solicitation of proxies for the Meeting. The costs incurred by Yoho in soliciting proxies will be paid by Yoho.

Exercise of Discretion by Proxy

The Common Shares represented by the Instrument of Proxy enclosed with this Notice of Meeting and this Information Circular will be voted for or against in accordance with the instructions of the Shareholder, but if no specification is made, they will be voted in favour of the matters set forth in the proxy. If any amendments or variations are proposed at the Meeting or any adjournment thereof to matters set forth in the proxy and described in the accompanying Notice of Meeting and this Information Circular, or if any other matters properly come before the Meeting or any adjournment thereof, the proxy confers upon the Shareholder's nominee discretionary authority to vote on such amendments or variations or such other matters according to the best judgment of the person voting the proxy at the Meeting. At the date of this Information Circular, management of Yoho knows of no such amendments or variations or other matters to come before the Meeting.

Revocation of Proxies

A Shareholder who has given a proxy has the power to revoke it. If a person who has given a proxy attends personally at the Meeting at which the proxy is to be voted, such person may revoke the proxy and vote in person. In addition to revocation in any other manner permitted by law, a proxy may be revoked by an instrument in writing signed by the Shareholder or his attorney authorized in writing, or, if the Shareholder is a corporation, under its corporate seal and signed by a duly authorized officer or attorney for the corporation, and deposited at the registered office of Yoho at any time up to and including the last day (other than Saturdays, Sundays and holidays) preceding the day of the Meeting at which the proxy is to be used, or any adjournment or adjournments thereof, or with the chairman of the Meeting on the day of the Meeting, or on the day of any adjournment thereof, prior to the commencement of the Meeting.

Advice to Beneficial Holders of Securities

The information set forth in this section is of significant importance to many public shareholders of Yoho, as a substantial number of the public shareholders of Yoho do not hold Common Shares in their own name. Shareholders who do not hold their Common Shares in their own name (referred to in this Information Circular as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders whose names appear on the records of Yoho as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those shares will not be registered in the Shareholder's name on the records of Yoho. Such shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered

under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers/nominees are prohibited from voting shares for their clients. The directors and officers of Yoho do not know for whose benefit the Common Shares registered in the name of CDS & Co. are held.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided to registered Shareholders. However, its purpose is limited to instructing the registered Shareholders how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically applies a special sticker to the proxy forms, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder receiving a proxy with a Broadridge sticker on it cannot use that proxy to vote shares directly at the Meeting. The proxy must be returned to Broadridge well in advance of the Meeting in order to have the shares voted.**

This Information Circular and accompanying materials are being sent to both registered shareholders and Beneficial Shareholders. The Corporation does not send proxy-related materials directly to Beneficial Shareholders and is not relying on the notice-and-access provisions of securities laws for delivery to either registered or Beneficial Shareholders. The Corporation will deliver proxy-related materials to nominees, custodians and fiduciaries and they will be asked to promptly forward them to Beneficial Shareholders. If you are a Beneficial Shareholder, your nominee should send you a voting instruction form or proxy form along with this Information Circular. The Corporation has elected to pay for the delivery of our proxy-related materials to objecting Beneficial Shareholders.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized share capital of the Corporation consists of an unlimited number of Common Shares. As at May 4, 2015, there were 52,642,531 Common Shares issued and outstanding. The Common Shares are the only issued and outstanding voting securities of the Corporation and the holders thereof are entitled to one vote for each Common Share held.

To the best of the Corporation's knowledge and based on existing information, as at May 4, 2015, there are no persons who own, of record or beneficially, directly or indirectly, or exercise control or direction over more than 10% of the outstanding Common Shares.

Common Shares

The holders of Common Shares are entitled to dividends as and when declared by the Board of Directors of the Corporation, to one vote per share at meetings of shareholders of the Corporation and, upon liquidation, to receive such assets of the Corporation as are distributable to the holders of the Common Shares, to be shared rateably by holders of any other class of shares of the Corporation ranking equally with the Common Shares. All of the Common Shares issued and outstanding have been issued as fully paid and non-assessable.

FIXING NUMBER OF DIRECTORS

At the Meeting, it is proposed that the number of directors to be elected at the Meeting to hold office until the next annual general meeting of the Corporation or until their successors are elected or appointed, subject to the articles of amalgamation or by-laws of the Corporation, be set at seven (7). There are presently seven (7) directors of Yoho, each of whom will retire from office at the Meeting. Unless otherwise directed, it is the intention of management to vote proxies in the accompanying form in favour of setting the number of directors to be elected at the Meeting at seven (7).

ELECTION OF DIRECTORS

Unless otherwise directed, it is the intention of management to vote proxies in the accompanying form in favour of the election as directors for the ensuing year the seven (7) nominees hereinafter set forth:

Gary Perron
 Kevin Olson
 Terry Svarich
 Peter Kurceba
 Bruce Allford
 Brian McLachlan
 John Brussa

The names and municipalities and countries of residence of the persons either nominated for or presently holding office as directors, the number of Common Shares beneficially owned, directly or indirectly, or over which each exercises control or direction, the period served as a director and the principal occupation during the last five years of each are as follows:

Name and Province and Jurisdiction of Residence	Director Since	Common Shares Beneficially Owned	Principal Occupation
Gary Perron ⁽¹⁾ Calgary, Canada	December 20, 2004	5,112,987	Mr. Perron is a partner of Perron & Partners Wealth Management. Prior thereto, Mr. Perron was a Managing Director and Vice-President of BMO Nesbitt Burns.
Kevin Olson ⁽¹⁾⁽²⁾ Calgary, Canada	December 20, 2004	336,605	Mr. Olson is the President of Kyklopes Capital Management Ltd. Prior thereto, Mr. Olson was a portfolio manager with EnergyX Capital Management.
Terry Svarich ⁽¹⁾⁽³⁾ Calgary, Canada	February 17, 2005	220,000	Mr. Svarich is the President of DevSun Ltd., a private investment company.
Peter Kurceba ⁽²⁾⁽³⁾ Calgary, Canada	February 9, 2006	385,711	Mr. Kurceba is an independent businessman. Prior thereto, Mr. Kurceba was an oil and gas industry advisor at J.F. Mackie & Company Ltd., an independent equity investment firm.
Bruce Allford ⁽²⁾ Calgary, Canada	December 20, 2004	200,513	Mr. Allford is a partner with the Calgary law firm, Burnet, Duckworth & Palmer LLP.

Name and Province and Jurisdiction of Residence	Director Since	Common Shares Beneficially Owned	Principal Occupation
Brian McLachlan Calgary, Canada	January 5, 2005	1,337,380	Mr. McLachlan is the President and Chief Executive Officer of Yoho.
John Brussa Calgary, Canada	March 11, 2008	185,000	Mr. Brussa is a partner with the Calgary law firm, Burnet, Duckworth & Palmer LLP.

Notes:

- (1) The members of the Corporation's Audit Committee are, as at the date hereof, Messrs. Gary Perron, Kevin Olson and Terry Svarich.
- (2) The members of the Corporation's Compensation Committee are, as at the date hereof, Messrs. Peter Kurceba, Kevin Olson and Bruce Allford.
- (3) The members of the Corporation's Reserve Committee are, as at the date hereof, Messrs. Terry Svarich and Peter Kurceba.

The information as to Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, is based upon the information furnished to Yoho by the respective nominees. As at the date hereof, the directors and officers of the Corporation, and their associates and affiliates, as a group own or control, directly or indirectly, 8,653,505 Common Shares or 16.4% of the issued and outstanding Common Shares.

Majority Voting for Directors

Yoho's board of directors has adopted a majority voting policy stipulating that if the votes in favour of the election of a director nominee at a shareholders' meeting represent less than a majority of the Common Shares voted and withheld, the nominee will submit his resignation promptly after the meeting, for the Board's consideration. The Board's decision to accept or reject the resignation offer will be disclosed to the public within 90 days of the applicable shareholders' meeting. The nominee will not participate in any Board deliberations on the resignation offer unless there are not at least three directors who did not receive a majority withheld vote. The policy does not apply in circumstances involving contested director elections.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as set forth below, no proposed director, within 10 years before the date of this Information Circular, has been, a director or executive officer of any 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 a director or executive officer, in the company being 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; or

(c) within a year of that person ceasing to act in such 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.

Mr. Brussa was formerly a director of Calmena Energy Services Inc. (a public oilfield service company) which was placed in receivership on January 20, 2015. Mr. Brussa resigned as a director of Calmena on June 30, 2014.

Furthermore, no proposed director has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority nor has any proposed director ever been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

STATEMENT OF EXECUTIVE COMPENSATION

Role and Composition of the Compensation Committee

Yoho's executive compensation program is administered by the compensation committee (the "**Compensation Committee**") of the Board. During the year ended September 30, 2014, the Compensation Committee was comprised of Kevin Olson (Chairman), Peter Kurceba and Bruce Allford. All these directors are "independent" for the purposes of National Instrument 58-201- *Corporate Governance Guidelines*. The following table sets forth the relevant education and experience of each member of the Compensation Committee that enables such member to make decisions on the suitability of Yoho's compensation policies and practice:

<u>Name and municipality of residence</u>	<u>Relevant Education and Experience</u>
Kevin Olson Calgary, Alberta, Canada	Mr. Olson is the President of Kyklopes Capital Management Ltd. Prior thereto, he was Portfolio Manager with EnergyX Capital Management, a manager of two private investment funds, since 2002. From 2000 to 2001 Mr. Olson served as Vice-President, Corporate Development with Northrock Resources Ltd. Prior thereto, Mr. Olson was Vice-President, Corporate Finance at FirstEnergy Capital Corp. Kevin holds a Bachelor of Commerce (Finance, Accounting).
Peter Kurceba Calgary, Alberta, Canada	Mr. Kurceba is an independent businessman. Prior thereto, Mr. Kurceba was an oil and gas industry advisor at J.F. Mackie & Company Ltd., an independent equity investment firm. Mr. Kurceba was also a founder and Vice-President, Exploration of Profico Energy Management Ltd. from 2000-2004.
Bruce Allford Calgary, Alberta, Canada	Mr. Allford is a securities lawyer and has a Bachelor of Commerce (Finance) Degree. Mr. Allford is a director of several public and private companies and serves as a compensation committee member on several of these boards.

Compensation Committee Mandate

The Compensation Committee's mandate includes reviewing and making recommendations to the Board in respect of compensation matters relating to our executive officers, employees and directors, including the "named executive officers" which are identified in the "*Summary Compensation Table*" below. Without limiting the generality of the foregoing, the Compensation Committee has the following duties:

- (a) to review the compensation philosophy and remuneration policy for employees of Yoho and to recommend to the Board changes to improve Yoho's ability to recruit, retain and motivate employees;
- (b) to consider the implications and the risks associated with Yoho's compensation policies and practices;
- (c) to review and recommend to the Board the retainer and fees (if any) to be paid to members of the Board, members of committees of the Board, and chairs of the various committees of the Board;
- (d) to review and approve corporate goals and objectives relevant to the compensation of the Chief Executive Officer ("CEO"), evaluate the CEO's performance in light of those corporate goals and objectives, and determine (or make recommendations to the Board with respect to) the CEO's compensation level based on such evaluation;
- (e) to recommend to the Board with respect to non-CEO officer compensation including to review management's recommendations for proposed stock option and other incentive compensation plans and equity based plans for non-CEO officer compensation and make recommendations in respect thereof to the Board;
- (f) to administer Yoho's stock option plan and, if applicable, other incentive plans approved by the Board in accordance with its terms including recommending to the Board (and if delegated authority thereunder, approve) the grant of stock options in accordance with the terms of Yoho's stock option plan;
- (g) to determine and recommend for approval of the Board bonuses to be paid to officers and employees of Yoho and its subsidiaries, as applicable, and to establish targets or criteria for the payment of such bonuses, if appropriate; and
- (h) review the disclosure as to compensation matters included in the information circular and proxy statement of Yoho as mandated by applicable securities laws including, without limitation, the Compensation Discussion and Analysis included therein, prior to Yoho publicly disclosing the same.

The Compensation Committee is required to be comprised of at least three directors, or such greater number as the Board may determine from time to time. The majority of the members of the Compensation Committee are required to be independent; as such term is defined for this purpose under applicable securities requirements. Pursuant to the mandate and terms of reference of the Compensation Committee, meetings of the Compensation Committee are to take place at least one time per year and at such other times as the Chair of the Compensation Committee may determine.

Compensation Consultant or Advisor

At no time in the previous two completed financial years of Yoho, has a compensation consultant or advisor been formally retained by Yoho to assist the Board or the Compensation Committee to determine the compensation of the directors or executive officers of Yoho.

Risk Implications Associated with Compensation Policies and Practices

The Compensation Committee has considered the implications of the risks associated with Yoho's compensation policies and practices and has determined that there are no significant areas of risk because

of the discretionary nature of such policies and practices. This determination was based on a number of factors, including, without limitation: that Yoho's compensation policies and practices are generally uniform throughout the organization and there are no significant differences in compensation structure among the senior executives; Yoho attempts to achieve a balance between cash and equity compensation which are based both on individual and corporate performance, both financial and non-financial; and stock options, which make up a significant portion of a Named Executive Officer's total compensation, generally vest over a period of three years, which acts to mitigate against the potential for inappropriate short-term risk taking. However, as elements of the discretionary compensation of the executive officers, such as the bonus plan, may be based, at least partially, on the performance of Yoho over the short term such policies may cause executive officers to make decisions favouring the short term results of Yoho rather than making decisions based on the best interests of Yoho over the long term. The ability of the Compensation Committee to consider other factors such as personal contributions to corporate performance and non-financial based elements of corporate performance allows the Compensation Committee to consider whether executive officers have attempted to bolster short-term results at the expense of the long term success of Yoho in determining executive compensation.

Short Sales, Puts, Calls and Options

Pursuant to the Corporation's Disclosure, Confidentiality and Trading Policy, directors, officers and employees of Yoho, shall not knowingly sell, directly or indirectly, a security of Yoho if such person selling such security does not own or has not fully paid for the security to be sold. Without prior approval to the disinterested directors, directors, officers and employees of Yoho shall not, directly or indirectly, buy or sell a call or put in respect of a security of Yoho. Notwithstanding these prohibitions, directors, officers and employees of Yoho may sell a Common Share which such person does not own if such person owns another security convertible into Common Shares or an option or right to acquire Common Shares sold and, within 10 days after the sale, such person: (i) exercises the conversion privilege, option or right and delivers the Common Shares so associated to the purchaser; or (ii) transfers the convertible security, option or right, if transferable to the purchaser.

Compensation Discussion and Analysis

Executive Compensation Principles

Yoho's compensation program is based on a "pay-for-performance" philosophy which supports Yoho's commitment to delivering continuous strong performance for its shareholders. Yoho's compensation policies are founded on the principle that compensation should be aligned with shareholders' interests, while also recognizing that Yoho's corporate performance is dependant upon the retainment of highly trained, experienced and committed directors, executive officers and employees who have the necessary skill sets, education, experience and personal qualities required to manage our business. Yoho's program also recognizes that the various components thereof must be sufficiently flexible to adapt to unexpected developments in the oil and gas industry and the impact of internal and market-related occurrences from time to time.

Yoho's executive compensation program is comprised of the following principal components: (a) base salary; (b) short-term incentive compensation comprised of discretionary cash bonuses; and (c) long-term incentive compensation comprised of share purchase options and an employee share ownership plan. See "*Incentive Plans*". Together, these components support our long-term growth strategy and are designed to address the following key objectives of our compensation program:

- align executive compensation with shareholders' interests;
- attract and retain highly qualified management;

- focus performance by linking incentive compensation to the achievement of business objectives and financial and operational results; and
- encourage retention of key executives.

The aggregate value of these principal components and related benefits is used as a basis for assessing the overall competitiveness of Yoho's executive compensation package. When determining executive compensation, including the assessment of the competitiveness of the Corporation's compensation program, the Compensation Committee considers the compensation practices of companies in its selected peer group. These companies are representative of Yoho's peer group as they compete with Yoho for executive talent, operate in a similar business environment and are of similar size, scope and complexity.

The Corporation's selected peer group for fiscal 2014 for these purposes is comprised of primarily four similar sized companies based upon such factors as stage of development, production, revenue, total assets, cash flow, capital expenditures and number of employees. The companies included in our selected peer group for fiscal 2014 for executive compensation purposes included:

- Arcan Resources Ltd.
- Artek Exploration Ltd.
- Strategic Oil and Gas Ltd.
- Yangarra Resources Ltd.

The Corporation's compensation program is primarily designed to reward performance and, accordingly, the performance of both the Corporation and the individual performance of executive officers during the year in question are examined by the Compensation Committee in conjunction with setting executive compensation packages. The Corporation strives to be in the top quartile of its competitors in respect of minimizing general and administrative costs, in particular on a per barrel of oil equivalent production basis. As such, the Corporation's compensation philosophy is generally to place a particular emphasis on performance based cash bonuses while keeping base salaries and other fixed compensation levels at the lower end of the range relative to the Corporation's selected peer group.

Elements of our Executive Compensation Program

Base Salaries

The base salary component is intended to provide a fixed level of pay that reflects each executive officer's primary duties and responsibilities. It also provides a foundation upon which performance based incentive compensation elements are assessed and established. The Corporation intends to pay base salaries to its executive officers, including the Chief Executive Officer, that are lower, on relative basis, than those for similar positions within its selected peer group. All of our executive officers have been employed by the Corporation since its inception. At start-up, executive officers' base salaries were set at modest levels, on both a comparative and absolute basis, reflective of the early stage of development of the Corporation. Executive officers' salaries have been increased since that time to reflect annual adjustments for inflation and corporate growth.

Short-Term Incentive Compensation - Cash Bonuses

In addition to base salaries, the Corporation has a discretionary bonus plan pursuant to which the Board, upon recommendation of the Compensation Committee, may award annual cash bonuses to executive officers and employees. The annual cash bonus element of the executive compensation program is designed to reward both corporate and individual performance during the Corporation's last completed financial year. It is the Compensation Committee's philosophy that an individual's bonus should be a

reflection of corporate performance and that individual's contribution to such performance. In addition, the discretionary bonus plan is intended to give the Board the ability to ensure that overall executive cash compensation (i.e. salary and bonus) can, as warranted, be made at least comparable to the average total cash compensation of executives within our selected peer group during the year in question.

Each year, the Compensation Committee considers a number of performance and other criteria, as well as using its experience and judgment, in setting the amount of the bonus pool available to be distributed to executive officers and employees. The maximum amount of the bonus pool for any fiscal year is 50% of aggregate salaries (on a company-wide basis) for the year in question. For each of the performance criteria, the Compensation Committee sets both a base target and a "stretch", or more aggressive, target. The base target is indicative of the average performance level by a group of Yoho's peer group companies in respect of the noted criteria, while the stretch target is indicative of the performance of the top quartile of such peer group companies in relation to each criterion. In most instances, achieving the base target for all criteria will be sufficient for 50% of the bonus pool to be made available for distribution. The stretch target is designed to provide an outside target, such that in most instances, if Yoho achieves the stretch target for all of the criteria, 100% of the available bonus pool will be available for distribution. In this fashion, the criteria set achievable, yet ambitious, targets to encourage growth and maximum value creation for Yoho's shareholders.

The performance targets are not fully determinative of the amount and allocation of cash bonuses. The Compensation Committee also considers managements' recommendations for bonuses, both in respect of overall quantum and performance generally, as well as all other material factors and circumstances, in setting bonuses and will use its discretion in evaluating the same. Upon determining the quantum of the bonus pool for any given fiscal year, the Compensation Committee will set the CEO's bonus level and will seek the CEO's input as to bonus allocations to other executive officers and individual employees. The Board will then review, and if satisfactory, approve the Compensation Committee's recommendations for bonus awards. The Compensation Committee annually reviews its bonus policies, including in respect of the bonus performance criteria.

The following is a general description of the performance criteria considered by the Compensation Committee in assessing the performance of the Corporation and its executive officers and employees, in connection with determining the bonus pool amount for a fiscal year:

- (a) the Corporation's finding, development and acquisition ("**FD&A**") costs for the given year;
- (b) the Corporation's recycle ratio (being, generally, cash flow netbacks divided by FD&A costs, on a per barrel of oil equivalent per day (6:1) of production basis) for the given year;
- (c) the Corporation's absolute and per share (on a diluted basis) production growth, year over year;
- (d) the Corporation's growth in proved plus probable reserves per share (on a diluted basis), year over year;
- (e) the Corporation's growth in cash flow per share (on a diluted basis), year over year; and
- (f) such other factors as the Compensation Committee deems relevant, including but not limited to, advancement of key plays, growth in drilling inventories, growth in net asset value per share, growth in contingent resource potential, successful financing efforts and other material contributions to value enhancement and corporate growth.

Long Term Incentive Compensation – Stock Options

Executive officers, along with all of Yoho's officers, directors, employees, contractors and other service providers, are eligible to participate in the Corporation's share option plan (the "**Option Plan**"). The Option Plan and the Common Shares reserved thereunder have been approved by Yoho's shareholders. The Option Plan promotes an ownership perspective among executives, encourages the retention of key executives and provides an incentive to enhance shareholder value by furthering Yoho's growth and profitably. As with most companies in the Corporation's peer group, Options form an integral component of the total compensation package provided to the Corporation's executive officers. Participation in the Option Plan rewards overall corporate performance, as measured through the price of the Corporation's Common Shares. In addition, the Option Plan enables executives to develop and maintain a significant ownership position in the Corporation.

Options are normally awarded by the Board upon the commencement of an individual's employment with the Corporation based on the level of responsibility within the Corporation. Additional grants may be made periodically to ensure that the number of Options granted to any particular individual is commensurate with the individual's level of ongoing responsibility within the Corporation. In considering additional grants, we evaluate the number of Options an individual has been granted, the exercise price and value of the Options and the term remaining on those Options. See "*Incentive Plans – Share Option Plan*" for a description of the detailed terms of our Option Plan.

Employee Share Ownership Plan

In 2008 Yoho implemented an employee stock ownership plan ("**ESOP**"). All of the Corporation's employees, including the executive officers, are entitled to participate in the ESOP. The purpose of the ESOP is to provide a means by which employees are encouraged to invest in Common Shares of the Corporation and thereby have the opportunity to participate in the growth and development of Yoho through personal contributions through payroll deductions, combined with additional contributions to the ESOP made by Yoho. See "*Incentive Plans – Employee Share Ownership Plan*" for a description of our ESOP.

Summary

The Corporation's compensation policies have allowed the Corporation to attract and retain a team of motivated professionals and support staff working towards the common goal of enhancing shareholder value. The Compensation Committee and the Board of Yoho will continue to review compensation policies to ensure that they are competitive within the junior oil and natural gas industry and consistent with the performance of the Corporation.

Summary Compensation Table

The following table sets forth, for each of the fiscal years ended September 30, 2014, September 30, 2013 and September 30, 2012, information concerning the compensation paid to our CEO, Chief Financial Officer ("**CFO**") and the three most highly compensated executive officers (or the three most highly compensated individuals acting in a similar capacity), other than the CEO and CFO, at the end of the fiscal years ended September 30, 2012, September 30, 2011 and September 30, 2010 whose total compensation was more than \$150,000 (each a "**Named Executive Officer**" or "**NEO**" and collectively, the "**Named Executive Officers**" or "**NEOs**").

Name and Principal Position	Year	Salary (\$)		Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation ⁽⁵⁾⁽⁶⁾	Total compensation (\$)
			Share-based awards (\$)		Annual incentive plans ⁽⁴⁾	Long-term incentive plans			
Brian McLachlan President and Chief Executive Officer	2014	196,800	-	198,000 ⁽¹⁾	-	-	-	9,840	404,640
	2013	185,400	-	138,600 ⁽²⁾	118,720	-	-	9,270	451,990
	2012	178,333	-	192,480 ⁽³⁾	55,000	-	-	8,917	434,730
Wendy Woolsey Vice President, Finance and Chief Financial Officer	2014	182,200	-	198,000 ⁽¹⁾	-	-	-	9,110	389,310
	2013	175,100	-	138,600 ⁽²⁾	102,680	-	-	8,755	425,135
	2012	166,667	-	192,480 ⁽³⁾	55,000	-	-	8,333	422,480
Barry Stobo Vice President, Engineering and Chief Operating Officer	2014	193,050	-	198,000 ⁽¹⁾	-	-	-	9,653	400,703
	2013	185,400	-	194,040 ⁽²⁾	128,720	-	-	9,270	517,430
	2012	173,333	-	192,480 ⁽³⁾	65,000	-	-	8,667	439,480
Clark Drader Vice-President, Land	2014	182,200	-	198,000 ⁽¹⁾	-	-	-	9,110	389,310
	2013	175,100	-	138,600 ⁽²⁾	107,680	-	-	8,755	430,135
	2012	166,667	-	192,480 ⁽³⁾	55,000	-	-	8,333	422,480
Greg Niebergall Vice-President, Exploration ⁽⁷⁾	2014	158,750	-	198,000 ⁽¹⁾	-	-	-	7,937	364,688

Notes:

- (1) Reflects the value of Options issued under the Option Plan based on the grant date fair value of the applicable awards. The fair value of option grants have been determined using the same methodology and values used in determining the share option value for our financial statements as the Corporation believes it represents the best estimate of fair value of the options at the time of the grant. Value was attributed using the Black-Scholes option pricing model using the following assumptions: volatility of 47.3%; risk free interest rate of 1.6%; expected life of five years and expected future dividends of nil.
- (2) Reflects the value of Options issued under the Option Plan based on the grant date fair value of the applicable awards. The fair value of option grants have been determined using the same methodology and values used in determining the share option value for our financial statements as the Corporation believes it represents the best estimate of fair value of the options at the time of the grant. Value was attributed using the Black-Scholes option pricing model using the following assumptions: volatility of 57.3%; risk free interest rate of 1.3%; expected life of five years and expected future dividends of nil.
- (3) Reflects the value of Options issued under the Option Plan based on the grant date fair value of the applicable awards. The fair value of option grants have been determined using the same methodology and values used in determining the share option value for our financial statements as the Corporation believes it represents the best estimate of fair value of the options at the time of the grant. Value was attributed using the Black-Scholes option pricing model using the following assumptions: volatility of 56.7%; risk free interest rate of 1.5%; expected life of five years and expected future dividends of nil.
- (4) Reflects the cash amounts awarded to the NEO under the Corporation's cash bonus plan in respect of the respective year end but made payable in the subsequent fiscal year.
- (5) The value of perquisites received by each of the Named Executive Officers, including property or other personal benefits provided to the Named Executive Officers that are not generally available to all employees, were not in the aggregate greater than \$50,000 or 10% of the Named Executive Officer's total salary for the financial year.
- (6) Represents the Corporation's share of the contribution to the ESOP. See "*Incentive Plans – Employee Share Ownership Plan*".
- (7) Mr. Niebergall was appointed Vice-President, Exploration on November 3, 2013.

Incentive Plans

Share Option Plan

The Corporation has an Option Plan which permits the granting of options ("**Options**") to purchase Common Shares to directors, officers, employees, consultants and other service providers ("**Optionees**") of the Corporation and its subsidiaries. The Option Plan is intended to afford persons who provide services to Yoho an opportunity to obtain an increased proprietary interest in Yoho by permitting them to purchase Common Shares and to aid in attracting as well as retaining and encouraging the continued

involvement of such persons with Yoho. The Option Plan is administered by the Board of the Corporation.

The Option Plan currently limits the number of Common Shares that may be issued on exercise of Options to a number not exceeding 10% of the number of Common Shares which are outstanding from time to time. Options that are cancelled, terminated or expired prior to exercise of all or a portion thereof shall result in the Common Shares that were reserved for issuance thereunder being available for a subsequent grant of Options pursuant to the Option Plan. As the Option Plan is a "rolling" plan, the issuance of additional Common Shares by the Corporation or the exercise of Options will also give rise to additional availability under the Option Plan.

The exercise price of the Options granted pursuant to the Option Plan is determined by the Compensation Committee at the time of grant, provided that the exercise price shall not be less than the greater of the discounted market price (as determined in accordance with the rules of the TSXV) of the Common Shares on the day preceding the date of grant.

In the event that an Optionee ceases to be a director, officer, employee or service provider to Yoho or a subsidiary of Yoho for any reason, including without limitation, resignation, dismissal or otherwise but excluding death, the Optionee may, prior to the expiry date of the Options and within 90 days from the date of ceasing to be a director, officer, employee or service provider, exercise any Options which are vested within such period, after which time any outstanding Options shall terminate. Additionally, if there takes place a change of control (as such term is defined in the Option Plan) of the Corporation all issued and outstanding Options shall be exercisable (whether or not then vested) immediately prior to the time such change of control takes place and shall terminate on the 90th day after the occurrence of such change of control, or at such earlier time as may be established by the Board of Directors, in its absolute discretion, prior to the time such change of control takes place.

In August of 2013, the Board of Directors approved an amendment to the Option Plan to provide that upon the distribution by the Corporation to holders of Common Shares of cash, securities or other property or assets, an appropriate and proportionate adjustment to the exercise price of the Options outstanding may be made by the Board of Directors in its discretion, provided that the adjusted exercise price may not be less than the Discounted Market Price (as defined therein) of the Common Shares as of the effective date of such adjustment and there shall not be any adjustment to the number of Common Shares to be delivered upon exercise of an Option. Such amendments were approved by the TSXV in September 2013 and ratified and approved by Shareholders in March 2014.

The policies of the TSXV require that the Option Plan be approved every year by shareholders of Yoho. The Option Plan was last approved by Shareholders at our last annual and special meeting held on March 20, 2014.

Cash Bonus Plan

The Corporation has established a discretionary cash bonus plan for its executive officers and employees based and dependent upon, among other things, the performance of both the Corporation and the individual for the applicable period. See "*Elements of our Executive Compensation Program - Short-Term Incentive Compensation - Cash Bonuses*" above.

Employee Share Ownership Plan

Pursuant to the ESOP, for each \$1.00 contributed to the ESOP by an employee (including executive officers) (the "**Employee's Contribution**"), Yoho will contribute \$1.00 on behalf of such employee ("**Yoho's Contribution**").

Employees may contribute, by way of semi-monthly payroll deductions, for investment under the ESOP, an amount of their regular salary ranging from a minimum of 0% to a maximum of 5% (based upon 1% increments), excluding bonuses, deferred compensation, overtime pay, statutory holiday pay, severance payments or any special incentive compensation payments. If a participant's regular salary changes, the payroll deduction will be automatically changed accordingly.

The Employee's Contribution and Yoho's Contribution are used to acquire Common Shares. The Common Shares are acquired through open market purchases by an appointed trustee (the "**Trustee**") through the facilities of the TSX Venture Exchange in the Trustee's sole discretion, within ten working days (subject to available trading volume of Common Shares) of receiving the Employee's Contribution and Yoho's Contributions.

There are restrictions on the resale of any Common Shares acquired under the ESOP for one (1) year from the date of acquisition of the Common Shares. Purchases made on the TSX Venture Exchange, or such other stock exchange must not exceed the greater of: (i) 5% of issued and outstanding number of Common Shares; (ii) 10% of the public float of the Corporation over a 12-month period and 2% of the total issued and outstanding number of Common Shares in any 30-day period; or (iii) when aggregated with all other purchases by the Corporation during the same trading day, aggregate more than the greater of: (a) 25% of the average daily trading volume of the Common Shares; and (b) 1,000 Common Shares.

Yoho's Contributions vest to the respective employee one (1) year after being made by Yoho, and the Employee's Contributions vest immediately on being made by the employee.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-based Awards

The Corporation did not have any share-based awards outstanding at the end of the most recently completed financial year.

Options are normally recommended by the Corporation's management and approved by the Compensation Committee upon the commencement of employment with the Corporation based on the level of responsibility within the Corporation. Additional grants may be made periodically, generally on an annual basis, to ensure that the number of options granted to any particular individual is commensurate with the individual's level of ongoing responsibility within the Corporation. When determining Options to be allocated to eligible participants, a number of factors are considered including the number of outstanding Options held by such individual, the value of such Options and the total number of available Options for grant.

The following table sets forth for each Named Executive Officer all option-based awards outstanding at the end of the year ended September 30, 2014.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price ⁽¹⁾ (\$)	Option expiration date	Value of unexercised in-the-money options ⁽²⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Brian McLachlan	50,000 100,000 120,000 100,000 200,000	1.52 ⁽¹⁾ 1.92 ⁽¹⁾ 2.17 ⁽¹⁾ 1.72 ⁽¹⁾ 2.32	Apr 27, 2015 Dec 20, 2015 Feb 21, 2017 Dec 20, 2017 Apr 2, 2019	36,500 33,000 9,600 53,000 Nil	-	-	-
Wendy Woolsey	80,000 120,000 66,667 200,000	1.92 ⁽¹⁾ 2.17 ⁽¹⁾ 1.72 ⁽¹⁾ 2.32	Dec 20, 2015 Feb 21, 2017 Dec 20, 2017 Apr 2, 2019	26,400 9,600 35,334 Nil	-	-	-
Barry Stobo	80,000 120,000 140,000 200,000	1.92 ⁽¹⁾ 2.17 ⁽¹⁾ 1.72 ⁽¹⁾ 2.32	Dec 20, 2015 Feb 21, 2017 Dec 20, 2017 Apr 2, 2019	26,400 9,600 74,200 Nil	-	-	-
Clark Drader	80,000 120,000 100,000 200,000	1.92 ⁽¹⁾ 2.17 ⁽¹⁾ 1.72 ⁽¹⁾ 2.32	Dec 20, 2015 Feb 21, 2017 Dec 20, 2017 Apr 2, 2019	26,400 9,600 53,000 Nil	-	-	-
Greg Niebergall	100,000 93,340 200,000	2.17 ⁽¹⁾ 1.72 ⁽¹⁾ 2.32	Feb 21, 2017 Dec 20, 2017 Apr 2, 2019	8,000 49,470 Nil	-	-	-

Notes:

- (1) Represents the exercise price of such Options, as amended on April 2, 2014 as a result of the distribution by the Corporation of common shares of Storm Resources Ltd., resulting in a decrease of the exercise price of all outstanding options as at such date by \$1.08 per share pursuant to the terms of the Option Plan.
- (2) Calculated based on the difference between the market price of the Common Shares on September 30, 2014 (\$2.25) and the exercise price of the Options.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth for each Named Executive Officer, the value of option-based awards which vested during the year ended September 30, 2014 and the value of non-equity incentive plan compensation earned during the year ended September 30, 2014. The Corporation did not have any share-based awards outstanding at the end of the most recently completed financial year.

Name	Option-based awards – Value vested during the year ⁽¹⁾ (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$) ⁽²⁾
Brian McLachlan	27,333	-	-
Wendy Woolsey	27,067	-	-
Barry Stobo	30,267	-	-
Clark Drader	27,067	-	-
Greg Niebergall	26,733	-	-

Notes:

- (1) Calculated based on the difference between the market price of the Common Shares underlying the Options on the vesting date and the exercise price of the Options.
- (2) Reflects the cash bonus earned by the NEO in respect of the last completed financial year.

Pension Plan Benefits

The Corporation does not have a pension plan or similar benefit program.

Termination and Change of Control Benefits

Pursuant to employment agreements between the Corporation and each of the Named Executive Officers, each Named Executive Officer earned an annual salary during fiscal 2014 in addition to being eligible to participate in the Corporation's bonus, ESOP and stock option plans. Pursuant to the agreements, which are for an indefinite term, if any Named Executive Officer is terminated without just cause, or elects to resign within 180 days after a change of control of the Corporation, that person would be entitled to receive a retiring allowance equal to four (4) months of the Named Executive Officer's annual base salary for each full year of employment with the Corporation, up to a maximum of twelve (12) months.

Upon termination of any of the Named Executive Officers for any reason, there is no automatic acceleration of, or any other benefit relating to, any Options held by the executives but certain of such Options are required to be exercised with a specified period of time upon ceasing to be a service provider to Yoho. Pursuant to the Option Plan, the Board may however, at its discretion, accelerate vesting of Options.

If the employment agreements referred to above were terminated by Yoho, other than for just cause, as of September 30, 2014, the amount payable thereunder to Brian McLachlan would have been \$200,000, the amount payable to Barry Stobo would have been \$195,000, the amounts payable to Wendy Woolsey and Clark Drader would have been \$184,000 and the amount payable to Greg Niebergall would have been \$175,000.

Director Compensation

Yoho does not currently pay cash fees for services to its independent directors. Directors may be reimbursed for out-of-pocket expenses incurred in carrying out their duties as directors. Each of the non-management directors is also entitled to participate in the Option Plan.

Directors' Summary Compensation Table

The following table sets forth for the year ended September 30, 2014, information concerning the compensation paid to our directors other than directors who are also Named Executive Officers.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$) ⁽¹⁾	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Bruce Allford	-	-	59,400	-	-	-	59,400
John Brussa	-	-	59,400	-	-	-	59,400
Peter Kurceba	-	-	59,400	-	-	-	59,400
Gary Perron	-	-	59,400	-	-	-	59,400
Terry Svarich	-	-	59,400	-	-	-	59,400
Kevin Olson	-	-	59,400	-	-	-	59,400

Note:

- (1) Reflects the value of Options issued under the Option Plan based on the grant date fair value of the applicable awards. This value is the same as the fair value established in accordance with International Financial Reporting Standards. Value was attributed using the Black-Scholes option pricing model using the following assumptions: volatility of 47.3%; risk free interest rate of 1.6%; expected life of five years and expected future dividends of nil.

Directors' Outstanding Option-Based Awards and Share-Based Awards

The following table sets forth for each of our directors other than directors who are also Named Executive Officers, all option-based awards outstanding at the end of the year ended September 30, 2014. The Corporation does not have any outstanding share-based awards.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price ⁽¹⁾ (\$)	Option expiration date	Value of unexercised in-the-money options ⁽²⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Bruce Allford	25,000 25,000 13,334 60,000	1.92 ⁽¹⁾ 2.17 ⁽¹⁾ 1.72 ⁽¹⁾ 2.32	Dec 20, 2015 Feb 21, 2017 Dec 20, 2017 Apr 2, 2019	8,250 2,000 7,067 Nil	-	-	-
John Brussa	20,000 25,000 25,000 25,000 20,000 60,000	1.52 ⁽¹⁾ 1.37 ⁽¹⁾ 1.92 ⁽¹⁾ 2.17 ⁽¹⁾ 1.72 ⁽¹⁾ 2.32	Apr 27, 2015 Jul 14, 2015 Dec 20, 2015 Feb 21, 2017 Dec 20, 2017 Apr 2, 2019	14,600 22,000 8,250 2,000 10,600 Nil	-	-	-
Peter Kurceba	25,000 13,334 60,000	2.17 ⁽¹⁾ 1.72 ⁽¹⁾ 2.32	Feb 21, 2017 Dec 20, 2017 Apr 2, 2019	2,000 7,067 Nil	-	-	-
Gary Perron	8,334 13,334 60,000	2.17 ⁽¹⁾ 1.72 ⁽¹⁾ 2.32	Feb 21, 2017 Dec 20, 2017 Apr 2, 2019	667 7,067 Nil	-	-	-
Terry Svarich	25,000 25,000 20,000 60,000	1.92 ⁽¹⁾ 2.17 ⁽¹⁾ 1.72 ⁽¹⁾ 2.32	Dec 20, 2015 Feb 21, 2017 Dec 20, 2017 Apr 2, 2019	8,250 2,000 10,600 Nil	-	-	-
Kevin Olson	25,000 25,000 13,334 60,000	1.92 ⁽¹⁾ 2.17 ⁽¹⁾ 1.72 ⁽¹⁾ 2.32	Dec 20, 2015 Feb 21, 2017 Dec 20, 2017 Apr 2, 2019	8,250 2,000 7,067 Nil	-	-	-

Notes:

- (1) Represents the exercise price of such Options, as amended on April 2, 2014 as a result of the distribution by the Corporation of common shares of Storm Resources Ltd., resulting in a decrease of the exercise price of all then outstanding options as at such date by \$1.08 per share pursuant to the terms of the Option Plan.
- (2) Calculated based on the difference between the market price of the Common Shares on September 30, 2014 (\$2.25) and the exercise price of the Options.

Directors' Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth for each of our directors other than directors who are also Named Executive Officers, the value of option-based awards which vested during the year ended September 30, 2014 and the value of non-equity incentive plan compensation earned during the year ended September 30, 2014. The Corporation does not have any share-based awards outstanding.

Name	Option-based awards – Value vested during the year⁽¹⁾ (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Bruce Allford	30,883	-	-
John Brussa	30,883	-	-
Peter Kurceba	30,883	-	-
Gary Perron	32,750	-	-
Terry Svarich	30,883	-	-
Kevin Olson	30,883	-	-

Note:

- (1) Calculated based on the difference between the market price of the Common Shares underlying the Options on the vesting date and the exercise price of the Options on the vesting date.

Securities Authorized for Issuance Under Equity Compensation Plans

The following sets forth information in respect of securities authorized for issuance under our equity compensation plans (being the Option Plan) as at September 30, 2014.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders ⁽¹⁾	3,966,012	2.10	1,298,241
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	3,966,012	2.10	1,298,241

Note:

- (1) The Option Plan authorizes the issuance of Options entitling the holders to acquire, in the aggregate, up to 10% of the Common Shares from time to time. See "*Incentive Plans-Share Option Plan*".

Indebtedness of Directors and Executive Officers

No director, executive officer, employee or former executive officer, director or employee of the Corporation, or its subsidiaries, or any associate of any such director, officer or employee is, or has been at any time since the beginning of the most recently completed financial year of the Corporation, indebted to the Corporation or any of its subsidiaries in respect of any indebtedness that is still outstanding, nor is, or at any time since the beginning of the most recently completed financial year of the Corporation has, any indebtedness of any such person been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

Interests of Management and Informed Persons in Material Transactions

Except as set out herein, there were other no material interests, direct or indirect, of directors and senior officers of the Corporation, nominees for director, any shareholder who beneficially owns more than 10% of the Common Shares or any known associate or affiliate of such persons in any transaction since the beginning of the Corporation's last completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation.

Interest of Certain Persons or Companies in Matters to be Acted Upon

Management of the Corporation is not aware of any material interest, direct or indirect, of any director or nominee for director, or executive officer of the Corporation or anyone who has held office as such since the beginning of the Corporation's last financial year or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting other than the election of directors.

APPOINTMENT OF AUDITORS

Unless otherwise directed, it is management's intention to vote the proxies in favour of an ordinary resolution to appoint the firm of KPMG LLP, Chartered Accountants, of Calgary, Alberta, to serve as auditors of the Corporation until the next annual meeting of shareholders and to authorize the directors to fix their remuneration as such. KPMG LLP have served as independent auditors for the Corporation since December 23, 2004.

AUDIT COMMITTEE INFORMATION

Audit Committee Mandate and Terms of Reference

The mandate and responsibilities of the audit committee (the "**Mandate**") of the Corporation (the "**Audit Committee**") of the Board of Directors is attached hereto as Schedule "A".

Composition of the Audit Committee

The members of the Audit Committee, being Messrs. Gary Perron (Chair), Kevin Olson and Terry Svarich, are independent (in accordance with National Instrument 52-110 *Audit Committees*) and are financially literate.

Mr. Gary Perron is a partner of Perron & Partners Wealth Management. He has provided investment advisory services for more than 30 years. He holds a Bachelor of Commerce Degree (Honours) and holds the Chartered Financial Analyst designation. Mr. Perron has served as a director of several public companies including as an audit committee member.

Mr. Terry Svarich has been President of Devsun Ltd., a private investment company, for the past eight years. For ten years prior to this Mr. Svarich was the President of a number of oil and gas companies in Calgary and has over 30 years of experience in the oil and gas industry. Mr. Svarich has a Bachelor of Science (Engineering) Degree. Mr. Svarich has served as a director of several public companies including as an audit committee member.

Mr. Olson is the President of Kyklopes Capital Management Ltd. Prior thereto, he was Portfolio Manager with EnergyX Capital Management, a manager of two private investment funds, since 2002. From 2000 to 2001 Mr. Olson served as Vice-President, Corporate Development with Northrock Resources Ltd.

Prior thereto, Mr. Olson was Vice-President, Corporate Finance at FirstEnergy Capital Corp. Kevin holds a Bachelor of Commerce (Finance, Accounting).

Pre-Approval of Policies and Procedures

The Audit Committee shall review and pre-approve all non-audit services to be provided to Yoho by its external auditors.

External Auditor Service Fees

Audit Fees

The aggregate fees billed by the Corporation's external auditor in the last fiscal year for audit services were \$75,000 (\$75,000 in the fiscal year 2013).

Audit-Related Fees

The aggregate fees billed in the last fiscal year for assurance related services by the Corporation's external auditor that are reasonably related to the performance of the audit or review of the Corporation's financial statements that are not reported under "Audit Fees" above was \$72,500 (\$45,000 for the fiscal year 2013). Services included in those figures are quarterly reviews and information circular reviews.

Tax Fees

The aggregate fees billed in the last fiscal year for professional services rendered by the Corporation's external auditor for tax review and advice was \$25,495 (\$1,550 for the fiscal year 2013).

All Other Fees

The aggregate fees billed in the last fiscal year for products and services provided by the Corporation's auditors other than services reported above was \$Nil (\$35,000 for the fiscal year 2013).

Exemption

As the Corporation is listed on the Exchange, it is exempt from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of National Instrument 52-110.

APPROVAL OF THE OPTION PLAN

Pursuant to Exchange Policy 4.4 (the "**Option Policy**") the Corporation is permitted to maintain a "rolling" stock option plan reserving a maximum of 10% of the issued and outstanding Common Shares for issuance pursuant to stock options. In accordance with the Option Policy, rolling option plans must receive shareholder approval yearly at the Corporation's annual meeting.

Shareholders will therefore be asked at the Meeting to consider and, if thought advisable, to ratify and approve the existing Option Plan (the "**Option Plan Resolution**"). The Option Plan was initially approved by the shareholders of the Corporation on December 23, 2004 and was last approved by the shareholders on March 20, 2014. The Corporation currently has 3,966,012 outstanding options to purchase Common Shares, at the exercise prices ranging from \$0.67 to \$2.32.

The Option Plan provides for the granting of options to purchase Common Shares of the Corporation ("**Options**") to directors, officers, employees and consultants (as permitted by applicable law). The

Option Plan is administered by the Board of Directors, or a committee of the Board of Directors appointed from time to time for such purpose. Options may be granted at the discretion of the Board of Directors or a committee thereof, in such number that may be determined at the time of grant, subject to the limits set out in the Option Plan. The number of Common Shares issuable upon exercise of the options granted under the Option Plan is not more than 10% of the number of Common Shares that are issued and outstanding. The number of Common Shares issuable upon the exercise of the Options granted to any one individual, within a one-year period, cannot exceed 5% of the number of Common Shares issued and outstanding.

The exercise price of options granted under the Option Plan will be fixed by the Board of Directors, or a committee thereof, at the time of grant, provided that such exercise price may not be less than the Discounted Market Price (as such term is defined by the TSXV) of the Common Shares, or such other prices as may be determined under the applicable rules and regulations of all regulatory authorities to which the Corporation is subject. Subject to any automatic vesting that may occur as a result of a change of control of the Corporation (as such term is defined in the Option Plan), the options granted under the Option Plan will vest on a basis, and will be exercisable for a period not exceeding five years, as determined by the Board of Directors, or a committee thereof, at the time of grant. In the absence of any determination by the Board of Directors as to vesting, vesting shall be as to one third on each of the first, second and third anniversaries of the date of grant.

In August of 2013, the Board of Directors approved an amendment to the Option Plan to provide that upon the distribution by the Corporation to holders of Common Shares of cash, securities or other property or assets, an appropriate and proportionate adjustment to the exercise price of the Options outstanding may be made by the Board of Directors in its discretion, provided that the adjusted exercise price may not be less than the Discounted Market Price (as defined therein) of the Common Shares as of the effective date of such adjustment and there shall not be any adjustment to the number of Common Shares to be delivered upon exercise of an Option. Such amendments were approved by the TSXV in September 2013 and ratified and approved by Shareholders in March 2014.

The foregoing summary is subject to the specific provisions of the Option Plan a copy of which is attached as Schedule "B" to this Information Circular.

Accordingly, at the Meeting, Shareholders will be asked to consider and, if thought fit, approve an ordinary resolution in the following form:

"BE IT RESOLVED as an ordinary resolution of the Shareholders of the Corporation that:

1. the Option Plan (the "**Option Plan**") of the Corporation, on the terms described in the accompanying management proxy circular of the Corporation be and the same is hereby ratified, confirmed and approved;
2. any one director or officer of the Corporation be and is hereby authorized and directed to do all things and to execute and deliver all documents and instruments as may be necessary or desirable to carry out the terms of this resolution; and
3. notwithstanding that this resolution has been passed by the shareholders of the Corporation, the adoption of the proposed share option plan of the Corporation is conditional upon receipt

of final approval from the TSX Venture Exchange and the directors of the Corporation are hereby authorized and empowered to revoke this resolution, without any further approval of the shareholders of the Corporation, at any time if such revocation is considered necessary or desirable by the directors."

It is the intention of management to vote the proxies in the accompanying form in favour of the Option Plan Resolution.

CORPORATE GOVERNANCE DISCLOSURE

Set forth below is a description of the Corporation's current corporate governance practices, as prescribed by Form 58-101F2, which is attached to National Instrument 58-101 entitled "*Disclosure of Corporate Governance Practices*" ("**NI 58-101**"). The requirements of Form 58-101F2 are set out below in italics:

1. Board of Directors

Disclose the identity of directors who are independent.

The Board of Directors of the Corporation has determined that the following six (6) directors of the Corporation are independent in accordance with NI 58-101:

Gary Perron
Terry Svarich
Kevin Olson
John Brussa
Bruce Allford
Peter Kurceba

Disclose the identity of directors who are not independent, and describe the basis for that determination.

The Board of Directors of the Corporation has determined that the following one (1) director of the Corporation is not independent:

Brian McLachlan

Brian McLachlan is not considered to be independent as Mr. McLachlan is the President and Chief Executive Officer of the Corporation.

2. Directorships

If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.

The following directors are presently directors of other issuers that are reporting issuers (or the equivalent):

<u>Name of Director</u>	<u>Names of Other Issuers</u>
Kevin Olson	Raging River Exploration Inc. Striker Exploration Corp. Mapan Energy Ltd.

<u>Name of Director</u>	<u>Names of Other Issuers</u>
Bruce Allford	Indo Pacific Resources Ltd. Northern Spirit Resources Inc.
John Brussa	Argent Energy Ltd. (Administrator of Argent Energy Trust) Baytex Energy Corp. Cardinal Energy Ltd. Crew Energy Inc. Enseco Energy Services Corp. Just Energy Group Inc. Leucrotta Exploration Inc. Long Run Exploration Ltd. RMP Energy Inc. Storm Resources Ltd. TORC Oil & Gas Ltd. Twin Butte Energy Ltd. Virginia Hills Oil Corp.

3. **Orientation and Continuing Education**

Briefly describe what measures the board takes to orient new directors and briefly describe what measures, if any, the board takes to provide continuing education for its directors.

Due to the size of the Corporation's Board of Directors, no formal program currently exists for the orientation of new directors and existing directors provide orientation and education to new members on an informal and *ad hoc* basis. In addition, new directors of the Corporation will be given a copy of the mandate of each of the Board of Directors and each of the Audit Committee and Compensation Committee and a presentation will be made by management to new directors respecting the nature and operations of the Corporation's business.

No formal continuing education program currently exists for the directors of the Corporation; however, the Corporation encourages directors to attend, enrol or participate in courses and/or seminars dealing with financial literacy, corporate governance and related matters and has agreed to pay the cost of such courses and seminars. Each director of the Corporation has the responsibility for ensuring that he maintains the skill and knowledge necessary to meet his obligations as a director.

4. **Ethical Business Conduct**

Describe what steps the board takes to encourage and promote a culture of ethical business conduct.

The Board of Directors has adopted a code of ethics applicable to all members of the Corporation, including directors, officers and employees. Each director, officer and employee of the Corporation has been provided with a copy of the code of ethics.

The Board of Directors has also adopted a "Whistleblower Policy" wherein employees, consultants and external stakeholders of the Corporation are provided with a mechanism by which they can raise concerns in a confidential, anonymous process.

5. **Nomination of Directors**

Describe the process by which the board identifies new candidates for board nomination.

Pursuant to the mandate of the Board of Directors, the Board of Directors has responsibility for selecting nominees for election to the Board. At present, the Board of Directors does not have a process by which the Board identifies new candidates for Board nomination but rather the identification of new candidates is done on an informal and *ad hoc* basis.

6. **Compensation**

Describe the process by which the board determines the compensation for the issuer's directors and officers.

The process by which the Board of Directors determines the compensation of the Corporation's Directors is as follows:

The Compensation Committee has the responsibility, among other things, for making recommendations to the Board of Directors in respect of Directors' compensation. In arriving at its recommendations, the Compensation Committee conducts a periodic review of directors' compensation and compensation data for directors of reporting issuers of comparative size to the Corporation.

The compensation of the Board of Directors is described in this information circular – proxy statement under the heading "*Statement of Executive Compensation – Directors' Compensation*".

The process by which the Board determines the compensation of the Corporation's officers is described in this Information Circular – Proxy Statement under the heading "*Statement of Executive Compensation – Compensation Discussion and Analysis*".

7. **Other Board Committees**

If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.

In addition to the Audit Committee and the Compensation Committee, the Corporation has also created a Reserves Committee to which the Board of Directors has delegated the responsibility for the following matters:

- (i) reviewing the Corporation's procedures relating to the disclosure of information with respect to oil and gas activities including reviewing its procedures for complying with its disclosure requirements and restrictions set forth under applicable securities requirements;
- (ii) reviewing the Corporation's procedures for providing information to the independent evaluator;
- (iii) meeting, as considered necessary, with management and the independent evaluator to determine whether any restrictions placed by management affect the ability of the evaluator to report without reservation on the Reserves Data (as defined in National Instrument 51-101) (the "**Reserves Data**") and to review the Reserves Data and the report of the independent evaluator thereon (if such report is provided);

- (iv) reviewing the appointment of the independent evaluator and, in the case of any proposed change to such independent evaluator, determining the reason therefor and whether there have been any disputes with management;
- (v) providing a recommendation to the Board of Directors as to whether to approve the content or filing of the statement of the Reserves Data and other information that may be prescribed by applicable securities requirements including any reports of the independent engineer and of management in connection therewith;
- (vi) reviewing the Corporation's procedures for reporting other information associated with oil and gas producing activities; and
- (vii) generally reviewing all matters relating to the preparation and public disclosure of estimates of the Corporation's reserves.

8. **Assessments**

Disclose what steps, if any, the board takes to satisfy itself that the board, its committees, and its individual directors are performing effectively.

As part of its mandate, the Board of Directors is responsible for reviewing annually the composition of the board and its committees and assessing the performance of the directors on an ongoing basis.

OTHER MATTERS

Management knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Annual and Special Meeting. However, if any other matter properly comes before the Meeting, the accompanying proxy will be voted on such matter in accordance with the best judgment of the person or persons voting the proxy.

ADDITIONAL INFORMATION

Additional information regarding Yoho is available on SEDAR at www.sedar.com. In addition, securityholders may contact Yoho directly to request copies of Yoho's financial statements and management's discussion and analysis ("MD&A") from Yoho's head office at 500, 521 3rd Avenue S.W., Calgary, Alberta T2P 3T3. Financial Information is provided in Yoho's comparative financial statements and MD&A for the year ended September 30, 2014.

**SCHEDULE "A" TO THE
INFORMATION CIRCULAR - MANAGEMENT PROXY STATEMENT
OF YOHU RESOURCES INC. DATED MAY 4, 2015**

**YOHU RESOURCES INC.
MANDATE AND RESPONSIBILITIES OF
THE AUDIT COMMITTEE
OF THE BOARD OF DIRECTORS**

Role and Objective

The Audit committee (the "**Committee**") is a committee of the board of directors of Yohu Resources Inc. ("**Yohu**") to which the board has delegated its responsibility for oversight of the nature and scope of the annual audit, management's reporting on internal accounting standards and practices, financial information and accounting systems and procedures, financial reporting and statements and recommending, for board of director approval, the audited financial statements and other mandatory disclosure releases containing financial information, and review of the annual reserves. The objectives of the Committee are as follows:

1. To assist directors in meeting their responsibilities (especially for accountability) in respect of the preparation and disclosure of the financial statements of Yohu and related matters;
2. To provide better communication between directors and external auditors;
3. To enhance the external auditor's independence;
4. To increase the credibility and objectivity of financial reports;
5. To strengthen the role of the outside directors by facilitating in depth discussions between directors on the Committee, management and external auditors;
6. The Audit Committee shall, in the exercise of its powers, authorities and discretion so authorized, conform to any regulations or restrictions that may from time to time be made or imposed upon it by the Board of Directors or the legislation, policy or regulation governing the Corporation and its business.

Membership of Committee

The Committee shall be comprised of at least three (3) directors of Yohu, none of whom are members of management of Yohu and all of whom are "unrelated directors" (as such term is used in the Report of the Toronto Stock Exchange on Corporate governance in Canada) and "independent" (as such term is used in Multilateral Instrument 52-110 – Audit Committees ("**MI 52-110**").

7. The Board of Directors shall have the power to appoint the Committee Chairman, who shall be an unrelated director.
8. All of the members of the Committee shall be "financial literate" as defined in NI 52-110. The Board of Directors of Yohu has adopted the definition for "financial literacy" and the definition of "audit committee financial expert" used in MI 52-110.

9. Unless otherwise ordered by the Board of Directors, each member of the Audit Committee shall continue to be a member thereof until the expiration of his term of offices as director;
10. The Board of Directors may from time to time modify, dissolve or reconstitute the Audit Committee and may make such regulations with respect to and impose such restrictions upon the exercise of the power, authorities and discretion of the Audit Committee as the Board of directors considers expedient;
11. The members of the Audit Committee as such shall be entitled to such remuneration for their services as Chairman and members of the Audit Committee as may be fixed by the Board of Directors.

Meetings

12. At all meetings of the Committee every question shall be decided by a majority of the votes cast. In case of an equality of votes, the Chairman of the meeting shall not be entitled to a second or casting vote.
13. A quorum for meetings of the Committee shall be a majority of its members, and the rules for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those governing the board.
14. Meetings of the Committee should be scheduled to take place at least four times per year. Minutes of all meetings of the Committee shall be taken.
15. The Committee shall forthwith report the results of meetings and reviews undertaken and any associated recommendations to the board.
16. The Committee shall meet with the external auditor at least once per year (in connection with the preparation of the year end financial statements) and at such other times as the external auditor and the Committee consider appropriate.
17. The Audit Committee may invite such directors, officers and employees of the Corporation and the external auditors of the Corporation as it may see fit to attend its meetings and to take part in the discussion and consideration of the affairs of the Audit Committee.
18. The meetings of the Audit Committee shall be convened at the direction of any member thereof or the Chairman, President or Vice President, Finance of the Corporation, the Board of Directors or the external auditors.
19. No business shall be transacted by the Audit Committee except at a meeting of its members at which a quorum is present in person or by telephone or by a resolution in writing signed by all of the members of the Audit Committee; and
20. The meetings and proceedings of the Audit Committee shall be governed by the provisions of the by-laws of the Corporation that regulate meetings and proceedings of the Board of Directors insofar as the same are applicable thereto and are not superseded by any regulations or restrictions made or imposed by the Board of Directors, and provided that it is confirmed that the Chairman of the Audit Committee shall not have a second or casting vote.

Mandate and Responsibilities of Committee

21. It is the responsibility of the Committee to oversee the work of the external auditors, including resolution of disagreements between management and the external auditors regarding financial reporting. The external auditors shall report directly to the Committee.
22. It is the responsibility of the Committee to satisfy itself on behalf of the board with respect to Yoho's Internal Control Systems:
 - (a) identifying, monitoring and mitigating business risks; and
 - (b) ensuring compliance with legal, ethical and regulatory requirements.
23. It is a primary responsibility of the Committee to review the annual financial statements of Yoho prior to their submission to the board of directors for approval. The process should include but not be limited to:
 - (a) reviewing changes in accounting principles, or in their application, which may have a material impact on the current or future years' financial statements;
 - (b) reviewing significant accruals, reserves or other estimates such as the ceiling test calculation;
 - (c) reviewing accounting treatment of unusual or non-recurring transactions;
 - (d) ascertaining compliance with covenants under loan agreements;
 - (e) reviewing disclosure requirements for commitments and contingencies;
 - (f) reviewing adjustments raised by the external auditors, whether or not included in the financial statements;
 - (g) reviewing unresolved differences between management and the external auditors;
 - (h) obtain explanations of significant variances with comparative reporting periods;
 - (i) review of business systems changes and implications;
 - (j) review of authority and approval limits;
 - (k) review of internal controls;
 - (l) review of tax policy issues; and
 - (m) review of emerging accounting issues that could have an impact on the Corporation
24. The Committee is to review the financial statements (and make a recommendation to the board of directors with respect to their approval), interim financial statements, prospectuses, management discussion and analysis (MD&A), annual information forms (AIF) and all public disclosure containing audited or unaudited financial information before release and prior to board approval. The Committee must be satisfied that adequate procedures are in place for the review of Yoho's

disclosure of all other financial information and shall periodically access the accuracy of those procedures.

25. With respect to the appointment of external auditors by the board, the Committee shall:
 - (a) recommend to the board the appointment of the external auditors;
 - (b) recommend to the board the terms of engagement of the external auditor, including the compensation of the auditors and a confirmation that the external auditors shall report directly to the Committee; and
 - (c) when there is to be a change in auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change; and
26. Review with external auditors (and internal auditor if one is appointed by Yoho) their assessment of the internal controls of Yoho, their written reports containing recommendations for improvement, and management's response and follow-up to any identified weaknesses. The Committee shall also review annually with the external auditors their plan for their audit and upon completion of the audit, their reports upon the financial statements of Yoho and its subsidiaries.
27. The Committee must pre-approve all non-audit services to be provided to Yoho or its subsidiaries by the external auditors. The Committee may delegate to one or more members the authority to pre-approve non-audit services, provided that the member report to the Committee at the next scheduled meeting such pre-approval and the member comply with such other procedures as may be established by the Committee from time to time.
28. The Committee shall review risk management policies and procedures of Yoho (i.e. hedging, litigation and insurance), including the annual review of insurance coverage.
29. The Committee shall establish a procedure for:
 - (a) The receipt, retention and treatment of complaints received by Yoho regarding accounting, internal accounting controls or auditing matters; and
 - (b) The confidential, anonymous submission by employees of Yoho of concerns regarding questionable accounting or auditing matters.
30. The Committee shall review and approve Yoho's hiring policies regarding employees and former employees of the present and former external auditors of Yoho.
31. The Committee shall have the authority to investigate any financial activity of Yoho. All employees of Yoho are to cooperate as requested by the Committee.
32. The Committee may retain persons having special expertise and/or obtain independent professional advice to assist in fulfilling their responsibilities at the expense of Yoho without any further approval of the board.
33. The responsibilities, practices and duties outlined herein are not intended to be comprehensive. The Board of Directors shall consider from time to time any additional areas, which may require

review when determining the responsibilities, practices and duties to be assigned to the Audit Committee.

It is confirmed that the Audit Committee shall periodically report the results of reviews undertaken and any associated recommendations to the Board of Directors.

**SCHEDULE "B" TO THE
INFORMATION CIRCULAR - MANAGEMENT PROXY STATEMENT
OF YOHO RESOURCES INC. DATED MAY 4, 2015**

YOHO OPTION PLAN

1. Purpose Of Plan

The purpose of this plan (the "**Yoho Resources Option Plan**") is to develop the interest of Directors, Employees, Management Company Employees, and Consultants of Yoho Resources Inc. (collectively, "**Service Providers**") and its subsidiaries (collectively, the "**Corporation**") in the growth and development of the Corporation by providing them with the opportunity through share purchase options to acquire an increased proprietary interest in the Corporation.

2. Administration

The Yoho Resources Option Plan shall be administered by the Board of Directors of the Corporation, or if appointed, by a special committee of Directors appointed from time to time by the Board of Directors of the Corporation (such committee, or if no such committee is appointed, the Board of Directors of the Corporation, is hereinafter referred to as the "**Committee**") pursuant to rules of procedure fixed by the Board of Directors.

3. Granting Of Options

The Committee may from time to time designate bona fide Directors, Employees, Management Company Employees and Consultants of the Corporation (or in each case their personal holding companies) (collectively, the "**Optionees**"), to whom options ("**Options**") to purchase voting common shares ("**Common Shares**") of the Corporation may be granted, and the number of Common Shares to be optioned to each, provided that:

- (a) the total number of Common Shares issuable pursuant to the Yoho Resources Option Plan shall not exceed 10% of the aggregate number of common shares of the Corporation outstanding (the "**Outstanding Common Shares**"), subject to adjustment as set forth herein, and further subject to the applicable rules and regulations of all regulatory authorities to which the corporation is subject, including the TSX Venture Exchange (the "**TSXV**");
- (b) the number of Common Shares reserved for issuance on exercise of options, within a one-year period, to any one optionee shall not exceed 5% of the Outstanding Common Shares;
- (c) the aggregate number of Common Shares reserved for issuance on exercise of Options, within a one-year period, to any one Consultant of the Corporation may not exceed 2% of the Outstanding Common Shares;
- (d) the aggregate number of Common Shares reserved for issuance on exercise of Options, within a one-year period, to persons employed to provide conducting investor relations activities may not exceed 2% of the Outstanding Common Shares; and

- (e) the maximum number of Common Shares reserved for issuance on exercise of Options granted to Insiders at any time may not exceed 10% of the number of Outstanding Common Shares;
- (f) the maximum number of Common Shares issuable on exercise of Options granted to Insiders within a twelve month period, shall not exceed 10% of the number of Outstanding Common Shares; and
- (g) the maximum number of Common Shares which may be issued on exercise of Options to any one optionee and the associates of such insider, within a 12 month period, may not exceed 5% of the number of Outstanding Common Shares;

provided that for the purposes of paragraphs (e), (f) and (g) above, an entitlement granted prior to the grantee becoming an Insider may be excluded in determining the number of Common Shares issuable to Insiders. The Common Shares that are reserved for issuance on exercise of Options granted pursuant to this Yoho Resources Option Plan that are cancelled, terminated or expired in accordance with terms of the Yoho Resources Option Plan prior to the exercise of all or a portion thereof shall be available for a subsequent grant of Options pursuant to this Yoho Resources Option Plan to the extent of any Common Shares issuable thereunder that are not issued under such cancelled, terminated or expired Options.

4. Vesting

The Committee may, in its sole discretion, determine the time during which Options shall vest and the method of vesting. In the absence of any determination by the Committee as to vesting, vesting shall be as to one third on the date of grant and one third on each of the second and third anniversaries of the date of grant.

Notwithstanding any other provision in the Yoho Resources Option Plan, if there takes place a Change in Control, at any time before the expiry time, and while the Optionee is still a Service Provider, all Options (whether or not then vested) shall, immediately prior to the time such Change in Control takes place, accelerate and be exercisable as to all Common Shares and shall terminate on the 90th day after the date of such Change in Control or at such earlier time as may be established by the Board of Directors of the Corporation, in its absolute discretion, prior to the time such Change in Control takes place.

5. Exercise Price

The exercise price (the "**Exercise Price**") of any Option shall be fixed by the Committee when such Option is granted, provided that such price shall not be less than the Discounted Market Price of the Common Shares, or such other price as may be determined under the applicable rules and regulations of all regulatory authorities to which the Corporation is subject, including the TSXV.

Except for those adjustments as a result of the matters set forth in Section 11, in the event that the Corporation proposes to reduce the Exercise Price of Options granted to an Optionee who is an Insider of the Corporation at the time of the proposed amendment, said amendment shall not be effective until disinterested shareholder approval has been obtained in respect of said Exercise Price reduction.

6. Option Terms

The period during which an Option is exercisable shall, subject to the provisions of the Plan requiring acceleration of rights of exercise, be such period as may be determined by the Committee at the time of

grant, but subject to the rules of any stock exchange or other regulatory body having jurisdiction (presently restricted to five years). Each Option shall, among other things, contain provisions to the effect that the Option shall be personal to the Optionee and shall not be assignable or transferable. In addition, each Option shall provide that:

- (a) upon the death of the Optionee, the Option shall terminate on the date of death, unless the Optionee was a Director, Employee, Management Company Employee or Consultant of the Corporation or a subsidiary of the Corporation at least one year following the date of grant of the Options in question, in which case the options shall terminate on the date that is six months following the date of death of the optionee (the "**Termination Date**");
- (b) if the Optionee shall no longer be a Director of, be in the employ of, or be providing ongoing management or consulting services to the Corporation, the Option shall terminate on the earlier of the expiry date of the Option and the expiry of the period (the "**Termination Date**") not in excess of 90 days prescribed by the Committee at the time of grant, following the date that the optionee ceases to be a Director or Employee of the Corporation, or ceases to provide ongoing management or consulting services to the Corporation, as the case may be; and
- (c) if the Option is granted to an Optionee who is engaged in Investor Relations Activities on behalf of the Corporation, the Option shall terminate on the earlier of the expiry date of the Option and the expiry of the period (the "**Termination Date**") not in excess of 30 days prescribed by the Committee at the time of grant, following the date that the Optionee ceases to provide ongoing investor relations activities;

provided that the number of Common Shares that the Optionee (or his heirs or successors) shall be entitled to purchase until the Termination Date shall be the number of Common Shares which the Optionee was entitled to purchase on the date of death or the date the Optionee ceased to be a Director or Employee of, or ceased providing ongoing management or consulting services to, the Corporation, as the case may be.

If the normal expiry date of any Option falls within any Blackout Period or within 10 business days (being a day other than a Saturday, Sunday or other than a day when banks in Calgary, Alberta are not generally open for business) following the end of any Blackout Period (the "**Restricted Options**"), then the expiry date of such Restricted Options shall, without any further action, be extended to the date that is 10 business days following the end of such Blackout Period.

7. Exercise Of Option

Subject to the provisions of the Yoho Resources Option Plan, an Option may be exercised from time to time by delivery to the Corporation at its head office, or such other place as may be specified by the Corporation, of a written notice of exercise specifying the number of Common Shares with respect to which the Option is being exercised and accompanied by payment in full of the purchase price of the Common Shares then being purchased.

8. Mergers, Amalgamation And Sale

If the Corporation shall become merged (whether by plan of arrangement or otherwise) or amalgamated within or with another corporation or shall sell the whole or substantially the whole of its assets and undertakings for shares or securities of another corporation, the Corporation shall, subject to this Section

8, make provision that, upon exercise of an Option during its unexpired period after the effective date of such merger, amalgamation or sale, the Optionee shall receive such number of shares of the continuing successor corporation in such merger or amalgamation or the securities or shares of the purchasing corporation as the Optionee would have received as a result of such merger, amalgamation or sale if the Optionee had purchased the shares of the Corporation immediately prior thereto for the same consideration paid on the exercise of the Option and had held such shares on the effective date of such merger, amalgamation or sale and, upon such provision being made, the obligation of the Corporation to the Optionee in, respect of the Common Shares subject to the Option shall terminate and be at an end and the Optionee shall cease to have any further rights in respect thereof.

9. Termination Of Option In The Event Of Take-Over Bid

In the event a take-over bid (as defined in the *Securities Act* (Alberta), which is not exempt from the take-over bid requirements of Part 14 of the *Securities Act* (Alberta) (or its replacement or successor provisions) shall be made for the Common Shares of the Corporation, the Corporation may in the agreement providing for the grant of Options herein provide that the Corporation may require the disposition of the Optionee and the termination of any obligations of the Corporation to the Optionee in respect of any Options granted by paying to the Optionee in cash the difference between the exercise price of unexercised Options and the fair market value of the securities to which the Optionee would have been entitled upon exercise of the unexercised Options on such date, which determination of fair market value shall be conclusively made by the Committee, subject to approval by the stock exchanges upon which the Common Shares are then listed, if required by such exchanges. Upon payment as aforesaid, the Options shall terminate and be at an end and the Optionee shall cease to have any further rights in respect thereof.

10. Surrender Offer

An Optionee may make an offer (the "**Surrender Offer**") to the Corporation, at any time, for the disposition and surrender by the Optionee to the Corporation (and the termination thereof) of any of the Options granted hereunder for an amount (not to exceed fair market value) specified therein by the Optionee and the Corporation may, but is not obligated to, accept the Surrender Offer, subject to any regulatory approval required. If the Surrender Offer, either as made or as renegotiated, is accepted, the Options in respect of which the Surrender Offer relates shall be surrendered and deemed to be terminated and cancelled and shall cease to grant the Optionee any further rights thereunder upon payment of the amount of the agreed Surrender Offer by the Corporation to the Optionee.

11. Adjustments

Appropriate adjustments in the number of Common Shares optioned and in the Exercise Price, as regards Options granted or to be granted, may be made by the Committee in its discretion to give effect to adjustments in the number of Common Shares of the Corporation resulting from subdivisions, consolidations or reclassifications of the Common Shares of the Corporation, the payment of stock dividends by the Corporation, or other relevant changes in the capital of the Corporation.

Upon the distribution by the Corporation to holders of Common Shares of cash (including a cash dividend or a return of capital, but excluding dividends paid in the ordinary course), securities or other property or assets, an appropriate and proportionate adjustment to the Exercise Price, or such other adjustment as the Committee determines is appropriate, may be made by the Committee in its discretion (provided that the Exercise Price, as adjusted, shall not be less than Discounted Market Price of the Common Shares as at the effective date of such adjustment, or such other price as may be determined under the applicable rules

and regulations of all regulatory authorities to which the Corporation is subject, including the TSXV), but no adjustment will be made to the number of Common Shares to be delivered upon exercise of an Option as a result thereof.

12. Option Agreements

A written agreement will be entered into between the Corporation and each Optionee to whom an Option is granted hereunder, which agreement will set out the number of Common Shares subject to Option, the Exercise Price, provisions as to vesting (if applicable) and expiry, and any other terms approved by the Committee, all in accordance with the provisions of this Yoho Resources Option Plan. The agreement will be in such form as the Committee may from time to time approve, or authorize the officers of the Corporation to enter into, and may contain such terms as may be considered necessary in order that the Option will comply with this Yoho Resources Option Plan, any provisions respecting Options in the income tax or other laws in force in any country or jurisdiction of which the person to whom the Option is granted may from time to time be a resident or citizen, and the rules of any regulatory body having jurisdiction over the Corporation.

13. Regulatory Authorities Approvals

The Yoho Resources Option Plan shall be subject to the approval, if required, of any stock exchange on which the Common Shares are listed for trading. Any Options granted prior to such approval shall be conditional upon such approval being given, and no such Options may be exercised unless such approval, if required, is given.

14. Amendment or Discontinuance of the Yoho Resources Option Plan

The Committee may amend or discontinue the Yoho Resources Option Plan at any time, provided that no such amendment may, without the consent of the Optionee, alter or impair any Option previously granted to an Optionee under the Yoho Resources Option Plan, and provided further that any amendment to the Yoho Resources Option Plan will require the prior consent of the TSXV, or such other or additional stock exchange on which the Common Shares are listed for trading.

15. Hold Period

In addition to any resale restrictions imposed under applicable securities laws, if required by the TSXV or any other regulatory authority, Options granted under the Yoho Resources Option Plan and Common Shares issued on exercise of such Options may be required to be legended evidencing that the Options and the Common Shares issued upon exercise of the Options are subject to a hold period or restricted period as required by the TSXV or other applicable regulatory authority and the Optionee by accepting the Option agrees to comply therewith.

16. Common Shares Duly Issued

Common Shares issued upon the exercise of an Option granted hereunder will be validly issued and allotted as fully paid and non-assessable upon receipt by the Corporation of the Exercise Price therefore in accordance with the terms of the Option, and the issuance of Common Shares thereunder will not require a resolution or approval of the Board of Directors of the Corporation.

17. Prior Plans

This Yoho Resources Option Plan entirely replaces and supersedes prior share option plans enacted by the Board of Directors of the Corporation, or its predecessor corporations.

18. Tax Withholding

The Corporation shall have the power and the right to deduct or withhold, or require an Optionee to remit to the Corporation, the required amount to satisfy federal, provincial, and local taxes, domestic or foreign, required by law or regulation to be withheld with respect to any taxable event arising as a result of the Yoho Resources Option Plan, including the grant or exercise of Options granted under the Yoho Resources Option Plan. With respect to required withholding, the Corporation shall have the irrevocable right to, and the Optionee consents to, the Corporation setting off any amounts required to be withheld, in whole or in part, against amounts otherwise owing by the Corporation to the Optionee (whether arising pursuant to the Optionee's relationship as a director, officer or employee of the Corporation or as a result of the Optionee providing services on an ongoing basis to the Corporation or otherwise), or may make such other arrangements satisfactory to the Optionee and the Corporation. In addition, the Corporation may elect, in its sole discretion, to satisfy the withholding requirement, in whole or in part, by withholding such number of Common Shares as it determines are required to be sold by the Corporation, as trustee, to satisfy the withholding obligation net of selling costs. The Optionee consents to such sale and grants to the Corporation an irrevocable power of attorney to effect the sale of such Common Shares and acknowledges and agrees that the Corporation does not accept responsibility for the price obtained on the sale of such Common Shares.

19. No Guarantees Regarding Tax Treatment

Optionees (or their beneficiaries) shall be responsible for all taxes with respect to any Options under the Plan, whether arising as a result of the grant or exercise of Options or otherwise. The Board of Directors and the Corporation make no guarantees to any person regarding the tax treatment of Options or payments made under the Plan and none of the Corporation, nor any of its employees or representatives shall have any liability to an Optionee with respect thereto.

20. Definitions

In this Yoho Resources Option Plan, capitalized terms used herein that are not otherwise defined herein shall have the meaning ascribed thereto in the Corporate Finance Manual of the TSXV, and in particular, in policies 1.1 and 4.4 of said Corporate Finance Manual.

- (a) **"Blackout Period"** means the period of time when, pursuant to any policies of the Corporation, any securities of the Corporation may not be traded by certain persons as designated by the Corporation, including any holder of an Option.
- (b) **"Change of Control"** means:
 - (i) the purchase or acquisition, without the prior consent of the Board of Directors of the Corporation, of any Voting Shares or Convertible Securities by a Holder which results in the Holder beneficially owning, or exercising control or direction over, Voting Shares or Convertible Securities such that, assuming only the conversion of Convertible Securities beneficially owned or over which control or direction is exercised by the Holder, the Holder would beneficially own, or

exercise control or direction over, Voting Shares carrying the right to cast more than 50% of the votes attaching to all Voting Shares; or

- (ii) (A) the Corporation completes an amalgamation, arrangement, merger or other consolidation or combination of the Corporation with another corporation or entity which requires approval of the shareholders of the Corporation pursuant to its statute of incorporation, or (B) the purchase or acquisition, with or without the prior consent of the Board of Directors of the Corporation, of any Voting Shares or Convertible Securities by a Holder which results in the Holder beneficially owning, or exercising control or direction over, Voting Shares or Convertible Securities such that, assuming only the conversion of Convertible Securities beneficially owned or over which control or direction is exercised by the Holder, the Holder would beneficially own, or exercise control or direction over, Voting Shares carrying the right to cast more than 50% of the votes attaching to all Voting Shares, and immediately following the event described in paragraphs (A) and (B) above, as the case may be, the directors of the Corporation immediately prior to such event do not constitute a majority of the board of directors (or equivalent) of the successor or continuing corporation or entity immediately following such event; or
 - (iii) the election at a meeting of the Corporation's shareholders of that number of persons which would represent a majority of the Board of Directors of the Corporation, as directors of the Corporation who are not included in the slate for election as directors proposed to the Corporation's shareholders by the Corporation; or
 - (iv) the liquidation, dissolution or winding-up of the Corporation; or
 - (v) the sale, lease or other disposition of all or substantially all of the assets of the Corporation; or
 - (vi) a determination by the Board of Directors of the Corporation that there has been a change, whether by way of a change in the holding of the Voting Shares of the Corporation or otherwise, in the ownership of the Corporation's assets or by any other means, as a result of which any person or group of persons acting jointly or in concert is in a position to exercise effective control of the Corporation.
- (c) **"Convertible Securities"** means any securities convertible or exchangeable into Voting Shares or carrying the right or obligation to acquire Voting Shares;
 - (d) **"Holder"** means a person, a group of persons or persons acting jointly or in concert or persons associated or affiliated, within the meaning of the Securities Act (Alberta), with any such person, group of persons or any of such persons acting jointly or in concert;
 - (e) **"Outstanding Common Shares"** at the time of any share issuance or grant of Options means the aggregate number of Common Shares that are outstanding immediately prior to the share issuance or grant of Options in question on a non-diluted basis, or such other number as may be determined under the applicable rules and regulations of all regulatory authorities to which the corporation is subject, including the TSXV; and

- (f) **"Voting Shares"** means any securities of the Corporation ordinarily carrying the right to vote at elections of directors.

