MARGAUX RESOURCES LTD.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

and

MANAGEMENT INFORMATION CIRCULAR

with respect to

the Annual and Special Meeting of Shareholders

to be held on October 20, 2016

MARGAUX RESOURCES LTD.

NOTICE OF THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD OCTOBER 20, 2016

TO THE SHAREHOLDERS OF MARGAUX RESOURCES LTD.

Notice is hereby given that the annual and special meeting (the "**Meeting**") of the shareholders (the "**Shareholders**") of Margaux Resources Ltd. ("**Margaux**" or the "**Company**") will be held at the offices of Burnet, Duckworth & Palmer LLP, Suite 2400, 525 – 8th Avenue S.W., Calgary, Alberta T2P 1G1 on October 20, 2016 at 10:00 a.m. (Calgary time) for the following purposes, namely:

(a) to receive and consider the financial statements of the Company for the year ended September 30, 2015 and the auditor's report thereon;

(b) to fix the number of directors to be elected at the Meeting at five (5);

(c) to elect directors of the Company for the ensuing year;

(d) to appoint MNP LLP, Chartered Accountants, as the auditors of the Company for the ensuing year and to authorize the directors to fix the auditors' remuneration as such;

(e) to approve the Company's rolling share option plan which allows for the issuance of that number of common shares as is equal to 10% of the Company's issued and outstanding Common shares at any given time; and

(f) to transact such further and other business as may be properly brought before the Meeting or any adjournment thereof.

The nature of the business to be transacted at the Meeting is described in further detail in the accompanying management information circular. **Please read the accompanying management information circular carefully.**

The record date for the determination of Shareholders entitled to receive notice of and to vote at the Meeting is September 19, 2016 (the "**Record Date**"). Shareholders of the Company whose names have been entered in the register of Shareholders at the close of business on that date will be entitled to receive notice of and to vote at the Meeting, provided that, to the extent a shareholder transfers the ownership of any of such Shareholder's shares after such date and the transferee of those shares establishes that the transferee owns the shares and requests, not later than 10 days before the Meeting, to be included in the list of shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those shares at the Meeting.

A Shareholder may attend the Meeting in person or may be represented by proxy. Shareholders who are unable to attend the Meeting or any adjournment thereof in person are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment thereof. To be effective, the enclosed proxy must be mailed so as to reach or be deposited with Computershare Trust Company of Canada, Proxy Dept., 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, or by facsimile at 1-866-249-7775, so that it is received no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting or any adjournment or postponement thereof. Registered Shareholders may also use the internet site at www.investorvote.com to transmit their voting instructions or vote by phone at 1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America).

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

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

In the event of a strike, lockout or other work stoppage involving postal employees, all documents required to be delivered by a Shareholder should be delivered by facsimile to Computershare Trust Company of Canada at 1-866-249-7775.

DATED at Calgary, Alberta this 20th day of September, 2016.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) *"Tyler Rice "*
Tyler Rice
President and Chief Executive Officer

MARGAUX RESOURCES LTD.

MANAGEMENT INFORMATION CIRCULAR
for the Annual and Special Meeting of Shareholders
to be Held on October 20, 2016

This management information circular is furnished in connection with the solicitation of proxies by the management of Margaux Resources Ltd. ("**Margaux**" or the "**Company**") for use at the annual and special meeting (the "**Meeting**") of the holders of common shares ("**Common Shares**") of the Company (the "**Shareholders**"), to be held at the offices of Burnet, Duckworth & Palmer LLP, Suite 2400, 525 – 8th Avenue S.W., Calgary, Alberta T2P 1G1 on October 20, 2016 at 10:00 a.m. (Calgary time) for the purposes set forth in the accompanying Notice of Annual and Special Meeting.

Unless otherwise stated, the information contained in this management information circular is given as at September 20, 2016.

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

GENERAL PROXY INFORMATION

General Meeting Requirements

As at the date hereof, there are 29,088,939 Common Shares issued and outstanding. Each outstanding Common Share is entitled to one vote on any ballot at the Meeting. The board of directors (the "**Board**") of the Company has fixed the record date for the Meeting at the close of business on September 19, 2016 (the "**Record Date**"). The Company will prepare, as of the Record Date, a list of Shareholders entitled to receive the Notice of Annual and Special Meeting and showing the number of Common Shares held by each such Shareholder. Each Shareholder named in the list is entitled to vote the Common Shares shown opposite such Shareholder's name at the Meeting except to the extent that such holder transfers ownership of the Common Shares after the Record Date, in which case the transferee shall be entitled to vote such Common Shares upon establishing ownership and requesting, by 4:30 p.m. (Calgary time) not later than 10 days before the Meeting, to be included in the list of shareholders entitled to vote at the Meeting.

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

Appointment of Proxies

Those Shareholders who desire to be represented at the Meeting by proxy must deposit their proxy with Computershare Trust Company of Canada, Proxy Dept., 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, or by facsimile at 1-866-249-7775, so that it is received no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting or any adjournment or postponement thereof. Registered Shareholders may also use the internet site at www.investorvote.com to transmit their voting instructions or vote by phone at 1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America). A proxy must be executed by the shareholder or his or her attorney authorized in writing, or if the shareholder is a Company, under its seal by an officer or attorney thereof duly authorized.

The persons named in the accompanying proxy are directors and officers of the Company. **A Shareholder has the right to appoint a person (who need not be a Shareholder) to attend and act on such Shareholder's behalf at the Meeting other than the persons named in the proxy.** To exercise this right, the Shareholder must strike out the name of the persons named in the proxy and insert the name of his or her nominee in the space provided or complete another appropriate form of proxy and, in either case, deposit the proxy with the Company at the place and within the time specified above for deposit of proxies.

Persons Making the Solicitation

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

Voting by Internet

Shareholders may use the internet site at www.investorvote.com to transmit their voting instructions. Shareholders should have the form of proxy in hand when they access the web site and will be prompted to enter their Control Number, which is located on the form of proxy. If Shareholders vote by internet, their vote must be received not later than 48 hours (excluding Saturdays, Sundays and holidays) before the day of the Meeting or any adjournment of the Meeting. **The website may be used to appoint a proxy holder to attend and vote on a Shareholder's behalf at the Meeting and to convey a Shareholder's voting instructions. Please note that if a Shareholder appoints a proxy holder and submits their voting instructions and subsequently wishes to change their appointment, a Shareholder may resubmit their proxy and/or voting direction, prior to the deadline noted above. When resubmitting a proxy, the most recently submitted proxy will be recognized as the only valid one, and all previous proxies submitted will be disregarded and considered as revoked, provided that the last proxy is submitted by the deadline noted above.**

Exercise of Discretion by Proxy

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

Revocation of Proxies

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

Advice to Beneficial Holders of Securities

The information set forth in this section is of significant importance to many public Shareholders, as a substantial number of the public Shareholders do not hold shares in their own name. Shareholders who do not hold their shares in their own name (referred to in this management information circular as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those shares will not be registered in the Shareholder's name on the records of the Company. Such shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers/nominees are prohibited from voting shares for their clients. The directors and officers of the Company do not know for whose benefit the shares registered in the name of CDS & Co. are held.

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

MATTERS TO BE ACTED UPON AT THE MEETING

Presentation of Financial Statements

At the Meeting, Shareholders will receive and consider the financial statements of the Company for the fiscal year ended September 30, 2015 and the auditors' report on such statements.

Fixing the Number of Directors

At the Meeting, Shareholders will be asked to fix the number of directors for the present time at five (5) as may be adjusted between shareholders' meetings by way of resolution of the Board. Accordingly, unless otherwise directed, it is the intention of management to vote proxies in the accompanying form in favour of fixing the number of directors to be elected at the Meeting at five (5).

Election of Directors

At the Meeting, Shareholders will be asked to elect each of the proposed directors set forth below to hold office until the next annual meeting or until their successors are elected or appointed. There are presently five (5) directors of the Company, each of whom retires from office at the Meeting. Unless otherwise directed, it is the intention of management to vote proxies in the accompanying form in favour of the election as directors of each of the nominees hereinafter set forth to hold office until the next annual meeting, or until their successors are elected or appointed:

Douglas Foster
Robert J. Derkitt
Edward A. Lawrence

James A. Letwin
H. Tyler Rice

The names and places of residence of the persons either nominated for or presently holding office as directors, the number of Common Shares beneficially owned, controlled or directed, directly or indirectly, the period served as director and the principal occupation during the last five years of each are as follows:

Name and Place of Residence	Number of Common Shares Beneficially Owned or Controlled, Directly or Indirectly	Director Since	Principal Occupation for Past Five Years
Douglas Foster[(1) (2) (4)] Calgary, Alberta	nil	October 8, 2014	Retired Businessman.
Robert J. Derkitt [(2) (3)] British Columbia, Canada	169,617	June 19, 2013	President of R.J. Derkitt & Associates, an executive search services firm, since 1992.
Edward A. Lawrence [(3)] British Columbia, Canada	nil	January 15, 2014	President of Emerald Ridge Mine Services Ltd., a private mining consulting business, since 1978. Consultant for Sultan Minerals Inc., a public mining company, since 2006.
James A. Letwin[(1) (2) (4)] Ontario, Canada	976,407	June 19, 2013	Chief Executive Officer of JAN Kelley Marketing, a full service marketing agency, since 1986.
H. Tyler Rice[(1) (3) (4)] British Columbia, Canada	1,751,834	January 6, 2014	Chief Executive Officer of the Company since January 2014. President of the Company since February 2012. Prior thereto, Chief Financial Officer and Corporate Secretary of the Company since June 2011.

Notes:
(1) Members of the Audit Committee.
(2) Members of the Corporate Governance and Nominating Committee.
(3) Members of the Reserves Committee.
(4) Members of the Compensation Committee.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To our knowledge, none of our directors or officers: (i) is, or has been in the last 10 years, a director, chief executive officer or chief financial officer of an issuer that, while that person was acting in that capacity, (a) was the subject of a cease trade order or similar order or an order that denied the issuer access to any exemptions under securities legislation, for a period of more than 30 consecutive days (an "**order**"), (b) was subject to an order that was issued after the director or officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer, or (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold our assets; (ii) 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, arrangements or compromises with creditors, or had a receiver or receiver manager or trustee appointed to hold his assets; or (iii) 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, or (b) any other penalties or sanctions imposed by a court or regulatory body. In addition, no proposed director of the Company has, within the

10 years before the date of this document, 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 its assets.

Appointment of Auditors

Unless otherwise directed, it is management's intention to vote the proxies in favour of an ordinary resolution to appoint the firm of MNP LLP, Chartered Accountants, to serve as auditors of the Company until the next annual meeting of shareholders and to authorize the directors to fix their remuneration as such. MNP LLP, Chartered Accountants was first appointed as the Company's auditors on August 31, 2016.

At the last annual and special meeting of Shareholders, the Shareholders re-appointed Grant Thornton LLP as the auditors of Margaux, a position held by Grant Thornton LLP since October 2013. The Board subsequently determined that it was in the best interests of Margaux to change the auditors of Margaux from Grant Thornton LLP to MNP LLP. Accordingly, at the request of the Board, Grant Thornton LLP resigned as auditors on August 31, 2016. Effective August 31, 2016, the Board appointed MNP LLP to fill the vacancy created by the resignation of Grant Thornton LLP.

In accordance with National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**"), attached to this Information Circular as Schedule "B" are the following documents:

(a) Notice of Change of Auditor;

(b) Letter from Grant Thornton LLP dated September 6, 2016, which was prepared in accordance with Subsection 4.11(5)(a)(ii)(B) of NI 51-102; and

(c) Letter from MNP LLP dated September 2, 2016, which was prepared in accordance with Subsection 4.11(6)(a)(ii)(B) of NI 51-102.

Approval of Share Option Plan

The Company's share option plan (the "**Share Option Plan**") was first approved by the Shareholders at the annual meeting of Shareholders held on March 28, 2012 and was last approved by Shareholders on August 5, 2015. Pursuant to the policies of the TSX Venture Exchange ("**TSXV**"), "rolling plans", such as the Share Option Plan, must receive shareholder approval yearly.

The Share Option Plan provides, *inter alia*, that the Board may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Company, non-transferable options ("**Options**") to purchase Common Shares exercisable for a period of up to five years, provided that the number of Common Shares reserved for issuance under the Share Option Plan shall not exceed 10% of the issued and outstanding Common Shares. In addition, the number of Common Shares reserved for issuance to any one person in a twelve month period shall not exceed 5% of the issued and outstanding Common Shares and the number of Common Shares reserved for issuance to any one consultant in a 12 month period will not exceed 2% of the issued and outstanding Common Shares. The Board determines the price per Common Shares and the number of Common Shares that may be allotted to each director, officer, employee and consultant and all other terms and conditions of the Option, subject to the rules of the TSXV. See "*Statement of Executive Compensation – Share Option Plan*" for further details regarding the Share Option Plan.

On August 12, 2015, the Board approved certain administrative amendments to the Share Option Plan at the request of the TSXV, which included the removal of the ability of an Optionee (as defined herein) to make an offer ("**Surrender Offer**") to the Company for the disposition and surrender of such holder's Option. The current rules and policies of the TSXV do not allow for the Company to provide for a Surrender Offer in the Share Option Plan.

It is management's intention to vote the proxies in the accompanying form in favour of the following ordinary resolution to approve the Share Option Plan:

"BE IT RESOLVED THAT:

1. The share option plan of the Company, which provides for the rolling grant of options to acquire up to 10% of the number of issued and outstanding common shares of the Company, be and the same is hereby confirmed, ratified and approved; and

2. Any one director or officer of the Company be and is hereby authorized and directed to do all things and to execute and deliver all documents and instruments as may be necessary or desirable to carry out the terms of this resolution."

In order to be passed, the foregoing resolution must be approved by the affirmative vote of a simple majority of the votes cast by Shareholders who vote in person or by proxy at the Meeting. **The persons named in the accompanying Instrument of Proxy intend, unless otherwise directed, to vote in favour of the resolution approving the Share Option Plan.**

The Board unanimously recommends that Shareholders ratify, confirm and approve the Share Option Plan by voting in favour of the resolution to be submitted to the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The authorized share capital of the Company consists of an unlimited number of Common Shares and an unlimited number of preferred shares ("**Preferred Shares**"), all without nominal or par value. As at the date hereof, there are 29,088,939 Common Shares and no Preferred Shares issued and outstanding.

To the best of the Company's knowledge and based on existing information, as at the date hereof, there are no persons who own, control or direct, directly or indirectly, more than 10% of the outstanding Common Shares.

STATEMENT OF EXECUTIVE COMPENSATION

Role and Composition of the Board

The Company's executive compensation program is administered by the Board. The Board's mandate with respect to compensation includes evaluating senior management and developing appropriate compensation policies for the senior management and directors of the Company, including the Named Executive Officers (as defined below) which are identified in the "*Summary Compensation Table*" below. The duties and responsibilities of the Board with respect to compensation are further described in this management information circular under the heading "*Corporate Governance Disclosure - Compensation*". As at the year ended September 30, 2015 and as at the date hereof, the Board is comprised of Messrs. Derkitt, Foster, Letwin, Lawrence and Rice. Messrs. Foster, Derkitt and Letwin are "independent" for the purposes of National Instrument 58-201 – *Corporate Governance Guidelines* ("**NI 58-201**"). Mr. Rice is not "independent" for the purposes of NI 58-201 as he is the President and Chief Executive Officer of the Company. Mr. Lawrence is not "independent" for the purposes of NI 58-201 as he provides consulting work for the Company.

Compensation Discussion and Analysis

Executive Compensation Principles

Our compensation program is based on the principle that compensation should be aligned with the objectives and vision of the Company and the Shareholders' interests. Senior management recognizes that the Company's corporate performance is dependent upon retaining highly trained, experienced and committed directors, executive officers and employees who have the necessary skill sets, education, experience and personal qualities required to manage our business. Our program also recognizes that the various components thereof must be sufficiently flexible to adapt to unexpected developments in the oil and gas industry and mining industry and the impact of internal and market-related occurrences from time to time.

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

- align executive compensation with the objectives and vision of the Company and Shareholders' interests;
- attract and retain highly qualified management with an appropriate level of incentives;
- focus performance by linking incentive compensation to the achievement of business objectives and financial and operational results; and
- encourage retention of key executives for leadership succession.

The aggregate value of these principal components and related benefits is used as a basis for assessing the overall competiveness of the Company's executive compensation package. When determining executive compensation, including the assessment of the competiveness of the Company's compensation program, the Board reviews the compensation practices of companies in its selected peer group. These companies compete with Margaux for executive talent, operate in a similar business environment and are of similar size, scope and complexity.

The Company's peer group for these purposes is comprised of approximately three or four similar sized companies based upon such factors as revenue, total assets, free cash flow, capital expenditures and number of employees. For this purpose, the Company obtains industry reports and general compensation surveys conducted by independent consultants and professional associations.

The Company's compensation program is primarily designed to reward performance and, accordingly, the performance of both the Company, as well as the individual performance of executive officers during the year in question, is examined by the Board in conjunction with setting executive compensation packages. The Board does not set specific performance objectives in assessing the performance of the President and other executive officers; rather the Board uses its experience and judgment in determining an overall compensation. The Company's compensation program is primarily designed to reward performance and, accordingly, the performance of both the Company, as well as the individual performance of executive officers during the year in question, is examined by the Board in conjunction with setting executive compensation packages. Some of the factors looked at by the Board in assessing the performance of the Company and its executive officers are as follows: (a) project development milestones; (b) capital costs on a share price basis; and (c) the Company's performance for all of the above relative to its goals and objectives and in relation to the performance of its industry peer group.

Elements of our Executive Compensation Program

Base Salaries

The base salary component is intended to provide a fixed level of competitive pay that reflects each executive officer's primary duties and responsibilities. The annualized amount of such billings is comparable with the compensation of executive officers of other members of our peer group. It also provides a foundation upon which performance based incentive compensation elements are assessed and established.

Short-Term Incentive Compensation – Cash Bonuses

In addition to base salaries, the Company has discretionary bonus policy pursuant to which the Board may award annual cash bonuses to executive officers. It is the Board's philosophy that an individual bonus should be tied primarily to that individual's contribution to corporate performance. The amount of an annual bonus paid, if any, is not set in relation to any formula or specific criteria, but is the result of a subjective determination by the Board based primarily on the Company's and the individual's performance.

No discretionary bonuses were paid to executive officers of the Company during the year ended September 30, 2015.

Long Term Incentive Compensation – Share Options

Executive officers, along with all of Margaux's officers, directors, employees and consultants retained by the Company, are eligible to participate in the Share Option Plan. The Share Option Plan and the Common Shares reserved thereunder, comply with the policies of the TSXV. The Share Option Plan promotes an ownership perspective among executives, encourages the retention of key executives and provides an incentive to enhance shareholder value by furthering the Company's growth and profitably. As with most companies in the Company's peer group, share options form an integral component of the total compensation package provided to the Company's executive officers. Participation in the Share Option Plan rewards overall corporate performance, as measured through the price of the Common Shares. In addition, the Share Option Plan enables executives to develop and maintain a significant ownership position in the Company.

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

Summary

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

Summary Compensation Table

The following table sets forth for 12-month periods ended September 30, 2015, 2014 and 2013, information concerning the compensation paid to the Company's President, Chief Executive Officer and Chief Financial Officer (each a "**Named Executive Officer**" or "**NEO**" and collectively, the "**Named Executive Officers**" or "**NEOs**"). No other Name Executive Officer's total compensation for the periods in question exceeded $150,000.

Name and principal position	Year	Salary ($)	Share-based awards ($)	Option-based awards[1] ($)	Non-equity incentive plan compensation ($)		Pension value ($)	All other compensation[2]	Total compensation ($)
					Annual incentive plans	Long-term incentive plans			
Tyler Rice [3][4] President, Chief Executive Officer and former Chief Financial Officer	2015	20,000	-	-	N/A	N/A	N/A	-	20,000
	2014	120,000	-	23,333	N/A	N/A	N/A	-	143,333
	2013	102,500	-	-	N/A	N/A	N/A	-	102,500
Anthony Moreau[4] Former Chief Financial Officer	2015	-	-	-	N/A	N/A	N/A	-	-
Jason Linkewich[4] Chief Financial Officer	2015	-	-	-	N/A	N/A	N/A	-	-

Notes:

(1) Reflects the value of options issued under the Share Option Plan based on the grant date fair value of the applicable awards. The fair value of option grants have been determined using the same methodology and values used in determining the share option value for our financial statements as the Company believes it represents the best estimate of fair value of the options at the time of the grant. Value was attributed using the Black-Scholes option pricing model using the following assumptions for the year ended September 30, 2014: risk-free interest rate of 1.32%; expected

forfeiture rate of nil%; dividend yield of nil%; volatility factor of the market price of the Common Shares of 126%; and an average expected life of the options of 5 years. No Options were granted to the Named Executive Officers during the year ended September 30, 2015 and during the year ended September 30, 2013, all of the Company's then-outstanding options were surrendered to the Company for cancellation.

(2) No perquisites were paid to the Named Executive Officer.

(3) Mr. Rice was appointed Chief Executive Officer of the Company in January 2014.

(4) On December 1, 2014, Mr. Anthony Moreau replaced Mr. Rice as Chief Financial Officer of the Company and on May 8, 2015, Mr. Jason Linkewich replaced Mr. Anthony Moreau as Chief Financial Officer of the Company.

Share Option Plan

The Share Option Plan conforms with the policies of the TSXV and is reflective of the Company's status as a junior issuer. The Share Option Plan permits the granting of non-transferable Options to purchase Common Shares to directors, officers, key employees and consultants ("**Optionees**") of the Company. The Share Option Plan is intended to afford persons who provide services to the Company an opportunity to obtain an increased proprietary interest in the Company by permitting them to purchase Common Shares and to aid in attracting as well as retaining and encouraging the continued involvement of such persons with the Company. The Share Option Plan is administered by the Board.

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

The number of Common Shares issuable pursuant to Options granted under the Share Option Plan or any other security-based compensation arrangements of the Company: (i) to any one Optionee in a 12 month period may not exceed 5% of the outstanding Common Shares; (ii) issuable to insiders at any time shall not exceed 10% of the issued and outstanding Common Shares; (iii) issued to insiders within any one-year period may not exceed 10% of the outstanding Common Shares; and (iv) to any one insider and the associates of such insider may not exceed 5% of the issued and outstanding Common Shares.

Options issued under the Share Option Plan may be exercisable for a period not exceeding five years and vest as determined by the Board on the date of grant.

Options issued pursuant to the Share Option Plan have an exercise price that cannot not be less than the current market price of the Common Shares, which means the most recent closing price per share for Common Shares on the last trading day preceding the date of grant on which there was a closing price on the TSXV (or if the Common Shares are not listed on the TSXV, on such stock exchange as the Common Shares are then traded).

In the event an Optionee ceases to be a director, officer or key employee of the Company, any Option previously granted to such Optionee shall be exercisable until the earlier of: (i) the end of the Option period as set forth in the grant; or (ii) the expiration of 90 days from the date of the normal retirement of such participant, or one year from the date of the death or permanent disability of such participant, and then, in the event of death or permanent disability, only by the person or persons to whom the participant's rights under the Option pass by the participant's will or applicable law, and only to the extent that the Optionee was entitled to exercise the Option as at the date of the holder's death or permanent disability.

Without the prior approval of the Shareholders, the Board may not: (i) make any amendment to the Share Option Plan to increase the percentage of Common Shares issuable on exercise of outstanding Options at any time; (ii) reduce the exercise price of any outstanding Options; (iii) extend the term of any outstanding Options beyond the original expiry date of such Option; (iv) make any amendment to increase the maximum limit on the number of securities that may be issued to Insiders (as such term is defined in the Share Option Plan); (v) make any amendment to increase the maximum number of Common Shares issuable on exercise of Options to directors who are not officers or employees of the Company; (vi) make any amendment to the Share Option Plan that would permit an Optionee to transfer or assign Options to a new beneficial Optionee other than in the case of death of the Optionee;

or (vii) amend the restrictions on amendments that are provided in the Share Option Plan. Subject to restrictions set out above, the Board may amend or discontinue the Share Option Plan and Options granted thereunder at any time, without Shareholder approval, provided that any amendment to the Share Option Plan that requires approval of any stock exchange on which the Common Shares are listed for trading may not be made without approval of such stock exchange. In addition, no amendment to the Share Option Plan or Options granted pursuant to the Share Option Plan may be made without the consent of the Optionee if it adversely alters or impairs any Option previously granted to such Optionee.

On August 12, 2015, the Board approved certain administrative amendments to the Share Option Plan at the request of the TSXV, which included the removal of the ability of an Optionee to make a Surrender Offer to the Company for the disposition and surrender of such holder's Option. The current rules and policies of the TSXV do not allow for the Company to provide for a Surrender Offer in the Share Option Plan.

The policies of the TSXV require that the Share Option Plan receive annual Shareholder approval. The Share Option Plan was first approved at the Company's 2012 annual meeting of Shareholders. A copy of the Share Option Plan will be available for inspection at the Meeting and will be sent to any Shareholder upon request.

The Board unanimously recommends that Shareholders ratify, confirm and approve the Share Option Plan by voting in favour of the resolution to be submitted to the Meeting.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-based Awards

The following table sets forth for each Named Executive Officer all option-based awards outstanding at the end of the year ended September 30, 2015. The Company did not make any share-based awards in the last completed financial year, nor are there any share-based awards outstanding.

	Option-based Awards			
Name	**Number of securities underlying unexercised options(1) (#)**	**Option exercise price ($)**	**Option expiration date**	**Value of unexercised in-the-money options(1) ($)**
Tyler Rice	500,000	0.10	February 10, 2019	30,000
Anthony Moreau(2)	-	-	-	-
Jason Linkewich(2)	-	-	-	-

Notes:

(1) Calculated based on the difference between the market price of the Common Shares underlying the Options on September 30, 2015, being $0.19, and the exercise price of the vested Options.

(2) On December 1, 2014, Mr. Anthony Moreau replaced Mr. Rice as Chief Financial Officer of the Company and on May 8, 2015, Mr. Jason Linkewich replaced Mr. Anthony Moreau as Chief Financial Officer of the Company.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth for each Named Executive Officer, the value of option-based awards which vested during the year ended September 30, 2015 and the value of non-equity incentive plan compensation earned during the year ended September 30, 2015. The Company did not have any share-based awards outstanding at the end of the most recently completed financial year.

Name	Option-based awards – Value vested during the year[1] ($)	Share-based awards – Value vested during the year ($)	Non-equity incentive plan compensation – Value earned during the year ($)
Tyler Rice	13,333	-	-
Anthony Moreau[2]	-	-	-
Jason Linkewich[2]	-	-	-

Notes:

(1) Calculated based on the difference between the market price of the Common Shares underlying the Options on the vesting date, being $0.18, and the exercise price of the vested Options on the vesting date.

(2) On December 1, 2014, Mr. Anthony Moreau replaced Mr. Rice as Chief Financial Officer of the Company and on May 8, 2015, Mr. Jason Linkewich replaced Mr. Anthony Moreau as Chief Financial Officer of the Company.

Pension Plan Benefits

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

Termination and Change of Control Benefits

Other than as set forth below, no written employment contract exists between the Company and any Named Executive Officer. Further, there is no contract, agreement, plan or arrangement that provides for payments to a Named Executive Officer at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company or a change in a Named Executive Officer's responsibilities.

For the year ended September 30, 2015, the Company had in place an employment agreement (the "**Rice Employment Agreement**") with Tyler Rice, the President, Chief Executive Officer and former Chief Financial Officer of the Company. The Rice Employment Agreement provides that Mr. Rice may be terminated by the Company at any time and for any reason by providing ninety (90) days written notice or with pay in lieu of such notice equal to that portion of the annual base salary otherwise payable during the ninety day (90) notice period and by paying Mr. Rice his pro-rata annual base salary earned but not yet paid for services rendered up to and including the termination date and the accrued and unused vacation pay for the calendar year in which the termination date occurred. The Rice Employment Agreement may also be terminated at any point without notice or payment for just cause. Mr. Rice would have been entitled to an estimated $120,000 in incremental payments had a change of control of the Company occurred on September 30, 2015.

Director Compensation

Each of the non-management directors participate in the Share Option Plan and receives an annual grant of Options. Subsequent to the first quarter of fiscal 2012, cash fees to the non-management directors ceased.

Directors' Summary Compensation Table

The following table sets forth for the year ended September 30, 2015, information concerning the compensation paid to our directors other than directors who are also Named Executive Officers.

Name	Fees earned ($)	Share-based awards ($)	Option-based awards[1] ($)	Non-equity incentive plan compensation ($)	Pension value ($)	All other compensation ($)	Total ($)
Gerald D. Facciani[2]	-	-	-	-	-	-	-
Robert J. Derkitt	-	-	-	-	-	-	-
James A. Letwin	-	-	-	-	-	-	-
Edward A. Lawrence	-	-	-	-	-	-	-
Douglas Foster[2]	-	-	-	-	-	-	-

Notes:

(1) No Options were granted to the directors during the year ended September 30, 2015.

(2) On October 8, 2014, Mr. Facciani ceased to be a director of the Company and Mr. Douglas Foster was appointed as a director of the Company.

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

The following table sets forth for each of our directors other than directors who are also Named Executive Officers, all option-based awards outstanding at the end of the year ended September 30, 2015. The Company does not have any outstanding share-based awards.

	Option-based Awards				Share-based Awards	
Name	Number of securities underlying unexercised options[1] (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options ($)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)
Gerald D. Facciani[2]	-	-	-	-	-	-
Robert J. Derkitt	100,000	0.10	February 10, 2019	6,000	-	-
James A. Letwin	100,000	0.10	February 10, 2019	6,000	-	-
Edward A. Lawrence	-	-	-	-	-	-
Douglas Foster[2]	-	-	-	-	-	-

Notes:

(1) Calculated based on the difference between the market price of the Common Shares underlying the Options on September 30, 2015, being $0.19, and the exercise price of the vested Options.

(2) On October 8, 2014, Mr. Facciani ceased to be a director of the Company and Mr. Douglas Foster was appointed as a director of the Company. As a result, all of Mr. Facciani's Options were subsequently surrendered in accordance with the Share Option Plan.

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

The following table sets forth for each of our directors other than directors who are also Named Executive Officers, the value of option-based awards which vested during the year ended September 30, 2015 and the value of non-equity incentive plan compensation earned during the year ended September 30, 2015. The Company does not have any share-based awards outstanding.

Name	**Option-based awards – Value vested during the year[(1)] ($)**	**Share-based awards – Value vested during the year ($)**	**Non-equity incentive plan compensation – Value earned during the year ($)**
Gerald D. Facciani[(2)]	-	-	-
Robert J. Derkitt	2,667	-	-
James A. Letwin	2667	-	-
Edward A. Lawrence	-	-	-
Douglas Foster[(2)]	-	-	-

Notes:

(1) Calculated based on the difference between the market price of the Common Shares underlying the Options on the vesting date, being $0.18, and the exercise price of the vested Options on the vesting date.
(2) On October 8, 2014, Mr. Facciani ceased to be a director of the Company and Mr. Douglas Foster was appointed as a director of the Company. As a result, all of Mr. Facciani's Options were subsequently surrendered in accordance with the Share Option Plan.

Securities Authorized for Issuance Under Equity Compensation Plans

The following sets forth information in respect of securities authorized for issuance under our equity compensation plans as at September 30, 2015.

Plan Category	**Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)**	**Weighted average exercise price of outstanding options, warrants and rights (b)**	**Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)**
Equity compensation plans approved by securityholders[(1)]	1,805,000	$0.28	1,027,126
Equity compensation plans not approved by securityholders	-	-	-
Total	1,805,000	$0.28	1,027,126

Note:

(1) The Share Option Plan authorizes the issuance of Options entitling the holders to acquire, in the aggregate, up to 10% of its Common Shares from time to time. In accordance with the policies of the TSXV, Shareholders will be asked to approve the Share Option Plan at the Meeting. See "*Incentive Plans – Share Option Plan*".

CORPORATE GOVERNANCE DISCLOSURE

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

The Board

Disclose the identity of directors who are independent.

Messrs. Foster, Derkitt and Letwin are independent directors.

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

Tyler Rice is not an independent director as he is also the President and Chief Executive Officer of the Company. Edward Lawrence is not an independent director as he provides consulting work for the Company.

Directorships

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

Not applicable.

Orientation and Continuing Education

Describe what steps the Board takes to orient new Board members, and describe any measures the Board takes to provide continuing education for directors.

While the Company does not currently have a formal orientation and education program for new recruits to the Board, the Company has historically provided such orientation and education on an informal basis. As new directors join the Board, management will provide these individuals with corporate policies, historical information about the Company, as well as information on the Company's performance and its strategic plan with an outline of the general duties and responsibilities entailed in carrying out their duties. The Board believes that these procedures will prove to be a practical and effective approach in light of the Company's particular circumstances, including the size of the Company, limited changes to members of the Board and the experience and expertise of the members of the Board.

Ethical Business Conduct

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

The Board has adopted a written code of business conduct and ethics (the "**Code**") effective June 27, 2011. The Code has been posted on the Company's profile on the SEDAR website at www.sedar.com. All staff, consultants and directors are made personally accountable for learning, endorsing and promoting the Code and applying it to their conduct and field of work. All staff, consultants and directors are asked to review the Code on a regular basis through written or electronic declaration that they understand their individual responsibilities and will conform to the requirements of the Code. Any breach of the Code can be reported directly to the President or Chief Financial Officer of the Company or chair of the applicable committee. Breaches may be reported in accordance with the formal whistleblower policy (the "**Whistleblower Policy**"). The Audit Committee is charged with monitoring compliance with the Whistleblower Policy, and will review the Whistleblower Policy periodically, recommending any changes to the Board. As of the date hereof, the Board is currently reviewing a new code of business conduct and ethics and an updated whistleblower policy. Once approved, the new code of business conduct and ethics will be posted on the Company's profile on the SEDAR website at www.sedar.com.

The Board also relies upon the selection of persons as directors, officers and employees who they consider to meet the highest ethical standards. The Code provides guidance to the Board regarding conflicts of interest and the members of the Board understand that they must comply with the conflict of interest provisions of the *Business Corporations Act* (Alberta), as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

Nomination of Directors

Describe what steps, if any, are taken to identify new candidates for Board nomination, including: (i) who identifies new candidates; and (ii) the process of identifying new candidates.

Pursuant to their mandate, the Board has the responsibility of recruiting and recommending new members to the Board. At present, the Board has not identified the need to add any new directors. However, it is expected that any new candidates will be identified having regard to: (i) the competence and skills that the Board considers to be necessary for the Board, as a whole, to possess; (ii) the competence and skills that the Board considers each existing director to possess; (iii) the competencies and skills that each new nominee will bring to the boardroom; and (iv) whether or not each new nominee can devote sufficient time and resources to his or her duties as a member of the Board. The Board reviews on a periodic basis the composition of the Board to ensure that an appropriate number of independent directors sit on the Board, and analyze the needs of the Board and recommend nominees who meet such needs.

Compensation

Disclose what steps, if any, are taken to determine compensation for the directors and CEO, including: (i) who determines compensation; and (ii) the process of determining compensation.

The Board is responsible for: (i) evaluating senior management; and (ii) developing appropriate compensation policies for the senior management and directors of the Company, including the Share Option Plan. The initial grant of Options is made at the time of recruitment and reviewed annually. Other than the granting of Options, no salary or bonuses have been paid to any directors or officers of the Company.

Other Board Committees

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

In addition to the Audit Committee and the Compensation Committee, the Company also has a Reserves Committee and a Corporate Governance and Nominating Committee.

The purpose of the Reserves Committee is to assist the Board in respect of the estimation and disclosure of mineral resources.

The purpose of the Corporate Governance and Nominating Committee is to assist the Board in establishing the Company's corporate governance policies and practices, identifying individuals qualified to become members of the Board and reviewing the composition of the Board and its committees.

Assessments

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

The Board makes annual assessments regarding the effectiveness of the Board itself, committees and individual directors in fulfilling their responsibilities.

AUDIT DISCLOSURE

The Audit Committee of the Board is a committee established for the purpose of overseeing the accounting and financial reporting process of the company and annual external audits of the financial statements. The Audit Committee has set out its responsibilities and composition requirements in fulfilling its oversight in relation to the company's internal accounting standards and practises, financial information, accounting systems and procedures, which procedures are set out below in the Company's Audit Committee mandate attached as Schedule "A".

Audit Committee Members

Messrs. Foster, Rice and Letwin are the current members of the Audit Committee. Each of Messrs. Foster and Letwin are independent members of the Audit Committee, while Mr. Rice is not considered independent as he is the President and Chief Executive Officer of the Company. All members of the new Audit Committee following the Meeting will be financially literate.

Each member of the Audit Committee is financially literate, and their qualifications and experience are as follows:

Name and Municipality of Residence	Independent	Financially literate	Relevant Education and Experience
Douglas Foster Calgary, Alberta	Yes	Yes	Mr. Foster has had a banking career spanning 25 plus years, having left Scotia Capital Inc. in 2002 to become the founding President of Bank West, a Canadian startup Schedule 1 Bank chartered under Bill C-8. During his banking tenure, Mr. Foster has been involved with structuring, consulting, and financing of major national and international infrastructure projects. Mr. Foster has a B.Sc in Chemistry from the University of Waterloo and MBA from McMaster.
James A. Letwin Burlington, Ontario	Yes	Yes	Mr. Letwin joined JAN Kelley Marketing in 1986, after more than seven successful years in Marketing Brand Management with Ralston Purina, Warner Lambert and SC Johnson. He holds a Bachelor of Science degree and a Master of Business Administration, and has been an award-winning instructor of Marketing and Communication within the MBA program at McMaster University for more than 20 years. He is a past member of the Board of Directors and Board of Governors for the Institute of Communication Agencies (ICA), the Canadian Marketing Association's B2B Council, and is an active community volunteer.
Tyler Rice Calgary, Alberta	No	Yes	Mr. Rice has over seven years of accounting experience with public and private corporations in a wide spectrum of industries. Specifically, Mr. Rice has over three years of experience in financial reporting for an international oil and gas exploration Company. Mr. Rice is currently the Chief Financial Officer of a private oil and gas company. Mr. Rice has previously served as the Controller for Shelton Canada Corp. prior to its acquisition by Shelton Petroleum Ltd. (August 2007 to January 2011), where he was responsible for managing all aspects of financial reporting, including the preparation of press releases, financial statements, MD&A and reported directly to the board of directors. In addition, Mr. Rice concurrently provided consulting services to several public and private oil and gas companies in numerous capacities, including International Financial Reporting Standards, Sarbanes-Oxley implementation and providing virtual CFO services. Prior to joining Shelton Canada Corp., Mr. Rice articled with YPM Chartered Accountants in Lethbridge, Alberta. Mr. Rice is a Chartered Account and earned his Bachelor of Management Degree, (Finance) from the University of Lethbridge and holds a Masters in Professional Accounting from the University of Saskatchewan.

External Auditor Fees

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

Audit Service Fees

The following table discloses fees billed to the Company for the last two fiscal years by the Company's former independent auditors, Grant Thornton LLP, Chartered Accountants. Effective August 31, 2016, the Board appointed MNP LLP to fill the vacancy created by the resignation of Grant Thornton LLP. See "*Matters to be Acted Upon at the Meeting – Appointment of Auditors*".

	Year ended September 30, 2015 ($)	**Year ended September 30, 2014** ($)
Audit fees	34,250	35,250
Audit-related fees (1)	16,330	-
Tax fees (2)	3,750	1,750
All other fees (3)	-	-
TOTAL	54,330	37,000

Notes:

(1) Audit related fees include engagements on the financings and acquisitions made during the year.
(2) Tax fees include engagements on tax compliance and annual filings during the year.
(3) All other fees include engagements on the quarterly reviews during the year.

Exemptions

The Company relies on Section 6.1 of National Instrument 52-110 – *Audit Committees*.

INTERESTS OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED UPON

Other than set forth herein, management of the Company is not aware of any material interest of any director or nominee for director, or senior officer or anyone who has held office as such since the beginning of the Company's last financial year or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting other than the election of directors and as disclosed herein. See *"Matters to be Acted Upon at the Meeting – Election of Directors"*.

Conflicts, if any, will be subject to the procedures and remedies available under the *Business Corporations Act* (Alberta) (the "**ABCA**"). The ABCA provides that in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided by the ABCA.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

There were no material interests, direct or indirect, of directors or executive officers of the Company, any Shareholder who beneficially owns, controls or directs, directly or indirectly, more than 10% of the outstanding Common Shares, or any other "Informed Person" (as defined in NI 51-102) or any known associate or affiliate of such persons, in any transaction since the commencement of the last completed financial year of the Company or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

OTHER MATTERS COMING BEFORE THE MEETING

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

ADDITIONAL INFORMATION

Additional information relating to the Company is available through the Internet on the Canadian System for Electronic Document Analysis and Retrieval ("**SEDAR**") website at www.sedar.com. Financial information in respect of the Company and its affairs is provided in the Company's annual audited comparative financial statements for the year ended September 30, 2015 and the related management's discussion and analysis. Copies of the Company's financial statements and related management discussion and analysis are available upon request from our President at (403) 537-5590.

SCHEDULE "A"

AUDIT COMMITTEE MANDATE

AUDIT COMMITTEE OF THE BOARD OF DIRECTORS OF MARGAUX RESOURCES LTD.

CHARTER

I. PURPOSE

The primary function of the Audit Committee is to assist the Board of Directors (the "**Board of Directors**" or "**Board**") of Margaux Resources Ltd. ("**Carmen**" or the "**Corporation**") in fulfilling its responsibilities by reviewing: the financial reports and other financial information provided by Carmen to any governmental body or the public; Carmen's systems of internal controls regarding finance, accounting, legal compliance and ethics that management and the Board have established; and Carmen's auditing, accounting and financial reporting processes generally. Consistent with this function, the Audit Committee should endeavour to encourage continuous improvement of, and should endeavour to foster adherence to, the Corporation's policies, procedures and practices at all levels. In performing its duties, the external auditor is to report directly to the Audit Committee. The Audit Committee's primary objectives are:

1. To assist directors meet their responsibilities (especially for accountability) in respect of the preparation and disclosure of the financial statements of the Corporation and related matters;

2. To provide better communication between directors and external auditors;

3. To assist the Board's oversight of the auditor's qualifications and independence;

4. To assist the Board's oversight of the credibility, integrity and objectivity of financial reports;

5. To strengthen the role of the outside directors by facilitating discussions between directors on the Audit Committee, management and external auditors;

6. To assist the Board's oversight of the performance of the Corporation's internal audit function and independent auditors;

7. To assist the Board's oversight of the Corporation's compliance with legal and regulatory requirements; and

8. To review the risks that may affect Carmen and the risk management policies and procedures of the Corporation.

II. COMPOSITION

The Audit Committee shall be comprised of three or more directors as determined by the Board of Directors, except as otherwise permitted in MI 52-110 (as defined below), a majority of whom are "independent" (as such term is defined in National Instrument 52-110 — Audit Committees ("**NI 52-110**")). All of the members of the Audit Committee shall be "financially literate". The Board of Directors has adopted the definition for "financial literacy" used in NI 52-110, which definition is set forth in Schedule "A" attached hereto. Audit Committee members may enhance their familiarity with finance and accounting by participating in educational programs conducted by the Corporation or an outside consultant. In addition, at least one member of the Audit Committee must have accounting or related financial management expertise, as the Corporation's Board of Directors interprets such qualification in its business judgment.

AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

CHARTER

The members of the Audit Committee shall be elected by the Board of Directors at the annual organizational meeting of the Board of Directors and remain as members of the Audit Committee until their successors shall be duly elected and qualified. Unless a Chair is elected by the full Board of Directors, the members of the Audit Committee may designate a Chair by majority vote of the full Audit Committee membership.

III. MEETINGS

The Audit Committee shall meet at least four times annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Audit Committee should meet at least annually with management, internal auditors (if any) and the independent auditors in separate executive sessions to discuss any matters that the Audit Committee or each of these groups believe should be discussed privately. In addition, the Audit Committee or at least its Chair should meet with the independent auditors and management quarterly to review the Corporation's financials consistent with Section IV.4 below. The Audit Committee should also meet with management and independent auditors on an annual basis to review and discuss annual financial statements and the management's discussion and analysis of financial conditions and results of operations. Attached as Schedule "B" is an example of an annual meeting schedule/agenda.

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 the Board.

IV. RESPONSIBILITIES AND DUTIES

To fulfill its responsibilities and duties, the Audit Committee shall endeavour to:

Documents/Reports Review

1. Review and update this Charter, at least annually, as conditions dictate.

2. Review and recommend to the Board the organization's annual and interim financial statements, MD&A, earnings press releases and review any reports or other financial information submitted to any governmental body or the public, including any certification, report, opinion or review rendered by the independent auditors.

3. Review the reports to management prepared by the independent auditors and management's responses.

4. Review with financial management and the independent auditors the quarterly financial statements prior to their filing or prior to the release of earnings. The Chair of the Audit Committee may represent the entire Audit Committee for purposes of this review.

5. Review significant findings during the year, including the status of previous significant audit recommendations.

6. Periodically assess the adequacy of procedures for the review of corporate disclosure that is derived or extracted from the financial statements.

7. Periodically discuss guidelines and policies to govern the processes by which the Chief Executive Officer and senior management assess and manage the Corporation's exposure to risk.

8. Report regularly to the Board any issues that arise with respect to the quality or integrity of the Corporation's financial statements, compliance with legal or regulatory requirements, performance and independence of the Corporation's auditors, or performance of the internal audit function.

9. To prepare, if required, an Audit Committee report to be included in the Corporation's annual information circular and proxy statement.

10. Preparing an annual performance evaluation of the Audit Committee.

11. At least annually, reviewing the report by the independent auditors describing the Corporation's internal quality control procedures, any material issues raised by the most recent interim quality-control review, or peer review, of the Corporation or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps to deal with any such issues.

Independent Auditors

12. Recommend to the Board the external auditors to be nominated for appointment by the shareholders.

13. Approve the compensation of the external auditors.

14. On an annual basis, the Audit Committee should review and discuss with the auditors all significant relationships the auditors have with the Corporation to determine the auditors' independence. In addition, the Audit Committee will ensure the rotation of the lead audit partner every five years and, in order to ensure continuing auditor independence, consider the rotation of the audit firm itself.

15. Review and, as appropriate, resolve any material disagreements between management and the independent auditors and review, consider and make a recommendation to the Board regarding any proposed discharge of the auditors when circumstances warrant.

16. When there is to be a change in auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change.

17. Periodically consult with the independent auditors, without the presence of management, about internal controls and the fullness and accuracy of the organization's financial statements.

18. Oversee the establishment of an internal audit function.

19. Periodically assess the Corporation's internal audit function, including Corporation's risk management processes and system of internal controls.

20. Review the audit scope and plan of the independent auditor.

21. Oversee the work of the external auditors engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for Carmen.

22. Pre-approve the completion of any non-audit services by the external auditors and determine which non-audit services the external auditor is prohibited from providing. The Audit Committee may delegate to one or more members of the Audit Committee authority to pre-approve non-audit services in satisfaction of this requirement and if such delegation occurs, the pre-approval of non-audit services by the Audit Committee member to whom authority has been delegated must be presented to the Audit Committee at its first scheduled meeting following such pre-approval. The Audit Committee shall be entitled to adopt specific policies and procedures for the engagement of non-audit services if:

    (a) the pre-approval policies and procedures are detailed as to the particular service;

    (b) the Audit Committee is informed of each non-audit service; and

    (c) the procedures do not include delegation of the Audit Committee's responsibilities to management.

    The Audit Committee will satisfy the pre-approval requirement set forth in this paragraph 22 if:

    (a) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than 5% of the total amount of fees paid by Carmen and its subsidiary entities to the auditors during the fiscal year in which the services are provided;

    (b) Carmen or a subsidiary entity, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and

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

23. Review, set and approve hiring policies relating to staff of current and former auditors.

Financial Reporting Processes

24. In consultation with the independent auditors, annually review the integrity of the organization’s financial reporting processes, both internal and external.

25. In consultation with the independent auditors, consider annually the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting.

26. Consider and approve, if appropriate, major changes to the Corporation’s auditing and accounting principles and practices as suggested by the independent auditors or management.

27. Review risk management policies and procedures of Carmen (i.e., litigation and insurance).

Process Improvement

28. Request reporting to the Audit Committee by each of management and the independent auditors of any significant judgments made in the management's preparation of the financial statements and the view of each group as to appropriateness of such judgments.

29. Following completion of the annual audit, review separately with each of management and the independent auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.

30. Review any significant disagreements among management and the independent auditors in connection with the preparation of the financial statements.

31. Review with the independent auditors and management the extent to which changes or improvements in financial or accounting practices, as approved by the Audit Committee, have been implemented. (This review should be conducted at an appropriate time subsequent to implementation of changes or improvements, as decided by the Audit Committee.)

32. Conduct and authorize investigations into any matters brought to the Audit Committee's attention and within the Audit Committee's scope of responsibilities. The Audit Committee shall be empowered to retain and to approve compensation for any independent counsel and other professionals to assist in the conduct of any investigation.

33. Review the systems that identify and manage principal business risks.

34. Establish a procedure for:

    - the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and

    - the confidential, anonymous submission by employees of Carmen of concerns regarding questionable accounting matters, auditing matters and matters set forth in Carmen's Code of Business Conduct and Ethics.

    which procedure shall be set forth in a "whistle blower program" to be adopted by the Audit Committee in connection with such matters.

Ethical and Legal Compliance

35. Establish, review and update periodically a Code of Ethical Conduct and ensure that management has established a system to enforce this code.

36. Review management's monitoring of the Corporation's compliance with the organization's Ethical Code.

37. In consultation with the auditors, consider the review system established by management regarding the Corporation's financial statements, reports and other financial information disseminated to governmental organizations and the public in the context of the applicable legal requirements.

38. On at least an annual basis, review with the Corporation's auditors or counsel, as appropriate, any legal matters that could have a significant impact on the organization’s financial statements, the Corporation’s compliance with applicable laws and regulations and inquiries received from regulators or government agencies.

39. Review with the organization’s counsel legal compliance matters including the trading policies of securities.

Other

40. Perform any other activities consistent with this Charter, Carmen's by-laws and governing law, as the Audit Committee or the Board of Directors deems necessary or appropriate.

41. In connection with the performance of its responsibilities as set forth above, the Audit Committee shall have the authority to engage outside advisors and to pay outside auditors and advisors.

SCHEDULE "A"

AUDIT COMMITTEE OF THE BOARD OF DIRECTORS OF MARGAUX RESOURCES LTD.

CHARTER

Definitions – In this Charter:

"**Financially Literate**" means 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 the issuer's financial statements.

SCHEDULE "B"

Example of Audit Committee Meeting Agenda for Year

As noted previously, it is important to review the completeness of the Audit Committee charter as well as the agenda established for each meeting. The following is an example of topics that could be covered in each Audit Committee meeting. This example assumes a September year-end with four audit committee meetings scheduled in connection with quarterly earning releases

Charter step		Scheduled Meetings			
		May	**August**	**November**	**April**
I.	**Audit Committee Purpose**				
	Conduct special investigations	*	*	*	*
II.	**Audit Committee Composition and Meetings**				
	Assess independence and financial literacy of Audit Committee			X	
	Establish number of meetings			X	
	Audit Committee Chair to establish meeting agenda			X	
	Enhance financial literacy - update on current financial events	X	X	X	X
	Executive sessions with auditors, management, committee	X	X	X	X
III.	**Audit Committee Responsibilities and Duties**				
1.	Review charter, publish relevant information in proxy			X	
2.	Review annual financial statements - discuss with management, auditors			X	
3.	Consider internal controls and financial risks			X	
4.	Review quarterly results and findings	X	X		X
5.	Recommend appointment of auditors			X	
6.	Approve audit fees			X	
7.	Discuss auditor independence			X	
8.	Review auditor plan			X	
9.	Discuss year-end results			X	
10.	Discuss quality of accounting principles	*	*	X	*
11.	Review legal matters with counsel and auditors		*	X	*
12.	Prepare report to shareholders			X	
13.	Perform other activities as appropriate	*	*	*	*
14.	Maintain minutes and report to Board of Directors	X	X	X	X
15.	Review Code of Conduct	X	X	X	X
16.	Perform self-assessment of Audit Committee performances			X	
17.	Review financial personnel succession planning			X	
18.	Review director and officer expenses and related party transactions			X	

X = Recommended Timing   * = As Needed

SCHEDULE "B"

CHANGE OF AUDITOR PACKAGE

NOTICE OF CHANGE IN AUDITOR
(National Instrument 51-102)

TO: British Columbia Securities Commission
Alberta Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
Ontario Securities Commission
Nova Scotia Securities Commission
TSX Venture Exchange

AND TO: Grant Thornton LLP
MNP LLP

Margaux Resources Ltd. (the "**Corporation**") hereby gives notice pursuant to Part 4 of National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**") as set forth below.

1. The auditor of Margaux Resources Ltd. (the "**Corporation**"), Grant Thornton LLP (the "**former auditor**"), was asked to tender its resignation, and subsequently tendered said resignation as the auditor of the Corporation. On September 2, 2016, subject to all applicable regulatory and shareholder approvals, the Board of Directors of the Corporation approved the appointment of MNP LLP (the "**successor auditor**") as auditor of the Corporation. At the next Annual and Special Meeting of shareholders, the shareholders of the Corporation will be asked to approve the appointment of the successor auditor, as auditor of the Corporation.

2. The resignation of the former auditor and the appointment of the successor auditor as the auditor of the Corporation was considered and approved by the Audit Committee and the Board of Directors of the Corporation.

3. There were no reservations in the Auditor's Reports for either of the Corporation's two most recently completed fiscal years nor for any period subsequent thereto for which an audit report was issued and preceding the date hereof.

4. In the opinion of the Audit Committee and the Board of Directors of the Corporation, as at the date hereof, there have been no "reportable events" as defined in NI 51-102.

Dated this 15th day of September, 2016.

MARGAUX RESOURCES LTD.

By: (signed) "*Tyler Rice*"
Tyler Rice
President and Chief Executive Officer

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To Alberta Securities Commission
British Columbia Securities Commission
Saskatchewan Financial Services Commission
Ontario Securities Commission
Nova Scotia Securities Commission
TSX Venture Exchange

and to: Margaux Resources Ltd.
MNP LLP

September 6, 2016

Dear Sirs/Mesdames:

Re: Margaux Resources ltd.
Change of Auditors
Notice Pursuant to Part 4.11 of National Instrument 51-102

As required by Section 4.11 of *National Instrument 51-102: Continuous Disclosure Obligations* , we have read the Notice of Change of Auditors (the "Notice") for Margaux Resources Ltd. dated September 2, 2016. We agree with each statement contained in the Notice, that relate to us and we have no basis to disagree with the statements contained in the Notice that relate to MNP LLP.

Yours truly,
Grant Thornton LLP

Grant Thornton LLP

September 2, 2016

TO: Alberta Securities Commission
British Columbia Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
Ontario Securities Commission
Nova Scotia Securities Commission
TSX Venture Exchange

Dear Sirs/Mesdames:

Re: Margaux Resources Ltd. (the "Corporation")

As required by National Instrument 51-102 *Continuous Disclosure Obligations,* we confirm that we have reviewed the Corporation's Change of Auditor Notice dated September 2, 2016, and confirm our agreement with each of the statements therein.

Yours truly,

MNP LLP

MNP LLP

Chartered Professional Accountants