



Transition Metals

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INFORMATION CIRCULAR

(all information is as at January 23, 2017 unless otherwise noted)

GENERAL INFORMATION

This Information Circular is furnished in connection with the solicitation of proxies by and on behalf of the management of TRANSITION METALS CORP. (the “Company”) for use at the annual and special general meeting (the “Meeting”) of holders (the “Shareholders”) of common shares of the Company (the “Common Shares”) to be held on Monday, February 27, 2017 at the time and place and for the purposes set out in the accompanying Notice of Meeting and at any adjournment thereof.

SOLICITATION OF PROXIES

The solicitation of proxies will be primarily by mail, but proxies may also be solicited personally or by telephone, electronic mail, facsimile or other means of communication by the directors, officers and employees of the Company. All costs of this solicitation will be borne by the Company. These officers and employees will receive no compensation other than their regular salaries but will be reimbursed by the Company for their reasonable expenses, which it is expected will not exceed \$1,000 in the aggregate.

APPOINTMENT AND REVOCATION OF PROXIES

The individuals named in the accompanying form of proxy are Scott McLean, President, Chief Executive Officer and a director of the Company, or failing this person, Chris Chadder, Chief Financial Officer of the Company. **A Shareholder eligible to vote at the Meeting has the right to appoint a person or company, who need not be a Shareholder, to attend and act for the Shareholder and vote on the Shareholder’s behalf at the Meeting other than either of the persons designated in the accompanying form of proxy, and may do so either by inserting the name of that other person or company in the blank space provided in the accompanying form of proxy or by completing another suitable form of proxy.**

Shareholders are requested to complete, sign and return the accompanying form of proxy for use at the Meeting if they are not able to attend the Meeting personally. To be effective, forms of proxy must be received by the Company’s registrar and transfer agent, TSX Trust Company, no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting (namely, by 10:00 a.m. (Eastern time), on Thursday, February 23, 2017) or any adjournment thereof at which the proxy is to be used. Proxies delivered by regular mail should be addressed to TSX Trust Company, 200 University Avenue, Suite 300, Toronto, Ontario, M5H 4H1, Attention: Proxy Department. Proxies delivered by facsimile must be sent to TSX Trust Company, Attention: Proxy Department, at (416) 595-9593. To vote by Internet, follow the instructions on the insert included in your package.

A Shareholder who has given a proxy may revoke it by an instrument in writing duly executed and delivered either to the registered office of the Company at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or of any reconvening thereof, or in any other manner provided by law. A revocation of a proxy will not affect a matter on which a vote is taken before the revocation. Non-Registered Holders (as defined below) who wish to revoke their proxy must arrange for their respective Intermediary (as defined below) to revoke the proxy on their behalf within the time specified by such Intermediary.

NON-REGISTERED HOLDERS

These security holder materials are being sent to both registered and non-registered holders of Common Shares of the Company. If you are a non-registered holder, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding Common Shares on your behalf.

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are “non-registered” shareholders because the Common Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Common Shares. More particularly, a person is not a registered shareholder in respect of Common Shares which are held on behalf of that person (the “**Non-Registered Holder**”) but which are registered either: (a) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Holder deals with in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and directors or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited) of which the Intermediary is a participant. In accordance with the requirements of National Instrument 54-101 of the Canadian Securities Administrators (“**NI 54-101**”), the Company has distributed copies of the Notice of Meeting, Information Circular and form of proxy (collectively, the “**Meeting Materials**”) directly to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. By choosing to send the Meeting Materials directly, the Company (and not the Intermediary holding Common Shares on your behalf) has assumed responsibility for (i) delivering the Meeting Materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions. The Company does not intend to pay for delivery of the meeting materials to the “objecting beneficial holders” (“**OBOs**” as defined in NI 54-101), and as a result, the OBOs will not receive the Meeting Materials unless their Intermediary assumes the cost of delivery.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders.

Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will receive either a voting instruction form or, less frequently, a form of proxy. Non-Registered Holders should follow the procedures set out below, depending on which type of form they receive.

- (a) **Voting Instruction Form.** In most cases, a Non-Registered Holder will receive, as part of the Meeting Materials, a voting instruction form which is not signed by the Intermediary, and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service corporation, will constitute voting instructions (often called a “proxy authorization form”) which the Intermediary must follow. If the Non-Registered Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Non-Registered Holder’s behalf), the voting instruction form must be completed, signed and returned in accordance with the directions on the form. Voting instruction forms in some cases permit the completion of the voting instruction form by telephone or through the Internet. If a Non-Registered Holder wishes to attend and vote at the Meeting in person (or have another person

attend and vote on the Non-Registered Holder's behalf), the Non-Registered Holder must strike out the names of the persons named in the form and insert the Non-Registered Holder's (or such other person's) name in the blank space provided and complete, sign and return the voting instruction form in accordance with the directions provided. A form of proxy giving the right to attend and vote will then be forwarded to the Non-Registered Holder.

- (b) **Form of Proxy.** Less frequently, a Non-Registered Holder will receive, as part of the Meeting Materials, a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. If the Non-Registered Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Non-Registered Holder's behalf), the Non-Registered Holder must complete the form of proxy and deposit it with TSX Trust Company as provided above. If a Non-Registered Holder wishes to attend and vote at the Meeting in person (or have another person attend and vote on the Non-Registered Holder's behalf), the Non-Registered Holder must strike out the names of the persons named in the proxy and insert the Non-Registered Holder's (or such other person's) name in the blank space provided. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Holder when submitting the proxy.

In either case, the purpose of this procedure is to permit Non-Registered Holders to direct the voting of the Common Shares which they beneficially own. Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the management proxy nominees named in the form and insert the Non-Registered Holder's name in the blank space provided. **In either case, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or proxy authorization form is to be delivered.**

EXERCISE OF DISCRETION

On a poll the nominees named in the accompanying form of proxy will vote or withhold from voting the Common Shares represented thereby in accordance with the instructions of the Shareholder on any ballot that may be called for. If a Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. The proxy will confer discretionary authority on the nominees named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified; and
- (b) any other matter, including amendments to any of the foregoing, as may properly come before the Meeting or any adjournment thereof.

In respect of a matter for which a choice is not specified in the proxy, or unless otherwise provided for in the proxy, the nominees named in the accompanying form of proxy will vote the Common Shares represented by the proxy for the approval of such matter.

As of the date of this Information Circular, the management of the Company knows of no amendment, variation or other matter that may come before the Meeting, but if any amendment, variation or other matter properly comes before the Meeting each nominee intends to vote thereon in accordance with the nominee's best judgment.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The authorized share structure of the Company consists of an unlimited number of Common Shares without par value. Only holders of Common Shares are entitled to receive notice of and to vote at the Meeting. As of January 23, 2017, the Company had 33,769,433 Common Shares issued and outstanding, each Common Share carrying the right to one vote at the Meeting. The Company has no other classes of voting shares.

Only Shareholders of record at the close of business on January 23, 2017 who either personally attend the Meeting or complete, sign and deliver a form of proxy, in the manner and subject to the provisions described above, shall be entitled to vote or to have such Shareholder's Common Shares voted at the Meeting.

To the knowledge of the directors and executive officers of the Company, there are no persons or corporations which beneficially owns, directly or indirectly, or exercises control or direction over Common Shares carrying 10% or more of the voting rights attached to all outstanding Common Shares of the Company.

ELECTION OF DIRECTORS

The Board currently consists of six members. At the Meeting, Shareholders will be asked to elect, by ordinary resolution, six directors to serve until the next annual general meeting. Each of the persons listed below is nominated for election as a director of the Company for the ensuing year.

Management of the Company does not contemplate that any of the proposed nominees will be unable to serve as a director if elected, but if that should occur for any reason prior to the Meeting, the persons named in the form of proxy reserve the right to vote in their discretion for another nominee as director, unless the form of proxy is marked to deny such discretionary authority. The term of office for each current director expires on the date of the Meeting. Each director elected at the Meeting will hold office until the next annual meeting until his successor is duly elected, unless his office is earlier vacated in accordance with the bylaws of the Company or the provisions of the *Business Corporations Act* (Ontario).

The following table indicates the names of the six nominees for directors, their province of residence, the date each such person became a director (if applicable), the principal occupation during the last five years for each such person and the number of Common Shares beneficially owned or controlled or directed (directly or indirectly) by each person as of January 23, 2017. The information furnished in this table is based upon the information furnished to the Company by the respective nominees.

| Name, Province of Residence and Date First Became a Director | Principal Occupation During Past Five Years ⁽¹⁾ | Number Common Shares Beneficially Owned or Controlled |
|-------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|
| Thomas Atkins ⁽²⁾⁽⁵⁾ Ontario, Canada February 2, 2011 | President and Chief Executive Officer of Mammoth Resources Corp. since April 1, 2012. Business Consultant to Ravenhill Partners Inc. (resources industry merchant bank) from 2010 to 2013. President and Chief Executive Officer of Rockex Ltd. in 2008. President and Chief Executive Officer of Castle Gold Corp. from 2007 to 2009. President and Chief Executive Officer of War Eagle Mining Company Inc. from November 2012 to August 2016. | Nil |
| Jon Baird ⁽²⁾⁽³⁾ Ontario, Canada February 2, 2011 | Independent Mining Consultant since January 2015. Managing Director of the Canadian Association of Mining Equipment and Services for Export from January 1993 to January 2015. | 66,250 |

| Name, Province of Residence and Date First Became a Director | Principal Occupation During Past Five Years ⁽¹⁾ | Number Common Shares Beneficially Owned or Controlled |
|---------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|
| Jason Marks ⁽²⁾⁽⁴⁾ Ontario, Canada August 14, 2013 | Chief Executive Officer of Metric Asset Management since July 2016. Executive Chairman of Fiera Quantum Limited since April 2014. Director for Difference Capital Financial Inc. since June 2016. Chief Executive Officer and Chief Investment Officer of Fiera Quantum Limited from April 2013 to April 2014. Chief Executive Officer and Chief Investment Officer of GMP Investment Management from January 2008 to April 2013. | Nil |
| Scott McLean Ontario, Canada November 2009 | President and Chief Executive Officer of the Company since November 2009. Chief Executive Officer of Sudbury Platinum Corporation since October 2013. Consulting Geologist with McLean Geoscience Inc. since September 2007. Consulting Geologist with McLean Exploration Management Inc. since June 2011. | 2,494,548 ⁽⁶⁾ |
| Brian Montgomery ⁽³⁾⁽⁴⁾ Ontario, Canada August 14, 2013 | Lawyer with Weaver, Simmons LLP (law firm) in Sudbury from March 1973 to 2016. | 97,333 |
| William Pearson ⁽⁴⁾⁽⁵⁾ Ontario, Canada August 14, 2013 | President of Pearson Geological Limited since October 1990; President and Chief Executive Officer of Coastal Gold Ltd. from February 2010 to July 2015. Chief Technical Advisor for Eoro Resources from December 2015. Director and Technical Advisor for Largo Resources Ltd. from April 2003 to April 2011. Vice President Exploration for Desert Sun Corp. from July 2002 to March 2006 and Executive Vice President Exploration for Central Sun Mining Inc. from October 2007 to March 2009. | 156,083 |

Notes:

- (1) The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees.
- (2) Member of the Audit Committee.
- (3) Member of the Governance and Nominating Committee.
- (4) Member of the Compensation Committee.
- (5) Member of the Technical Committee.
- (6) 312,697 and 82,000 of these Common Shares are held by McLean Geoscience Inc. and McLean Exploration Management Inc., respectively.

Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the election of the nominees named in this Information Circular unless otherwise directed by the Shareholders appointing them.

ADDITIONAL INFORMATION REGARDING DIRECTOR NOMINEES

Thomas Atkins, B.Sc., MBA – Director

Mr. Atkins is an accomplished mining executive who has successfully led exploration and development initiatives in the Americas over the past 30 years. He has a background in geology, investment banking, investor relations and corporate management. He has also served as a senior executive with small to large capitalization international mining companies with responsibility for the planning, execution and communication of short and long-term corporate objectives and initiatives.

Jon Baird, B.Sc., P.Eng. – Director

Mr. Baird is a professional geophysicist and is an independent Mining Consultant since retiring as the Managing Director of the Canadian Association of Mining Equipment and Services for Export in January 2015.

He previously served as the president of the Prospectors and Developers Association of Canada. As a former Vice-President and a director of Scintrex Limited, he led a world-wide marketing and sales campaign which helped make the company a leader in the field of mineral exploration and geophysical instrumentation. Mr. Baird has discovered the Pyramid orebody within the Pine Point Camp and in 2013 received the Queen Elizabeth II Medal and the CIMM Vale Medal. The Vale Medal is awarded each year to the person who has made a meritorious and practical contribution of outstanding importance to the mining and metallurgical industry of Canada.

Jason Marks, P.Eng., MBA – Director

Mr. Marks is the current Chief Executive Officer of Metric Asset Management Limited, where he oversees firm and individual portfolios, including overall allocation strategy and risk management. Previously, he was the Executive Chairman of Fiera Quantum Limited, Chief Executive Officer and Chief Investment Officer of GMP Investment Management, Vice Chair at TD Securities responsible for a number of trading and derivatives products, a Senior Vice President at TD Bank where he held senior risk management roles, and Vice President of Citibank Canada. Mr. Marks is also a director of Difference Capital Financial Inc. since June 2016. Mr. Marks has an M.B.A. from Harvard University and a B.E.Sc. from the University of Western Ontario.

Scott McLean, HBSc., P.Geo. – Director, President and Chief Executive Officer

Mr. McLean is the President, Chief Executive Officer and a director of the Company. He previously spent over 25 years with Falconbridge Limited in exploration and management resulting in the discovery of the over 15 million tonnes Nickel Rim South deposit in Sudbury, Ontario. For his role in this discovery, he was named the Prospector of the Year in 2004 by the Prospectors and Developers Association of Canada. In 2001, he was appointed to the transitional board of the Association of Professional Geoscientists of Ontario and represented the profession as President in 2005. As the Chief Executive Officer of the Company, Mr. McLean is responsible for establishing the business and administrative framework for corporate management and developing corporate vision. He is the liaison for corporate communication between management, the board of directors, investors and the public, manages capital structure and financing of the Company and ensures the Company maintains high standards of ethics, corporate citizenship and social responsibility. As Chief Executive Officer, Mr. McLean will carry out his duties on a full-time basis as an employee of McLean Exploration Management Inc. He is also the Chief Executive Officer of Sudbury Platinum Corporation and McLean Exploration Management Inc.

Brian Montgomery, B.A., LLB – Director

Recently retired (2016) and former partner of Weaver, Simmons LLP, Mr. Montgomery was called to the Ontario Bar in 1973 and specialized in real estate, corporate, mining and business law. In addition to the Board of Transition Metals Corp., he also sits on the Board of Governors of Laurentian University and the Board of Directors of Sudbury Platinum Corporation (private).

William Pearson, Ph.D., P.Geo. – Director

Dr. Pearson is a Professional geologist with over 40 years of experience in the national and international mining industry in all phases from grassroots exploration through to advanced projects and mine development. He has carried out exploration and development programs in 18 countries in North and South America, Europe, East Asia and Australia and has been on the Board of several public junior mining companies. From 2010 to 2015 he was the President and Chief Executive Officer of Coastal Gold Corp. and negotiated the sale of the company to First Mining Finance. Previously he was the Vice President, Exploration for Desert Sun Mining Corp. in Brazil (now part of Yamana Gold Inc.) and Executive Vice President, Exploration for Central Sun Mining Inc. in Nicaragua (now part of B2Gold Corp.). More recently he was appointed Chief Technical Advisor for Eoro Resources in Peru. In 2015 he received the PDAC Distinguished Service Award for his service to Canada's Mineral and Exploration Industry.

As of January 23, 2017, no proposed director of the Company is or has been, within the 10 years prior to January 23, 2017, a director, chief executive officer or chief financial officer of any company (including the Company) that:

- (a) was subject to an Order (as defined below) that was issued while the individual was acting in the capacity as director, chief executive officer or chief financial officer, or
- (b) was subject to an Order that was issued after the individual 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.

“Order” means a cease trade order or similar order or an order that denied the relevant company access to any statutory exemption under securities legislation that was in effect for a period of more than 30 consecutive days.

In addition, no proposed director of the Company:

- (a) is, at the date this Information Circular, or has been within the 10 years before the date hereof, 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, arrangements or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;
- (b) has, within the 10 years before the date hereof, 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 that person; or
- (c) has been subject to:
 - (i) 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
 - (ii) 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.

APPOINTMENT AND REMUNERATION OF AUDITORS

At the Meeting, Shareholders will be asked to vote for the re-appointment of McGovern, Hurley, Cunningham, LLP as auditors of the Company and for the authorization for the directors of the Company to fix the remuneration of McGovern, Hurley, Cunningham, LLP, as auditors. McGovern, Hurley, Cunningham, LLP was first appointed auditors of the Company on December 10, 2010.

Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR re-appointing McGovern, Hurley, Cunningham, LLP as auditor of the Company for the next ensuing year, to hold office until the close of the next annual general meeting of the Company or until the firm of McGovern, Hurley, Cunningham, LLP is removed from office or resigns as provided by Law or by the Company’s by-laws, and to vote FOR authorizing the directors of the Company to fix the remuneration of McGovern, Hurley, Cunningham, LLP as auditor unless otherwise directed by the Shareholders appointing them.

RE-APPROVAL OF STOCK OPTION PLAN

The Company's existing stock option plan (the "**Plan**"), was approved by the board of directors on January 25, 2015 and subsequently approved by its Shareholders at the Company's annual general meetings held on February 27, 2015 and February 29, 2016. The Plan is a "rolling" stock option plan under the TSX Venture Exchange's (the "**Exchange**") Policy 4.4 *Incentive Stock Options* (the "**Exchange Policy**").

Under the Plan, the Company is authorized to grant stock options pursuant to which Shares may be purchased by directors, officers, employees and consultants of the Company up to a maximum of 10% of the issued and outstanding capital of the Company. The Plan complies with the requirements of the Exchange Policy. Pursuant to the Exchange Policy, Shareholders are required to approve on a yearly basis stock option plans which have a "rolling plan" ceiling.

As of January 23, 2017, the Company had 2,605,000 stock options outstanding.

A copy of the Plan may be obtained upon request from the Company at 410 Falconbridge Road, Unit 5, Sudbury, Ontario, P3A 4S4 or by telephone at (705) 669-1777.

The purpose of the Plan is to advance the interests of the Company by furthering the Company's policy of motivating officers, directors and employees to participate in the Company's growth and development.

The Plan

The following is a summary of the principal terms of the Plan.

The Plan provides that stock options may be granted to directors, officers, employees and consultants of the Company, as such terms are defined in the Exchange Policy.

The Plan is administered by the Company's board of directors, and subject to regulatory requirements, it may be amended by the board of directors of the Company without further Shareholder approval.

The Plan provides for the issuance of stock options to acquire up to that number of the Company's Shares (the "**Plan Ceiling**") equal to 10% of the Company's issued and outstanding share capital as at the date of grant, subject to standard anti-dilution adjustments. This is a "rolling" Plan Ceiling as the number of Shares reserved for issuance pursuant to the grant of stock options will increase as the Company's issued and outstanding share capital increases. The Plan Ceiling includes outstanding stock options granted prior to the implementation of the Plan. If a stock option expires or otherwise terminates for any reason, the number of Shares in respect of that expired or terminated stock option shall again be available for the purposes of the Plan.

The Plan may be amended or terminated by the board of directors at any time, but such amendment or termination will not alter the terms or conditions of any option awarded prior to the date of such amendment or termination. Any stock option outstanding when the Plan is amended or terminated will remain in effect until it is exercised or expires or is otherwise terminated in accordance with the provisions of the Plan.

The aggregate number of Common Shares authorized for issuance to any one person within a one-year period is limited to 5% of the outstanding Common Shares; the aggregate number of Common Shares authorized for issuance to any Consultant shall not exceed 2% of the outstanding Common Shares in any 12-month period; and the aggregate number of Common Shares authorized for issuance to employees and those individuals conducting investor relations activities shall not exceed 2% of the outstanding Common Shares in any 12-month period.

The exercise price of the options granted under the Plan shall be not less than the closing price of the Common Shares on the date of the grant, in accordance with the policies of the Exchange.

An option may be granted for a period of up to ten years from the date of the grant. If the option holder resigns or is terminated other than for cause, all unexercised options previously granted to such holder will expire after 90 days. If the grant-holder was providing investor relations services to the Company, then the options will expire

after 30 days. All unvested options will be cancelled immediately. If a grant-holder is terminated for cause, all options expire immediately.

At the Meeting, Shareholders will be asked to consider and, if thought advisable, to pass, with or without modification, the following:

“BE IT RESOLVED AS AN ORDINARY RESOLUTION that, subject to regulatory approval:

- (a) the Company’s stock option plan (the **“Plan”**) be and is hereby re-adopted and re-approved;
- (b) the Company be authorized to grant stock options pursuant and subject to the terms and conditions of the Plan, entitling the option holders to purchase up to that number of common shares in the capital of Company (**“Common Shares”**) that is equal to 10% of the issued and outstanding Common Shares as at the time of the grant; and
- (c) the directors and officers of the Company be authorized and directed to perform all such acts and deeds and things and execute, under the seal of the Company or otherwise, all such documents, agreements and other writings as may be required to give effect to the true intent of these resolutions.”

Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the re-approval of the Plan at the Meeting unless otherwise directed by the Shareholders appointing them.

CORPORATE GOVERNANCE

Effective June 20, 2005, the Canadian Securities Administrators adopted National Instrument 58-101 Disclosure of Corporate Governance Practices (**“NI 58-101”**) and National Instrument 58-201 Corporate Governance Guidelines (**“NI 58-201”**). NI 58-101 requires issuers to disclose the corporate governance practices that they have adopted. NI 58-201 provides guidance on corporate governance practices. In addition, the Company is subject to National Instrument 52-110 Audit Committees (**“NI 52-110”**), which has been adopted by the Canadian Securities Administrators and which prescribes certain requirements in relation to audit committees. A full description of each of the corporate governance practices of the Company with respect to NI 58-101 is set out in Schedule “A” to this Information Circular.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITORS

NI 52-110 requires the Company, as a venture issuer, to disclose annually certain information concerning the constitution of its audit committee (the **“Audit Committee”**) and its relationship with its independent auditors, which is set forth below.

The Audit Committee’s Charter

The directors of Company have adopted a Charter for the Audit Committee, which sets out the Audit Committee’s mandate, organization, powers and responsibilities, the text of which is set out in Schedule “B” of this Information Circular.

Composition of the Audit Committee

The Audit Committee is comprised of Thomas Atkins, Jon Baird and Jason Marks. All of the members of the Audit Committee are financially literate, as defined by NI 52-110 and all members are considered independent, as defined by NI 52-101.

Relevant Education and Experience

Thomas Atkins, B.Sc. Geology (McMaster University, 1984), MBA (Western University, 1988). Mr. Atkins has 29 years of technical, management and financial experience in the mining industry. He has been employed with various junior and senior mining companies and financial institutions in top executive positions. See “*Additional Information Regarding Director Nominees*” section above.

Jon Baird, P.Eng., B.Sc. Geophysics (University of Toronto, 1964). Mr. Baird has 46 years of technical, management and business experience in the mining exploration services sector. See “*Additional Information Regarding Director Nominees*” section above.

Jason Marks, B.E.Sc. (Western University, 1985), MBA (Harvard University, 1987). Mr. Marks has 25 years of financial, investment and financial risk management experience in the banking and investment industries. He has been employed with senior Canadian banks and other financial institutions in top executive positions. See “*Additional Information Regarding Director Nominees*” section above.

Audit Committee Oversight

At no time since the commencement of the Company’s most recently completed financial year ended August 31, 2016, was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Company.

Reliance on Certain Exemptions

At no time since the commencement of the Company’s most recently completed financial year ended August 31, 2016, has the Company relied on the exemption in section 2.4 of NI 52-110 (De Minimis Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

Except as described in the Audit Committee Charter, the Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

The fees paid by the Company to its auditor in each of the last two fiscal years, by category, are as follows:

| | Fiscal Year ended August 31, 2016 | Fiscal Year ended August 31, 2015 |
|---------------------------|-----------------------------------|-----------------------------------|
| Audit Fees | \$50,000 | \$60,000 |
| Audit-Related Fees | Nil | Nil |
| Tax Fees | 13,000 | Nil |
| All Other Fees | <u>Nil</u> | <u>Nil</u> |
| Total Fees Billed | \$63,000 | \$60,000 |

Audit Fees

Audit fees were for professional services rendered by McGovern, Hurley, Cunningham, LLP for the audit of the Company’s annual financial statements and services provided in connection with statutory and regulatory filings or engagements.

Audit-Related Fees

Audit-related fees were for assurance and related services reasonably related to the performance of the audit or review of the annual statements that are not reported under “Audit Fees” above.

Tax Fees

Tax fees were for tax compliance, tax advice and tax planning professional services. These services consisted of tax compliance, including the review of tax returns and tax planning and advisory services relating to common forms of domestic and international taxation (i.e., income tax, capital tax, goods and services tax, payroll tax and value added tax).

All Other Fees

Fees disclosed in the table above under the item “All Other Fees” were incurred for services other than the audit fees, audit-related fees and tax fees described above. These services consisted of assistance in the documentation of processes and controls and disbursements made by the auditor on behalf of the Company.

Exemptions

The Company is relying on the exemption provided by section 6.1 of NI 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 “Composition of the Audit Committee” and Part 5 “Reporting Obligations” of NI 52-110.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The purpose of this Compensation Discussion and Analysis is to provide information about the Company’s executive compensation philosophy, objectives and processes and to discuss compensation decisions relating to the Chief Executive Officer, Chief Financial Officer, and its three most highly compensated individuals acting as, or in a like capacity as, executive officers of the Company, whose total compensation for the most recently completed financial year ended August 31, 2016, was individually equal to \$150,000 or more (a “**Named Executive Officer**”). The Named Executive Officers of Company during the most recently completed financial year ended August 31, 2016 were Scott McLean, President and Chief Executive Officer and Chris Chadder, Chief Financial Officer.

The Company’s compensation program is designed to be competitive with similar junior mining exploration companies and to recognize and reward executive performance. However, during the most recently completed financial year, compensation of Named Executive Officers and directors was determined based on discussion by the Compensation Committee based on subjective factors, without any formal objectives, criteria or analysis. Compensation to be awarded to the directors and officers will reflect the compensation paid to directors and officers of companies of similar size and stage of development in the mineral exploration industry and the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Company. In light of current market conditions, in the most recently completed financial year, the Company implemented a number of cost savings measures, including a decrease in compensation paid to directors and officers.

All executive compensation is reviewed annually by the Compensation Committee. The members of the Compensation Committee are Jason Marks, Brian Montgomery and William Pearson. All members are considered independent members of the Compensation Committee. The members do not have significant experience relating to executive compensation; however, they do have significant years of management experience as described above. The overall purpose of the Compensation Committee is to assist the board of directors in fulfilling its oversight responsibilities in relation to compensation by development, monitoring and assessing the Company’s approach to the compensation of its directors, senior management and employees.

The Compensation Committee may take into account executive compensation paid by companies comparable with the Company, although no specific benchmarking policy is in place for determining compensation or any element of compensation. Based on management recommendations, the Compensation Committee recommends compensation levels to the board of directors. The Company recognizes that there may be risks in its current

processes but given the size and number of executives dedicated on a full-time basis, the Company does not believe the risks to be significant. The Compensation Committee meets at least annually as required.

There are no restrictions on Named Executive Officers or directors regarding the purchase of financial instruments including for greater certainty, prepaid variable forward contracts, equity swaps, collars, 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 a Named Executive Officer or director. To the knowledge of the Company, for the financial year ended August 31, 2016, no Named Executive Officer or director, directly or indirectly, employed a strategy to hedge or offset a decrease in market value of equity securities granted as compensation or held.

Summary Compensation Table

The following table sets forth information concerning the annual and long term compensation for services rendered to the Company in respect of the individuals who were during the Company's most recently completed financial year ended August 31, 2016 or at any time during the financial year the Named Executive Officers.

| Name and Principal Position | Year | Salary | Share-based awards (\$) | Option-based awards (\$) | Non-Equity Incentive Plan Compensation | | Pension value (\$) | All other compensation (\$) | Total compensation (\$) |
|-----------------------------------------------------------------|------|------------------------|-------------------------|--------------------------|----------------------------------------|---------------------------|--------------------|-----------------------------|-------------------------|
| | | | | | Annual Incentive Plans | Long-term Incentive Plans | | | |
| Scott McLean President, Chief Executive Officer and director | 2016 | 76,275 ⁽¹⁾ | N/A | 1,625 ⁽²⁾ | N/A | N/A | N/A | Nil | 77,900 |
| | 2015 | 125,260 ⁽¹⁾ | N/A | N/A | N/A | N/A | N/A | Nil | 125,260 |
| | 2014 | 116,783 ⁽¹⁾ | N/A | 105,000 ⁽³⁾ | N/A | N/A | N/A | Nil | 221,783 |
| Chris Chadder ⁽⁴⁾ Chief Financial Officer | 2016 | 57,750 | N/A | 2,600 ⁽²⁾ | N/A | N/A | N/A | Nil | 60,350 |
| | 2015 | 53,350 | N/A | N/A | N/A | N/A | N/A | Nil | 53,350 |
| | 2014 | 39,600 | N/A | 9,000 ⁽⁵⁾ | N/A | N/A | N/A | Nil | 48,600 |

Notes:

- (1) Represents amounts billed by McLean Exploration Management Inc., a company controlled by Mr. McLean.
- (2) The grant date fair value in accordance with IFRS 2 of \$0.13 per option was estimated using the Black-Scholes option pricing model based on the following assumptions: expected life of 5 years, expected volatility of 146%, expected dividend yield of 0%, and a risk free interest rate of 1.40%.
- (3) The grant date fair value in accordance with IFRS 2 of \$0.35 per option was estimated using the Black-Scholes option pricing model based on the following assumptions: expected life of 5 years, expected volatility of 145%, expected dividend yield of 0%, and a risk free interest rate of 1.67%.
- (4) Mr. Chadder was appointed Chief Financial Officer of the Company effective January 1, 2014.
- (5) The grant date fair value in accordance with IFRS 2 of \$0.09 per option was estimated using the Black-Scholes option pricing model based on the following assumptions: expected life of 5 years, expected volatility of 138%, expected dividend yield of 0%, and a risk free interest rate of 1.80%.

Incentive Plan Awards

300,000 stock options were granted to directors and officers during the financial year ended August 31, 2016. As of August 31, 2016, 2,605,000 stock options were outstanding under the Stock Option Plan. The Company does not make share-based awards. The exercise price of the options is fixed by the board of directors at the time of grant at the market price of the Common Shares, subject to all applicable regulatory requirements. The allocation of the option grants is approved by the Compensation Committee based on management recommendations. The allocation of the option grants is approved by the board of directors of the Company and past grants are taken into consideration when determination future grants.

Further information on the Company's Stock Option Plan is described above under "Re-Approval of Stock Option Plan".

Outstanding Option-Based Awards and Option-Based Awards

| Name | Option-based Awards | | | | Share-based Awards | | |
|---------------|-------------------------------------------------------|----------------------------|------------------------|----------------------------------------------------------------------|---------------------------------------------------------------|------------------------------------------------------------------------|--------------------------------------------------------------------------------------|
| | Number of securities underlying unexercised options # | Option exercise price (\$) | Option expiration date | Value of Unexercised vested in the-Money Options (\$) ⁽¹⁾ | Number of shares or units of shares that have not vested (\$) | Market or payout value of share-based awards that have not vested (\$) | Market or payout value of vested share-based awards not paid out or distributed (\$) |
| Scott McLean | 87,500 | 0.23 | Aug. 14/18 | Nil | N/A | N/A | N/A |
| | 300,000 | 0.40 | April 25/19 | Nil | | | |
| | 12,500 | 0.15 | Mar. 23/21 | 250 | | | |
| Chris Chadder | 100,000 | 0.20 | Dec. 5/18 | Nil | N/A | N/A | N/A |
| | 20,000 | 0.15 | Mar. 23/21 | 400 | | | |

Note:

⁽¹⁾ The value of unexercised “in-the-money options” at the financial year end is the difference between the option exercise price and the market value underlying Common Shares on the Exchange on August 31, 2016. Market price for this purpose is \$0.17 being the closing price of the Common Share on the Exchange on August 31, 2016.

Incentive Plan Awards – Value Vested or Earned During the Year Ended August 31, 2016

| 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 (\$) |
|---------------|---------------------------------------------------------|--------------------------------------------------------|----------------------------------------------------------------------------|
| Scott McLean | 1,625 | N/A | N/A |
| Chris Chadder | 2,600 | N/A | N/A |

Pension Plan Benefits

The Company does not have a defined benefit plan, defined contribution plan or deferred compensation plan.

Employment Contracts

The Company has entered into consulting agreements as described below with companies for which Scott McLean and Greg Collins are principals, in relation to their services as Chief Executive Officer and Chief Operating Officer of the Company, respectively.

On January 1, 2011, the Company entered into a one year, independent contractor agreement with G. Collins Geoscience Inc. in respect of services as Chief Operating Officer, for which G. Collins Geoscience Inc. receives a base fee of \$540 per day to an annualized maximum of \$140,000 plus applicable taxes, together with such increments thereto and bonuses (including additional grants of options) as the board of directors may from time to time determine, and reimbursement for reasonable travel and other expenses incurred in connection with its duties under the agreement. See “*Summary Compensation Table*” above. The Contract has been extended annually each year. On November, 2015 G. Collins Geoscience agreed to decrease daily compensation base rate by 50% and agreed to a further reduction to 25% on December 1, 2016. G. Collins Geoscience Inc.’s place of business is located at 2577 Buckhorn Road, Lakefield, Ontario. Greg Collins, whose municipality of residence is Lakefield, Ontario, controls G. Collins Geoscience Inc. and performs all duties under the agreement.

On January 1, 2012, the Company entered into a one year, independent contractor agreement with McLean Exploration Management Inc. in respect of services as Chief Executive Officer, for which McLean Exploration Management Inc. receives a base fee of \$540 per day to an annualized maximum of \$70,000 plus applicable taxes, together with any such increments thereto and bonuses (including additional grants of options) as the board of directors may from time to time determine, and reimbursement for reasonable travel and other expenses incurred in connection with its duties under the agreement. See “*Summary Compensation Table*” above. The Contract has been extended annually each year. The contract was amended on September 1, 2013 which increased the annualized maximum compensation to \$140,000 however daily compensation base rate was not increased. On

November, 2015 McLean Exploration Management agreed to decrease daily compensation base rate by 50% and agreed to a further reduction to 25% on December 1, 2016. McLean Exploration Management Inc.'s place of business is located at 308B, 199 Loach's Road, Sudbury, Ontario. Scott McLean, whose municipality of residence is Sudbury, Ontario, controls McLean Exploration Management Inc. and performs all duties under the agreement.

On November 15, 2013, the Company entered into an independent contractor agreement with Chris Chadder in respect of services as Chief Financial Officer, for which Mr. Chadder receives a base fee of \$550 per day to an annualized maximum of \$80,000 plus applicable taxes, together with such increments thereto and bonuses (including additional grants of options) as the board of directors may from time to time determine, and reimbursement for reasonable travel and other expenses incurred in connection with its duties under the agreement. See "*Summary Compensation Table*" above. Such agreement continues on a month to month basis unless terminated by either party on sixty days' notice.

Termination and Change of Control Benefits

As described above under "*Statement of Executive Compensation – Employment Contracts*", the Company has consulting agreements with firms that employ officers of the Company (each such officer, a "**Consultant**"). The agreements provide such consulting firms with payments in the case where a change of control event occurs. A "Change in Control" is defined as the acquisition by any person (person being defined as an individual, a corporation, a partnership, an unincorporated association or organization, a trust, a government or department or agency thereof or the heirs, executors, administrators or other legal representatives of an individual and an Associate or Affiliate of any thereof as such terms are defined in the *Business Corporations Act* (Canada)) of: (1) Common Shares or rights or options to acquire Common Shares or securities which are convertible into Common Shares or any combination thereof such that after the completion of such acquisition such person would be entitled to exercise 51% or more of the votes entitled to be cast at a meeting of the shareholders; (2) shares or rights or options to acquire shares, or their equivalent, of any material subsidiary of the Company or securities which are convertible into shares of the material subsidiary or any combination thereof such that after the completion of such acquisition such person would be entitled to exercise 51% or more of the votes entitled to be cast at a meeting of the shareholders of the material subsidiary; or (3) more than 50% of the material assets of the Company, including the acquisition of more than 50% of the material assets of any material subsidiary of the Company.

In the event that there is a Change in Control of the Company, either the Consultant or the Company shall have one year from the date of such Change in Control to elect to have the Consultant's appointment terminated. In the event that such election is made, the Company shall, within 30 days of such election, make a lump sum termination payment to the Consultant that is equivalent to the involved fee compensation received during the previous 24 months plus an amount that is equivalent to all cash bonuses paid to the Consultant in the 24 months prior to the Change in Control. Following a Change in Control all stock options granted to the Consultant shall be dealt with in accordance with the terms of the Company's Stock Option Plan, however, all stock options granted to the Consultant, but not yet vested, shall immediately vest. All Consultants waived their right to the Change of Control provisions in the agreements with respect to the business combination transaction between the Company and HTX Minerals Corp. that was completed during the 2013 fiscal year.

Director Compensation

Other than compensation paid to Named Executive Officers, no compensation was paid to directors in their capacity as directors of the Company, in their capacity as members of a committee of the board of directors, or as consultants or experts, during the Company's most recently completed financial year ended August 31, 2016.

Other than through the issuance of stock options which may be granted from time to time at the discretion of the board of directors pursuant to the Stock Option Plan, the Company does not compensate its directors in their capacities as such. However, the directors may be reimbursed for expenses incurred on behalf of the Company. From time to time, directors may also be retained to provide specific services to the Company approved by the Compensation Committee based on management recommendations, approved by the board of directors and past grants may be taken into determination when determining future grants.

Disclosure with respect to Scott McLean is included in the “*Summary Compensation Table*” above for Named Executive Officers.

| Name and Principal Position | Fees Earned (\$) | Share-based awards (\$) | Option-based awards (\$) | Non-equity incentive plan compensation | Pension value (\$) | All other compensation (\$) | Total compensation (\$) |
|-----------------------------|------------------|-------------------------|--------------------------|----------------------------------------|--------------------|-----------------------------|-------------------------|
| Thomas Atkins | Nil | Nil | 3,250 | N/A | N/A | Nil | 3,250 |
| Jon Baird | Nil | Nil | 3,250 | N/A | N/A | Nil | 3,250 |
| Jason Marks | Nil | Nil | 3,250 | N/A | N/A | Nil | 3,250 |
| Brian Montgomery | Nil | Nil | 3,250 | N/A | N/A | Nil | 3,250 |
| William Pearson | Nil | Nil | 3,250 | N/A | N/A | Nil | 3,250 |

The following incentive stock option awards to the directors who are not also Named Executive Officers were outstanding as at the end of the financial year ended August 31, 2016. No share-based awards were outstanding as of the end of the financial year ended August 31, 2016.

Director Outstanding Share-Based Awards and Option-Based Awards

| Name | Option-based Awards | | | | Share-based Awards | | |
|------------------|-------------------------------------------------------|----------------------------|------------------------|----------------------------------------------------------------------|---------------------------------------------------------------|------------------------------------------------------------------------|--------------------------------------------------------------------------------------|
| | Number of securities underlying unexercised options # | Option exercise price (\$) | Option expiration date | Value of Unexercised vested in the-Money Options (\$) ⁽¹⁾ | Number of shares or units of shares that have not vested (\$) | Market or payout value of share-based awards that have not vested (\$) | Market or payout value of vested share-based awards not paid out or distributed (\$) |
| Thomas Atkins | 42,500 | 0.23 | Aug. 14/18 | Nil | N/A | N/A | N/A |
| | 47,500 | 0.40 | April 25/19 | Nil | | | |
| | 25,000 | 0.15 | Mar. 23/21 | 500 | | | |
| Jon Baird | 42,500 | 0.23 | Aug. 14/18 | Nil | N/A | N/A | N/A |
| | 87,500 | 0.40 | April 25/19 | Nil | | | |
| | 25,000 | 0.15 | Mar. 23/21 | 500 | | | |
| Jason Marks | 40,000 | 0.23 | Aug. 14/18 | Nil | N/A | N/A | N/A |
| | 90,000 | 0.40 | April 25/19 | Nil | | | |
| | 25,000 | 0.15 | Mar. 23/21 | 500 | | | |
| Brian Montgomery | 40,000 | 0.23 | Aug. 14/18 | Nil | N/A | N/A | N/A |
| | 50,000 | 0.40 | April 25/19 | Nil | | | |
| | 25,000 | 0.15 | Mar. 23/21 | 500 | | | |
| William Pearson | 40,000 | 0.23 | Aug. 14/18 | Nil | N/A | N/A | N/A |
| | 50,000 | 0.40 | April 25/19 | Nil | | | |
| | 25,000 | 0.15 | Mar. 23/21 | 500 | | | |

Notes:

⁽¹⁾ The value of unexercised “in-the-money options” at the financial year end is the difference between the option exercise price and the market value underlying Common Shares on the Exchange on August 31, 2016. Market price for this purpose is \$0.17 being the closing price of the Common Share on the Exchange on August 31, 2016.

Director Incentive Plan Awards – Value Vested or Earned During the Year Ended August 31, 2016

| 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 (\$) |
|------------------|---------------------------------------------------------|--------------------------------------------------------|----------------------------------------------------------------------------|
| Thomas Atkins | 3,250 | N/A | N/A |
| Jon Baird | 3,250 | N/A | N/A |
| Jason Marks | 3,250 | N/A | N/A |
| Brian Montgomery | 3,250 | N/A | N/A |
| William Pearson | 3,250 | N/A | N/A |

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The table below sets out the outstanding options under the Stock Option Plan, being the Company’s only compensation plan under which Common Shares are authorized for issuance, as of the end of the Company’s most recently completed financial year ended August 31, 2016.

| | Number of securities to be issued upon exercise of outstanding options, warrants and rights | Weighted-average exercise price of outstanding options, warrants and rights | Number of securities remaining available under equity compensation plans (excluding securities reflected in column (a)) |
|------------------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| Plan Category | (a) | (b) | (c) |
| Equity compensation plans approved by security holders | 2,605,000 | \$0.31 | 766,943 |
| Equity compensation plans not approved by security holders | N/A | N/A | N/A |
| TOTAL | 2,605,000 | \$0.31 | 766,943 |

Note:

(1) The Company’s Stock Option Plan is a “rolling” plan whereby the Company may grant options pursuant to which Common Shares of the Company may be purchased by directors, officers, employees and contractors of the Company up to a maximum of 10% of the issued and outstanding capital of the Company. As of August 31, 2016, the Company had 2,605,000 stock options outstanding. Further information on the Company’s Stock Option Plan is described above under “*Re-Approval of Stock Option Plan*”.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, executive officer or employee and no former director, executive officer or employee of the Company or its subsidiaries is currently, as of January 23, 2017, indebted to the Company or any of its subsidiaries nor has any of these individuals been indebted to another entity which indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Company or any of its subsidiaries. No director or executive officer of the Company, no proposed nominee for election as a director of the Company, nor any associate or affiliate of any of the foregoing, is currently or has at any time since the beginning of the Company’s last completed financial year been indebted to the Company or any of its subsidiaries nor have any of these individuals been indebted to another entity which indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Company or any of its subsidiaries.

MANAGEMENT CONTRACTS

Other than as disclosed herein, management functions of the Company and its subsidiaries are not performed to any substantial degree by any person or company other than the directors and executive officers of the Company or its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of the management of the Company, other than as described herein, no director or executive officer of the Company, no person or company who beneficially owns, or controls or directs, directly or indirectly, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company (each of the foregoing being an “Informed Person”), no director or officer of an entity that is itself an Informed Person or subsidiary of the Company, no proposed nominee for election as a director of the Company, and no associate or affiliate of the foregoing has any material interest, direct or indirect, in any transaction since the beginning of the Company’s last completed financial year or in any proposed transaction which, in either case, has materially affected or will materially affect the Company or any of its subsidiaries.

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

To the knowledge of the management of the Company, other than as described herein, no director or executive officer of the Company at any time since the beginning of the last completed financial year of the Company, no proposed nominee for election as a director of the Company and no associate or affiliate of any of the foregoing 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 MATTERS

To the knowledge of management of the Company, there are no amendments, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matter properly comes before the Meeting, the accompanying proxy will be voted on such matter in accordance with the best judgment of the person or persons voting the proxy.

ADDITIONAL INFORMATION

Additional information relating to the Company can be found on SEDAR at www.sedar.com. Financial information regarding the Company is included in its audited consolidated financial statements for the year ended August 31, 2016 and the auditors’ report thereon, together with the corresponding management discussion and analysis. Copies of the audited consolidated financial statements, as well as additional copies of this Information Circular, may be obtained upon request from the Company at 410 Falconbridge Road, Unit 5, Sudbury, Ontario, P3A 4S4 or by telephone at (705) 669-1777.

APPROVAL OF DIRECTORS

The contents and the sending of this Information Circular have been approved by the directors of the Company.

DATED at Sudbury, Ontario, this 27th day of January, 2017.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) “*Scott McLean*”

Scott McLean

President, Chief Executive Officer and Director

SCHEDULE “A”
TRANSITION METALS CORP.
CORPORATE GOVERNANCE COMPLIANCE TABLE

The following table sets out the corporate governance practices of the Company with respect to NI 58-101. The Company constantly monitors evolving best practices for corporate governance.

| | GOVERNANCE DISCLOSURE GUIDELINE UNDER NI 58-101 | COMMENTS |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | <p>Board of Directors</p> <p>(a) Disclose the identity of the directors who are independent.</p> | <p>The board of directors (the “Board”) is currently comprised of six directors, five of whom are independent and one is not independent. The Board considers that Thomas Atkins, Jon Baird, Jason Marks, Brian Montgomery and William Pearson are independent directors.</p> |
| | <p>(b) Disclose the identity of the directors who are not independent, and describe the basis for that determination.</p> | <p>The Board considers that Scott McLean is not an independent director because of his position as President and Chief Executive Officer of the Company. The Board is responsible for determining whether or not each director is an independent director. To do this, the Board analyzes all the relationships of the directors with the Company. Those directors who do not meet the meaning of independence as provided in NI 58 101 were deemed to not be independent directors.</p> |
| 2. | <p>Directorship</p> <p>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, identity both the director and the other issuer</p> | <p>None of the directors of the Company currently hold directorships in other reporting issuers, other than as follows:</p> <p>Thomas Atkins: Mammoth Resources Corp. Jason Marks: Difference Capital Financial Inc. Scott McLean: Tesoro Minerals Corp. (formerly, AuRo Resources Inc.)</p> |
| 3. | <p>Orientation and Continuing Education</p> <p>Describe what steps, if any, the Board takes to orientate new board members and describe what measures, if any, the Board takes to provide continuing education for directors</p> | <p>While the Company does not have formal orientation and training programs, new Board members are provided with:</p> <ul style="list-style-type: none"> • access to recent, publicly filed documents of the Company, technical reports in respect of the Company’s mineral properties and the Company’s internal financial information; • access to management and technical experts and consultants; and • a summary of significant corporate and securities responsibilities. <p>Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with industry trends and developments and changes in legislation with management’s assistance; and to attend related industry seminars and visit the Company’s operations. Board members have full access to the Company’s records.</p> |
| 4. | <p>Ethical Business Conduct</p> <p>Describe what steps, if any, the Board takes to encourage and promote a culture of ethical business conduct.</p> | <p>The Board views good corporate governance as an integral component to the success of the Company and to meet responsibilities to shareholders. The Company is guided by the Governance and Nomination Committee, which approves all policies, corporate committee charters and standards. The Board has adopted a Code of Conduct and it is posted on the Company’s website. The Board will instruct its management and employees to abide by the Code of Conduct.</p> |

| | GOVERNANCE DISCLOSURE GUIDELINE UNDER NI 58-101 | COMMENTS |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5. | <p>Nomination of Directors Describe what steps, if any, are taken to identify new candidates for Board nomination, including:</p> <p>(a) who identifies new candidates, and (b) the process of identifying new candidates.</p> | <p>The Board has responsibility for identifying potential board candidates. Although a formal process has not been adopted, the Board has assigned the responsibility for identifying and recommending nominees to the Governance and Nomination Committee. The Board assesses potential board candidates to fill perceived needs on the board for required skills, expertise, independence and other factors and then refers recommendations to the full Board and then ultimately to the shareholders for approval. Members of the Board, management and representatives of the mineral exploration industry are consulted for possible candidates.</p> |
| 6. | <p>Compensation Describe what steps, if any are taken to determine compensation for the directors and CEO, including:</p> <p>(a) who determines compensation; and (b) the process of determining compensation.</p> | <p>The Company considers Thomas Atkins, Jon Baird Jason Marks, Brian Montgomery and William Pearson to be independent directors of the Company. These directors have the responsibility for approving compensation for the directors and senior management. To determine compensation payable, a Compensation Committee has been established that will review compensation paid for directors and executive officers of companies of similar size and stage of development in the mineral exploration industry and determine an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Company. In setting the compensation, the Compensation Committee intends to annually review the performance of the Chief Executive Officer in light of the Company's objectives and consider other factors that may have impacted the success of the Company in achieving its objectives.</p> |
| 7. | <p>Other Board Committees If the Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.</p> | <p>As the directors are actively involved in the operations of the Company and the size of the Company's operations does not warrant a larger board of directors, the Board has however determined that in addition to the Audit Committee, the Company also has a Governance and Nomination Committee, a Compensation Committee and a Technical Committee to help support operations.</p> |
| 8. | <p>Assessments Disclose what steps, if any, that the Board takes to satisfy itself that the Board, its committees, and its individual directors are performing effectively</p> | <p>The Board does not consider that formal assessments would be useful at this stage of the Company's development. The Board conducts informal annual assessments of the board's effectiveness, the individual directors and the Audit Committee.</p> |

SCHEDULE “B”

TRANSITION METALS CORP. AUDIT COMMITTEE CHARTER

1. PURPOSE AND OBJECTIVES

The Audit Committee (the “**Committee**”) will assist the Board of Directors of the Company (the “**Board**”) in fulfilling its responsibilities. The Committee will oversee the financial reporting process, the system of internal control and management of financial risks, the audit process, and the Company’s process for monitoring compliance with laws and regulations and its own code of business conduct. In performing its duties, the Committee will maintain effective working relationships with the Board, management, and the external auditors and monitor the independence of those auditors. To perform his or her role effectively, each Committee member will obtain an understanding of the responsibilities of Committee membership as well as the Company’s business, operations and risks.

2. AUTHORITY

2.1. The Board authorizes the Committee, within the scope of its responsibilities, to seek any information it requires from any employee and from external parties, to obtain outside legal or professional advice and to ensure the attendance of Company officers at meetings, as the Committee deems appropriate.

2.2. The Committee shall receive appropriate funding, as determined by the Committee, for payment of compensation to the external auditors and to any legal or other advisers employed by the Committee, and for payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

3. COMPOSITION, PROCEDURES AND ORGANIZATION

3.1. The Committee will be comprised of at least three members of the Board.

3.2. Except as permitted by all applicable legal and regulatory requirements:

- (a) each member of the Committee shall be “independent” as defined in accordance with Canadian Multilateral Instrument 52-110 – Audit Committee; and
- (b) each member of the Committee will be “financially literate” with 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.

3.3. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, will appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.

3.4. The Committee shall elect from its members a Chairman. The Secretary shall be elected from its members, or shall be the Secretary, or the Assistant or Associate Secretary, of the Company.

3.5. Any member of the Committee may be removed or replaced at any time by the Board. A member shall cease to be a member of the Committee upon ceasing to be a director of the Company.

3.6. Meetings shall be held not less than quarterly. Special meetings shall be convened as required. External auditors may convene a meeting if they consider that it is necessary.

3.7. The times and places where meetings of the Committee shall be held and the procedures at such meetings shall be as determined, from time to time, by the Committee.

3.8. Notice of each meeting of the Committee shall be given to each member of the Committee. Subject to the following, notice of a meeting shall be given orally or by letter, telex, telegram, electronic mail, telephone facsimile transmission or telephone not less than 48 hours before the time fixed for the meeting. Notice of regular meetings need state only the day of the week or month, the place and the hour at which such meetings will be held and need not be given for each meeting. Members may waive notice of any meeting.

3.9. The Committee will invite the external auditors, management and such other persons to its meetings as it deems appropriate. However, any such invited persons may not vote at any meetings of the Committee.

3.10. A meeting of the Committee may be held by means of such telephonic, electronic or other communications facilities as permit all persons participating in the meeting to communicate adequately with each other during the meeting.

3.11. The majority of the Committee shall constitute a quorum for the purposes of conducting the business of the Committee. Notwithstanding any vacancy on the Committee, a quorum may exercise all of the powers of the Committee.

3.12. Any decision made by the Committee shall be determined by a majority vote of the members of the Committee present or by consent resolution in writing signed by each member of the Committee. A member will be deemed to have consented to any resolution passed or action taken at a meeting of the Committee unless the member dissents.

3.13. A record of the minutes of, and the attendance at, each meeting of the Committee shall be kept. The approved minutes of the Committee shall be circulated to the Board forthwith.

3.14. The Committee shall report to the Board on all proceedings and deliberations of the Committee at the first subsequent meeting of the Board, and at such other times and in such manner as the Board or the articles of the Company may require or as the Committee in its discretion may consider advisable.

3.15. The Committee will have access to such officers and employees of the Company and to such information respecting the Company, as it considers to be necessary or advisable in order to perform its duties and responsibilities.

4. ROLES AND RESPONSIBILITIES

The roles and responsibilities of the Committee are as follows.

4.1. Oversee the accounting and financial reporting processes of the Company and the audits of the financial statements of the Company.

4.2. Review with management its philosophy with respect to controlling corporate assets and Information systems, the staffing of key functions and its plans for enhancements.

4.3. Review the terms of reference and effectiveness of any internal audit process, and the working relationship between internal financial personnel and the external auditor.

4.4. Gain an understanding of the current areas of greatest financial risk and whether management is managing these effectively.

4.5. Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements, reviewing with management and the external auditor where appropriate.

4.6. Review any legal matters which could significantly impact the financial statements as reported on by the General Counsel and meet with outside counsel whenever deemed appropriate.

4.7. Review the annual financial statements and the results of the audit with management and the external auditors prior to the release or distribution of such statements, and obtain an explanation from management of all significant variances between comparative reporting periods.

4.8. Review the interim financial statements with management prior to the release or distribution of such statements, and obtain an explanation from management of all significant variances between comparative reporting periods.

4.9. Review all public disclosure concerning audited or unaudited financial information before its public release and approval by the Board, including management's discussion and analysis, financial information contained in any prospectus, private placement offering document, annual report, annual information form, takeover bid circular, and any annual and interim earnings press releases, and determine whether they are complete and consistent with the information known to Committee members.

4.10. Assess the fairness of the financial statements and disclosures, and obtain explanations from management on whether:

- (a) actual financial results for the financial period varied significantly from budgeted or projected results;
- (b) generally accepted accounting principles have been consistently applied;
- (c) there are any actual or proposed changes in accounting or financial reporting practices; and
- (d) there are any significant, complex and/or unusual events or transactions such as Related Party Transactions or those involving derivative instruments and consider the adequacy of disclosure thereof.

4.11. Determine whether the auditors are satisfied that the financial statements have been prepared in accordance with generally accepted accounting principles.

4.12. Focus on judgmental areas, for example those involving valuation of assets and liabilities and other commitments and contingencies.

4.13. Review audit issues related to the Company's material associated and affiliated companies that may have a significant impact on the Company's equity investment.

4.14. Ascertain whether any significant financial reporting issues were discussed by management and the external auditor during the fiscal period and the method of resolution.

4.15. Review and resolve any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.

4.16. Recommend to the Board the selection of the firm of external auditors to be proposed for election as the external auditors of the Company.

4.17. Review and approve the proposed audit plan and the external auditors' proposed audit scope and approach with the external auditor and management and ensure no unjustifiable restriction or limitations have been placed on the scope.

4.18. Explicitly approve, in advance, all audit and non-audit engagements of the external auditors; provided, however, that non-audit engagements may be approved pursuant to a pre-approval policy established by the Committee that (i) is detailed as to the services that may be pre-approved, (ii) does not permit delegation of approval authority to the Company's management, and (iii) requires that the delegatee or management inform the Committee of each service approved and performed under the policy. Approval for minor non-audit services is subject to applicable securities laws.

4.19. If it so elects, delegate to one or more members of the Committee the authority to grant such pre-approvals. The delegatee's decisions regarding approval of services shall be reported by such delegatee to the full Committee at each regular Committee meeting.

4.20. Subject to the grant by the shareholders of the authority to do so, if required, review the appropriateness and reasonableness of the compensation to be paid to the external auditors and make a recommendation to the Board regarding such compensation.

4.21. Oversee the independence of the external auditors. Obtain from the external auditors a formal written statement delineating all relationships between the external auditors and the Company. Actively engage in a dialogue with the external auditors with respect to any disclosed relationships or services that impact the objectivity and independence of the external auditor.

4.22. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.

4.23. Review the performance of the external auditors, and in the event of a proposed change of auditor, review all issues relating to the change, including the information to be included in any notice of change of auditor as required under applicable securities laws, and the planned steps for an orderly transition.

4.24. Review the post-audit or management letter, containing the recommendations of the external auditor, and management's response and subsequent follow-up to any identified weakness.

4.25. Review the evaluation of internal controls and management information systems by the external auditor, and, if applicable, the internal audit process, together with management's response to any identified weaknesses and obtain reasonable assurance that the accounting systems are reliable and that the system of internal controls is effectively designed and implemented.

4.26. Gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.

4.27. Review the process under which the Chief Executive Officer and the Chief Financial Officer evaluate and report on the effectiveness of the Company's design of internal control over financial reporting and disclosure controls and procedures.

4.28. Obtain regular updates from management and the Company's legal counsel regarding compliance matters, as well as certificates from the Chief Financial Officer as to required statutory payments and bank covenant compliance and from senior operating personnel as to permit compliance.

4.29. Establish a procedure for the:

(a) confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters,

(b) receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters.

4.30. Meet separately with the external auditors to discuss any matters that the Committee or auditors believe should be discussed privately.

4.31. Endeavour to cause the receipt and discussion on a timely basis of any significant findings and recommendations made by the external auditors.

4.32. Ensure that the Board is aware of matters which may significantly impact the financial condition or affairs of the business.

4.33. Review and assess the adequacy of insurance coverage, including directors' and officers' liability coverage.

4.34. Perform other functions as requested by the full Board.

4.35. If it deems necessary, institute special investigations and, if it deems appropriate, hire special counsel or experts to assist, and set the compensation to be paid to such special counsel or other experts.

5. GENERAL

In addition to the foregoing, the Committee will:

- (a) assess the Committee's performance of the duties specified in this charter and report its finding(s) to the Board;
- (b) review and assess the adequacy of this charter at least annually and recommend any proposed changes to the Board for approval; and
- (c) perform such other duties as may be assigned to it by the Board from time to time or as may be required by any applicable stock exchanges, regulatory authorities or legislation.