



ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS OF SEPTEMBER 9, 2020

MANAGEMENT PROXY CIRCULAR

SOLICITATION OF PROXIES

This management proxy circular (the "**Circular**") is provided in connection with the solicitation by the management of Typhoon Exploration Inc. ("**Typhoon**" or the "**Corporation**") of proxies to be voted at the Annual and Special Meeting (the "**Meeting**") of the shareholders of the Corporation (the "**Shareholders**") to be held at the time and place and for the purposes set forth in the accompanying notice of Meeting (the "**Notice of Meeting**"). It is expected that the solicitation will be made primarily by mail. However, officers and employees of Typhoon may also solicit proxies by telephone, e-mail or in person. The total cost of solicitation of proxies will be paid by Typhoon. Bank, brokers and other depositories, *prête-noms* or trustees shall forward the solicitation documents to their principals and obtain the authorizations required for the signature of the proxies. The Corporation may also reimburse brokers and other persons holding Class A shares of Typhoon (the "**Shares**") for their proxy documents delivery costs to the beneficial owners of Shares, and in obtaining their proxies, but solicitations will not be made by employees engaged for that purpose or by soliciting agents.

If you cannot attend the Meeting in person, complete and return the proxy form attached to this Circular (the "**Proxy**") in accordance with the instructions contained therein.

REQUIRED QUORUM

Typhoon's by-laws provide that the quorum at the Meeting shall be constituted by the attendance of 2 or more Shareholders, present in person or represented by proxy, holding at least 10% of the votes that may be cast at the Meeting.

APPOINTMENT AND REVOCATION OF PROXIES

An 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, by a duly authorized officer or agent thereof.

The persons designated as proxy holders in the Proxy are officers and directors of the Corporation. **A Shareholder shall have the right to appoint a person to represent him or it at the Meeting other than the persons designated in the Proxy.** To exercise this right, the Shareholder must insert the name of the desired proxy holder in the blank space provided in the Proxy and strike out the names printed, or submit another instrument of proxy. An instrument of proxy will not be valid unless it is deposited with Computershare Investor Services Inc. ("**Computershare**") no later than 2 business days before the Meeting or any adjournment thereof.

A person appointing a proxy has the power to revoke it. In addition to revocation in any other manner permitted by law, an instrument of proxy may be revoked by an instrument in writing executed by the Shareholder or by his agent authorized in writing or, if the Shareholder is a corporation, by an officer or agent duly authorized, and delivered with Computershare, at the latest on the last business day preceding the day of the Meeting, or any adjournment thereof, or to the Chairman of the Meeting on the day of the

Meeting, or any adjournment thereof. Upon either of such deliveries, the instrument of proxy shall be revoked.

EXERCISE OF DISCRETION BY PROXIES

The voting rights related to the Shares represented by properly executed Proxies in favor of the persons designated in the Proxy, in the absence of any direction to the contrary, will be voted FOR the resolutions presented at the Meeting. Instructions with respect to voting will be respected by the persons designated in the Proxy. The Proxy confers discretionary authority to the persons named therein with respect to matters not specifically mentioned in the Notice of Meeting and which may be brought at the Meeting and on any amendments or variations to matters specified in the Notice of Meeting. At the date of this Circular, management of Typhoon knows of no such amendments or new matters to be brought before the Meeting.

All resolutions shall be adopted by a simple majority of the votes represented at the Meeting with the exception of the special resolution amending the articles of incorporation of the Corporation, which shall be adopted by at least 2/3 of the votes represented at the Meeting.

INFORMATION REGARDING THE VOTING RIGHTS

Registered Shareholders

Registered Shareholders may vote by proxy. Registered Shareholders electing to vote by proxy may do so by:

- (a) completing, dating and signing the Proxy and returning it to Computershare, by mail or hand delivery;
- (b) voting using a touch-tone phone, following the instructions indicated in the Proxy; or
- (c) voting on the website www.investorvote.com, following the instructions indicated in the Proxy.

Registered Shareholders must ensure that the Proxy is received in the delays indicated in the Proxy.

Non-Registered Shareholders

Only Registered Shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting.

However, in many cases, Shares beneficially owned by a person (a **"Non-Registered Shareholder"** or a **"Beneficial Shareholder"**) are registered either: (i) in the name of an intermediary (an **"Intermediary"**) that the Non-Registered Shareholder deals with in respect of the Shares, such as securities dealers or brokers, banks, trust companies, and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans; or (ii) in the name of a clearing agency of which the Intermediary is a participant.

Non-Registered Shareholders who have not objected to their Intermediary disclosing certain information about the Shares they hold are referred to as the **"Non-Objecting Beneficial Shareholders"**. The Non-Registered Shareholders who have objected to their Intermediary disclosing certain information about the Shares they hold are referred to as the **"Objecting Beneficial Shareholders"**.

In accordance with the requirements of National Instrument 54-101 of the Canadian Securities Administrators, Typhoon has elected to send copies of the Notice of Meeting, this Circular and the Proxy (collectively, the **"Meeting Materials"**) directly to the Non-Objecting Beneficial Shareholders, and indirectly, through clearing agencies and Intermediaries, to the Objecting Beneficial Shareholders.

Canadian Non-Objecting Beneficial Shareholders

The Meeting Materials are being sent to both Registered Shareholders and Non-Registered Shareholders. If you are a Canadian Non-Objecting Beneficial Shareholder, and Typhoon or its agent has sent the Meeting Materials directly to you, your name and address and information about your holdings of Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding the Shares on your behalf.

By choosing to send the Meeting Materials to you directly, Typhoon (and not the Intermediary holding the Shares on your behalf) assumes responsibility for delivering the Meeting Materials to you and executing your proper voting instructions. **Please return your voting instructions as specified in the Proxy.**

Canadian Objecting Beneficial Shareholders and U.S. Shareholders

In accordance with Canadian securities laws, Typhoon has distributed copies of the Meeting Materials to CDS and Intermediaries for onward distribution to Canadian Objecting Beneficial Shareholders and U.S. Shareholders. Intermediaries are required to forward the Meeting Materials to Non-Registered Shareholders unless a Canadian Objecting Beneficial Shareholder or a U.S. Shareholder has declined to receive them. Typhoon may, however, require Intermediaries to forward Meeting Materials to all Canadian Objecting Beneficial Shareholders and U.S. Shareholders, including those who have declined to receive them, at the cost of Typhoon. Typically, Intermediaries will use a service company to forward the Meeting Materials to Canadian Objecting Beneficial Shareholders and U.S. Shareholders. Such Shareholders will receive either a Voting Instruction Form or, less frequently, a Form of Proxy. The purpose of these forms is to permit Canadian Objecting Beneficial Shareholders and U.S. Shareholders to direct the voting of the Shares they beneficially own. Canadian Objecting Beneficial Shareholders and U.S. Shareholders should follow the procedures set out below, depending on which type of form they receive:

Voting Instruction Form. In most cases, a Canadian Objecting Beneficial Shareholder and a U.S. Shareholder will receive, as part of the Meeting Materials, a Voting Instruction Form. If the Shareholder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on his or its behalf), the Voting Instruction Form should be completed, signed and returned in accordance with the directions provided. If the Shareholder wishes to attend and vote at the Meeting in person (or have another person attend and vote on his or its behalf), such Shareholder must complete, sign and return the Voting Instruction Form in accordance with the directions provided.

or

Form of Proxy. Less frequently, a Canadian Objecting Beneficial Shareholder or a U.S. Shareholder will receive, as part of the Meeting Materials, a Form of Proxy that has already been signed by the Intermediary (typically by a stamped signature) which is restricted as to the number of Shares beneficially owned by the Canadian Objecting Beneficial Shareholder or the U.S. Shareholder but which is otherwise not completed. If the Shareholder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on his or its behalf), the Shareholder should complete the Form of Proxy and return it in accordance with the directions provided. If the Shareholder wishes to attend and vote at the Meeting in person (or have another person attend and vote on his or its behalf), the Shareholder must strike out the names of the persons named in the Form of Proxy and insert his or its (or such other person's) name in the blank space provided.

Canadian Objecting Beneficial Shareholders and U.S. Shareholders should follow the instructions on the forms they receive or contact their broker or Intermediary promptly if they need assistance.

VOTING SECURITIES AND PRINCIPAL HOLDERS

As at the date hereof, there were 52,492,007 Shares issued and outstanding. Each Share entitles the holder thereof to 1 vote.

The board of directors of Typhoon (the "**Board**") has fixed the close of business on August 5, 2020 as the record date (the "**Record Date**") for the purpose of determining the Shareholders entitled to receive the Notice of Meeting. Registered Shareholders of record on the Record Date shall be entitled to vote at the Meeting.

To the knowledge of the management of Typhoon, based on the information appearing at www.sedi.ca, the only person holding more than 10% of all issued and outstanding Shares, is:

Name	Number of Shares	Percentage of Outstanding Shares
Hecla Mining Company	8,722,294	16.62%

INTEREST OF CERTAIN PERSONS IN MATTERS ON THE AGENDA

Except as disclosed herein, Typhoon is not aware of any material interest, direct or indirect, by way of beneficial ownership of Shares or otherwise, of any of the following persons in any matter to be acted upon at the Meeting:

- a) each person who has been a director or executive officer of Typhoon at any time since the beginning of Typhoon's last financial year;
- b) each proposed nominee for election as a director of Typhoon; and
- c) each associate or affiliate of any of the foregoing.

DETAILS OF MATTERS TO BE DEALT WITH AT THE MEETING

A. Financial statements

The management report, the audited financial statements, as well as the related auditors' report for the fiscal year ended February 29, 2020 will be presented to the Shareholders at the Meeting, but no vote is required, nor will a vote be taken for their approval.

B. Election of directors

The directors are elected every year. Each of the nominees named hereunder has advised the management of the Corporation that he would be willing to serve as a director if elected. The Board currently consists of 4 directors. Management of the Corporation proposes the election of 4 directors for the current year. Management of the Corporation does not contemplate that any of the nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the persons named in the Proxy reserve the right to vote for another nominee at their discretion. Each nominee elected as a director will hold office until the next annual meeting of Shareholders or until his successor is duly elected, unless he ceases to hold office pursuant to the *Canada Business Corporations Act* (i.e. in the case of his removal, death or other cause) or his office is vacated pursuant to the by-laws of the Corporation.

The following table states, for each nominee proposed as director, his name, his municipality of residence, the position held, the year during which he became a member of the Board, the number of Shares held and his current occupation.

Name	Position	Director since	Number of Shares owned or controlled ⁽²⁾	Current Occupation
Ghislain Morin Val d'Or (Québec)	President, CEO and Director	November 18, 2019	-	President and CEO of Typhoon
Serge Roy ⁽¹⁾ Piedmont (Québec)	Chairman	November 5, 2019	153,846	Businessman
André Gauthier ⁽¹⁾ Val d'Or (Québec)	Director	April 24, 2020-	-	Businessman
Yves Dufour ⁽¹⁾ Val d'Or (Québec)	Director	November 18, 2019	-	Businessman

Notes:

(1) Member of the Audit Committee.

(2) The candidates have personally provided the information regarding the Shares they hold, directly or indirectly, or on which they exercise control.

Ghislain Morin has extensive mining experience having held various management functions with Métanor Resources Inc. ("**Métanor**") from 2002 to 2017 and with Allican Resources Inc. from 1997 to 2004.

Serge Roy has been a respected businessman in the mining industry for the last 25 years and has a vast experience of strategic acquisitions and financial aspects relating to the mining industry. He founded Métanor in 1999, which he afterwards listed on the TSX Venture Exchange (the "**Exchange**") through an initial public offering in December 2003. Métanor was initially an exploration company until 2006 and became a commercial producer in 2008, with the acquisition of the Bachelor mine and the Barry's open-pit project. Mr. Roy was President and CEO of Métanor from 2003 until 2014, and Chairman from 2003 until 2017.

André Gauthier participated in the development of the James Bay, one of the largest construction projects in Québec, and held positions of Project Director and Logistics Specialist in various enterprises in the construction industry. Mr. Gauthier is a versatile person with good analytical skills and has an extensive experience in management.

Yves Dufour is a graduate specializing in hunting and fishing faunae, and he worked for 35 years as a wildlife officer for the Quebec Environment Ministry. Mr. Dufour is also a seasoned investor in the field of mining exploration.

To the knowledge of the Corporation, none of the above-mentioned candidates:

- (a) is, or within the last 10 years, has been a director, chief executive officer or chief financial officer of any company that:
 - i) was the subject of a cease trade, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under applicable securities legislation, and which, in all cases, was in effect for a period of more than 30 consecutive days (an "**Order**"), which Order was issued while the candidate was acting in the capacity of director, chief executive officer or chief financial officer of such company; or
 - ii) was subject to an Order that was issued after the candidate ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity of director, chief executive officer or chief financial officer of such company; or

- (b) is, or within the last 10 years has been, a director or executive officer of any company that, while the candidate was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the last 10 years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his assets.

Also, to the knowledge of the Corporation, no candidate for election as director has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority;
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder having to decide to vote for a candidate.

You can vote for the election of all the candidates described above, vote for the election of some of them and withhold from voting for others, or withhold from voting for all of them. Unless otherwise instructed, the persons named in the Proxy will vote FOR the election of each of the candidates described above as director of the Corporation.

C. Appointment of Auditor and authorization given to the Board to fix its remuneration

Dallaire Lapointe Inc., Chartered Accountants ("DL") is the auditor of the Corporation. The management of the Corporation proposes DL as auditor of the Corporation for the financial year ending February 28, 2021. In addition, for practical reasons, it is expedient at the Meeting to authorize the Board to fix the remuneration of the auditor.

The persons named in the Proxy will vote FOR the appointment of DL as auditor of the Corporation to hold office until the next annual meeting of the Shareholders and the authorization for the Corporation's directors to fix its remuneration, unless the Shareholder signing the Proxy has indicated his/its intention to abstain from voting in connection therewith.

D. Ratification and confirmation of the agreement with 9400-4579 Québec Inc. concerning the acquisition of a property comprised of 103 mining claims

On March 17, 2020, the Corporation executed an agreement (the "**Acquisition Agreement**") with 9400-4579 Québec Inc. ("**9400-4579**"), a corporation held by Serge Roy, Ghislain Morin and Yves Dufour, respectively Chairman, President, CEO and Director and Director of the Corporation, for the acquisition of a mining property comprised of 103 claims located in the Eeyou Istchee Baie James territory, in consideration of an amount of \$200,000, payable over a 4 year period at the rate of \$50,000 annually. Also, 9400-4579 will keep a 2% royalty, of which 1% may be redeemed in consideration of a payment of \$1,000,000.

The Acquisition Agreement has been conditionally approved by the Exchange on April 2, 2020. As a condition to its approval, the Exchange namely required that the Acquisition Agreement be approved by the disinterested Shareholders at the Meeting. In accordance with this requirement of the Exchange, the votes related to the Shares held by Serge Roy, Ghislain Morin and Yves Dufour (being a total of 153,846 Shares) shall not be considered for the purposes of the ratification and confirmation of the Acquisition Agreement.

Consequently, the disinterested Shareholders will be asked to adopt the following resolution:

"BE IT RESOLVED to ratify and confirm the Acquisition Agreement and to authorize any officer of the Corporation to take all necessary actions to give effect to the foregoing."

The persons named in the Proxy shall vote FOR the resolution confirming the employment contracts unless the Shareholder signing the Proxy has indicated his/her intention to vote against it.

E. Special resolution amending the articles of incorporation of the Corporation in order to consolidate its shares

The Board has decided in February 2020 to submit to the Shareholders the special resolution set forth in Schedule A of this Information Circular to approve an amendment to the articles of incorporation of the Corporation to consolidate its Shares on the basis of 1 new Share for each tranche of 3 Shares currently issued and outstanding.

Approval of the special resolution by Shareholders would give the Board authority to implement the consolidation of the Shares at its discretion. In addition, notwithstanding approval of the special resolution by Shareholders, the Board may revoke it and abandon the consolidation without any prior notice to Shareholders or any approval by them.

Reasons for the Consolidation

The Board is of the opinion that the Corporation's existing share structure does not permit the obtention of new financings and that it is in the interest of the Corporation and the Shareholders to proceed with the consolidation of the Shares in order to facilitate attracting new investments.

Effects of the Consolidation

If approved and implemented, the consolidation will affect all Shareholders equally and will not affect any Shareholder's percentage ownership interest in the Corporation. No fractional Share will be issued in the consolidation and any fraction resulting from the consolidation will be rounded down to the inferior whole number if the fraction obtained is less than 0.5 and up to the superior whole number if the fraction obtained is equal to or greater than 0.5. Each Share outstanding after the consolidation will be entitled to one vote and will be fully paid and non-assessable.

The principal effects of the consolidation will be that:

- the number of Shares of the Corporation issued and outstanding will be reduced from 52,492,007 to 17,497,335;
- the exercise price and/or the number of Shares of the Corporation issuable under any of the Corporation's outstanding convertible securities, purchase warrants, stock options and any other similar securities will be proportionately adjusted upon the consolidation; and
- the number of Shares reserved for issuance under the Stock Option Plan of the Corporation will be reduced proportionately upon the consolidation.

Effects on Share Certificates

If the proposed consolidation is approved by Shareholders and implemented by the Board, registered Shareholders will be required to return their share certificates representing currently issued Shares in exchange for share certificates or DRS Advice Statements evidencing the post-consolidation Shares to which they are entitled.

Following the announcement of the effective date of the consolidation, the Corporation will mail to registered Shareholders a transmittal letter that will have to be completed and returned to Computershare.

SHAREHOLDERS MUST KEEP THEIR SHARE CERTIFICATES AND NOT RETURN THEM UNTIL A TRANSMITTAL LETTER IS SENT TO THEM.

Procedure for Implementation

If the special resolution is approved by Shareholders and the Board decides to proceed with the consolidation, the Corporation will promptly file articles of amendment with the Director under the *Canada Business Corporations Act* to amend the Corporation's articles of incorporation. The consolidation will namely become effective on the date determined by the Board, subject to the approval of the Exchange.

Required Vote and Recommendation of Board

The Board believes that the proposed consolidation is in the interests of the Corporation and the Shareholders and, accordingly, recommends that Shareholders vote FOR the special resolution. To take effect, the special resolution must be approved by not less than two-thirds (2/3) of the votes cast by the holders of Shares present in person or represented by proxy at the Meeting. In addition, in accordance with the requirements of the Exchange, the proposed consolidation must be approved by the Exchange.

THE PERSONS NAMED IN THE ENCLOSED PROXY FORM WILL VOTE FOR THE ADOPTION OF THE SPECIAL RESOLUTION SET FORTH IN SCHEDULE A TO THIS INFORMATION CIRCULAR, UNLESS THE SHAREHOLDER SIGNING THE PROXY HAS INDICATED ITS INTENTION TO VOTE AGAINST IT.

COMPENSATION OF EXECUTIVE OFFICERS AND DIRECTORS

A. EXECUTIVE OFFICERS

Compensation Discussion & Analysis

This discussion describes the compensation paid by Typhoon to the persons who acted as Chief Executive Officer ("**CEO**") and Chief Financial Officer ("**CFO**") and to the 3 most highly compensated executive officers (or to the 3 most highly compensated individuals acting in a similar capacity), other than the CEO and the CFO, whose total compensation was more than \$150,000 in Typhoon's last financial year ending February 29, 2020 (each an "**NEO**" and collectively the "**NEOs**").

General Principles of Compensation

Typhoon's compensation program reflects its current stage of development.

Compensation plays an important role in recruiting, retaining and motivating the NEOs on which the success of Typhoon depends. Compensation is designed so as to constitute adequate reward for services provided by the NEOs and to encourage them to implement strategies aimed at increasing the value of the Shares and creating economic value. The compensation is also established according to the duties and responsibilities that rest on the individuals and their own level of performance.

The general goal of Typhoon's compensation program is to:

- a) compensate NEOs in a manner that encourages and rewards a high level of performance and outstanding results with a view of increasing long-term value for Shareholders;
- b) align NEOs' interests with long-term interests of Shareholders;
- c) provide a compensation package that is commensurate with other mining exploration companies in order to enable Typhoon to attract and retain talent; and

- d) ensure that compensation is designed in a manner that takes into account the constraints under which Typhoon operates by virtue of the fact that it is a mining exploration corporation without a history of earnings.

Compensation Process

The compensation of the NEOs is administered by the Board. Typhoon does not have a formal policy with respect to the compensation of its NEOs. The decisions are made pursuant to Board discussions, taking into consideration the size of Typhoon and its financial capabilities and the remuneration paid in comparable Canadian companies.

Base Salaries

The base salary is evaluated based on comparisons to the base salaries offered by small capitalization companies in the mining industry, as well as on more subjective criteria such as internal equity and individual contributions to Typhoon's results. Typhoon's view is that a competitive base salary is a necessary element for retaining qualified NEOs.

Based upon their respective experience in the mining sector, the Board members re-evaluate the base salary component of the compensation for the NEOs on a going forward basis to ensure that it reflects salaries offered for positions involving similar responsibilities and complexity, as well as the ability, responsibilities and experience of the NEOs.

The base salary of the NEOs is reviewed annually by the Board to ensure it considers the market conditions, the levels of responsibility and accountability, skills and competencies, retention considerations and the level of performance, the whole on the basis of the Board's appreciation as to a fair and responsible compensation package, taking into account the contribution of each NEO to Typhoon's long-term growth and the Board's knowledge of compensation practices in Canada.

Variable Cash Incentive Awards - Bonuses

The philosophy with respect to bonuses is to align their issuances with the contributions of the NEOs. During the financial year ended February 29, 2020, Typhoon approve the payment of a bonus of \$ 15,000 to 3 directors, being Mr. Patry, Mr. Secours and Mr. Antaki.

Long Term Incentive Plans

The grant of stock options is part of the long-term incentive component of the compensation of NEOs and is an essential part of compensation.

Typhoon provides long term incentive compensation through its stock option plan (the "**Stock Option Plan**").

Pursuant to the Stock Option Plan, options to purchase Shares are granted to directors, officers, employees and consultants (the "**Grantees**") in order to encourage them to join their interests with those of the Shareholders, thereby fostering an increase in value of Shareholders' investment.

In addition to the added incentive to their remuneration, the granting of options to purchase Shares to NEOs aims to encourage their participation in the growth and development of Typhoon by providing them with the opportunity to acquire or increase a financial stake in the Corporation and thereby motivate them to carry out the strategic initiatives of Typhoon.

The number of options granted is determined following deliberations of the Board and is based on several factors, such as the investment in time and money, the functions and responsibilities related to the position, the level of responsibility and the general contribution that an individual can bring in terms of experience,

knowledge in the mining sector and other qualities, the whole, without taking into account previous grants.

Pursuant to the Stock Option Plan, the Board may, from time to time and at its discretion, grant options to the Grantees to acquire a maximum of 5,941,358 Shares.

The maximum number of Shares reserved for issuance to a Grantee shall not exceed, in any 12 month period, 5% of the issued and outstanding Shares at the time of grant.

In the case of a consultant, that number will not exceed, in any 12 month period, 2% of the issued and outstanding Shares.

As for persons involved in investor relations activities, the total number of Shares reserved for issuance shall not exceed, collectively, in any 12 month period, 2% of the issued and outstanding Shares.

The Stock Option Plan provides that the terms and exercise price of the options shall be fixed by the Board.

The exercise price shall not be less than the closing price of the Shares on the Exchange on the trading day immediately preceding the date of grant. In the event that there were no transactions, the exercise price shall be determined by the average between the closing “bid” and the closing “ask” price.

Stock options granted under the Stock Option Plan expire, if not previously exercised, by the 10th anniversary of their grant date, and the exercise price must be paid in full upon exercise of the option.

Options granted under the Stock Option Plan are non assignable.

Finally, if the Grantee ceases to be a director, officer or employee of Typhoon, that Grantee’s option must be exercised within 12 months of termination of his or her employment or cessation of his or her functions, subject to the expiry date of such options.

Risk Considerations

The Board is aware that compensation policies and practices are likely to have consequences, albeit unintentional, in terms of risks.

The Board will regularly review the consequences of certain risks that might be associated with such policies and practices, in order to identify practices that could likely influence an NEO to expose Typhoon to undue risk.

The Board has conducted such a review as part of the preparation of this Circular.

Stock Options

In addition to being the main component of the long-term incentive compensation offered to NEOs, the Stock Option Plan also aims to reward and retain employees of Typhoon and people who provide ongoing consulting services or management.

This form of compensation is both “long term” and “at risk”, since it is largely linked to the creation of long-term value.

Thus, this form of compensation is not specifically linked to the obtaining of specific results or milestones, but rather is intended to retain and encourage Grantees to work continuously and in the best interest of Typhoon and its Shareholders.

Since the benefits of this form of compensation generally require the lapse of a period of time, the Board considers that the ability of NEOs to take undue risks that would be excessive or beneficial from the point

of view of their compensation and to the detriment of Typhoon and its Shareholders, is limited.

Salary

The salary is the residual portion of the total compensation of an NEO. The Board considers it is unlikely that an NEO decides to take undue or excessive risk to Typhoon which would be personally beneficial in terms of his compensation.

Conclusion

Due to the current size and level of activities of Typhoon, the Board is able to monitor and review the risks associated with its compensation policies and practices. Such risks can be identified and mitigated through regular meetings during which financial or other information is reviewed.

No risk resulting from the compensation practices and policies that are reasonably likely to have a material adverse effect on Typhoon or its business has been identified by the Board.

Summary Compensation Table

The following table provides information concerning all compensation paid, payable, awarded, granted, given or otherwise provided to NEOs of the Corporation for services rendered to the Corporation during the 3 most recently completed financial years.

Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards ⁽¹⁾ (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-Term Incentive Plans			
David Mc Donald President ⁽³⁾ and CEO	2018	165,038		13,800				15,667 ⁽²⁾	194,505
	2019	167,509	N/A	N/A	N/A	N/A	N/A	18,009 ⁽²⁾	185,518
	2020	118,349		N/A				428,354(2)(4)	546,703
Paul Antaki ⁽⁵⁾ CFO	2018	N/A		4,600				N/A	4,600
	2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2020	N/A		N/A				15,000	15,000
Serge Roy ⁽⁶⁾ Chairman	2020	10,000	N/A	N/A	N/A	N/A	N/A	N/A	10,000
Ghislain Morin ⁽⁷⁾ President and Chief Executive Officer	2020	10,000	N/A	N/A	N/A	N/A	N/A	N/A	10,000
Michel Lemay ⁽⁸⁾ Chief Financial Officer	2020	11,400	N/A	N/A	N/A	N/A	N/A	N/A	11,400

Notes:

- (1) Black & Scholes model used as per the following assumptions:

Estimates	2018
Risk free interest rate	1,83%
Expected life	10 years
Expected volatility	106 %
Expected dividend yield	0

- (2) Pursuant to a management agreement dated August 25, 2003, as amended (the "**Management Agreement**"), between Typhoon and Ressources Lutsvisky Inc. ("**Lutsvisky**"), a private corporation wholly-owned by David Mc Donald, Lutsvisky provides the staff required to carry out exploration programs, selects and hires subcontractors in drilling, blasting, line cutting and other subcontractors necessary to carry out the exploration programs, hires the laboratories required to process the samples collected as part of the exploration programs, provides food and transportation to personnel and provides the necessary oversight to the implementation of the programs. Under the Management Agreement, the parties have agreed that Lutsvisky would be entitled to a fee for overhead, management and administrative costs, equal to 15% of the expenditures carried out in connection with the exploration program. The Management Agreement has been terminated on October 21, 2019 and a termination fee of \$ 80,000 was then paid to Lutsvisky.
- (3) Mr. Mc Donald resigned from his position on November 5, 2019.
- (4) During the year ended, the employment contract of Mr. Mc Donald was terminated. Pursuant to such contract, an indemnity of a total of \$467,243 was payable to Mr. Mc Donald. During the year ended, the Corporation paid an amount of \$348,354 to Mr. Mc Donald in connection therewith. The balance of \$118,889 will be paid before February 28, 2021.
- (5) Mr. Antaki resigned from his position on November 18, 2019.
- (6) Mr. Roy was appointed President and CEO on November 5, 2019. He occupied such position until November 18, 2019, on which date he became Chairman.
- (7) Mr. Morin was appointed as President and CEO on November 18, 2019.
- (8) Mr. Lemay was appointed CFO on November 18, 2019.

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

The following table sets forth information in respect of all awards outstanding at the end of the most recently completed financial year for each NEO.

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiry Date	Value of Unexercised In-the-Money Options ⁽¹⁾ (\$)	Number of Shares or Units of Shares that have not vested (#)	Market or Payout Value of Share-Based Awards that have not vested (\$)	Market or Payout Value of Share-Based Awards that have vested (not paid out or distributed) (\$)
David M Donald	50,000	0.125	March 9, 2020	N/A	N/A	N/A	N/A
	260,000	0.125	November 5, 2020	N/A	N/A	N/A	N/A
	200,000	0.10	November 5, 2020	N/A	N/A	N/A	N/A
	500,000	0.12	November 5, 2020	N/A	N/A	N/A	N/A
	800,000	0.05	November 5, 2020	N/A	N/A	N/A	N/A

Paul Antaki	35,000	0.125	March 9, 2020	N/A	N/A	N/A	N/A
	110,000	0.125	November 18, 2020	N/A	N/A	N/A	N/A
	50,000	0.10	November 18, 2020	N/A	N/A	N/A	N/A
	200,000	0.12	November 18, 2020	N/A	N/A	N/A	N/A
	250,000	0.05	November 18, 2020	N/A	N/A	N/A	N/A
Serge Roy	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ghislain Morin	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Michel Lemay	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) The value is determined by calculating the difference between the closing price of the Shares on the Exchange on February 29, 2020 (\$0.04) and the exercise price of the options.

Value Vested or Earned During the Year

The following table presents information concerning the value vested with respect to awards granted to the NEOs during the last completed financial year.

Name	Option-Based Awards – Value Vested During the Year (\$)	Share-Based Awards – Value Vested During the Year (\$)	Non-Equity Incentive Plan Compensation –Value Earned During the Year(\$)
David Mc Donald	N/A	N/A	N/A
Paul Antaki	N/A	N/A	N/A
Serge Roy	N/A	N/A	N/A
Ghislain Morin	N/A	N/A	N/A
Michel Lemay	N/A	N/A	N/A

Pension Plan Benefits

Typhoon does not have a pension plan or other similar plan.

Termination and Change of Control Benefits

On June 2, 2020, the Corporation has executed employment agreements with Ghislain Morin, President and CEO, and Serge Roy, Chairman. Pursuant to such agreements, which are for an indefinite term, the Corporation has agreed to pay to each of them an annual salary of \$120,000 as long as they are employed by the Corporation. Over the years, their salaries will be indexed annually based on the consumer price index. Also, they will each receive an allowance of \$1,200 per month for the use of their personal vehicle

In the event that the Corporation terminates their employment, each of them will be entitled to receive an aggregate cash amount equal to 3 times their then applicable annual salary.

Pursuant to such agreements, if a project is brought to the pre-feasibility stage, each of them will then receive a cash amount equal to the market value of 750,000 Shares. Also, if a project is brought to the production stage, each of them will then receive a cash amount equal to the market value of 750,000 Shares.

In the event of a change of control of the Corporation, Typhoon will be required to pay to them the following indemnity, at the discretion of each of them: i) a cash amount equal to the market value of 750,000 Shares or ii) a cash amount equal to 3 times their then applicable annual salary.

B. DIRECTORS

Summary Compensation Table

The directors that are not NEOs receive a remuneration of \$1,000 for each meeting of the Board or of a committee to which they attend. For the year ended February 29, 2020, the directors that are not NEOs received an aggregate remuneration of \$1,000. The directors that are not NEOs may also receive from time to time stock options pursuant to the Stock Option Plan. The following presents the awards granted to the directors of the Corporation that are not NEOs during the last completed financial year.

Name	Fees Earned (\$)	Share- Based Awards (\$)	Option- Based Awards ⁽¹⁾ (\$)	Non-Equity Incentive plan Compensation (\$)	Pension Value (\$)	All Other compensation (\$)	Total compensation (\$)
Léo Patry ⁽¹⁾	N/A	N/A	N/A	N/A	N/A	15,000	15,000
David Secours ⁽²⁾	N/A	N/A	N/A	N/A	N/A	15,000	15,000
Yves Dufour ⁽³⁾	1,000	N/A	N/A	N/A	N/A	N/A	1,000

Notes:

(1) Mr. Patry resigned as a Director on April 23, 2020.

(2) Mr. Secours resigned as Director on November 18, 2019.

(3) Mr. Dufour was appointed Director on November 18, 2019.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth the awards granted to the directors of the Corporation that are not NEOs outstanding at the end of the last completed year.

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiry Date	Value of Unexercised In-the-Money Options ⁽¹⁾ (\$)	Number of Shares or Units of Shares that have not vested (#)	Market or Payout Value of Share-Based Awards that have not vested (\$)	Market or Payout Value of Share-Based Awards that have vested (not paid out or distributed) (\$)
Léo Patry	50,000	0.125	February 10, 2021	N/A	N/A	N/A	N/A
	60,000	0.125	August 31, 2021 ⁽²⁾	N/A	N/A	N/A	N/A
	50,000	0.10	April 15, 2023 ⁽²⁾	N/A	N/A	N/A	N/A
	200,000	0.12	June 25, 2024 ⁽²⁾	N/A	N/A	N/A	N/A
	150,000	0.05	February 27, 2025 ⁽²⁾	N/A	N/A	N/A	N/A
	100,000	0,05	December 15, 2027 ⁽²⁾	N/A	N/A	N/A	N/A
David Secours	200,000	0.05	November 18, 2020	N/A	N/A	N/A	N/A
Yves Dufour	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) The value is determined by calculating the difference between the closing price of the Shares on the Exchange on February 29, 2020 (\$0.04) and the exercise price of the options.
- (2) Following the resignation of Mr Patry on April 23, 2020, the expiry date of such options is now April 22, 2021.

Value Vested or Earned During the Year

The following table presents information concerning the value vested with respect to awards granted to the directors of Typhoon that are not NEOs during the last completed financial year.

Name	Option-Based Awards – Value Vested During the Year (\$)	Share-Based Awards – Value Vested During the Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
Léo Patry	N/A	N/A	N/A
David Secours	N/A	N/A	N/A
Yves Dufour	N/A	N/A	N/A

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out certain details with respect to compensation plans pursuant to which equity securities of Typhoon are authorized for issuance at the end of the last completed financial year.

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 shares remaining available for future issuance under the equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans previously approved by Shareholders	3,605,000	\$0.09	2,336,358
Equity compensation plans not previously approved by Shareholders	N/A	N/A	N/A

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

During the fiscal year ended February 29, 2020, and as at the date of this Circular, none of the directors, executive officers, employees (or previous directors, executive officers or employees of Typhoon), each proposed nominee for election as a director of Typhoon (or any associate of a director, executive officer or proposed nominee) was or is indebted to Typhoon with respect to the purchase of Shares and for any other reason pursuant to a loan.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as described below and as disclosed elsewhere in this Circular, the management of the Corporation is not aware of any material interest, direct or indirect, that any director, proposed director, officer, Shareholder holding, directly or indirectly, as beneficial owner, more than 10% of the outstanding Shares or any associate or affiliate of any such persons would have in any material transaction concluded since the beginning of the last financial year of the Corporation or in any proposed transaction which had or could have a material effect on the Corporation.

On June 1, 2020, the Corporation executed a management agreement with 9400-4579, a corporation held by Serge Roy, Ghislain Morin and Yves Dufour. Such agreement, which is effective from June 1, 2020 until March 31, 2022, provides for the supervision of the mining exploration projects of the Corporation. It is renewable for an additional period of 2 years upon the same terms. Pursuant to such agreement, 9400-4579 will incur all expenses related to the exploration projects and will invoice them to the Corporation with a 15% gross-up. In the event that the Corporation terminates the agreement, it shall pay an indemnity of \$200,000.

On January 28, 2020, the Corporation executed a lease agreement for the head office of the Corporation in Piedmont with 9383-0818 Québec Inc., a corporation of which Serge Roy is the sole shareholder. This agreement is effective since December 1, 2019 and until November 30, 2022 and includes two 3 year renewal options. Pursuant to the agreement, the monthly payment is \$1,400. As of December 1, 2020, the monthly payment will be indexed annually by the higher of the consumer price index for the Montreal region or 3%.

THE AUDIT COMMITTEE

Charter of the Audit Committee

The Audit Committee examines, with the assistance of the auditor, Typhoon's financial statements and recommends their approval to the Board. The Audit Committee Charter is attached as Schedule B of this Circular.

Composition of the Audit Committee

The Audit Committee is currently composed of Serge Roy, Yves Dufour and André Gauthier.

Under *Regulation 52-110 Respecting Audit Committees*, a member of an audit committee is “independent” if such member has no direct or indirect material relationship with the issuer, that is, a relationship which could, in the view of the Board, reasonably be expected to interfere with the exercise of the member's independent judgment. For the purpose of assessing the independence of a member of an audit committee, *Regulation 52-110 Respecting Audit Committees* further provides that an individual will be deemed to have a material relationship with an issuer if he or she accepts, directly or indirectly, any consulting, advisory or other compensatory fee from the issuer, other than as remuneration for acting in his or her capacity as a member or as part-time chair or vice-chair of the Board of the issuer or any committee thereof. For this purpose, the indirect acceptance by an individual of any consulting, advisory or other compensatory fee includes the acceptance of a fee by an entity in which such individual is a partner, and which provides accounting, consulting, legal, investment banking or financial advisory services to the issuer.

Based on the foregoing, the Board has determined that Yves Dufour and André Gauthier are independent members of the Audit Committee. The Board considers that Serge Roy is not an independent member of the Audit Committee in that Mr. Roy is the Chairman of the Corporation.

The Board has determined that each of the members of the Audit Committee is “financially literate” within the meaning of section 1.6 of *Regulation 52-110 Respecting Audit Committees*, that is, each member has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by Typhoon's financial statements.

Relevant Education and Experience

Serge Roy has been a respected businessman in the mining industry for the last 25 years and has a vast experience of strategic acquisitions and financial aspects relating to the mining industry. He founded Métanor in 1999, which he afterwards listed on the Exchange through an initial public offering in December 2003. Métanor was initially an exploration company until 2006 and became a commercial producer in 2008, with the acquisition of the Bachelor mine and the Barry's open-pit project. Mr. Roy was President and CEO of Métanor from 2003 until 2014 and Chairman from 2003 until 2017.

Yves Dufour is a graduate specializing in hunting and fishing fauna, and he worked for 35 years as a wildlife officer for the Quebec Environment Ministry. Mr. Dufour is also a seasoned investor in the field of mining exploration.

André Gauthier participated in the development of the James Bay, one of the largest construction projects in Québec, and held positions of Project Director and Logistics Specialist in various enterprises in the construction industry. Mr. Gauthier is a versatile person with good analytical skills and has an extensive experience in management.

Supervision of the Audit Committee

No recommendation from the Audit Committee regarding the nomination or compensation of the external auditor was adopted by the Board during the year.

Pre-approval Policies and Procedures for Audit Services

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

External Auditors Fees

The external auditor of Typhoon invoiced the following fees during the last 2 fiscal years.

Professional Fees	Fiscal Year Ending February 29, 2020	Fiscal Year Ending February 28, 2019
Audit Fees ⁽¹⁾	\$22,500	\$22,875
Audit Related Fees ⁽²⁾	-	-
Tax Fees ⁽³⁾	\$2,480	\$2,565
All other Fees ⁽⁴⁾	-	-
TOTAL	\$24,980	\$25,440

Notes:

- (1) Refers to the aggregate fees for professional services for the audit of Typhoon's annual financial statements, assistance with interim financial statements, and related matters.
- (2) Refers to the aggregate fees for professional services invoiced for related services by Typhoon's external auditor that are reasonably related to the performance of the audit or the review of Typhoon's financial statements and which are not reported under note (1) above.
- (3) Refers to the aggregate professional fees invoiced for professional services rendered by Typhoon's external auditor for tax compliance, tax advice, and tax planning.
- (4) Refers to the aggregate professional fees invoiced for products and services provided by Typhoon's external auditor, other than the services reported under notes (1), (2) and (3) above.

Reliance on Exemption

Typhoon is relying on the exemption set out in section 6.1 of *Regulation 52-110 Respecting Audit Committees* with respect to the composition of the Audit Committee and certain reporting obligations.

CORPORATE GOVERNANCE PRACTICES

General

Policy Statement 58-201 Corporate Governance Guidelines and *Regulation 58-101 Respecting Disclosure of Corporate Governance Practices* set out a series of guidelines for effective corporate governance. The guidelines address matters such as the composition and independence of corporate boards, the functions to be performed by boards and their committees, and the effectiveness and education of board members. Each reporting issuer must disclose on an annual basis the corporate governance practices that it has adopted. The following is Typhoon's disclosure of its corporate governance practices.

Mandate of the Board

The Board considers that Yves Dufour and André Gauthier are independent members of the Board within the meaning of *Regulation 52-110 Respecting Audit Committees*.

The Board considers that Ghislain Morin and Serge Roy are not independent members of the Board within the meaning of *Regulation 52-110 Respecting Audit Committees*. Ghislain Morin is the President and CEO of Typhoon and Serge Roy is the Chairman of Typhoon.

On July 5, 2012 the Board has adopted a written mandate which explicitly establishes the duty of stewardship Typhon, including the following responsibilities:

- a) ensure, to the extent possible, the integrity of the CEO and other members of senior management, and that the CEO and other members of senior management maintain a culture of integrity within Typhoon as a whole;
- b) adopting a strategic planning process and approving, at least annually, a strategic plan taking into account in particular the opportunities and risks of the business;

- c) identify the main risks to which Typhon activities are exposed and ensure the implementation of appropriate systems to manage these risks;
- d) succession planning (including appointing, training, evaluation and close monitoring of senior management);
- e) adopt a communication policy;
- f) monitor the internal control systems and management information; and
- g) implement sound corporate governance practices, including policies and specific Typhoon governance practices.

The written mandate of the Board also includes the following responsibilities:

- (a) adopt measures to obtain feedback from interested parties; and
- (b) clarify expectations and responsibilities of directors, including basic functions and responsibilities with respect to attendance at meetings of the Board and the prior review of Meeting Materials.

Directorships

No director of Typhoon is currently a director of other issuers that are also reporting issuers (or the equivalent) in a territory of Canada or a foreign territory.

Orientation and Continuing Education

Typhoon does not currently have a formal orientation program for new directors, but the Board has taken measures to provide continuing education for the directors (i.e. training sessions provided by the Exchange).

Ethical Business Conduct

The CEO is responsible for promoting a corporate culture which supports the highest of ethical standards, encourages personal integrity and assumes social responsibility.

Committee of the Board

The Board has currently only 1 committee, being the Audit Committee.

The Audit Committee meets regularly in order to assist the Board: (a) in its oversight of the accounting and financial reporting principles and policies and internal audit controls and procedures; (b) in its oversight of the integrity and transparency of Typhoon's financial statements and the independent audit thereof; (c) in selecting, evaluating and, where deemed appropriate, replacing the external auditors; (d) in evaluating the independence of the external auditors; (e) in its oversight of risk identification, assessment and management program; and (f) in Typhoon's compliance with legal and regulatory requirements in respect of the above.

The Corporation's Audit Committee directly reviews, with the assistance of the auditors, the financial statements of the Corporation and recommends their approval to the Board. The function of the Audit Committee is to provide independent and objective oversight. Typhoon Management is responsible for the preparation, presentation and integrity of the financial statements.

The management of Typhoon is responsible for maintaining appropriate accounting and financial reporting principles and policies and internal controls and procedures that provide for compliance with accounting standards and applicable laws and regulations. The external auditors are responsible for planning and carrying out a proper audit of the annual financial statements and other procedures. In fulfilling their

responsibilities, it is recognized that members of the Audit Committee are not full-time employees of Typhoon and are not, and do not represent themselves to be, accountants or auditors by profession or experts in the fields of accounting or auditing including in respect of auditor independence. As such, it is not the duty or responsibility of the Audit Committee or its members to conduct “field work” or other types of auditing or accounting reviews or procedures or to set auditor independence standards, and each member of the Audit Committee shall be entitled to rely on (a) the integrity of those persons and organizations from which it receives information; (b) the accuracy of the financial and other information provided to the Audit Committee by such persons or organizations absent actual knowledge to the contrary (which shall be promptly reported to the Board) and (c) representations made by management as to non-audit services provided by the auditor.

Assessments

The Board, as a whole, is responsible for assessing on an ongoing basis: (a) the performance and contribution of each of the members of the Board on an individual basis; and (b) the performance and effectiveness of the Board generally.

Term of office and Board renewal

The Corporation has not set a term of office for directors nor a mandatory retirement age as the Corporation considers it would be inappropriate to deprive the Corporation of the value and experience of a long-term director. The Corporation also believes that the actual process of assessment of the directors is adequate and serves as an ongoing mechanism for the renewal of the term of office of directors.

Diversity

In this sub-section, “designated groups” means women, Aboriginal peoples, persons with disabilities and members of visible minorities, as such terms are defined in the *Employment Equity Act (Canada)*.

Although the Board considers the level of representation of members of the designated groups on the Board when seeking and selecting candidates for the positions of directors for a first or new term and aims to cultivate an environment where individual differences are respected, the Corporation considers that it is not necessary at this point, given its size and limited resources and the size of the Board, to adopt a written policy with respect to the search and selection of candidates that are members of the designated groups for the positions of directors nor to set targets for the different designated groups in that regard. Among the nominees for election as directors at the Meeting, none are members of the designated groups.

Concerning the executive officers, the Board considers the level of representation of members of the designated groups when appointing persons to the different functions but has not set targets for the different designated groups in that regard. The Corporation only has 3 executive officers and the setting of targets would not be efficient. The Board considers above all the qualifications and expertise of each candidate in the best interest of the Corporation. For the year ended February 29, 2020, none of the executive officers of the Corporation were members of the designated groups.

ADDITIONAL INFORMATION

Additional financial information is included in the audited financial statements and management report for the year ended February 29, 2020. Such documents as well as this Circular and other information on the Corporation are also available on SEDAR (www.sedar.com).

Copies of this Circular can also be obtained by contacting Typhoon at the following:

TYPHOON EXPLORATION INC.

458 Boul. des Laurentides
Piedmont, Quebec, J0R 1K0
Tel: 450.622.4066
Fax: 450.622.4337

e-mail: info@explorationtyphon.com

AUTHORIZATION

The contents and the mailing of this Circular have been approved by the Board.

Piedmont, Québec, August 10,
2020

By order of the Board

(Signed) Ghislain Morin
Ghislain Morin, President and
Chief Executive Officer

SCHEDULE A

SPECIAL RESOLUTION WITH RESPECT TO THE CONSOLIDATION OF THE SHARES

IT IS RESOLVED AS A SPECIAL RESOLUTION:

1. **TO AUTHORIZE** the Corporation to amend its articles of incorporation to provide for the consolidation of the Shares of the Corporation on the basis of 1 new Share for each tranche of 3 Shares issued and outstanding, it being understood that no fractional share will be issued and any fraction resulting from the consolidation will be rounded down to the inferior whole number if the fraction obtained is less than 0.5 and up to the superior whole number if the fraction obtained is equal to or greater than 0.5 ;
2. **TO AUTHORIZE** the Board, in its sole discretion, to implement the share consolidation;
3. **TO AUTHORIZE** any officer or director of the Corporation to execute and deliver any document and to do any other thing that he might deem necessary or expedient to give effect to this special resolution, including the determination of the effective date of the consolidation and the remittance of the amending clauses in the prescribed form to the Director pursuant to the *Canada Business Corporations Act*; and
4. **TO AUTHORIZE** the directors of the Corporation, notwithstanding the foregoing and where they deem it expedient in the interests of the Corporation, to revoke this special resolution at any time prior to the issuance of the certificate of amendment by the Director pursuant to the *Canada Business Corporations Act*, without having to give notice to the Shareholders of the Corporation and without having to obtain any other authorization from them.

SCHEDULE B

AUDIT COMMITTEE CHARTER

The following charter is adopted in compliance with *Multilateral Instrument 52-110 Audit Committees* (“MI 52-110”).

1. MANDATE AND OBJECTIVES

The mandate of the audit committee of Typhoon (the “**Audit Committee**”) is to assist the board of directors of Typhoon (the “**Board**”) in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by Typhoon to regulatory authorities and shareholders, Typhoon’s systems of internal controls regarding finance and accounting and Typhoon’s auditing, accounting and financial reporting processes.

The objectives of the Audit Committee are to:

- (i) serve as an independent and objective party to monitor Typhoon’s financial reporting and internal control system and review Typhoon’s financial statements;
- (ii) ensure the independence of Typhoon’s external auditors; and
- (iii) provide better communication among Typhoon’s auditors, the management and the Board.

2. COMPOSITION

The Audit Committee shall be comprised of at least three (3) directors as determined by the Board. The majority of the members of the Audit Committee shall be independent, within the meaning of MI 52-110.

At least one (1) member of the Audit Committee shall have accounting or related financial management expertise. All members of the Audit Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices.

For the purposes of this Charter, the definition of “financially literate” is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by Typhoon’s financial statements.

The members of the Audit Committee shall be elected by the Board at its first meeting following each annual shareholders’ meeting. Unless a Chairman is elected by the Board, the members of the Audit Committee may designate a Chairman by a majority vote of all the Audit Committee members.

3. MEETINGS AND PROCEDURES

- 3.1 The Audit Committee shall meet at least once annually or more frequently if required.
- 3.2 At all meetings of the Audit Committee, every question shall be decided by a majority of the votes cast. In the case of an equality of votes, the Chairman shall not be entitled to a second vote.
- 3.3 A quorum for meetings of the Audit Committee shall be a majority of its members and the rules for calling, holding, conducting and adjourning meetings of the Audit Committee shall be the same as those governing meetings of the Board.

4. DUTIES AND RESPONSIBILITIES

The following are the general duties and responsibilities of the Audit Committee:

4.1 Financial Statements and Disclosure Matters

- a) review Typhoon's financial statements, MD&A and any press releases regarding annual and interim earnings, before Typhoon publicly discloses such information, and any reports or other financial information which are submitted to any governmental body or to the public; and
- b) must be satisfied that adequate procedures are in place for the review of Typhoon's public disclosure of financial information extracted or derived from Typhoon's financial statements, other than the public disclosure referred to in subsection a) above, and must periodically assess the adequacy of those procedures.

4.2 External Auditors

- a) recommend to the Board the selection and, where applicable, the replacement of the external auditors to be nominated annually as well the compensation of such external auditors;
- b) oversee the work and review annually the performance and independence of the external auditors who shall be ultimately accountable to the Board and the Audit Committee as representatives of the shareholders of Typhoon;
- c) on an annual basis, review and discuss with the external auditors all significant relationships they may have with Typhoon that may impact their objectivity and independence;
- d) consult with the external auditors about the quality of Typhoon's accounting principles, internal controls and the completeness and accuracy of Typhoon's financial statements;
- e) review and approve Typhoon's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of Typhoon;
- f) review the audit plan for the year-end financial statements and intended template for such statements;
- g) review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, as well as any non-audit services provided by the external auditors to Typhoon or its subsidiary entities. The pre-approval requirement is satisfied with respect to the provision of non-audit services if:
 - i) the aggregate amount of all such non-audit services provided to Typhoon constitutes no more than 5% of the total amount of fees paid by Typhoon and its subsidiary entities to its external auditors during the fiscal year in which the non-audit services are provided;
 - ii) such services were not recognized by Typhoon or its subsidiary entities as non-audited services at the time of the engagement; and
 - iii) such services are promptly brought to the attention of the Audit Committee by Typhoon and approved, prior to the completion of the audit, by the Audit Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Audit Committee.

- h) The Audit Committee may delegate to one or more independent members of the Audit Committee the aforementioned authority to pre-approve non-audited services, provided the pre-approval of the non-audit services is presented to the Audit Committee at its first scheduled meeting following such approval.

4.3 Financial Reporting Processes

- a) in consultation with the external auditors, review with management the integrity of Typhoon's financial reporting process, both internal and external;
- b) consider the external auditor's judgments about the quality and appropriateness of Typhoon's accounting principles as applied in its financial reporting;
- c) consider and approve, if appropriate, changes to Typhoon's auditing and accounting principles and practices as suggested by the external auditors and management;
- d) review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements;
- e) review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented;
- f) establish procedures for the confidential, anonymous submission by employees of Typhoon of concerns regarding questionable accounting or auditing matters and the receipt, retention and treatment of complaints received by Typhoon regarding accounting, internal accounting controls or auditing matter.