

NORTHERN SUPERIOR RESOURCES INC.

1351C Kelly Lake Road, Unit 7
Sudbury, Ontario, Canada, P3E 5P5

INFORMATION CIRCULAR FOR THE 2019 ANNUAL GENERAL MEETING OF SHAREHOLDERS to be held on May 22nd, 2019

This Information Circular contains information as at April 11, 2019 unless otherwise stated.

GENERAL INFORMATION

This Information Circular is furnished in connection with the solicitation of proxies by management of **NORTHERN SUPERIOR RESOURCES INC.** ("**Northern Superior**" or the "**Company**") for the use at the annual general meeting (the "**Meeting**") of holders (the "**Shareholders**") of common shares (the "**Shares**") of the Company to be held on Wednesday, May 22nd, 2019, at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof.

BUSINESS OF THE MEETING

Voting and Quorum

All matters presented to the Meeting require approval by a simple majority of the votes cast at the Meeting, unless stated otherwise.

No business shall be transacted at the Meeting unless the requisite quorum is present at the commencement of such Meeting, provided that, if a quorum is present at the commencement of the Meeting, a quorum will be deemed to be present during the remainder of the Meeting.

Matters to be Considered

FINANCIAL STATEMENTS - The audited financial statements of Northern Superior for the year ended December 31, 2018 have been posted on SEDAR (www.sedar.com) and mailed to shareholders who have indicated their desire to receive the Financial Statements by mail. The audited financial statements will be presented to the Shareholders at the Meeting.

ELECTION OF DIRECTORS - Management proposes to nominate for election to the Company's Board of Directors (the "**Board**") the persons named in the section "*Election of Directors*". Please refer to that section for a biography of each nominee. All of the nominees are currently directors of the Company and each nominee's attendance at Board and committee meetings held in 2018 is set forth in Item 1(g) of the section "*Corporate Governance Disclosure*". Each director elected will hold office until the next annual general meeting or until his successor is duly elected or appointed, unless his office is earlier vacated in accordance with the Articles of the Company or he becomes disqualified to act as a director.

Unless authority is withheld, the persons named in the accompanying form of proxy (the "**Proxy**") intend to vote for these nominees. All of the nominees have established their eligibility and willingness to serve as directors. The Proxy permits Shareholders to vote in favour of all nominees, vote in favour of some nominees and to withhold votes for other nominees, or to withhold votes for all nominees.

RATIFICATION AND APPOINTMENT OF AUDITORS - Unless otherwise specified, the persons named in the enclosed instrument of proxy will vote for the ratification of the appointment of **PricewaterhouseCoopers LLP** as auditor of the Company for the year ended December 31, 2019 and their reappointment for the ensuing year, at a remuneration to be fixed by the directors.

ANNUAL RE-APPROVAL OF STOCK OPTION PLAN - At the Meeting, Shareholders will be asked, in accordance with the requirements of the TSX Venture Exchange (the “**Exchange**”) policies, to consider and if deemed appropriate, re-approve with our without variation, the adoption of the Company’s rolling stock option plan (see section “*Re-Approval of Stock Option Plan*”).

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON - Management is not aware of any 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 shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the instructions of the proxyholder.

SOLICITATION OF PROXIES

The solicitation of proxies will be primarily by mail, but proxies may also be solicited personally or by telephone by directors, officers and employees of the Company. All costs of solicitation will be borne by the Company. These officers and employees will receive no compensation other than their regular salaries but will be reimbursed 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 directors or officers of the Company. A Shareholder eligible to vote at the Meeting has the right to appoint a person, 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 the persons designated in the accompanying form of proxy, and may do so either by inserting the name of that other person in the blank space provided in the form of proxy or by completing another suitable form of proxy.

Shareholders are requested to date, 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, Computershare Investor Services Inc., no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting (namely, by 4:15PM Toronto Time (1:15PM Vancouver time), on Friday, May 17th, 2019) (the “**Proxy Deadline**”) or any adjournment thereof at which the proxy is to be used. Proxies delivered by regular mail should be addressed to Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, Attention: Proxy Department. Proxies delivered by facsimile must be sent to Computershare Investor Services Inc., Attention: Proxy Department, at 416-263-9524 or toll free 1-866-249-7775. To vote by telephone, call the toll-free number shown on the proxy form provided. Using a touch-tone telephone to select your voting preferences, follow the instructions of the “vote voice” and refer to your holder account number and proxy access number provided on the proxy that was delivered to you. Note that voting by telephone is not available if you wish to appoint a person as a proxy other than someone named on the proxy form. In either of these instances, your proxy should be voted by mail, delivery or Internet. To vote your proxy by Internet, visit the Web site address as shown on the proxy form provided. Follow the online voting instructions given to you over the Internet and refer to your holder account number and proxy access number provided on the proxy that was delivered to you.

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 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.

Shareholders whose shares are held through an Intermediary (as defined below) (“**Non-Registered Shareholders**”) who wish to revoke their proxy must arrange for their respective Intermediary to revoke the proxy on their behalf within the time specified by such Intermediary.

The Notice of Meeting has been delivered to Shareholders by the Company, along with the applicable voting document (a form of proxy in the case of registered Shareholders or a voting instruction form in the case of Non-Registered Shareholders).

Please review the Information Circular carefully and in full prior to voting in relation to the matters to be conducted at the Meeting. The Information Circular is available on SEDAR at www.sedar.com.

NON-REGISTERED HOLDERS

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 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 Shares. More particularly, a person is a Non-Registered Shareholder in respect of Shares which are held on behalf of that person but which are registered either: (a) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Shareholder deals with in respect of the 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 (“**CDS**”)) of which the Intermediary is a participant. In accordance with the requirements of National Instrument 54-101 (“**NI 54-101**”), the Company has elected to distribute copies of proxy-related materials required to be delivered (collectively, the “**Meeting Materials**”) to the Non-Registered Shareholders by sending the Meeting Materials to the clearing agencies and Intermediaries.

The Meeting Materials will be delivered to all Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them under NI 54-101. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Shareholders, such as Broadridge Financial Solutions Inc. Generally, Non-Registered Shareholders who have not waived the right to receive Meeting Materials will either:

- (a) be given 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 shares beneficially owned by the Non-Registered Shareholder but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Shareholder when submitting the proxy. In this case, the Non-Registered Shareholder who wishes to submit a proxy should otherwise properly complete the form of proxy and deposit it with Computershare Investor Services Inc. as provided above; or
- (b) more typically, be given a voting instruction form which is not signed by the Intermediary, and which, when properly completed and signed by the Non-Registered Shareholder and returned to the Intermediary or its service company, will constitute voting instructions (often called a “proxy authorization form”) which the Intermediary must follow. Typically, the proxy authorization form will consist of a one page pre-printed form. Sometimes, instead of the one page pre-printed form, the proxy authorization form will consist of a regular printed proxy form accompanied by a page of instructions which contains a removable label containing a bar-code and other information. In order for the form of proxy to validly constitute a proxy authorization form, the Non-Registered Shareholder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

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

Additionally, NI 54-101 allows a Non-Registered Shareholder who is a non-objecting beneficial shareholder ("NOBO") to submit to the Company or an applicable Intermediary any document in writing that requests that such NOBO or a nominee of such NOBO be appointed as the NOBO's 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 Information 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 10:00 a.m. (Toronto time) on the day which is at least three business days prior to the Meeting.

EXERCISE OF DISCRETION

On a poll the nominees named in the accompanying form of proxy will vote or withhold from voting the 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 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, other than the election of directors and the appointment of the auditors; 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 in the proxy, the nominees named in the accompanying form of proxy will vote the Shares represented by the proxy for the approval of such matter.

As of the date of this Information Circular, 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.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

None of the directors or executive officers of the Company, nor any person who has held such a position since the beginning of the last completed financial year of the Company, nor any proposed nominee 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 on at the Meeting other than the election of directors and the approval of all unallocated options under the Company's stock option plan.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

Effective January 7, 2019, the Company consolidated its issued and outstanding common shares on the basis of one post-consolidation common share for every ten pre-consolidation common shares. All information relating to share-based awards, option-based awards, number of shares or units, number of underlying securities, exercise price, value earned, value unexercised, and any other reference to securities and pricing in relation to the securities referred to herein have been adjusted retrospectively to reflect the share consolidation.

The Company has only one class of Shares entitled to be voted at the Meeting, namely, common shares without par value. All issued shares are entitled to be voted at meetings of shareholders and each has one non-cumulative vote. As of April 11, 2019 there were 35,126,689 Shares issued and outstanding. Only those shareholders of record on April 11th, 2019 will be entitled to vote at the Meeting or any adjournment thereof.

To the knowledge of the directors and executive officers of the Company, only the following persons or companies beneficially own, directly or indirectly, or exercise control or direction over Shares carrying 10% or more of the voting rights attached to all outstanding shares of the Company which have the right to vote in all circumstances:

<u>Name</u>	<u>Number of Shares</u>	<u>Percentage of Outstanding Shares</u>
2176423 Ontario Ltd.*	4,000,000	11.4%

* a company controlled by Eric Sprott.

ELECTION OF DIRECTORS

At the meeting, shareholders will be asked to fix the size of the Board at six (6) persons and to elect certain persons nominated by management to the Board. The following chart provides information concerning the nominees proposed for election to the Board, all of whom are ordinarily residents in Canada. Included in this information is each directors' committee membership and equity ownership. All successful nominees are elected for a term of one year, expiring at the next annual general meeting.

<u>Name and Company Details</u>	
François Perron ⁽²⁾ Toronto, ON Director Since: 2016 Shares ⁽¹⁾ : 62,500 Options: 250,000	Mr. Perron (Chairman), joined Northern Superior's Board in November of 2016 and was appointed Chairman shortly afterwards. Since April of 2016, Mr. Perron is VP Corporation Development and director at Goldstar Minerals. From September of 2015 until April, 2016, Mr. Perron was Vice-President at Renmark Financial Communications. Prior to that, Mr. Perron held positions with several mining companies including: (i) VP Corporate Development, director and member of the audit committee at Yorbeau Resources Inc. (2010-2015), (ii) President, CEO and director of QMX Gold Corporation (2011-2013), and (iii) President, CEO and director of Golden Goose Resources Inc. (2009-2011). Prior to joining Golden Goose Resources, Mr. Perron was involved in the financial markets as a portfolio manager. He managed resource focused portfolios for NBC Alternative Investments and various resource funds for the Caisse de dépôt et placement du Québec from 2001 until 2007. In 2006, he was recognized by Brendan Woods International as a Top Gun Asset Manager in Mining. He has a Bachelor of Science, Computer science from McMaster University (1986) and an MBA from the Hautes Etudes Commerciales, which he obtained in 1992.

Name and Company Details	
<p>Thomas F. Morris Sudbury, ON</p> <p>Director Since: 2007 Shares⁽¹⁾: 129,733 Options: 460,000</p>	<p>Dr. Morris (President and CEO) is a registered, Professional Geoscientist with over 40 years of experience, successfully managing a variety of exploration programs for provincial and federal governments, private sector and publicly traded companies. Under his management, Northern Superior was recognized as one of the top 50 companies listed on the TSX-V (2011), was awarded the Ontario Business Achievement Award for Corporate Governance (2011), was awarded the Québec Prospector of the Year Award by the Association de L'Exploration Minière du Québec (2012) and attained Progressive Aboriginal Relations "Par Committed" status from the Canadian Counsel for Aboriginal Business (2013, 2014). Dr. Morris has also obtained the Institute of Corporate Directors (ICD.D) designation.</p>
<p>Andrew Farncomb⁽²⁾ Toronto, ON</p> <p>Director Since: 2016 Shares⁽¹⁾: 112,500 Options: 250,000</p>	<p>Andrew Farncomb is a founder of Cairn Merchant Partners LP, an independent merchant bank focused on advisory and principal investing. Mr. Farncomb is also a founder and director of Contact Gold Corp., an advanced stage Nevada gold exploration company, as well as founder and director of Cairn Memory Care Fund GP, a residential dementia care business, a board member of several other TSX and TSX Venture Exchange listed companies and a board member and Chair of the Investment Committee at the Flavelle Family Foundation. Mr. Farncomb was formerly a Partner and Investment Banking professional at Paradigm Capital Inc. Mr. Farncomb graduated from the Smith School of Business at Queen's University with a Bachelor of Commerce (Honors) degree and received the Merrill Lynch Scholarship.</p>
<p>John Kiernan⁽²⁾⁽³⁾ Vancouver, BC</p> <p>Director Since: 2016 Shares⁽¹⁾: 20,000 Options: 250,000</p>	<p>John Kiernan is a Mining Engineer with over 30 years of mine operating, engineering, consulting, corporate and financial experience, including a cumulative four years as an underground miner and operating foreman. He is currently COO of Ascot Resources and prior to that, was VP Project Development for Magellan Minerals (acquired by Anfield Gold Corp.), and is also a director of Kapuskasing Gold Ltd. Previously he was Manager Project Evaluation for QuadraFNX/KGHM International, Mining Analyst for PI Financial Corp. and VP Mining/Mine Manager for Roca Mines Inc. Mr. Kiernan has a B.Sc in Mining Engineering from Queen's University, and an MBA from Laurentian University, and currently consults and invests through Kierstone Capital Inc.</p>
<p>Arthur Murdy Kearney, ON</p> <p>Director Since: 2016 Shares⁽¹⁾: 98,800 Options: 250,000</p>	<p>Mr. Murdy is currently semi-retired but remains active in various projects including real estate development, sustainable harvesting for private woodlot owners and he currently sits as the public member of the board of the Town of Kearny Joint Waste Management Committee. From 2011-2013, Mr. Murdy served as Business Development Manager for Major Drilling following its acquisition of the Bradley Group in 2011. From 1995-2011, Mr. Murdy held several positions with the Bradley Group including most recently, VP Business Development. He is a life member and former president of the Canadian Diamond Drilling Association and holds a B.A. in Geology from the University of Western Ontario.</p>
<p>David Beilhartz Sudbury, ON</p> <p>Director Since: 2017 Shares⁽¹⁾: 118,066 Options: 250,000</p>	<p>David Beilhartz B.Sc., is a semi-retired, registered Professional Geoscientist with over 30 years of experience in mineral exploration. Most recently, Mr. Beilhartz has been providing consulting services to several mining companies on a contract basis. From 2014 to 2015, he served as VP Exploration for Kerr Mines Inc. From 2010 to 2012, he served as VP Exploration for Trelawney Mining and Exploration Inc. and from 2007 - 2008 he was VP Exploration at Lake Shore Gold Corp.</p>

Notes:

- (1) The approximate number of voting shares of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised by each director or proposed director, as at April 11th, 2019.
- (2) Member of the Audit Committee.
- (3) Mr. Kiernan was appointed to the Audit Committee on April 9, 2018.

STATEMENT OF EXECUTIVE COMPENSATION

The following Statement of Executive Compensation is prepared in accordance with National Instrument Form 51-102F6. The purpose of this Statement of Executive Compensation is to provide disclosure of all compensation earned by directors and certain executive officers in connection with their position as an officer of or consultant to the Company. Unless otherwise stated, "dollars" or "\$" means Canadian dollars.

"Named Executive Officers", "NEOs" or individually, a "NEO", means:

- (a) a Chief Executive Officer ("CEO");

- (b) a Chief Financial Officer (“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 for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

Compensation Discussion & Analysis

Philosophy & Objectives

The Board meets to discuss and determine management compensation, without reference to formal objectives, criteria or analysis. From time to time, the Audit Committee serves as an *ad hoc* Compensation Committee to facilitate the process and make recommendations to the Board. The general objectives of the Company’s compensation strategy are to:

- (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value;
- (b) align management’s interests with the long-term interests of shareholders; and
- (c) ensure that the total compensation package is designed in a manner that takes into account the constraints that the Company is under by virtue of the fact that it is a junior mineral exploration company without a history of earnings.

The Board, as a whole, ensures that total compensation paid to all NEO’s is fair and reasonable. The Board (from time to time, with the assistance of the *ad hoc* Compensation Committee) recommends levels of executive compensation that are competitive, motivating and commensurate with the time spent by executive officers in meeting their obligations. While the Board does not have direct experience related to executive compensation, the Board relies on their experience gained as officers and directors, both of the Company and of other companies.

Elements of Compensation

Base Salary - Base salary, or in the case of the Company’s CFO, fixed monthly consulting fees, are used to provide the NEO’s a set amount of money during the year with the expectation that each NEO will perform his responsibilities to the best of his or her ability and in the best interests of the Company.

Incentive Stock Options - The Board considers the granting of incentive stock options to be a significant component of executive compensation as it allows the Company to reward each NEO’s efforts to increase value for shareholders without requiring the Company to use cash from its treasury. Stock options are generally awarded to executive officers at the commencement of employment and periodically thereafter. The terms and conditions of the Company’s stock option grants, including vesting provisions and exercise prices, are governed by the terms of the Company’s existing option Plan (as hereinafter defined). A description of the significant terms of the Plan is found under the heading “*Stock Option Plan Disclosure*”.

The Board does not determine executive compensation based on the share price performance. Overall the salaries or consulting fees payable to the NEOs have remained consistent with prior years. The Board has considered the implications of the risks associated with the Company’s compensation practices. The Board

acknowledges that the Company, as a junior natural resource company, does not presently generate any revenues, and that all management compensation to date has been derived solely from cash in the Company's treasury, acquired by way of equity financings to date, and the grant of incentive stock options to directors, management, contractors and employees.

Salary and consulting fee compensation to the NEOs are provided for under written consulting or employment agreements with the NEOs or management companies under their control. Upon the occurrence of certain events, the Company's early termination of these contracts may also trigger additional balloon payments, which could adversely impact the Company's working capital. Further information can be found under the heading "*Termination and Change of Control Benefits*" for further information.

Option Based Awards

The Company has no long-term incentive plans other than the Plan. The Company's directors, employees, officers and certain consultants are entitled to participate in the Plan. The Plan is designed to encourage share ownership and entrepreneurship on the part of the senior management and other employees. The Board believes that the Plan aligns the interests of the NEOs and the Board with shareholders by linking a component of executive compensation to the longer term performance of the Company's common shares.

Stock Option Granting Process

Generally, stock option grants are determined annually. The CEO makes recommendations to the Board or to the Audit Committee (who serve as an *ad hoc* Compensation Committee from time to time) regarding individual stock option awards for all recipients. The Board or *ad hoc* Compensation Committee (as the case may be) reviews the appropriateness of the stock option grant recommendations from the CEO for all eligible employees and contractors where appropriate and accepts or adjusts these recommendations. The Board is ultimately responsible for approving all individual stock option grants including grants to officers, including grants that are awarded outside the annual compensation deliberation process for such things as promotions or new hires.

Stock Option Plan Amendments

The Board has the authority to discontinue the Plan at any time without shareholder approval. The Board may also make certain amendments to the Plan without shareholder approval, including changes regarding the vesting and expiry of an outstanding stock option provided that the change does not entail an extension beyond the original expiry date. No amendments can be made to the Plan that adversely affect the rights of any option holder regarding any previously granted options without the consent of the option holder. Management does not have a right to amend, suspend or discontinue the Plan. The Plan also provides that certain amendments be approved by the shareholders of Northern Superior as provided by the rules of the Exchange.

Other Compensation

The Company does not provide any pension or retirement benefits for NEOs.

Executive Compensation Program Risks

In formulating and implementing the Company's executive compensation policies and practices, the Board has taken great care to consider and to mitigate the risks associated with its policies and practices. The Board has not identified any risks arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company. It is the view of the Board, that the risks attached to the Company's compensation policies and practices are low for the following reasons:

- the parameters for compensation determination focus on the results of advancing the Company's exploration projects, and expansion of the business based on board approved initiatives;
- all major business acquisitions, dispositions and joint venture discussions are approved by the board prior to commitment;
- salary and bonus levels are not excessive and are not driven by a formal connection to any one metric; and
- as a small company, the Board is likely to be more aware of corporate developments.

Hedging Policy

The Company does not have a specific policy which prohibits NEOs or directors from purchasing financial instruments 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 NEO or director.

Summary Compensation Table

The following table contains a summary of all compensation paid to the NEOs for the financial years ending December 31, 2016, 2017 and 2018:

Name and Principal Position	Year	Salary (\$)	Share-based Awards	Option-based Awards (\$) ⁽¹⁾	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long Term Incentive Plans			
Thomas F. Morris, President & CEO	2018	225,000	-	-	-	-	-	-	225,000
	2017	225,000	-	18,543	-	-	-	-	243,543
	2016	225,000	-	18,396	-	-	-	-	243,396
Jeannine Webb, CFO ⁽²⁾	2018	-	-	-	-	-	-	48,000	48,000
	2017	-	-	18,543	-	-	-	45,000	63,543
	2016	-	-	3,066	-	-	-	7,500	10,566
Merushe Verli, CFO ⁽³⁾	2016	-	-	400	-	-	-	17,500	17,900

Notes:

- (1) The fair value of option-based awards represent the grant date fair value of options and is determined using the Black-Scholes option pricing model using the following assumptions: no dividends to be paid; volatility of Nil%, 146.65% and 143.38% respectively for the options granted in 2018, 2017 and 2016; risk free interest rate of Nil%, 1.24% and 0.50% respectively for the options granted in 2018, 2017 and 2016 expected life of five years. The Company chose the Black-Scholes option pricing model at the recommendation of its Auditors.
- (2) Ms. Webb was appointed CFO in October of 2016 and continued in that position for the balance of the year.
- (3) Ms. Verli was appointed CFO in January of 2016 and served until September of 2016

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth details of all awards outstanding as at December 31, 2018, including awards granted prior to the most recently completed financial year, to NEOs:

Name	Option-based Awards ⁽¹⁾				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Thomas Morris	80,000	0.50	Nov. 10, 2019	Nil	Nil	Nil	Nil
	60,000	0.50	Nov. 5, 2020	Nil	Nil	Nil	Nil
	60,000	0.50	Nov. 21, 2021	Nil	Nil	Nil	Nil

Name	Option-based Awards ⁽¹⁾				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
	60,000	0.50	Nov. 30, 2022	Nil	Nil	Nil	Nil
Jeannine Webb	10,000	0.50	Nov. 21, 2021	Nil	Nil	Nil	Nil
	60,000	0.50	Nov. 30, 2022	Nil	Nil	Nil	Nil

Notes:

- (1) The fair value of option-based awards represent the grant date fair value of options and is determined using the Black-Scholes option pricing model using the following assumptions: no dividends are to be paid; volatility of Nil, risk free interest rate of Nil%, and expected life of five years. The Company chose the Black-Scholes option pricing model at the recommendation of its Auditors.

Value Vested or Earned During the Year

The following table sets forth information concerning all awards outstanding under share-based or option-based incentive plans of the Company at the end of the most recently completed financial year to each of the NEOs.

Name	Option-based awards - Value vested during the year ⁽¹⁾ (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
Thomas F. Morris	6,871	Nil	Nil
Jeannine Webb	1,012	Nil	Nil

Notes:

- (1) dollar value that would have been realized is calculated by determining the difference between the market price of the underlying securities at exercise and the exercise or base price of the options under the option-based award on the vesting date.

Significant Terms of all Incentive Plan-based Awards

See the description of the Company's existing option Plan under the heading "Stock Option Plan Disclosure" below.

Termination and Change of Control Benefits

The CEO of the Company has an agreement in place which provides for a payment in the event that the CEO is terminated other than for cause, or in the event that a Triggering Event (as described below) occurs within 12 months following a Change of Control (as described below).

A "Change of Control" will have occurred if: (a) more than 50% of the current Board is replaced other than through natural attrition; or (b) any person, entity or group acting jointly or in concert, directly or indirectly acquires 50% or more of the Company's common shares or the shareholders approve such an acquisition.

A "Triggering Event" means the occurrence of any one of the following events without the agreement of the CEO: (i) an adverse change in any of the duties, powers, rights, discretion, prestige, salary, benefits or perquisites of the CEO; (ii) a diminution of the title of the CEO; (iii) a change in the position or body to whom the CEO reports; or (iv) a change in the hours or location of the CEO's employment.

In the event that a Change of Control and Triggering Event have both occurred, or if the CEO is otherwise terminated without cause, the CEO would be entitled to a payment equal to 24 months' base salary fees plus an amount equivalent to any bonus paid for the preceding year.

There are no significant conditions or obligations with which the CEO must comply in order to receive payment.

As well, the Company's stock option plan provides that all unvested options vest and become immediately exercisable upon a change of control, which is defined under the Company's stock option plan to mean the acquisition by any person (alone or together with joint actors) of not less than 20% of the issued and outstanding common shares of the Company.

Other significant terms of the agreements relating to the payments described above are: that the CEO is not required to mitigate his damages; the CEO is entitled to the full payment even if he obtains alternative employment; and the payment constitutes a full and final settlement of any claims that might otherwise exist as a result of termination of the CEO's employment.

Director Compensation

Director Compensation Table

The following table sets forth all amounts of compensation provided to directors who were not NEOs of the Company during the Company's most recently completed financial year end ⁽³⁾.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$) ⁽¹⁾	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Francois Perron	12,500	12,500	Nil	Nil	Nil	Nil	25,000
Andrew Farncomb	12,500	12,500	Nil	Nil	Nil	Nil	25,000
John Kiernan	10,000	10,000	Nil	Nil	Nil	Nil	20,000
Arthur Murdy	10,000	10,000	Nil	Nil	Nil	Nil	20,000
David Beilhartz	10,000	10,000	Nil	Nil	Nil	Nil	20,000
Sidney Himmel ⁽²⁾	10,000	10,000	Nil	Nil	Nil	Nil	20,000

Notes:

- (1) The fair value of option-based awards represent the grant date fair value of options and is determined using the Black-Scholes option pricing model using the following assumptions: no dividends are to be paid; volatility of Nil%, risk free interest rate of Nil%, and expected life of five years. The Company chose the Black-Scholes option pricing model at the recommendation of its Auditors.
- (2) Ceased to be a director on May 23, 2018.
- (3) At December 31, 2018, a total of \$41,250 was owed to Directors in respect of Directors' fees, as to \$13,750 payable in cash, and \$27,500 payable in common shares of the Company, with the number of shares issuable to be determined based on the closing price of the Company's shares on the date such shares are issuable, but in any event, not less than \$0.50 per share.

Material Factors Necessary to Understand Director Compensation

The Board has adopted a compensation scheme for non-executive directors that pays them a fixed amount for each fiscal quarter served (or portion thereof). In addition, the Chairman of the Board and the Chairman of the Audit Committee each receive an additional fixed quarterly amount for acting as chair. With the approval of the Exchange, up to one half of all fees are payable in Shares of the Company, with the remainder payable in cash. In addition, Directors are reimbursed for travel and other expenses incurred in attending meetings and the performance of their duties.

Director Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information concerning all awards outstanding under share-based or option-based incentive plans of the Company as at December 31, 2018, including awards granted prior to the most recently completed financial year, to each of the directors of the Company who were not NEOs.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
François Perron	150,000	0.65	April 23, 2022	Nil	Nil	Nil	Nil
Andrew Farncomb	150,000	0.65	April 23, 2022	Nil	Nil	Nil	Nil
John Kiernan	150,000	0.65	April 23, 2022	Nil	Nil	Nil	Nil
Arthur Murdy	150,000	0.65	April 23, 2022	Nil	Nil	Nil	Nil
David Beilhartz	150,000	0.65	April 23, 2022	Nil	Nil	Nil	Nil

Notes:

(1) The dollar value that would have been realized is calculated by determining the difference between the market price of the underlying securities at exercise and the exercise or base price of the options under the option-based award on the vesting date.

Director Incentive Plan Awards - Value Vested or Earned During the Year

The following table presents information concerning value vested with respect to option-based awards and share-based awards for the directors of the Company who were not NEOs during the most recently completed financial year:

Name	Option-based awards - Value vested during the year (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
François Perron	Nil	Nil	Nil
Andrew Farncomb	Nil	Nil	Nil
John Kiernan	Nil	Nil	Nil
Arthur Murdy	Nil	Nil	Nil
David Beilhartz	Nil	Nil	Nil
Sidney Himmel ⁽¹⁾	Nil	Nil	Nil

Notes:

(1) Ceased to be a director on May 23, 2018.

The Board considers option grants to directors at the time a director joins the board and annually. Option grants to directors are intended as a long term incentive.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out certain information as at the end of the Company's 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 security holders	1,545,000	\$0.595	1,967,669
Equity compensation plans not approved by security holders	nil	n/a	Nil
Total	1,545,000	\$0.595	1,967,669

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the current or former directors, employees or executive officers of the Company, none of the proposed directors of the Company and none of the associates of such persons is or has been indebted to the Company at any time since the beginning of the Company's last completed financial year. Furthermore, none of such persons were indebted to a third party during such period where their indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

None of the directors or executive officers of the Company, nor any proposed director of the Company, nor any person who beneficially owns, directly or indirectly, shares of the Company or who exercises control or direction over shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, in any transaction since the commencement of the Company's last completed financial year or in any proposed transaction not otherwise disclosed herein which, in either case, has affected or will materially affect the Company, except as disclosed herein.

APPOINTMENT OF AUDITOR

On November 20, 2018, James Stafford James Stafford (the "**Former Auditors**"), Chartered Accountants resigned as the Company's auditors at the request of the Company and the Board appointed PricewaterhouseCoopers LLP (the "**Successor Auditors**") to fill the vacancy. As is required by National Instrument 51-102, copies of the Company's Notice of Change of Auditor and each the letters provided by both the Former Auditors and the Successor Auditors in response (each of which was filed on SEDAR) are attached hereto as Exhibit "A". Management recommend that shareholders: (i) ratify the appointment of PricewaterhouseCoopers LLP as auditors for the financial year ended December 31, 2018, (ii) approve their re-appointment as auditors for the ensuing year, and (iii) authorize the Board to fix their remuneration.

MANAGEMENT CONTRACTS

No management functions of the Company are performed to any substantial degree by a person other than the Directors or executive officers of the Company.

CORPORATE GOVERNANCE DISCLOSURE

The following Corporate Governance Disclosure meets the requirements of National Policy 58-201 Corporate Governance Guidelines as well as National Instrument 58-101, Disclosure of Corporate Governance Practices, applicable to issuers whose securities are listed on the Exchange.

Board of Directors

- a. The following directors are unrelated in that they are independent of management and free from any interest and any business or other relationship which could, or could reasonably be perceived to materially interfere with the director's ability to act with the best interests of the Company, other than interests and relationships arising from shareholding:

François Perron
Andrew Farncomb
John Kiernan
Arthur Murdy
David Beilhartz

- b. Thomas F. Morris is a member of management and thus is not independent.
- c. A majority of directors are independent.
- d. Certain of the directors are presently a director of one or more other reporting issuers, as follows:

Director	Other Issuer(s)
François Perron	Goldstar Minerals Inc. (TSXV: GDM) Lucky Minerals Inc. (TSXV:LKY)
Andrew Farncomb	Excellon Resources Ltd. (TSX:EXN) Contact Gold Corp. (TSXV:C) Canterra Minerals Corporation (TSXV:CTM)

- e. At each regularly scheduled Board meeting, the Chairman and the independent directors consider whether an *in camera* meeting of the independent directors should be held at which members of management and the non-independent directors do not attend. The independent directors of the Board may also hold additional meetings that members of management and non-independent directors do not attend. The Chair informs management of the substance of these meetings to the extent that action is required by management. During 2018 the independent directors met four (4) times when members of management and non-independent directors were not in attendance.
- f. The Chair of the Board, François Perron, is an independent director, which enhances the Board's ability to function independently of management. It is the Chair's responsibility to ensure that the relationships between management, shareholders and the Board are efficient and effective. The Chair acts as a resource for the CEO, and at all times retains an independent perspective to represent the best interests of the Company.

- g. The following chart illustrates the number of meetings of the Board and each committee, and the directors' attendance during 2018, with each director's attendance shown relative to the number of meetings in which he was eligible to participate.

Director	Board Meetings	Audit Committee
Thomas Morris	4/4	-
François Perron	4/4	4/4
Andrew Farncomb	4/4	4/4
John Kiernan	4/4	4/4
Arthur Murdy	4/4	-
David Beilhartz	4/4	-
Sidney Himmel ⁽¹⁾	1/2	-

Notes:

(1) Ceased to be a director on May 22, 2018

Board Mandate

The written mandate of the Board is the following:

The mandate of the Board is to supervise the management of the Company and to act in the best interests of the Company. The Board acts in accordance with the British Columbia *Business Corporations Act*; the Company's Articles of Incorporation; the Company's Code of Business Ethics and Conduct; the Mandate of the Board and the charters of the Board's committees and other applicable laws and policies. The Board approves all significant decisions that affect the Company before they are implemented. As a part of its overall responsibility for the stewardship of the Company, the Board assumes responsibility for the following:

- *Stewardship* - The Board sets and supervises standards of corporate governance that create a culture of integrity throughout the Company, and guides the operations of the Company and management in compliance with the Company's constituting documents and British Columbia corporate law, securities legislation in each jurisdiction in which the Company is a reporting issuer, and other applicable laws.
- *Strategic Planning* - The Board is actively involved in the Company's strategic planning process. The Board discusses and reviews all materials relating to the strategic plan with management. The Board is responsible for reviewing and approving the strategic plan, which takes into account the opportunities and risks of the business. Following the completion of each year, the Board undertakes a review of this strategic plan to assess the strengths, weaknesses and overall results of the plan. The Board also receives reports of management on a regular basis throughout the year on the current and proposed operations of the Company and reviews the opportunities of the Company and assesses risks to which the Company is exposed so that the plan can be adjusted where required.
- *Dealing with Risks* - The Board, in its annual assessment of the strategic plan, identifies principal risks and considers how to monitor and manage the risks. The principal risks to the Company have been identified as risks relating to the environment, safety, securities markets, commodity prices and currency fluctuations, legislative and title issues arising from operations in foreign jurisdictions and the fact that mineral exploration and development activities are inherently risky. The Board has instructed management to assist the Board in identifying risks and to promptly alert the Board when a risk has materialized. The board may from time to time appoint management, board members or advisors to assist in assessing different risks.
- *Succession Planning* - The Board annually identifies the key individuals of the Company and, in consultation with management, determines how best to replace such individuals should the need arise. The Board's policy is to select individuals who have the required expertise and would

therefore require a minimum of training in order to assume their role with the Company. Management is assigned the responsibility of training and advising the new person of the Company's policies and practices. The CEO has primary responsibility for supervising and reviewing the performance of other senior management. The Board is actively involved with the operations of the Company and therefore the performance of senior management is always under scrutiny.

- *Communication Policy* - The Disclosure and Stock Trading Policy governs communication with shareholders and others and reflects the Company's commitment to timely, effective and accurate corporate disclosure in accordance with all applicable laws and with a view to enhancing the Company's relationship with its shareholders.
- *Internal Control and Management Information Systems* - The effectiveness and integrity of the Company's internal control and management information systems contribute to the effectiveness of the Board and the Company. To maintain the effectiveness and integrity of the Company's financial controls, the Board, through the audit committee which consists solely of independent directors, monitors internal control and management information systems.
- *Approach to Corporate Governance* - The independent members of the Board have overall responsibility for developing the Company's approach to corporate governance including keeping informed of legal requirements and trends regarding corporate governance, monitoring and assessing the functioning of the Board and committees of the Board, and for developing, implementing and monitoring good corporate governance practices in the form of the Company's Guide to Corporate Governance.

Individual directors may engage an outside adviser at the expense of the Company in appropriate circumstances, subject to the approval of the Board.

- *Feedback* - The Company's website facilitates feedback from shareholders by permitting requests for information and sending messages directly to the Company.
- *Expectations and Responsibilities of Directors* - The Board is responsible for determining the committees of the Board that are required to effectively manage certain aspects of the Board's duties, and for ensuring that the committees have the requisite independence, competency and skill. The Board approves and annually reviews the charters of the committees, and conducts, annual reviews of the performance of the committees.

Directors are responsible for attending Board meetings as well as meetings of committees of which the director is a member. Directors are responsible for reviewing meeting materials in advance of the meeting.

Directors are responsible for fulfilling the Board's expectations of directors, as set out in the Position Description - Directors, in respect of: Board Activity; Preparation and Attendance; Communication; Committee Work; and Business, Community and Industry Knowledge.

Position Descriptions

- a. The Board has developed written position descriptions for the Chair and the Chair of each Board committee.
- b. The Board and CEO have developed a written position description for the CEO, which delineates the role and responsibilities of the CEO.

Orientation

- a. The Board takes the following measures to ensure that all new directors receive a comprehensive orientation regarding (i) the role of the Board, its committees and its directors, and (ii) the nature and operation of the Company's business:
 - i. Each new director is provided with a copy of the Board Manual, which contains the Company's policies and provides a comprehensive introduction to the Board and its committees; and
 - ii. Each new director brings a different skill set and professional background, and with this information, the Chair is able to determine what orientation to the nature and operation of the Company's business will be necessary and relevant to each new director.
- b. The Board takes the following measures to provide continuing education for its directors in order that they maintain the skill and knowledge necessary for them to meet their obligations as directors:
 - i. The Board Manual is reviewed at least annually and revised materials are given to each director; and
 - ii. There is a technical presentation at Board meetings, focusing on either a particular property or a summary of various properties. The question and answer portions of these presentations are a valuable learning resource for the non-technical directors.

Ethical Business Conduct

- a. The Board has adopted a written Code of Business Conduct & Ethics for its directors, officers, employees and consultants (the "**Code**"), a copy of which is filed on SEDAR:
 - i. A copy of the Code was provided to each director, officer, employee and consultant and will be provided to each new director, officer, employee and consultant upon joining the Company. In addition, if the Code is amended or revised, then a new copy is distributed;
 - ii. In order to ensure compliance with the Code, the Board has established complaint procedures for financial concerns, and environment and safety concerns; and
 - iii. There has never been a material change report filed, and more particularly not within the preceding 12 months, that pertains to any conduct of a director or executive officer that constitutes a departure from the Code.
- b. The Board complies with the conflict of interest provisions of the British Columbia *Business Corporations Act*, as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.
- c. In addition to the Code, the Board has also implemented a Disclosure and Stock Trading Policy, and a Code of Employee Conduct to encourage and promote a culture of ethical business conduct.

Nomination of Directors

- a. In order to identify new candidates for nomination to the Board, the Board considers the following factors:
 - i. the appropriate size of the Board, the necessary competencies and skills of the Board as a whole; and the competencies and skills of each existing director; and

- ii. the identification and recommendation of new individuals qualified to become new Board members. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the company, the ability to devote the time required and a willingness to serve.
- b. The Board currently has not appointed a stand alone Corporate Governance and Nominating Committee and as such, the independent members of the Board are responsible for all Corporate Governance matters including the responsibility to review the current composition of the Board and if deemed advisable, the identifying of new individuals to join the Board.

Compensation

- a. The process by which the Board determines the compensation for executive officers of the Company is described under the "*Compensation Discussion and Analysis*". The Board determines the compensation for the Company's directors by comparison with publicly available information on other reporting issuers in the mineral industry.
- b. The Board does not have a formal Compensation Committee however the Board's Audit Committee (who are all independent directors) serves as an *ad hoc* Compensation Committee from time to time and, together with the remaining independent members of the Board, are responsible for determining compensation for all executive officers.

Other Board Committees

The Board does not currently have any formal committees except for the Audit Committee. The Board may also, from time to time, create a special committee to consider particular transactions. Committees of the Board are generally composed of independent directors.

Assessments

The Board conducts self evaluations annually to determine the effectiveness of the Board, its committees and individual directors. The Audit Committee also conducts an annual assessment of its effectiveness and contribution, consisting of a review of its Charter, the performance of the committee as a whole. The Audit Committee then submits a Committee Annual Assessment Report to the Board, including recommendations.

AUDIT COMMITTEE DISCLOSURE

The following disclosure meets the requirements of National Instrument 52-110, Audit Committees, for Venture Issuers.

1. The Audit Committee's Charter

Purpose

The primary function of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities by reviewing the financial information to be provided to the shareholders and others, the systems of internal controls and management information systems established by management and the Company's internal and external audit process and monitoring compliance with the Company's legal and regulatory requirements with respect to its financial statements.

The Audit Committee is accountable to the Board. In the course of fulfilling its specific responsibilities hereunder, the Audit Committee is expected to maintain an open communication between the Company's external auditors and the Board.

The responsibilities of a member of the Audit Committee are in addition to such member's duties as a member of the Board. Nothing in this Charter, however, is intended to or does confer on any member a higher standard of care or diligence than that which applies to the Directors as a whole.

The Audit Committee does not plan or perform audits or warrant the accuracy or completeness of the Company's financial statements or financial disclosure or compliance with generally accepted accounting procedures as these are the responsibility of management.

Procedural Matters

The Audit Committee:

- a. meets at least four times per year, either by telephone conference or in person;
- b. invites the Company's external auditors, the Chief Financial Officer, and such other persons as deemed appropriate by the Audit Committee to attend meetings of the Audit Committee;
- c. reports material decisions and actions of the Audit Committee to the Board, together with such recommendations as the Audit Committee may deem appropriate;
- d. has the power to conduct or authorize investigations into any matter within the scope of its responsibilities;
- e. has the right to engage independent counsel and other advisors as it determines necessary to carry out its duties and the right to set the compensation for any advisors employed by the Audit Committee;
- f. has the right to communicate directly with the CFO and other members of management who have responsibility for the internal and external audit process, as well as to communicate directly with the internal and external auditors; and
- g. pre-approves non-audit services to be performed by the external auditors in accordance with the Audit Committee's pre-approval policies and procedures, which pre-approval is subject to ratification by the Board. The Audit Committee may delegate certain pre-approval functions for non-audit services to one or more independent members of its Committee if it first adopts specific policies and procedures respecting same and provided such decisions are presented to the full Audit Committee for approval at its next meeting.

Responsibilities

External Auditors

The Audit Committee has primary responsibility for the selection, appointment, dismissal, compensation and oversight of the external auditors, subject to the overall approval of the Board. For this purpose, the Audit Committee may consult with management.

The external auditors report directly to the Audit Committee.

Also, the Audit Committee:

- a. recommends to the Board:
 - i. whether the current external auditors should be nominated for reappointment for the ensuing year and if the current external auditors are not to be reappointed, select and recommend a suitable alternative for nomination; and
 - ii. the amount of compensation payable to the external auditors;
- b. resolves disagreements, if any, between management and the external auditors regarding financial reporting;
- c. provides the Board with such recommendations and reports with respect to the financial statements of the Company as it deems advisable;
- d. takes reasonable steps to confirm the independence of the external auditors, including but not limited to pre-approving any non-audit related services provided by the external auditors to the Company or the Company's subsidiaries, if any;
- e. confirms that the external auditors are a 'participating audit' firm for the purpose of National Instrument 52-108 *Auditor Oversight* and are in compliance with governing regulations;
- f. reviews and evaluates the performance of the external auditors; and
- g. reviews and approves the Company's hiring policy regarding partners, employees and former partners and employees of the Company's external auditors.

Audit and Review Process and Results

The Audit Committee has a duty to receive, review and make any inquiry regarding the completeness, accuracy and presentation of the Company's financial statements to ensure that the financial statements fairly present the financial position and risks of the organization and that they are prepared in accordance with generally accepted accounting principles. To accomplish this, the Audit Committee:

- a. considers the scope and general extent of the external auditors' review, including their engagement letter and major changes to the Company's auditing and accounting principles and practices;
- b. consults with management regarding the sufficiency of the Company's internal system of audit and financial controls, internal audit procedures and results of such audits;
- c. ensures the external auditors have full, unrestricted access to required information and have the cooperation of management;
- d. reviews with the external auditors the audit process and standards, as well as regulatory or Company-initiated changes in accounting practices and policies and the financial impact thereof, and selection or application of appropriate accounting principles;
- e. reviews with the external auditors and, if necessary, legal counsel, any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the financial statements;
- f. reviews the appropriateness and disclosure of any off-balance sheet matters;

- g. reviews disclosure of related-party transactions;
- h. receives and reviews with the external auditors, the external auditors' audit report and the audited financial statements;
- i. makes recommendations to the Board respecting approval of the audited financial statements;
- j. meets with the external auditors separately from management to review the integrity of the Company's financial reporting, including the clarity of financial disclosure and the degree of conservatism or aggressiveness of the accounting policies and estimates, any significant disagreements or difficulties in obtaining information, adequacy of internal controls over financial reporting, adequacy of disclosure controls and procedures, and the degree of compliance by the Company with prior recommendations of the external auditors;
- k. directs management to implement such changes as the Audit Committee considers appropriate, subject to any required approvals of the Board arising out of the review; and
- l. meets at least annually with the external auditors, independent of management, and reports to the Board on such meetings.

Interim Financial Statements

The Audit Committee:

- a. reviews on an annual basis the Company's practice with respect to review of interim financial statements by the external auditors;
- b. conducts all such reviews and discussions with the external auditors and management as it deems appropriate;
- c. reviews the interim financial statements with the external auditors on an informal, as needed basis; and
- d. makes recommendations to the Board respecting approval of the interim financial statements.

Involvement with Management

The Audit Committee has primary responsibility for overseeing the actions of management in all aspects of financial management and reporting.

The Audit Committee:

- a. reviews the Company's annual and interim financial statements, Management's Discussion and Analysis and earnings press releases, if any, before the Company publicly discloses this information;
- b. reviews all of the Company's public disclosure of financial information extracted from the Company's financial statements, if such financial statements have not previously been reviewed by the Committee, prior to such information being made public by the Company and for such purpose, the CFO assumes responsibility for providing the information to the Audit Committee for its review;
- c. reviews material financial risks with management, the plan that management has implemented to monitor and deal with such risks and the success of management in following the plan;

- d. consults annually and otherwise as required with the Company's CEO and CFO respecting the adequacy of the internal controls over financial reporting and disclosure controls and procedures and reviews any breaches or deficiencies;
- e. obtains such certifications of annual and interim filings by the CEO and CFO including attestations to internal controls over financial reporting and disclosure controls and procedures as deemed advisable;
- f. reviews management's response to significant written reports and recommendations issued by the external auditors and the extent to which such recommendations have been implemented by management;
- g. reviews as required with management the annual financial statements, the quarterly financial statements, Management's Discussion and Analysis, Annual Information Forms, future-oriented financial information or pro-forma information and other financial disclosure in continuous disclosure documents;
- h. reviews with management the Company's compliance with applicable laws and regulations respecting financial reporting matters;
- i. reviews with management proposed regulatory changes and their impact on the Company; and
- j. reviews as required with management and approves disclosure of the Audit Committee Charter, and Audit Committee disclosure required in the Company's Annual Information Form, Information Circular and on the Company's website.

Composition

The Audit Committee will be composed of three directors, all of whom will be directors who are not officers or employees of the Company or any of its subsidiaries.

In addition, members of the Audit Committee will meet the prescribed independence, financial literacy and experience requirements and will have relevant skills and/or experience in the Committee's areas of responsibility as required by the securities laws applicable to the Company, including those of any stock exchange on which the Company's securities are traded.

Appointment of Committee Members

Members of the Audit Committee will be appointed or confirmed by the Board annually and will hold office at the pleasure of the Board.

Vacancies

Where a vacancy occurs at any time in the membership of the Audit Committee, it may be filled by the Board. The Board must fill any vacancy if the membership of the Audit Committee is less than the minimum requirement number of directors required for the Audit Committee.

Committee Chair

The Board will appoint a Chair for the Audit Committee.

Structure and Operations

Absence of Committee Chair

If the Chair of the Audit Committee is not present at any meeting of the Audit Committee, one of the other members of the Audit Committee who is present at the meeting will be chosen by the Audit Committee to preside at the meeting.

Secretary of Committee

At each meeting the Audit Committee will appoint a secretary who need not be a director of the Company.

Meetings

The Chair of the Audit Committee or the Chair of the Board or any two of its members may call a meeting of the Audit Committee.

Quorum

A majority of the members appointed to the Audit Committee will constitute a quorum.

Notice of Meetings

The Chair of the Audit Committee will arrange to provide notice of the time and place of every meeting in writing (including by facsimile) to each member of an Audit Committee at least 24 hours prior to the time fixed for such meeting, provided, however, that a member may in any manner waive a notice of a meeting. Attendance of a member at a meeting constitutes a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. The Chair will also ensure that an agenda for the meeting and all required materials for review by the members of the Audit Committee are delivered to the members with sufficient time for their review, or that such requirement is waived.

Attendance of the Company's Officers at Meetings

The Chair of the Audit Committee or any two members of the Audit Committee may invite one or more officers of the Company to attend any meeting of the Audit Committee.

Delegation

The Audit Committee may, in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee, management or, to the extent otherwise permitted by applicable plans, laws or regulations, to any other body or individual.

Procedure and Records

Subject to any statute or constating documents of the Company, the Audit Committee will determine its own procedures at meetings and may conduct meetings by telephone and will keep records of its proceedings.

Complaints

The Audit Committee has established procedures for:

- a. the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
- b. the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Complaints regarding accounting, internal accounting controls, or auditing matters may be submitted as outlined in the Company's Whistle Blower Policy - Accounting, Internal Controls or Auditing Matters. Complaints may be made anonymously and, if not made anonymously, the identity of the person submitting the complaint will be kept confidential.

Upon receipt of a complaint, the Chair will conduct or designate a member of the Audit Committee to conduct an initial investigation. The results of that initial investigation will be brought before the Audit Committee for a determination of further investigation and action.

Records of complaints made and the resulting action or determination with respect to the complaint will be documented and kept in the records of the Audit Committee for a period of three years. The Audit Committee reviews the Whistle Blower Policy annually.

Reporting and Assessment

The Audit Committee will report to the Board.

The Audit Committee will review its Charter and conduct an assessment of its performance, and the performance of the Audit Committee Chair, on an annual basis. The Audit Committee shall report to the Board, the results of such review and assessment, including any recommendations for change (the "**Committee Annual Report**").

2. Composition of the Audit Committee

The Audit Committee consists of three independent members all of whom are financially literate namely Andrew Farncomb (Chair), François Perron and John Kiernan.

3. Relevant Education and Experience

All members of the Company's audit committee have 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. In addition to each member's relevant general business experience and education, each Committee member has an understanding of the accounting principles used by the Company to prepare its financial statements and has an understanding of its internal controls and procedures for financial reporting.

4. Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Board has adopted all recommendations of the Audit Committee regarding nomination or compensation of the external auditors.

5. Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemption in section 2.4 (*De Minimis Non-audit Services*); or an exemption from Multilateral Instrument 52-110, in whole or in part, granted under Part 8 (*Exemptions*).

6. Pre-Approval Policies and Procedures

The Audit Committee pre-approves all non-audit related services provided by the external auditors.

7. External Auditors' Service Fees (By Category)

The fees paid to the External Auditors were as follows:

	2018	2017
	(\$)	(\$)
Audit Fees	25,000	25,000
Audit Related Fees	Nil	Nil
Tax Fees ⁽¹⁾	4,894	4,673
Other	Nil	5,925
TOTAL	29,894	35,598

Note:

(1) for services rendered in the ordinary course of business for tax compliance.

8. Exemption

Pursuant to section 6.1 of National Instrument 52-110, "Audit Committees", the Company is exempt from the requirements of Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*). Part 3 of National Instrument 52-110 specifies the requirements for the composition, independence and financial literacy of the Audit Committee and the Company meets these requirements, notwithstanding the exemption. Part 5 specifies the reporting obligations for issuers that are not venture issuers, meaning the issuer's shares are not listed on the Toronto Stock Exchange, a US marketplace, or a marketplace outside of Canada and the United States.

STOCK OPTION PLAN DISCLOSURE

The following is a description of the Company's Stock Option Plan (the "**Plan**"), for which shareholder approval is sought. Pursuant to policies of the Exchange, the Plan requires shareholder approval every year. The Plan is identical in all respects to the previous version of the plan which was approved at the Company's 2018 Annual General Meeting.

Under the Plan, the Board is authorized to designate persons to whom options should be granted. Currently, employees, consultants and directors and officers of the Company, its subsidiaries and of companies providing management or administrative services to the Company are eligible participants in the Plan ("**Eligible Participants**").

The exercise price for an option granted under the Plan cannot be less than the price permitted by Exchange policies. The Company presently does not have a share purchase plan and does not grant stock appreciation rights.

The Plan does not require that Options granted have a vesting period except in cases where such vesting is required pursuant Exchange policies. When not required under Exchange Policies, the Plan permits the Board to impose vesting periods in their discretion.

Options may not be granted for a term exceeding 10 years, except in the case of options that expire during, or within 10 days of the expiry of a blackout period, in which case the expiry date is 10 days after the expiry of such blackout period.

Options granted under the Plan may not be assigned by the optionee other than by will or pursuant to the laws of succession, and to a trust, RESP or RRSP or similar legal entity established by the optionee. The Plan provides that under no circumstances shall the Plan, together with all of the Company's other previously established or proposed stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of shares, result, at any time, in: (i) the issuance to insiders, within a one year period, of a number of shares exceeding 10% of the issued and outstanding shares; (ii) the issuance to consultants or persons conducting investor relations activities, within a one year period, of a number of shares exceeding 2% of the issued and outstanding shares, or (iii) the issuance to any one insider and such insider's associates, within a one year period, of a number of shares exceeding 5% of the issued and outstanding shares unless the Company has obtained disinterested shareholder approval.

If an optionee ceases to be an Eligible Participant for any reason other than death, then such optionee has the lesser of 90 days, which date will be extended to the date that is 10 days after the end of a blackout period (imposed by Management of the Board), if applicable, or until the Expiry Date within which to exercise any option not exercised prior to the date of ceasing to be an Eligible Participant. However, where the employment of an employee or the engagement of a Consultant or Insider is terminated (i) without a valid cause the Board may, in its discretion, amend the terms of any option held by such optionee to permit such person to exercise any or all of such options as if such optionee's employment or engagement had not been terminated and (ii) for cause the Board may, in its discretion, amend the terms of any options held by such optionee that have not been previously exercised such that the options will only be exercisable on the next five business days following the date of personal delivery of a written notice to the optionee.

Options will be adjusted in the event of any consolidation or subdivision of shares or the declaration of a dividend. In the event of a take-over bid or a change of control, as defined in the Plan, any un-vested Options become vested and exercisable in accordance with the terms of the Plan.

Notwithstanding all of the foregoing, no amendment to the Plan may alter or impair any of the terms of any options previously granted to an optionee under the Plan without the consent of the optionee.

RE-APPROVAL OF STOCK OPTION PLAN

Shareholders will be asked at the Meeting to consider and, if deemed appropriate, approve with or without variation, the following ordinary resolution re-authorizing the Plan:

"RESOLVED that the Company re-approve and adopt, subject to TSX Venture Exchange (the "Exchange") approval, its Stock Option Plan (the "Plan"), allowing the Company to reserve for issuance upon exercise of options granted under such plan, up to 10% of the number of outstanding shares of the Company at the date of the grant of options, in substantially the form that has been made available to the Company's shareholders, and that all grants of stock options by the Company occurring after the receipt of such Exchange approval will be pursuant to the Plan."

By re-approving the Plan, the Company will be continue to have a stock option plan that is consistent with the policies of the Exchange. If the Plan is re-approved by shareholders, all grants of stock options by the Company occurring after the receipt of the Exchange approval will be pursuant to the Plan.

For full particulars, please refer to the text of the Plan, a copy of which is available for review by any Shareholder up until the day preceding the Meeting at the Company's registered and records offices at Boughton Law Corporation, Suite 700, 595 Burrard Street, Vancouver, British Columbia.

Additional Information

Additional information relating to the Company can be found on SEDAR at www.sedar.com. Shareholders may contact the Company to request copies of the financial statements and Management Discussion and Analysis. Financial information is provided in the Company's comparative financial statements and Management Discussion and Analysis for its most recently completed financial year.

Directors' Approval

The undersigned hereby certifies that the contents and the sending of this Information Circular to the shareholders of the Company have been approved by the Board.

(signed) "Thomas F. Morris"

DATED at Vancouver, British Columbia
April 11, 2019

Thomas F. Morris
President, CEO & Director

EXHIBIT "A"

Notice of Change of Auditor
Letter from Former Auditor
Letter from Successor Auditor

NORTHERN SUPERIOR RESOURCES INC.

NOTICE OF CHANGE OF AUDITORS

TO: James Stafford, Chartered Professional Accountants

AND TO: PricewaterhouseCoopers LLP

**AND TO: the British Columbia Securities Commission
the Alberta Securities Commission
the Ontario Securities Commission
the Autorité des marchés financiers**

TAKE NOTICE THAT:

- (a) James Stafford, Chartered Professional Accountants, the former auditors of Northern Superior Resources (the “**Corporation**”) tendered their resignation at the request of the Corporation effective November 20, 2018 and the Board of Directors of the Corporation has appointed PricewaterhouseCoopers LLP, as successor auditors in their place, effective as of November 20, 2018;
- (b) the former auditors of the Corporation were requested to resign by the Corporation;
- (c) the resignation of James Stafford, Chartered Professional Accountants and the appointment of PricewaterhouseCoopers LLP in their place have been approved by the Audit Committee and the Board of Directors of the Corporation;
- (d) there have been no reservations contained in the former auditors’ reports on any of the financial statements of the Corporation for the period from January 1, 2016 to November 20, 2018; and
- (e) there are no reportable events (as defined in section 4.11(7)(e) of National Instrument 51-102).

DATED at Vancouver, British Columbia this 20 day of November, 2018.

BY ORDER OF THE BOARD OF DIRECTORS

“*Thomas M. Morris*”, President & CEO

JAMES STAFFORD

James Stafford, Inc.
Chartered Professional Accountants
Suite 350 – 1111 Melville Street
Vancouver, British Columbia
Canada V6E 3V6
Telephone +1 604 669 0711
Facsimile +1 604 669 0754
www.JamesStafford.ca

28 November 2018

British Columbia Securities Commission
12th Floor, 701 West Georgia Street
Vancouver, BC V7Y 1L2

Alberta Securities Commission
Suite 600, 250-5th St. SW
Calgary, AB T2P 0R4

Ontario Securities Commission
20th Floor, 20 Queen Street West
Toronto, Ontario M5H 3S8

Autorité des marchés financiers
Place de la Cité, tour Cominar
2640, boulevard Laurier, bureau 400
Québec, Québec G1V 5C1

**Subject: Northern Superior Resources Inc. (the “Company”)
Notice Pursuant to National Instrument 51-102 – Change of Auditor**

Dear Sirs:

As required by Part 4.11 of National Instrument 51-102, we have reviewed the information contained in the Company’s Notice of Change of Auditor dated 20 November 2018 (the “Notice”) and hereby confirm our agreement with the information contained in the Notice. This confirmation is based on our knowledge of the information as at the date of this letter.

We understand that the Notice of Change of Auditor, along with this letter and a similar letter from PricewaterhouseCoopers LLP will be filed with the securities regulatory authorities and provided to the Company’s registered shareholders with the meeting materials relating to the Company’s next annual general meeting of shareholders.

Yours truly,
JAMES STAFFORD



Per:
James Stafford
Chartered Professional Accountants



November 28, 2018

To: British Columbia Securities Commission
Alberta Securities Commission
Ontario Securities Commission
Autorité des marchés financiers

We have read the statements made by Northern Superior Resources Inc. in the change of auditor notice dated November 20, 2018, which we understand will be filed pursuant to Section 4.11 of National Instrument 51-102.

We agree with the statements in the change of auditor notice dated November 20, 2018, except that we have no basis to agree or disagree with the following statement: “there are no reportable events (as defined in section 4.11 (7) (e) of National Instrument 51-102)”.

Yours very truly,

(Signed) “PricewaterhouseCoopers LLP”

Chartered Professional Accountants

*PricewaterhouseCoopers LLP
PricewaterhouseCoopers Place, 250 Howe Street, Suite 1400, Vancouver, British Columbia, Canada V6C 3S7
T: +1 604 806 7000, F: +1 604 806 7806, www.pwc.com/ca*

“PwC” refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.