MOLYSTAR RESOURCES INC.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON DECEMBER 31, 2019

AND

INFORMATION CIRCULAR

November 29, 2019

This document requires immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this notice and information circular, you should immediately contact your advisor.

MOLYSTAR RESOURCES INC.
#73 – 13819 232 Street
Maple Ridge, BC V4R 0C7
Telephone: (604) 219-2054

NOTICE OF SPECIAL MEETING

NOTICE IS HEREBY GIVEN that the special meeting (the "**Meeting**") of shareholders of Molystar Resources Inc. (the "**Company**") will be held at the offices of Clark Wilson LLP, 900 - 885 West Georgia Street, Vancouver, British Columbia, on Tuesday, December 31, 2019, at the hour of 10:00 a.m. (Vancouver time) for the following purposes:

(1) to consider, and if deemed advisable, pass, with or without variation, a special resolution to approve the reduction of stated capital of the Company and complete a return of capital to the shareholders of the Company;

(2) to consider, and if deemed advisable, pass, with or without variation, an ordinary resolution to approve the consolidation (the "**Consolidation**") of the common shares in the capital of the Company (each, a "**Share**") on the basis of one (1) post-Consolidation Share for every 45,000,000 pre-Consolidation Shares, as more particularly described in the accompanying information circular; and

(3) to transact such further or other business as may properly come before the Meeting and any adjournment or postponement thereof.

The accompanying information circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this Notice of Meeting.

The board of directors of the Company has fixed November 27, 2019 as the record date for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered shareholder at the close of business on that date is entitled to such notice and to vote at the Meeting in the circumstances set out in the accompanying information circular.

If you are a registered shareholder of the Company and unable to attend the Meeting in person, please vote by proxy by following the instructions provided in the form of proxy at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of the Meeting or any adjournment or postponement thereof.

DATED at Vancouver, British Columbia, this 29th day of November, 2019.

By Order of the Board of Directors of

MOLYSTAR RESOURCES INC.

"Robert Anderson"
Robert Anderson
Chief Executive Officer, Chief Financial Officer
and Director

PLEASE VOTE. YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU EXPECT TO ATTEND THE MEETING, PLEASE COMPLETE, SIGN AND DATE THE ENCLOSED FORM OF PROXY AND PROMPTLY RETURN IT IN THE ENVELOPE PROVIDED.

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS

This Information Circular (as defined herein), including the information included in the Schedules to this Information Circular, contains "forward looking statements" and "forward looking information" under applicable securities laws (collectively the "forward looking statements") relating, but not limited to, statements regarding the Distribution (as defined herein) and the Consolidation (as defined herein) and any other statements regarding the Company's (as defined herein) expectations, intentions, plans and beliefs. Forward looking statements can often be identified by forward looking words such as "anticipate", "believe", "expect", "goal", "plan", "intend", "estimate", "optimize", or "may" or similar words suggesting future outcomes or other expectations, intentions, plans, beliefs, objectives, assumptions or statements about future events or performance.

Shareholders are cautioned not to place undue reliance on forward looking statements. By their nature, forward looking statements involve numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward looking statements or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate.

Assumptions upon which forward looking statements related to the Distribution and the Consolidation are based include, without limitation, that Shareholders (as defined herein) will approve the Distribution Consolidation and that all other conditions or approvals required for the completion of the Distribution and the Consolidation will be satisfied or obtained, as applicable. Many of these assumptions are based on factors and events that are not within the control of the Company and may not prove to be correct. Should one or more of these factors or events fail to materialize, or should assumptions underlying the forward looking statements prove incorrect, actual results may vary materially from those described herein as anticipated, believed, expected, planned, intended or estimated.

Factors that could cause actual results to vary materially from results anticipated by such forward looking statements include, but are not limited to: the conditions to the completion of the Distribution and the Consolidation, including the receipt of Shareholder and regulatory approvals, on the terms expected or within the anticipated time schedule and the Company's ability to meet expectations regarding the timing, completion and accounting and tax treatments of the Consolidation. Other risks include general economic, market or business conditions.

The Company cautions that the list of forward looking statements, risks and assumptions set forth or referred to above is not exhaustive. All forward looking statements in this Information Circular are qualified by these cautionary statements. These statements are made as of the date of this Information Circular and the Company does not undertake to publicly update or revise any forward looking statement, whether as a result of new information, future events or otherwise, except to the extent expressly required by law. The Company undertakes no obligation to comment on analyses, expectations or statements made by third parties in respect of the Company, its financial or operating results or its securities.

NOTICE TO SHAREHOLDERS RESIDENT IN THE UNITED STATES

This Information Circular does not discuss any United States federal or state tax consequences of the Consolidation and Consolidation. Shareholders should consult with their own tax advisors with respect to their particular circumstances and the tax considerations applicable to them. Certain information concerning Canadian federal income tax consequences of the Distribution for Shareholders who are not resident in Canada is set forth under the heading "*Particulars of Matters to be Acted Upon – Reduction of Capital – Non Resident Holders*".

MOLYSTAR RESOURCES INC.
#73 – 13819 232 Street
Maple Ridge, BC V4R 0C7
Telephone: (604) 219-2054

INFORMATION CIRCULAR
November 29, 2019

INTRODUCTION

This information circular (the "**Information Circular**") accompanies the notice of special meeting of shareholders (the "**Notice**") of Molystar Resources Inc. (the "**Company**") and is furnished to shareholders (each, a "**Shareholder**") holding common shares (the "**Shares**") of the Company in connection with the solicitation by the management of the Company of proxies to be voted at the special meeting (the "**Meeting**") of the Shareholders to be held at 10:00 a.m. on Tuesday, December 31, 2019 at the offices of Clark Wilson LLP, 900 – 885 West Georgia Street, Vancouver, British Columbia, or at any adjournment or postponement thereof.

Date and Currency

The date of this Information Circular is November 29, 2019. Unless otherwise stated, all amounts herein are in Canadian dollars.

PROXIES AND VOTING RIGHTS

Management Solicitation

The solicitation of proxies by management of the Company will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation to any of the directors, officers and employees of the Company. The Company does not reimburse Shareholders, nominees or agents for costs incurred in obtaining from their principals authorization to execute forms of proxy. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

No person has been authorized to give any information or to make any representation other than as contained in this Information Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Information Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Information Circular. This Information Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

Appointment of Proxy

Registered Shareholders are entitled to vote at the Meeting. A Shareholder is entitled to one vote for each common share that such Shareholder holds on the record date of November 27, 2019 (the "**Record Date**") on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

The persons named as proxyholders (the "**Designated Persons**") in the enclosed form of proxy are directors and/or officers of the Company.

A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING.

A SHAREHOLDER MAY EXERCISE THIS RIGHT BY INSERTING THE NAME OF SUCH OTHER PERSON IN THE BLANK SPACE PROVIDED ON THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE'S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER'S SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.

The Shareholder may vote by mail or facsimile by following instructions provided in the form of proxy at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) prior to the scheduled time of the Meeting, or any adjournment or postponement thereof. The Chairman of the Meeting, in his sole discretion, may accept completed forms of proxy on the day of the Meeting or any adjournment or postponement thereof.

A proxy may not be valid unless it is dated and signed by the Shareholder who is giving it or by that Shareholder's attorney-in-fact duly authorized by that Shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual Shareholder or joint Shareholders, or by an officer or attorney-in-fact for a corporate Shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarially certified copy thereof, must accompany the form of proxy.

Revocation of Proxies

A Shareholder who has given a proxy may revoke it at anytime before it is exercised by an instrument in writing: (a) executed by that Shareholder or by that Shareholder's attorney-in-fact authorized in writing or, where the Shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Company at the address set forth above, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (i) attendance at the Meeting and participation in a poll (ballot) by a Shareholder, or (ii) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

Voting of Shares and Proxies and Exercise of Discretion by Designated Persons

A Shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space on the proxy. **The Shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.**

IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT

MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice. At the date of this Information Circular, management of the Company is not aware of any such amendments, variations or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the Shares of a Shareholder on any matter, the Shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of Shares without par value. As of the record date, determined by the board of directors of the Company (the "**Board**") to be the close of business on November 27, 2019, a total of 476,506,415 Shares were issued and outstanding. Each Share carries the right to one vote at the Meeting.

Only registered Shareholders as of the record date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

To the knowledge of the directors and executive officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Shares carrying more than 10% of the voting rights attached to the outstanding Shares of the Company.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein, no: (a) director, proposed director or executive officer of the Company; (b) person or company who beneficially owns, directly or indirectly, Shares or who exercises control or direction of Shares, or a combination of both, carrying more than ten percent (10%) of the voting rights attached to the Shares outstanding (each, an "**Insider**"); (c) director or executive officer of an Insider; or (d) associate or affiliate of any of the directors, executive officers or Insiders, has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company, except with an interest arising from the ownership of Shares where such person or company will receive no extra or special benefit or advantage not shared on a *pro rata* basis by all holders of the same class of Shares.

MANAGEMENT CONTRACTS

There were no management functions of the Company, which were, to any substantial degree, performed by a person other than the directors or executive officers of the Company, except as otherwise described in this Information Circular.

AUDITOR

Baker Tilly WM LLP (formerly Wolrige Mahon Collins Barrow LLP) were first appointed as the auditor of the Company on October 29, 2018.

PARTICULARS OF MATTERS TO BE ACTED UPON

Reduction of Capital

Shareholders will be asked to consider, and if deemed advisable, pass, with or without variation, a special resolution (the "**Distribution Resolution**"), to approve reduction of stated capital of the Company and effect a return of capital to the Shareholders.

The Board has determined that the Company has excess capital to what is required to effect the current plans for the Company, and as such the Board proposes to distribute (the "**Distribution**") such capital in cash to Shareholders as at the Record at a value of $0.001 distributed for each Share held, to an aggregate of $476,506.42.

Accordingly, in order to conduct the Distribution in a tax efficient manner, the Board recommends that Shareholders authorize the Company's directors to proceed with a special distribution to the Shareholders in the aggregate amount of $476,506.42 in cash, payable to the Shareholders as of the Record Date in cash, by way of a return of capital held in respect of the Shares.

The Board may determine the price date of the return of capital and stated capital reduction in compliance with any regulatory requirements, and may further determine when such reductions take effect, perform the reduction of stated capital, and distribution of proceeds of the same to the Shareholders as of the Record Date.

The Distribution is being made in connection with the Consolidation (as defined herein), and if the Consolidation Resolution (as defined herein) is not approved by the Shareholders, the Company will not make the Distribution.

Certain Canadian Federal Income Tax Considerations

The following is a general summary of certain of the Canadian federal income tax considerations arising in respect of the receipt of the Distribution by a Shareholder of the Company who, as beneficial owner, receives such Distribution and who, for the purposes of the *Income Tax Act* (Canada) (the "**Tax Act**") and the regulations thereunder (the "**Regulations**") and at all relevant times, (i) deals at arm's length with the Company, (ii) is not affiliated with the Company, and (iii) holds the Shares as capital property. A holder who meets all of the foregoing requirements is referred to as a "**Holder**" in this summary, and this summary only addresses such Holders.

This summary is based on the provisions of the Tax Act and the Regulations thereunder in force on the date hereof and our understanding of the current administrative policies and assessing practices of the Canada Revenue Agency (the "**CRA**") published in writing prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act or the Regulations announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and assumes that all such Proposed Amendments will be enacted in their present form. No assurance can be given that any Proposed Amendments will be enacted in the form proposed, or at all. This summary does not otherwise take into account or anticipate any changes in law, whether by judicial, governmental or legislative decision or action, or changes in the administrative policies and assessing practices of the CRA, nor does it take into account provincial, territorial or foreign income tax legislation or considerations, which may differ materially from those described in this summary.

This summary is not applicable to (i) a Holder that is a "specified financial institution", (ii) a Holder an interest in which is a "tax shelter investment", (iii) a Holder that is for purposes of certain rules in the Tax Act (referred to as the mark-to-market rules) a "financial institution", (iv) a Holder that reports its "Canadian tax results" in a currency other than Canadian currency, in each case as such terms are defined in the Tax Act, or (v) a Holder that is otherwise of special status or in special circumstances. All such foregoing Holders should consult their own tax advisors.

This summary is of a general nature only and is not exhaustive of all possible Canadian federal income tax considerations. It does not take into account or consider the tax laws of any province or territory or of any jurisdiction outside Canada. This summary is not intended to be, nor should it be construed to be, legal or tax advice to any particular holder (including a Holder as defined above), and no representations concerning the tax consequences to any particular Holder are made. Holders should consult their own tax advisers regarding the income tax considerations applicable to them having regard to their own particular circumstances.

Assumptions Regarding Return of Capital

The achievement of the intended tax treatment of the Distribution to Holders depends on the "paid-up capital" of the Shares as further referenced below, and on a number of other important assumptions, including those referenced below. No third-party determination of paid-up capital has been sought or obtained, and no legal opinion or advance tax ruling has been sought or obtained with respect to the various assumptions or the tax treatment of the Distribution. Accordingly, it is possible that the actual tax treatment under the Tax Act could be different from the intended tax treatment. All Holders are advised to consult with their own tax advisors in this regard in light of their particular circumstances.

Distributions made by corporations that are "public corporations" for purposes of the Tax Act, such as the Company, are generally characterized as taxable dividends for the purposes of the Tax Act, unless a specific exemption applies. Subsection 84(2) of the Tax Act provides, in effect, that a distribution made to shareholders on a "winding-up, discontinuance or reorganization of its [the Company's] business", will not be taxed as a dividend so long as the amount or value of the funds distributed does not exceed the amount by which the "paid-up capital", as defined for the purposes of the Tax Act (the **"PUC"),** of the relevant shares is reduced on the distribution.

It is noted that the Distribution is being made by the Company as part of an of intended business change, being the Consolidation, that is contemplated, as also described under "*Particulars of Matters To Be Acted Upon – Share Consolidation*" in this Information Circular. Management believes that the Distribution is effectively being made on the winding- up, discontinuance or reorganization of the Company's business, although no legal opinion or advance tax ruling has been sought or obtained in this regard.

Subsection 84(4.1) of the Tax Act also applies in certain circumstances to deem a return of PUC by a public corporation (such as the Company) to be a dividend. However, subsection 84(4.1) of the Tax Act should not apply where the provisions of subsection 84(2) apply. The CRA has also stated or implied that a factor of some importance would be to establish that the return of PUC is a one-time transaction made outside of the ordinary course of the taxpayer's business, and not in lieu of ordinary-course dividends. Management believes that the Distribution is such a one-time transaction made outside the ordinary course of business and not in lieu of ordinary-course dividends, although no legal opinion or advance tax ruling has been sought or obtained in this regard.

PUC is computed according to the relevant provisions of the Tax Act. The general starting point for computing PUC is the stated capital of the Shares for corporate law purposes, which amount is then subject to adjustment according to detailed rules contained in the Tax Act.

Management believes that the PUC of the Shares will exceed the amount of the Distribution on the date the Distribution is effected, and it is therefore assumed that no dividend will be considered or deemed to arise for purposes of the Tax Act with respect to the Distribution, although no legal opinion or advance tax ruling has been sought or obtained in this regard.

The summary of tax consequences set out below assumes that:

- the Distribution is made on a "winding up, discontinuance or reorganization" of the Company's business;
- the Distribution is a one-time transaction made outside the ordinary course of business and not in lieu of ordinary-course dividends; and
- the PUC of the Shares will exceed the amount of the Distribution on the date the Distribution is effected.

Therefore, the summary of tax consequences set out below assumes that the Distribution is treated as a return of PUC under subsection 84(2) of the Tax Act and not deemed to give rise to a dividend (or a taxable shareholder benefit) under the Tax Act. However, the validity of these assumptions is not free from doubt under the Tax Act or CRA policy, and no legal opinion or advance tax ruling has been sought or obtained in this regard, or with respect to any of the assumptions made in this summary.

If the Distribution is treated as a dividend (including a deemed dividend) or taxable shareholder benefit under the Tax Act, the tax results to Holders would be materially different, and likely materially adverse, compared to those set out in the summary of tax consequences below. Such potentially different and adverse tax treatment is not further referenced, discussed or considered in this summary, and Holders should consult their own tax advisors in this regard.

Resident Holders

The following is a discussion of the consequences under the Tax Act to Holders who, for the purposes of the Tax Act and at all relevant times, are resident or deemed to be resident in Canada **("Resident Holders").**

The Distribution

The Distribution as a return of PUC will reduce the adjusted cost base of a Resident Holder's Shares by an amount equal to the Distribution distributed to or for the benefit of such Holder. If the amount so required to be deducted from the adjusted cost base of the Shares to a particular Resident Holder exceeds the Resident Holder's adjusted cost base of such Shares for purposes of the Tax Act, the excess will be deemed to be a capital gain realized by such Resident Holder from a disposition of the Common Shares. Generally, a Resident Holder is required to include in computing income for a taxation year one-half of the amount of any capital gain (a **"taxable capital gain").** A Resident Holder that is, throughout the relevant taxation year, a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay an additional tax (refundable in certain circumstances) on certain investment income, including taxable capital gains. Capital gains realized by an individual or certain trusts may give rise to a liability for alternative minimum tax.

Non-Resident Holders

The following portion of the summary is relevant to a Holder who, for purposes of the Tax Act and any applicable tax treaty or convention, and at all relevant times, is a non-resident or is deemed to be a non-resident of Canada and does not beneficially own or hold, and is not deemed to beneficially own or hold, the Shares in the course of carrying on a business in Canada (a **"Non-Resident Holder").** Special rules, which are not discussed below, may apply to a non-resident that is an insurer which carries on business in Canada and elsewhere. Such non-residents should consult their own t ax advisors.

The Distribution as a return of PUC will reduce, at the effective time of the Distribution, the adjusted cost base of a Non-Resident Holder's Shares by an amount equal to the Distribution distributed to or for the benefit of such Holder. If the amount so required to be deducted from the adjusted cost base of the Shares to a particular Non-Resident Holder exceeds the Non-Resident Holder's adjusted cost base of such Shares, the excess will be deemed to be a capital gain realized by such Non-Resident Holder from a disposition of the Shares.

A Non-Resident Holder generally will not be subject to tax under the Tax Act in respect of a deemed capital gain so realized unless the Shares constitute "taxable Canadian property" to the Non-Resident Holder for purposes of the Tax Act and the gain is not exempt from tax pursuant to the terms of an applicable income tax treaty or convention.

If a deemed capital gain (if any) arises at a time when the Shares are not listed on a "designated stock exchange" as defined in the Tax Act, the Shares generally will not constitute "taxable Canadian property" of a Non-Resident Holder at that time, unless, at any time during the 60 month period immediately preceding that time, more than 50% of the fair market value of the shares was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource property" (as defined in the Tax Act), "timber resource property" (as defined in the Tax Act) or an option, an interest or right in respect of such property, whether or not such property exists. Notwithstanding the foregoing, Shares may also be deemed to be taxable Canadian property to a Non-Resident Holder in other circumstances for purposes of the Tax Act.

Non-Resident Holders in respect of whom Shares may constitute "taxable Canadian property" should consult their own tax advisors with respect to the tax considerations relevant in their particular circumstances and any applicable Canadian tax compliance requirements.

The text of the Distribution Resolution to be voted on at the Meeting by the Shareholders is set forth below:

"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. the Company is authorized to reduce the stated capital account maintained for the common shares in the capital of the Company (the "**Shares**") by an amount of $476,506.42, effective as of the date hereof, for the purpose of distributing such amount to the shareholders of the Shares as a return of capital;

2. the reduction of capital be effected by way of a distribution of cash to the shareholders of the Company as at Record Date on the basis of $0.001 per Share;

3. any officer or director of the Company is authorized and directed for and on behalf of the Company to execute or cause to be executed and to deliver or cause to be delivered all such other documents, agreements, instruments and to perform or cause to be performed all such other acts and things as in such person's opinion may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing; and

4. notwithstanding that this special resolution has been duly passed by the holders of Shares, the board of directors of the Company in its sole and absolute discretion, may defer acting on this special resolution or revoke the special resolution at any time before it is acted upon without further approval, ratification or confirmation by or prior notice to the holders of Shares.

The Board recommends that the Shareholders vote in favour of the Distribution Resolution.

The form of proxy delivered with this Information Circular provides a means for a Shareholder to vote for or against the Distribution Resolution. The form of proxy further provides that if a Shareholder using the proxy does not specify whether such Shares are to be voted for or against, the person(s) named as proxy holder(s) appointed by management intend to vote FOR the Distribution Resolution.

The Distribution is being made in connection with the Consolidation, and if the Consolidation Resolution is not approved by the Shareholders, the Company will not make the Distribution.

Share Consolidation

Background to the Consolidation

As a result of preliminary discussions with Askott Entertainment Inc. ("**Askott**") with respect to a potential business combination, on November 20, 2019, the Company's management proposed that the Company effect significant consolidation of the outstanding Shares of the Company (the "**Consolidation**") on the basis of one (1) post-Consolidation Share for every 45,000,000 pre-Consolidation Shares, to be effected following the Distribution. If, as a result of the Consolidation, a Shareholder would be entitled to receive a fractional Share, such fractional Share will be rounded up to one whole Share. It is expected that, following the Consolidation, each holder of pre-Consolidation Shares will receive one (1) post-Consolidation Share, and there will be 105 post-Consolidated Shares issued and outstanding.

On November 22, 2019, the Company entered into a non-binding letter of intent (the "**LOI**") with Askott, whereby Askott and the Company agreed to negotiate to enter into a definitive agreement for an amalgamation of Askott and the Company (the "**Askott Transaction**"), and concurrent private placements of securities by Askott (if required by the TSX Venture Exchange (the "**TSXV**")) and the Company. The obligations of the parties to complete the Askott Transaction are subject to certain conditions, including, but not limited to: the Company completing the Distribution and the Consolidation, the completion of the concurrent private placements by Askott (if required) and the Company, the receipt of all regulatory, shareholder and TSXV approvals, a due diligence review of the Company satisfactory to Askott and the entry into a definitive agreement by the parties for the Askott Transaction.

The LOI provides that there are 32,874,916 common shares in the capital of Askott issued and outstanding. If the Askott Transaction is completed as proposed, it is expected that, following the completion of the Askott Transaction and without taking the proposed private placements into account, the shareholders of the Askott will own over 99.99% of the Shares of the Company in the aggregate, and the current Shareholders will own less than 0.01% of the Company in the aggregate. The current directors and officers of the Company will resign, and will be replaced by nominees of Askott.

Based on its review of the proposed Consolidation, the Board determined that the Consolidation be submitted to the Shareholders and recommends that the Shareholders vote in favor of the Consolidation.

Recommendation of the Board

After consideration of all the circumstances, and the fact that the Company has been without an operating business for over 10 years, the Board determined that the Consolidation is in the best interests of the Company. Accordingly, the Board resolved to approve the Consolidation, subject to making all appropriate public disclosures of the Consolidation and the receipt of all required Shareholder and regulatory approvals. The Board further recommended that the holders of Shares should vote for the resolution approving the Consolidation, the text of which is set forth below (the "**Consolidation Resolution**").

In formulating its recommendation, the Board noted the following principal factors in concluding that the proposed Consolidation is in the best interests of the Company:

(a) the Company's principal business activities have historically been the exploration of mineral resource properties. All of the Company's properties were sold or abandoned during 2010. Cease trade orders ("**CTOs**") were issued against the Company as a result of its failure to file its financial statements for the year ended December 31, 2008 (BC Securities Commission - May 11, 2009; Ontario Securities Commission – May 25, 2009; and Alberta Securities Commission – August 11, 2009). As of March 29, 2019 the CTOs were lifted, allowing the Company to complete a restructuring;

(b) the Company currently has no business operations and as a consequence, the Company does not generate any operating income or positive cash flow, and a significant restructuring would be necessary in order to do so;

(c) the Shares of the Company are not listed on any stock exchange and the Distribution and Consolidation would provide the Shareholders with a manner of receiving some value for their Shares following the lifting of the CTOs that were in place for over 10 years; and

(d) the Consolidation is a prerequisite to proceeding with the Askott Transaction, which is the only business opportunity that the Company has been able to identify since the CTOs were lifted.

On November 25, 2019 the Board unanimously resolved, with Aaron Keay abstaining as follows:

(a) to conclude that the Consolidation is in the best interests of the Company and recommended that Shareholders vote in favour of the Consolidation Resolution at the Meeting; and

(b) subject to receipt of the required Shareholder and regulatory approvals, to proceed with the Consolidation.

The Board recommends that Shareholders vote in favour of the Consolidation Resolution.

Interest of Certain Persons in the Consolidation

Aaron Keay, a director of the Company, owns 45,000,000 Shares, and has abstained from voting on the resolutions approving the Distribution and the Consolidation, but nonetheless consents to such resolutions being passed.

Approval of the Consolidation

Under the BCBCA and the Company's Articles, in order to be effective, the Consolidation must be approved by the Board.

On November 25, 2019, the Board unanimously approved, with Aaron Keay abstaining, the Consolidation, subject to obtaining approval by the Shareholders of the Company as described in this Information Circular.

The Consolidation Resolution must be approved by an ordinary resolution of the Shareholders. The text of the Consolidation Resolution to be voted on at the Meeting by the Shareholders is set forth below:

BE IT RESOLVED THAT:

1. the Company be and it is hereby authorized to consolidate (the "**Consolidation**") all of its issued and outstanding common shares in the capital of the Company (the "**Shares**") without par value on the basis of one (1) post-Consolidation Share for every 45,000,000 pre-Consolidation Shares, provided that if a holder of pre-Consolidation Shares (a "**Shareholder**") would otherwise be entitled to receive a fractional Share, such fractional Share will be rounded up to one whole Share;

2. holders of whole post-Consolidation Shares will be issued post-Consolidation Shares and will be entitled to receive a certificate therefore;

3. any director or officer of the Company be and is hereby authorized and directed on behalf of the Company to sign and deliver all documents and to do all things necessary and advisable in connection with the foregoing and to determine the timing thereof;

4. notwithstanding the approval of the proposal to consolidate the issued share capital of the Company, the directors of the Company be and are hereby authorized without further approval of the Shareholders to revoke the resolution consolidating the issued share capital of the Company before it is acted upon if the directors deem it would be in the best interests of the Company; and

5. notwithstanding the approval of the proposal to consolidate the issued share capital of the Company, the directors of the Company be and they are hereby authorized without further approval of the Shareholders to modify, vary or amend such terms and conditions in respect of the Consolidation as may be required by the regulatory authorities having jurisdiction or as the board of directors may in its sole discretion deem in the best interests of the Company, and the directors are further authorized to abandon the Consolidation, in whole or in part.

The form of proxy delivered with this Information Circular provides a means for a Shareholder to vote for or against the Consolidation Resolution. The form of proxy further provides that if a Shareholder using the proxy does not specify whether such Shares are to be voted for or against, the person(s) named as proxy holder(s) appointed by management intend to vote FOR the Consolidation Resolution.

Terms of the Consolidation

The Consolidation will be effected in accordance with the terms of the Consolidation Resolution, substantially in the form set forth above. If the Consolidation Resolution is approved by the Shareholders as set forth above, and all of the conditions to the completion of the Consolidation are met (see "*Conditions to Completion of the Consolidation*" below), it is expected that the Consolidation will be effected as soon as practicable following the Meeting.

If the Consolidation receives requisite Shareholder approval, the Company will issue a news release announcing the date on which the Consolidation is to be effected.

On the effective date of the Consolidation (the "**Effective Date**"):

(a) all of the Shares will be consolidated on the basis of one (1) post-Consolidation Share for each 45,000,000 pre-Consolidation Shares, where any entitlement to receive a fractional post-Consolidation Share shall be rounded up to one whole post-Consolidation Share and;

(b) holders of whole post-Consolidation Shares will be issued post-Consolidation Shares and will be entitled to receive a certificate therefore.

The foregoing description of the Consolidation is qualified in its entirety by reference to the full text of the Consolidation Resolution, which is set forth above.

Conditions to Completion of the Consolidation

The obligations of the Company to complete the Consolidation and Consolidation are subject to the fulfillment of the following conditions on or before the Effective Date:

(a) the Consolidation will have been approved at the Meeting by an ordinary resolution of Shareholders;

(b) all material regulatory requirements will have been complied with and all other material consents, agreements, orders and approvals, including regulatory approvals, necessary for the completion of the Consolidation or contemplated by this Information Circular will have been obtained or received from the persons, authorities or bodies having jurisdiction in the circumstances; and

(c) unless waived by the Company, no person, or persons acting jointly or in concert, is the beneficial holder of more than 45,000,000 Shares, immediately prior to giving effect to the Consolidation.

Termination

Under the terms of the Consolidation Resolution, the Consolidation may, at any time before or after the holding of the Meeting but no later than the Effective Date, at the discretion of the Board, be terminated by the Company without further notice to, or action on the part of, the Shareholders.

Arrangements between the Company and Securityholders

Except as disclosed in this Information Circular, there are no arrangements, agreements, commitments or understandings, formal or informal, between the Company and any securityholder of the Company with respect to the Consolidation or between the Company and any other person with respect to any securities of the Company in relation to the Consolidation.

Benefits from Consolidation to Insiders

Other than as otherwise disclosed herein, there are no agreements or arrangements in place between the Company and any of its directors, senior officers or other insiders or their respective associates and affiliates relating to the Consolidation. The directors, senior officers or other insiders of the Company and their respective associates and affiliates do not expect to benefit either individually or as a group from the Consolidation in any way that is different from other Shareholders.

Share Trading Information

The Shares are not listed for trading on any exchange.

Previous Distributions

On April 12, 2019, the Company issued an aggregate of 465,000,000 Shares at a price of $0.001 per Share for total consideration of $465,000.

Commitments to Acquire Securities

There are no outstanding commitments to acquire equity securities of the Company by the directors, officers and insiders of the Company or by any of their associates or affiliates or any person acting jointly or in concert with them.

Dividend Policy

There are no restrictions in the Company's Articles or elsewhere, other than customary general solvency requirements, which would prevent the Company from paying dividends. The Company has paid no dividends on the Shares during the two years preceding the date of this Information Circular. There is no plan or intention to declare a dividend or to alter the dividend policy of the Company prior to the completion of the Consolidation.

Material Changes

Except as noted below, the Company has no plans or proposals for material changes in the affairs of the Company, other than as described in this Circular.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Except as disclosed below and elsewhere in this Information Circular, no person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year, or associate or affiliates of any such directors or executive officers, has any material interest, direct or indirect, by way of beneficial ownership of the Company's securities or otherwise, in any matter to be acted upon at the Meeting.

ADDITIONAL INFORMATION

Shareholders may contact the Company at its office by mail at #73 – 13819 232 Street, Maple Ridge, BC V4R 0C7, to request copies of the Company's financial statements and related management's discussion and analysis (the "**MD&A**"). Financial information is provided in the Company's audited financial statements and MD&A for the most recently completed financial year and in the financial statements and MD&A for subsequent financial periods, which are available on SEDAR at www.sedar.com.

OTHER MATTERS

Other than the above, management of the Company know of no other matters to come before the Meeting other than those referred to in the Notice. If any other matters that are not currently known to management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the Designated Persons named therein to vote on such matters in accordance with their best judgment.

APPROVAL OF THE BOARD OF DIRECTORS

The contents of this Information Circular have been approved, and the delivery of it to each Shareholder of the Company entitled thereto and to the appropriate regulatory agencies has been authorized, by the Board.

Dated at Vancouver, British Columbia this 29th day of November, 2019.

ON BEHALF OF THE BOARD OF DIRECTORS OF

MOLYSTAR RESOURCES INC.

"Robert Anderson"
Robert Anderson
Chief Executive Officer, Chief Financial
and Director