HANDA COPPER CORPORATION

ANNUAL GENERAL MEETING OF SHAREHOLDERS

Tuesday, September 6, 2016

NOTICE OF MEETING

AND

INFORMATION CIRCULAR

HANDA COPPER CORPORATION
Suite 610, 700 West Pender Street
Vancouver, British Columbia V6C 1G8

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual general meeting of the shareholders of Handa Copper Corporation (the "**Company**") will be held at Suite 610, 700 West Pender Street, Vancouver, British Columbia, on Tuesday, September 6, 2016, at 11:00 a.m. (Pacific Time) (the "**Meeting**") for the following purposes:

1. To receive and consider the financial statements of the Company for the financial year ended January 31, 2016, together with the report of the auditors thereon.
2. To fix the number of directors of the Company to be elected at four (4).
3. To elect directors of the Company for the ensuing year.
4. To appoint an auditor of the Company for the ensuing year and to authorize the directors to fix the auditor's remuneration.
5. To re-approve the Company's 10% rolling Stock Option Plan.
6. To consider any permitted amendment to or variation of any matter identified in this Notice and to transact such further or other business as may properly come before the Meeting or any adjournment thereof. Management is not currently aware of any other matters that could come before the Meeting.

An Information Circular accompanies this Notice together with a form of proxy or voting instruction form and a financial statements request form. Please review the Information Circular before voting as it contains details of matters to be considered at the Meeting and is deemed to form part of this notice.

Shareholders who are unable to attend the Meeting in person and who wish to ensure that their shares will be voted at the Meeting are requested to complete, date and sign the enclosed form of proxy or voting instruction form and deliver it in accordance with the instructions set out in the form of proxy or voting instruction form and in the Information Circular.

Shareholders who plan to attend the Meeting must follow the instructions set out in the form of proxy or voting instruction form and in the Information Circular to ensure that their shares will be voted at the Meeting.

DATED at Vancouver, British Columbia, this 29th day of July, 2016.

BY ORDER OF THE BOARD

/s/ Marek Kreczmer

Marek Kreczmer
Chief Executive Officer and Director

HANDA COPPER CORPORATION
Suite 610, 700 West Pender Street
Vancouver, British Columbia V6C 1G8

INFORMATION CIRCULAR

(as at July 29, 2016, except as otherwise indicated)

SOLICITATION OF PROXIES

This information circular (the "**Circular**") is provided in connection with the solicitation of proxies by the management of Handa Copper Corporation (the "**Company**"). The form of proxy which accompanies this Circular (the "**Proxy**") is for use at the annual general meeting of the shareholders of the Company to be held on Tuesday, September 6, 2016 (the "**Meeting**"), at the time and place set out in the accompanying notice of Meeting (the "**Notice of Meeting**"). The Company will bear the cost of this solicitation. The solicitation will be made by mail, but may also be made by telephone.

APPOINTMENT AND REVOCATION OF PROXY

The persons named in the Proxy are directors and/or officers of the Company. **A registered shareholder who wishes to appoint some other person to serve as their representative at the Meeting may do so by striking out the printed names and inserting the desired person's name in the blank space provided.** The completed Proxy should be delivered to Computershare Investor Services Inc. ("**Computershare**"), 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, by 11:00 a.m. (Pacific Time) on Thursday, September 1, 2016, or at least 48 hours (excluding Saturdays, Sundays and holidays) before any adjournment of the Meeting at which the Proxy is to be used.

The Proxy may be revoked by:

(a) signing a proxy with a later date and delivering it at the time and place noted above;

(b) signing and dating a written notice of revocation and delivering it to Computershare, or by transmitting a revocation by telephonic or electronic means, to Computershare, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment of it, at which the Proxy is to be used, or delivering a written notice of revocation and delivering it to the Chairman of the Meeting on the day of the Meeting or adjournment of it; or

(c) attending the Meeting or any adjournment of the Meeting and registering with the scrutineer as a shareholder present in person.

Provisions Relating to Voting of Proxies

The shares represented by Proxy in the form provided to shareholders will be voted or withheld from voting by the designated holder in accordance with the instructions of the registered shareholder appointing him. If there are no instructions provided by the registered shareholder, those shares will be voted for all proposals set out in the Proxy

and for the election of directors and the appointment of the auditors as set out in this Circular. The Proxy gives the person named in it the discretion to vote as such person sees fit on any amendments or variations to matters identified in the Notice of Meeting, or any other matters which may properly come before the Meeting. At the time of printing of this Circular, the management of the Company (the "Management") knows of no other matters which may come before the Meeting other than those referred to in the Notice of Meeting.

Advice to Beneficial Holders of Common Shares

The information set forth in this section is of significant importance to many shareholders, as a substantial number of shareholders do not hold common shares in their own name. Shareholders who hold their common shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their common shares in their own name (referred to herein as "**Beneficial Shareholders**") should note that only proxies deposited by shareholders who appear on the records maintained by the Company's registrar and transfer agent as registered holders of common shares will be recognized and acted upon at the Meeting. If common shares are listed in an account statement provided to a Beneficial Shareholder by a broker, then those common shares will, in all likelihood, not be registered in the shareholder's name. Such common 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). In the United States, the vast majority of such common shares are registered under the name of Cede & Co., the registration name for The Depository Trust Company, which acts as nominee for many United States brokerage firms. Common shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted or withheld at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their common shares are voted at the Meeting. The form of instrument of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the instrument of proxy provided directly to registered shareholders by the Company. However, its purpose is limited to instructing the registered shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("**Broadridge**") in Canada. Broadridge typically prepares a machine-readable voting instruction form ("**VIF**"), mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). 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 who receives a Broadridge VIF cannot use that form to vote common shares directly at the Meeting. The VIFs must be returned to Broadridge (or instructions respecting the voting of common shares must otherwise be**

communicated to Broadridge) well in advance of the Meeting in order to have the common shares voted. If you have any questions respecting the voting of common shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.

The Notice of Meeting, Circular, Proxy and VIF, as applicable, are being provided to both registered shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories - those who object to their identity being known to the issuers of securities which they own ("**OBOs**") and those who do not object to their identity being made known to the issuers of the securities which they own ("**NOBOs**"). Subject to the provisions of National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), issuers may request and obtain a list of their NOBOs from intermediaries directly or via their transfer agent and may obtain and use the NOBO list for the distribution of proxy-related materials directly (not via Broadridge) to such NOBOs. For the Meeting, the Company is sending proxy-related materials directly to NOBOs under NI 54-101. If you are a Beneficial Shareholder and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of common shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the common shares on your behalf.

The Company has distributed copies of the Notice of Meeting, Circular and VIF to intermediaries for distribution to OBOs. The Company does not intend to pay for intermediaries to forward proxy-related materials to OBOs under NI 54-101, and OBOs will not receive the materials unless the OBOs intermediary assumes the cost of delivery.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the common shares in that capacity. NI 54-101 allows a Beneficial Shareholder who is a NOBO to submit to the Company or an applicable intermediary any document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder. If such a request is received, the Company or an intermediary, as applicable, must arrange, without expenses to the NOBO, to appoint such NOBO or its nominee as a proxyholder and to deposit that proxy within the time specified in this Circular, provided that the Company or the intermediary receives such written instructions from the NOBO at least one business day prior to the time by which proxies are to be submitted at the Meeting, with the result that such a written request must be received by 11:00 a.m. (Pacific Time) on the day which is at least three business days prior to the Meeting. **A Beneficial Shareholder who wishes to attend the Meeting and to vote their common shares as proxyholder for the registered shareholder, should enter their own name in the blank space on the VIF or such other document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

All references to shareholders in the Notice of Meeting, Circular and the accompanying Proxy are to registered shareholders of the Company as set forth on the list of registered shareholders of the Company as maintained by the registrar and transfer agent of the Company, Computershare, unless specifically stated otherwise.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

As at July 29, 2016, the record date for the Meeting, the Company's authorized capital consists of an unlimited number of common shares without par value, of which 19,294,441 common shares are issued and outstanding, and an unlimited number of preferred shares without par value, of which no preferred shares are issued and outstanding. All common shares in the capital of the Company carry the right to one vote.

Shareholders registered as at July 29, 2016, are entitled to attend and vote at the Meeting. Shareholders who wish to be represented by proxy at the Meeting must, to entitle the person appointed by the Proxy to attend and vote, deliver their Proxies at the place and within the time set forth in the notes to the Proxy.

To the knowledge of the directors and executive officers of the Company, and based upon the Company's review of the records maintained by Computershare and insider reports filed with the System for Electronic Disclosure by Insiders, as at July 29, 2016, the following shareholder(s) beneficially owned, or controlled or directed, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to all issued and outstanding common shares of the Company:

Shareholder Name	Number of Common Shares	Percentage of Issued Common Shares[1]
Marek Jozef Kreczmer	2,019,341[2]	10.47%

[1] Based on 19,294,441 common shares issued and outstanding as of July 29, 2016

[2] 1,611,174 of these common shares are held directly, 8,167 are held indirectly, 200,000 are held by MK Consulting Ltd., and 200,000 are held by MK Equity Fund, the latter two shareholders being private companies controlled by Mr. Marek Jozef Kreczmer

EXECUTIVE COMPENSATION

Named Executive Officers

During the financial year ended January 31, 2016, the Company had two Named Executive Officers ("**NEOs**") being, Marek Kreczmer, the Chief Executive Officer ("**CEO**"), and Alec Peck, the Chief Financial Officer (**"CFO")** of the Company.

"Named Executive Officer" means: (a) each CEO, (b) each CFO, (c) each of the three most highly compensated executive officers of the company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than $150,000; and (d) each individual who would be a NEO under (c) above but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

COMPENSATION DISCUSSION AND ANALYSIS

Compensation Discussion and Analysis

The Board of Directors (the "**Board**") compensation program is designed to provide competitive levels of compensation, a significant portion of which is dependent upon individual and corporate performance and contribution to increasing shareholder value. The Board recognizes the need to provide a total compensation package to remain competitive to its peers in attracting and retaining qualified and experienced executives as well as align the compensation level of each executive to that executive's level of responsibility. In general, a NEO's compensation is comprised of three components: base salary, incentive bonus plan and stock options.

Incentive bonuses, in the form of cash payments, are designed to add a variable component of compensation based on corporate and individual performances for executive officers and employees. There were no bonuses paid to executive officers or employees during the most recently completed financial year.

The Company has no other forms of compensation, although payments may be made from time to time to individuals or companies they control for the provision of consulting services. Such consulting services are paid for by the Company at competitive industry rates for work of a similar nature by reputable arm's length service providers.

The Board has not proceeded to a formal evaluation of the implications of the risks associated with the Company's compensation policies and practices. Risk management is a consideration of the Board when implementing its compensation programme, and the Board and the Compensation Committee does not believe that the Company's compensation programme results in unnecessary or inappropriate risk taking including risks that are likely to have a material adverse effect on the Company.

The Company's NEOs and directors are not permitted to purchase financial instruments, including for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

Share-Based and Option-Based Awards

The Company does not grant share-based awards. Stock options are granted to provide an incentive to the directors, officers, employees and consultants of the Company to achieve the longer-term objectives of the Company, to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Company, and to attract and retain persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Company. The Company awards stock options to its NEOs based upon the recommendation of the Board, which recommendation is based upon the Board's review of a proposal from the Chief Executive Officer. Previous grants of incentive stock options are taken into account when considering new grants. The purpose of granting such stock options is to assist the Company in compensating, attracting, retaining and motivating the officers, directors and employees of the Company and to closely align the personal interests of such persons to the interests of the shareholders.

The exercise price of the stock options granted will generally be determined by the market price at the time of grant, less any allowable discount. Implementation of a new incentive stock option plan and amendments to the existing stock option plan are the responsibility of the Company's Board.

SUMMARY COMPENSATION TABLE

Set out below is a summary of compensation paid or accrued during the Company's three most recently completed financial years to the Company's NEOs.

Summary Compensation Table

Name and principal position	Year	Salary ($)	Option-based awards ($)[1]	Non-equity incentive plan compensation ($)		Pension value ($)	All other compensation ($)	Total compensation ($)
				Annual incentive plans	Long-term incentive plans			
Marek Kreczmer *CEO and Director*	2016 2015 2014	Nil Nil Nil	14,096[2] Nil Nil	Nil Nil Nil	Nil Nil Nil	N/A N/A N/A	68,000[3] 96,000[3] 96,000[3]	82,096 96,000 96,000
Alec Peck[4] *CFO*	2016 2015 2014	Nil Nil N/A	3,064[5] Nil N/A	Nil Nil N/A	Nil Nil N/A	Nil Nil N/A	31,500 19,500 N/A	34,564 19,500 N/A

1 The fair value of option-based awards is determined by the Black-Scholes Option Pricing Model. The Company has chosen the Black-Scholes methodology to calculate the grant date fair value of option-based awards as it is the methodology used in the Company's financial statements.
2 The fair value of 230,000 stock options exercisable at $0.15 as granted on April 15, 2015.
3 Pursuant to a consulting agreement entered into on July 1, 2011, by the Company and MK Consulting Ltd., a private corporation which includes Mr. Kreczmer among its shareholders, a fee of $8,000 per month is paid to MK Consulting Ltd. The fee was reduced for the financial year ended January 31, 2016, to reflect market conditions.
4 Mr Peck was appointed as CFO of the Company on July 1, 2014.
5 The fair value of 50,000 stock options exercisable at $0.15 as granted on April 15, 2015.

INCENTIVE PLAN AWARDS

Outstanding Share-Based Awards and Option-Based Awards

The Company does not have any share-based awards held by a NEO. The following table sets forth the outstanding option-based awards held by the NEOs of the Company at the end of the most recently completed financial year:

Outstanding Option-Based Awards

Option-based Awards				
Name	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Value of unexercised in- the-money options ($)[1]
Marek Kreczmer *CEO and Director*	230,000	$0.15	April 15, 2017	Nil
Alec Peck *CFO*	50,000	$0.15	April 15, 2017	Nil

1 "In-the-Money Options" means the excess of the market value of the Company's shares on Friday, January 29, 2016, over the exercise price of the options. The market price for the Company's common shares on January 29, 2016, was $0.03.

Incentive Plan Awards - Value Vested or Earned During the Most Recently Completed Financial Year

The following table sets forth the details of the aggregate dollar value that would have been realized by the Company's NEOs in the most recently completed financial year if the options under the option-based awards had been exercised on their respective vesting dates.

Name	Option-based awards – Value vested during the year ($)	Share-based awards - Value vested during the year ($)	Non-equity incentive plan compensation - Value earned during the year ($)
Marek Kreczmer *CEO and Director*	Nil	N/A	N/A
Alec Peck *CFO*	Nil	N/A	N/A

Narrative Discussion

The following information is intended as a brief description of the Stock Option Plan dated August 17, 2010 (the "**Plan**") (terms below are as defined therein) and is qualified in its entirety by the full text of the Plan, which will be available for review at the Meeting.

1. The maximum number of shares which may be issuable pursuant to options granted under the Plan shall be that number equal to 10% of the Company's issued share capital from time to time. The number of shares reserved for issuance under the Plan and all of the Company's other previously established or proposed share compensation arrangements in aggregate shall not exceed 10% of the total number of issued an outstanding shares on a non-diluted basis.

2. The number of shares which may be issuable under the Plan and all of the Company's other previously established or proposed share compensation arrangements, within a one-year period:

(a) to all Insiders shall not exceed 10% of the total number of issued and outstanding shares on the Grant Date on a non-diluted basis;

(b) to any one Optionee, shall not exceed 5% of the total number of issued and outstanding shares on the Grant Date on a non-diluted basis (unless otherwise approved by the disinterested shareholders of the Company);

(c) to any one Consultant shall not exceed 2% in the aggregate of the total number of issued and outstanding shares on the Grant Date on a non-diluted basis; and

(d) to all Eligible Persons who undertake Investor Relations Activities shall not exceed 2% in the aggregate of the total number of issued and outstanding shares on the Grant Date on a non-diluted basis, which Options are to be vested in stages over at least a one-year period and no more than one-quarter (1/4) of such Options may be vested in any three (3) month period.

3. The Option Price under each Option shall be not less than the Discounted Market Price on the Grant Date.

4. Any Unissued Option Shares not acquired by an Optionee under an Option which has expired, and any Option Share acquired by an Optionee under an Option when exercised, may be made the subject of a further Option granted pursuant to the provisions of the Plan. The Expiry Date for each Option shall be set by the Board at the time of issue of the Option and shall not be more than ten years after the Grant Date. Options shall not be assignable (or transferable) by the Optionee.

5. If the Optionee ceases to be an Eligible Person, other than by death or disability, his or her Option shall be exercisable as follows:

(a) Termination for Cause: If the Optionee, or in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person as a result of termination for cause, as that term is interpreted by the courts of the jurisdiction in which the Optionee, or, in the case of a Management Company Employee or a Consultant Company, of the Optionee's employer, is employed or engaged; any outstanding Option held by such Optionee on the date of such termination shall be cancelled as of that date.

(b) Early Retirement, Voluntary Resignation or Termination Other than For Cause: If the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person due to his or her retirement at the request of his or her employer earlier than the normal retirement date under the Company's retirement policy then in force, or due to his or her termination by the Company other than for cause or due to his or her voluntary resignation, the Option then held by the Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of the Expiry Date and the date which is 30 days after the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person.

The Board retains the discretion to impose vesting periods on any options granted. In accordance with the policies of the Exchange, stock options granted to consultants performing investor relations services must vest in stages over a minimum of 12 months with no more than one-quarter of the stock options vesting in any three month period.

PENSION BENEFITS

The Company does not have a pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement.

TERMINATION AND CHANGE OF CONTROL BENEFITS

The Company has not entered into any other contract, agreement, plan or arrangement that provides for payments to a NEO 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 NEOs responsibilities.

DIRECTOR COMPENSATION

Other than compensation paid to the NEOs, and except as noted below, no compensation was paid to directors in their capacity as directors of the Company or its subsidiaries, in their capacity as members of a committee of the Board or of a committee of the board of directors of its subsidiaries, or as consultants or experts, during the Company's most recently completed financial year.

Set out below is a summary of compensation paid or accrued during the Company's most recently completed financial year to the Company's directors, other than the NEOs previously disclosed:

Director Compensation Table

Name	Fees earned ($)	Option-based awards ($)[1]	Non-equity incentive plan compensation ($)	Pension value ($)	All other compensation ($)	Total ($)
Anton Esterhuizen	7,500	14,096[2]	N/A	N/A	Nil	21,596
Darryl Yea	8,625	7,355[3]	N/A	N/A	Nil	15,980
Dr. Humphrey Lawrence Mbendeni Mathe	10,500	7,355[4]	N/A	N/A	Nil	17,855

1 The fair value of option-based awards is determined by the Black-Scholes Option Pricing Model. The Company has chosen the Black-Scholes methodology to calculate the grant date fair value of option-based awards as it is the methodology used in the Company's financial statements.
2 The fair value of 230,000 stock options exercisable at $0.15 as granted on April 15, 2015.
3 The fair value of 120,000 stock options exercisable at $0.15 as granted on April 15, 2015.
4 The fair value of 120,000 stock options exercisable at $0.15 as granted on April 15, 2015.

Narrative Discussion

Directors are compensated through the grant of stock options. As set out above stock options were granted to directors in the most recently completed financial year. Directors' fees are paid on quarterly basis.

INCENTIVE PLAN AWARDS

Outstanding Share-Based Awards and Option-Based Awards

The Company does not have any share-based awards held by a director. The following table sets forth details of all awards granted to directors of the Company which are outstanding at the end of the most recently completed financial year.

Outstanding Option-Based Awards and Option-Based Awards

Option-based Awards				
Name	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options ($)[1]
Anton Esterhuizen	230,000	0.15	April 15, 2017	Nil
Darryl Yea	120,000	0.15	April 15, 2017	Nil
Dr. Humphrey Lawrence Mbendeni Mathe	120,000	0.15	April 15, 2017	Nil

1 "In-the-Money Options" means the excess of the market value of the Company's shares on Friday, January 29, 2016, over the exercise price of the options. The market price for the Company's common shares on January 29, 2016, was $0.03.

Incentive Plan Awards - Value Vested or Earned During the Most Recently Completed Financial Year

The following table sets forth the details of the aggregate dollar value that would have been realized by the Company's directors in the most recently completed financial year if the options under the option-based awards had been exercised on their respective vesting dates.

Name	Option-based awards Value vested during the year ($)	Non-equity incentive plan compensation Value earned during the year ($)
Anton Esterhuizen	Nil	Nil
Darryl Yea	Nil	Nil

Dr. Humphrey Lawrence Mbendeni Mathe	Nil	Nil

EQUITY COMPENSATION PLAN INFORMATION

The following table sets out those securities of the Company which have been authorized for issuance under equity compensation plans, as at the end of the most recently completed financial year:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	1,390,000	0.16	539,444
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	1,390,000	0.16	539,444

1 The maximum number of shares which may be issuable pursuant to options granted under the Stock Option Plan approved by the shareholders shall be that number equal to 10% of the Company's issued share capital from time to time, which at the end of the most recently completed financial year, was 19,294,441 common shares.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the current or former directors, executive officers, employees of the Company, the proposed nominees for election to the Board, or their respective associates or affiliates, are or have been indebted to the Company since the beginning of the most recently completed financial year of the Company.

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

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 nor any proposed nominee of Management of the Company for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors, the appointment of auditors, and the confirmation of the Stock Option Plan.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person of the Company, nor any proposed director of the Company, nor any associate or affiliate of any informed person or proposed director, has 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 or any of its subsidiaries.

MANAGEMENT CONTRACTS

Other than as disclosed elsewhere in this Circular, no management functions of the Company or any of its subsidiaries are to any substantial degree performed by a person or company other than the directors or executive officers of the Company or subsidiary.

The Company currently has an arrangement with MK Consulting Ltd., a private corporation, which includes Mr. Marek Kreczmer among its shareholders, for the provision of services to the Company for a monthly fee payable to MK Consulting Ltd. On July 1, 2014, the Company entered into a consulting agreement with Alec Peck whereby Mr. Peck is engaged to provide the services of Chief Financial Officer for the Company for a monthly fee based on the formula set forth in his consulting agreement.

AUDIT COMMITTEE

The Company is required to have an audit committee (the "**Audit Committee**") comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company.

Audit Committee Charter

The text of the Audit Committee's charter is attached as Schedule "A" to this Circular.

Composition of Audit Committee and Independence

The Company's current Audit Committee consists of Darryl Yea, Anton Esterhuizen and Dr. Humphrey Lawrence Mbendeni Mathe.

National Instrument 52-110 - *Audit Committees* ("**NI 52-110**") provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Company, which could, in the view of the Company's Board, reasonably interfere with the exercise of the member's independent judgment. All of the Company's current Audit Committee members are "independent" within the meaning of NI 52-110.

NI 52-110 provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements. All of the members of the Audit Committee are "financially literate" as that term is defined. The following sets out the Audit Committee members' education and experience that is relevant to the performance of his responsibilities as an audit committee member.

Relevant Education and Experience

Darryl Yea - Mr. Yea currently serves as a director of the Company. He also acts as the President of Investco Capital Management Inc., a private Vancouver based company that invests in a diverse range of businesses and projects and advises on mergers and acquisitions, corporate and strategic issues. Prior to that, Mr. Yea was Chairman, President and CEO of TSX-listed Datawest Solutions Inc., a banking technology and payment processing company, and President and CEO of a national financial services organization.

Mr. Yea was a former member of the Board of Governors of the predecessor to the TSX Venture Exchange and chaired its Corporate Finance Committee. He was also a member of its Market Ethics and Conduct Committee, and chaired its Pre-Listing Advisory Committee. In addition, he has served as an industry advisor to the British Columbia Securities Commission's New Economy and Adoption of Technology (NEAT) committee on securities regulation reform for British Columbia's new economy, and more recently was a member of the Faculty Advisory Board of the Sauder School of Business at the University of British Columbia. Mr. Yea has served on the boards of several public companies including chairing special board committees that oversaw privatizations and divestitures. He holds a Bachelor of Commerce Degree from the University of British Columbia in both Urban Land Economics and Finance, was a member of the Real Estate Institute of British Columbia and of the Institute of Certified Management Consultants of British Columbia, and has lectured on various subject matters concerning the Canadian securities industry.

Anton Esterhuizen - Mr. Esterhuizen, MSc (Mineral Exploration) Rhodes University, currently serves as a director of the Company. He is a qualified geologist with more than 40 years' experience with a career in industrial minerals, coal, diamonds, base and precious metals exploration, highlighted by discoveries of a number of world class deposits. He is the first recipient of the Des Pretorius Memorial Award for outstanding work in economic geology in Africa and received the Dreyer Award by the Society for Mining Metallurgy and Exploration Inc. (USA) for outstanding achievements in applied economic geology. He is Managing Director of Pangea Exploration Limited in Johannesburg.

Dr. Humphrey Lawrence Mbendeni Mathe - Dr. Mathe currently serves as a director of the Company. He is a qualified geologist with an MSc from Rhodes University and a PhD from the University of Natal Durban. He has held a number of senior management positions in the mining sector and has worked in the mining industry for over thirty-six years. Dr. Mathe has previously served on the Investment Committee of the New Africa Mining Fund and is a Fellow of the Geological Society of South Africa.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Audit Committee of the Company has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on:

(d) the exemption in section 2.4 (De Minimis Non-audit Services) of NI 52-110; or

(e) an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions).

Pre-Approval Policies and Procedures

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

Audit Fees

The following table sets forth the fees paid by the Company and its subsidiaries to its auditors for services rendered in the two most recently completed financial years:

	2016	2015
	($)	($)
Audit fees[1] …………………………………………………………………………………	15,300	14,280
Audit related fees[2] ………………………………………………………………………...	Nil	Nil
Tax fees[3] ………………………………………………………………………………...	Nil	Nil
All other fees[4] ………………………………………………………………………….....	Nil	6,500
Total	$15,300	$20,780

1 "Audit fees" include aggregate fees billed by the Company's external auditor in each of the last two financial years for audit fees.

2 "Audited related fees" include the aggregate fees billed in each of the last two financial years for assurance and related services by the Company's external auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under "Audit fees" above. The services provided include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

3 "Tax fees" include the aggregate fees billed in each of the last two financial years for professional services rendered by the Company's external auditor for tax compliance, tax advice and tax planning. The services provided include tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

4 "All other fees" include the aggregate fees billed in each of the last two financial years for products and services provided by the Company's external auditor, other than "Audit fees", "Audit related fees" and "Tax fees" above.

Exemption in Section 6.1

The Company is a "venture issuer" as defined in NI 52-110 and is relying on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of Audit Committee*) and 5 (*Reporting Obligations*).

CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101 - *Disclosure of Corporate Governance Practices*, requires all reporting issuers to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines (the "**Guidelines**") adopted in National Policy 58-201. These Guidelines are not prescriptive, but have been used by the Company in adopting its corporate governance practices. The Board and Management consider good corporate governance to be an integral part of the effective and efficient operation of Canadian corporations. The Company's approach to corporate governance is set out below.

Board of Directors

Management is nominating four individuals to the Board, all of whom are current directors of the Company.

The Guidelines suggest that the board of directors of every reporting issuer should be constituted with a majority of individuals who qualify as “independent” directors under NI 52-110, which provides that a director is independent if he or she has no direct or indirect “material relationship” with the Company. The “material relationship” is defined as a relationship which could, in the view of the Company’s Board, reasonably interfere with the exercise of a director’s independent judgement. All of the current members of the Board are considered “independent” within the meaning of NI 52-110, with the exception of Marek Kreczmer as he also serves as CEO of the Company.

The Board has a stewardship responsibility to supervise the management of and oversee the conduct of the business of the Company, provide leadership and direction to Management, evaluate Management, set policies appropriate for the business of the Company and approve corporate strategies and goals. The day-to-day management of the business and affairs of the Company is delegated by the Board to the CEO and the President. The Board will give direction and guidance through the President to Management and will keep Management informed of its evaluation of the senior officers in achieving and complying with goals and policies established by the Board.

The Board recommends nominees to the shareholders for election as directors. Immediately following each annual general meeting, the Board appoints an Audit Committee and an Audit Committee Chairperson. The Board establishes and periodically reviews and updates the Audit Committee mandates, duties and responsibilities, elects a chairperson of the Board and establishes his or her duties and responsibilities, appoints the CEO, CFO and President of the Company and establishes the duties and responsibilities of those positions and on the recommendation of both the CEO and the President, appoints the senior officers of the Company and approves the senior Management structure of the Company.

The Board exercises its independent supervision over management by its policies that (a) periodic meetings of the Board be held to obtain an update on significant corporate activities and plans; and (b) all material transactions of the Company are subject to prior approval of the Board. The Board shall meet not less than three times during each year and will endeavour to hold at least one meeting in each fiscal quarter. The Board will also meet at any other time at the call of the President, or subject to the Articles of the Company, of any director.

The Board meets at least once each calendar quarter to review, among other things, the performance of the Company. Results will be compared and measured against a previously established plan and performance of prior fiscal years. Other meetings of the Board will be called to deal with special matters, as circumstance require.

The mandate of the Board, as prescribed by the *Business Corporations Act* (British Columbia) (the “**Act**”), is to manage or supervise management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company’s affairs directly and through the Audit Committee. In fulfilling its mandate, the Board, among other matters, is responsible for: (i) reviewing and approving the Company’s overall business strategies; (ii) reviewing major strategic initiatives; (iii) reviewing and approving the reports and other disclosure issued to shareholders; and (iv) ensuring the effective operation of the Board.

At present, the Board has delegated the day-to-day management of the business and affairs of the Company to the executive officers of the Company. Generally, operations in the ordinary course or that are not in the ordinary course and do not exceed material levels of expenditures or commitment on the part of the Company have been delegated to Management. Decisions relating to matters that are not in the ordinary course and that involve material expenditures or commitments on the part of the Company require prior approval of the Board. Any responsibility which is not delegated to Management or a committee of the Board remains with the Board.

Directorships

The following directors of the Company are also directors of other reporting issuers as stated:

- Darryl Yea is a director of American Potash Corp. (CSE: AMP) and LED Medical Diagnostics Inc. (TSX-V: LMD).; and
- Dr. Humphrey Mathe is a director of Wescoal Holdings Limited and Howden Africa Holdings Limited.

Orientation and Continuing Education

New Board members receive an orientation package which includes reports on operations and results, and public disclosure filings by the Company. Board meetings are sometimes held at the Company’s offices and, from time to time, are combined with presentations by the Company’s management to give the directors additional insight into the Company’s business. In addition, Management makes itself available for discussion with all Board members.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company’s governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director’s participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of Management and in the best interests of the Company.

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board’s duties effectively and to maintain a diversity of view and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

Assessments

While no formal policy has been established to monitor the effectiveness of the directors, the Board works together to evaluate its effectiveness and that of the Audit Committee and of its individual directors on an ad-hoc basis.

The Board believes its corporate governance practices are appropriate and effective for the Company, given its size and operations. The Company's corporate governance practices allow the Company to operate efficiently, with checks and balances that control and monitor Management and corporate functions without excessive administration burden.

Board Committees

The Board has no committees, other than the Audit Committee.

PARTICULARS OF MATTERS TO BE ACTED UPON

1. Financial Statements

The Board has approved the audited financial statements of the Company for the fiscal year ended January 31, 2016, together with the auditors' report thereon, and the corresponding Management's Discussion and Analysis, all of which will be tabled at the Meeting. Copies of these financial statements have been sent to those shareholders who had requested receipt of same, and are also available on SEDAR. **No approval or other action needs to be taken at the Meeting in respect of these documents.**

2. Fixing the Number of Directors

There are currently four (4) directors on the Company's board of directors. At the Meeting, it is proposed that the number of directors to be elected to hold office until the next annual meeting of shareholders or until their successors are elected or appointed be set at four (4).

Unless otherwise directed, it is the intention of management to vote proxies IN FAVOUR of setting the number of directors to be elected at four (4).

3. Election of Directors

The directors of the Company are elected annually and hold office until the next annual general meeting of the shareholders or until their successors are elected or appointed. Management proposes to nominate the persons listed below for election as directors of the Company to serve until their successors are elected or appointed. **In the absence of instructions to the contrary, Proxies given pursuant to the solicitation by Management will be voted FOR the nominees listed in this Circular.** Management does not contemplate that any of the nominees will be unable to serve as a director.

No director nominations were made by shareholders in connection with the Meeting pursuant to the terms of the advance notice provisions contained in the Company's Articles pertaining to the nomination of directors. As such, management's nominees for election as directors set forth below shall be the only nominees eligible to stand for election at the Meeting.

The following table sets out the names of the nominees for election as directors, the offices they hold within the Company, their occupations, the length of time they have served as directors of the Company, and the number of shares of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised, as of the date of this Circular.

Name, province or state and country of residence and position, if any, held in the Company	Principal occupation during the past five years	Served as director of the Company since	Number of Common shares of the Company beneficially owned, directly or indirectly, or controlled or directed at present[1]
MAREK J. KRECZMER British Columbia, Canada ***Chief Executive Officer and Director***	CEO, Handa Copper Corporation (November 2009 – Present) President, Handa Copper Corporation (November 2009 – March 2014 CEO & Director, Hana Mining Ltd. (November 2005 – February 2013) Chairman, Hana Mining Ltd. (October 2009 – February 2013)	November 10, 2009	2,019,341
ANTON ESTERHUIZEN[2] Craighall, South Africa ***Director***	Geologist and Director, Tanzanian Royalty Exploration Corporation (January 2001 – March 2012) Director, NWT Uranium Corp. (May 2006 – September 2013) Managing Director, Pangea Exploration (Pty) (October 1994 – Present) Director, IGE Resources AB (Oslo) (January 2010 – June 2012)	March 28, 2011	1,327,653

DARRYL YEA[2] British Columbia, Canada ***Director***	President & Director, Investco Capital Management Inc. *(a private financial consulting firm) (*1987 – Present) Director, Redhawk Resources, Inc. (July 2007 – March 2015) Director, LED Medical Diagnostics Inc. (September 2010 – Present)	March 28, 2011	401,546
DR. HUMPHREY LAWRENCE MBENDENI MATHE[2] Bedfordview, South Africa ***Director***	CEO and Executive Director, Tranter Resources (Pty) Limited (June 2010 – Present) CEO, Scinta South Africa (Pty) Limited (May 2009 – March 2010) Director, Witwatersrand Consolidated Gold Resources Limited (April 2006 – April 2014) Director, Ferret Mining and Environmental Services (Pty) Ltd. (May 2003 – Present) Non Executive Chairman, Scinta South Africa (Pty) Limited (May 2009 – Present) Executive General Manager, Exxaro Resources Ltd. December 2006 – April 2009) Director, Wescoal Holdings Limited September 2013 – Present) Director, Howden Africa Holdings Limited (July 2012 – Present)	November 12, 2013	571,195

1 The information as to principal occupation, business of employment and common shares beneficially owned or controlled is not within the knowledge of Management of the Company and has been furnished by the respective nominees.

2 A member of the Audit Committee.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the Company, no proposed director:

(a) is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that,

(i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or

(ii) was subject to an order that was issued after the proposed director 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;

(b) is, as at the date of this Circular, or has been within 10 years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;

(c) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director;

(d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(e) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

No proposed director is to be elected under any arrangement or understanding between the proposed director and any other person or company.

4. APPOINTMENT OF AUDITOR

Dale Matheson Carr-Hilton Labonte LLP, Chartered Accountants, Vancouver, British Columbia, will be nominated at the Meeting for appointment as auditor of the Company at a remuneration to be fixed by the directors.

Dale Matheson Carr-Hilton Labonte LLP, Chartered Accountants, was first appointed auditor of the Company on March 6, 2015.

In the absence of instructions to the contrary, the shares represented by proxy will be voted FOR the appointment of Dale Matheson Carr-Hilton Labonte LLP as auditor of the Company for the ensuing year, at a remuneration to be fixed by the Board of Directors.

5. Stock Option Plan

The following information is intended as a brief description of the Stock Option Plan dated August 17, 2010 (the "**Plan**") (terms below are as defined therein) and is qualified in its entirety by the full text of the Plan, which will be available for review at the Meeting.

1. The maximum number of shares which may be issuable pursuant to options granted under the Plan shall be that number equal to 10% of the Company's issued share capital from time to time. The number of shares reserved for issuance under the Plan and all of the Company's other previously established or proposed share compensation arrangements in aggregate shall not exceed 10% of the total number of issued an outstanding shares on a non-diluted basis;

2. The number of shares which may be issuable under the Plan and all of the Company's other previously established or proposed share compensation arrangements, within a one-year period:

   (a) to all Insiders shall not exceed 10% of the total number of issued and outstanding shares on the Grant Date on a non-diluted basis;

   (b) to any one Optionee, shall not exceed 5% of the total number of issued and outstanding shares on the Grant Date on a non-diluted basis (unless otherwise approved by the disinterested shareholders of the Company);

   (c) to any one Consultant shall not exceed 2% in the aggregate of the total number of issued and outstanding shares on the Grant Date on a non-diluted basis; and

   (d) to all Eligible Persons who undertake Investor Relations Activities shall not exceed 2% in the aggregate of the total number of issued and outstanding shares on the Grant Date on a non-diluted basis, which Options are to be vested in stages over at least a one-year period and no more than one-quarter (1/4) of such Options may be vested in any three (3) month period.

3. The Option Price under each Option shall be not less than the Discounted Market Price on the Grant Date.

4. Any Unissued Option Shares not acquired by an Optionee under an Option which has expired, and any Option Share acquired by an Optionee under an Option when exercised, may be made the subject of a further Option granted pursuant to the provisions of the Plan. The Expiry Date for each Option shall be set by the Board at the time of issue of the Option and shall not be more than ten years after the Grant Date. Options shall not be assignable (or transferable) by the Optionee.

5. If the Optionee ceases to be an Eligible Person, other than by death or disability, his or her Option shall be exercisable as follows:

   (a) Termination for Cause: If the Optionee, or in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person as a result of termination for cause, as that term is interpreted by the courts of the jurisdiction in which the Optionee, or, in the case of a Management

Company Employee or a Consultant Company, of the Optionee's employer, is employed or engaged; any outstanding Option held by such Optionee on the date of such termination shall be cancelled as of that date.

(b) Early Retirement, Voluntary Resignation or Termination Other than For Cause: If the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person due to his or her retirement at the request of his or her employer earlier than the normal retirement date under the Company's retirement policy then in force, or due to his or her termination by the Company other than for cause or due to his or her voluntary resignation, the Option then held by the Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of the Expiry Date and the date which is 30 days after the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person.

In accordance with the policies of the TSX Venture Exchange (the "**Exchange**"), a plan with a rolling 10% maximum must be confirmed by shareholders at each annual general meeting.

Accordingly, at the Meeting, the shareholders will be asked to pass the following resolution:

"IT IS RESOLVED THAT the Stock Option Plan is hereby approved and confirmed."

In the absence of instructions to the contrary, the shares represented by proxy will be voted FOR the approval and confirmation of the Stock Option Plan.

6. Other Business

The Company will consider and transact such other business as may properly come before the Meeting or any adjournment or adjournments thereof. Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting the common shares represented by the proxies solicited hereby will be voted on such matter in accordance with the best judgement of the persons voting by proxy.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found under the Company's profile on SEDAR at www.sedar.com. Financial information about the Company is provided in the Company's comparative annual financial statements to January 31, 2016, a copy of which, together with Management's Discussion and Analysis thereon, can be found under the Company's profile on SEDAR. Additional financial information concerning the Company may be obtained by any securityholder of the Company free of charge by contacting the Company, at Suite 601, 700 West Pender Street, Vancouver, British Columbia V6C 1G8 or (604) 601-6926.

BOARD APPROVAL

The contents of this Circular have been approved and its mailing authorized by the directors of the Company.

DATED at Vancouver, British Columbia, the 29th day of July, 2016.

ON BEHALF OF THE BOARD

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Marek Kreczmer,
Chief Executive Officer and Director

SCHEDULE "A"

AUDIT COMMITTEE CHARTER

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1. Purpose of the Committee

1.1. The purpose of the Audit Committee is to assist the Board in its oversight of the integrity of the Company's financial statements and other relevant public disclosures, the Company's compliance with legal and regulatory requirements relating to financial reporting, the external auditors' qualifications and independence and the performance of the internal audit function and the external auditors.

2. Members of the Audit Committee

2.1. At least one member must be "financially literate" as defined under NI 52-110, having sufficient accounting or related financial management expertise to read and understand a set of financial statements, including the related notes, that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

2.2. The Audit Committee shall consist of no less than three Directors.

2.3. At least one member of the Audit Committee must be "independent" as defined under NI 52-110, while the Company is in the developmental stage of its business.

3. Relationship with External Auditors

3.1. The external auditors are the independent representatives of the shareholders, but the external auditors are also accountable to the Board of Directors and the Audit Committee.

3.2. The external auditors must be able to complete their audit procedures and reviews with professional independence, free from any undue interference from the management or directors.

3.3. The Audit Committee must direct and ensure that the management fully co-operates with the external auditors in the course of carrying out their professional duties.

3.4. The Audit Committee will have direct communications access at all times with the external auditors.

4. Non-Audit Services

4.1. The external auditors are prohibited from providing any non-audit services to the Company, without the express written consent of the Audit Committee. In determining whether the external auditors will be granted permission to provide non-audit services to the Company, the Audit Committee must consider that the benefits to the Company from the provision of such services, outweighs the risk of any compromise to or loss of the independence of the external auditors in carrying out their auditing mandate.

4.2. Notwithstanding section 4.1, the external auditors are prohibited at all times from carrying out any of the following services, while they are appointed the external auditors of the Company:

i. acting as an agent of the Company for the sale of all or substantially all of the undertaking of the Company; and

ii. performing any non-audit consulting work for any director or senior officer of the Company in their personal capacity, but not as a director, officer or insider of any other entity not associated or related to the Company.

5. Appointment of Auditors

5.1. The external auditors will be appointed each year by the shareholders of the Company at the annual general and special meeting of the shareholders.

5.2. The Audit Committee will nominate the external auditors for appointment, such nomination to be approved by the Board of Directors.

6. Evaluation of Auditors

6.1. The Audit Committee will review the performance of the external auditors on at least an annual basis, and notify the Board and the external auditors in writing of any concerns in regards to the performance of the external auditors, or the accounting or auditing methods, procedures, standards, or principles applied by the external auditors, or any other accounting or auditing issues which come to the attention of the Audit Committee.

7. Remuneration of the Auditors

7.1. The remuneration of the external auditors will be determined by the Board of Directors, upon the annual authorization of the shareholders at each general meeting of the shareholders.

7.2. The remuneration of the external auditors will be determined based on the time required to complete the audit and preparation of the audited financial statements, and the difficulty of the audit and performance of the standard auditing procedures under generally accepted auditing standards and generally accepted accounting principles of Canada.

8. Termination of the Auditors

8.1. The Audit Committee has the power to terminate the services of the external auditors, with or without the approval of the Board of Directors, acting reasonably.

9. Funding of Auditing and Consulting Services

9.1. Auditing expenses will be funded by the Company. The auditors must not perform any other consulting services for the Company, which could impair or interfere with their role as the independent auditors of the Company.

10. Role and Responsibilities of the Internal Auditor

10.1. At this time, due to the Company's size and limited financial resources, the Company's Chief Executive Officer and Chief Financial Officer are responsible for implementing internal controls and performing the role as the internal auditor to ensure that such controls are adequate.

11. Oversight of Internal Controls

11.1. The Audit Committee will have the oversight responsibility for ensuring that the internal controls are implemented and monitored, and that such internal controls are effective.

12. Continuous Disclosure Requirements

12.1. At this time, due to the Company's size and limited financial resources, the Company's Chief Executive Officer and Chief Financial Officer are responsible for ensuring that the Company's continuous reporting requirements are met and in compliance with applicable regulatory requirements.

13. Other Auditing Matters

13.1. The Audit Committee may meet with the Auditors independently of the management of the Company at any time, acting reasonably.

13.2. The Auditors are authorized and directed to respond to all enquiries from the Audit Committee in a thorough and timely fashion, without reporting these enquiries or actions to the Board of Directors or the management of the Company.

14. Annual Review

14.1. The Audit Committee Charter will be reviewed annually by the Board of Directors and the Audit Committee to assess the adequacy of this Charter.

15. Independent Advisers

15.1. The Audit Committee shall have the power to retain legal, accounting or other advisors to assist the Committee.