



**TOP STRIKE RESOURCES CORP.  
(d.b.a. "VENCANNA VENTURES INC.")**

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD ON MAY 22, 2019**

**AND**

**MANAGEMENT INFORMATION CIRCULAR**

**April 29, 2019**



**TOP STRIKE RESOURCES CORP.**  
**(d.b.a. "VENCANNA VENTURES INC. ")**

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING  
OF THE HOLDERS OF COMMON SHARES  
TO BE HELD ON MAY 22, 2019**

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the "Meeting") of the holders (the "Shareholders") of common shares (the "Common Shares") in the capital of Top Strike Resources Corp. (the "Corporation") will be held at the offices of Stikeman Elliott LLP, 4300 Bankers Hall West, 888 - 3<sup>rd</sup> Street S.W., Calgary, Alberta T2P 5C5, on May 22, 2019 at 11:00 a.m. (Calgary time), for the following purposes:

1. receive the financial statements for the fiscal year ended April 30, 2018 and the report of the auditors thereon and the condensed interim financial statements for the three and nine months ended January 31, 2019 and 2018;
2. fix the number of directors to be elected at five;
3. elect directors for the ensuing year;
4. appoint the auditors of the Corporation to hold office until the next annual meeting of the Shareholders and authorize the directors to fix their remuneration;
5. approve the stock option plan of the Corporation, as described in the management information circular dated April 29, 2019 (the "Information Circular");
6. approve a change of name of the Corporation to "Vencanna Ventures Inc.", as described in the Information Circular; and
7. transact such other business as may properly come before the meeting or any adjournments thereof.

Only Shareholders of record at the close of business on April 22, 2019 (the "Record Date") are entitled to notice of and to attend the Meeting or any adjournment or adjournments thereof and to vote thereat, unless, after the Record Date, a holder of record transfers his or her Common Shares and the transferee, upon producing properly endorsed share certificates or otherwise establishing that he or she owns such Common Shares, requests, not later than 10 days before the Meeting, that the transferee's name be included in the list of Shareholders entitled to vote such Common Shares, in which case such transferee shall be entitled to vote such Common Shares, as the case may be, at the Meeting.

Shareholders may vote in person at the Meeting or any adjournment or adjournments thereof, or they may appoint another person (who need not be a Shareholder) as their proxy to attend and vote in their place. Shareholders who are unable to attend the Meeting, or any adjournment thereof, in person are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment thereof.

To be effective, the enclosed form of proxy must be mailed so as to reach or be deposited with Odyssey Trust Company, at 350 - 300 5th Avenue S.W., Calgary, Alberta T2P 3C4 Attention: Proxy Department or by fax at (800) 517-4553 not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time set for the Meeting or any adjournment thereof or may be accepted by the Chairman of the Meeting at his discretion prior to the commencement of the Meeting. The form of proxy or other instrument used to appoint a proxy shall be executed by the Shareholder or their attorney, or if such Shareholder is a corporation, under the corporate seal, and executed by a director, officer or attorney thereof duly authorized. Alternatively, a registered Shareholder may complete their form of proxy online at [www.odysseytrust.com/Transfer-Agent/Login](http://www.odysseytrust.com/Transfer-Agent/Login) by following the instructions provided on the form of proxy. In the event of a strike, lockout or other work stoppage involving postal employees, all documents required to be delivered by a registered Shareholder should be delivered by facsimile to Odyssey Trust Company at (800) 517-4553.

The specific details of the matters proposed to be put before the Meeting are set forth in the Information Circular and form of proxy accompanying and forming part of this Notice.

Calgary, Alberta  
April 29, 2019

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "David McGorman"

David McGorman  
Director and Chief Executive Officer

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TOP STRIKE RESOURCES CORP.  
(d.b.a. "VENCANNA VENTURES INC.")  
Suite 310, 250 - 6th Avenue S.W.  
Calgary, Alberta T2P 3H7

MANAGEMENT INFORMATION CIRCULAR

FOR THE ANNUAL GENERAL AND SPECIAL MEETING  
OF THE HOLDERS OF COMMON SHARES OF  
TOP STRIKE RESOURCES CORP. TO BE HELD ON MAY 22, 2019

Dated: April 29, 2019

PURPOSE OF SOLICITATION

This management information circular (the "Information Circular") is furnished in connection with the solicitation of proxies by or on behalf of the management of Top Strike Resources Corp. (the "Corporation") for use at the annual general and special meeting of the holders (the "Shareholders") of the common shares (the "Common Shares") in the capital of the Corporation to be held at the offices of Stikeman Elliott LLP, 4300 Bankers Hall West, 888 - 3rd Street S.W., Calgary, Alberta T2P 5C5, on May 22, 2019 at 11:00 a.m. (Calgary time), and any adjournment or adjournments thereof (the "Meeting") for the purposes set forth in the Notice of Annual General and Special Meeting (the "Notice of Meeting") accompanying this Information Circular.

RECORD DATE

The Shareholders of record on April 22, 2019 (the "Record Date") are entitled to notice of, and to attend and vote at, the Meeting except to the extent that:

1. such person transfers his or her Common Shares after the Record Date; and
2. the transferee of those Common Shares produces properly endorsed share certificates or otherwise establishes his or her ownership to the Common Shares and makes a demand to the registrar and transfer agent of the Corporation, not later than 10 days before the Meeting, that his or her name be included on the Shareholders list for the Meeting.

Any registered Shareholder of the Corporation at the close of business on the Record Date who either personally attends the Meeting or who completes and delivers a proxy will be entitled to vote or have his or her Common Shares voted at the Meeting. However, a person appointed under a form of proxy will be entitled to vote the Common Shares represented by that form only if it is effectively delivered in the manner set out under the heading "*Proxy Information - Completion of Proxies*".

PROXY INFORMATION

*Solicitation of Proxies*

**The solicitation of proxies is made on behalf of the management of the Corporation.** The costs incurred in the preparation of the enclosed form of proxy (the "Form of Proxy"), Notice of Meeting and this Information Circular and costs incurred in the solicitation of proxies will be borne by the Corporation. Solicitation of proxies will be primarily by mail, but may also be in person, by telephone or by electronic means. All currency amounts expressed herein, unless otherwise indicated, are expressed in Canadian dollars.

### *Completion of Proxies*

The Form of Proxy affords Shareholders or intermediaries an opportunity to specify that the Common Shares registered in their name shall be voted for or against or withheld from voting in respect of certain matters as specified in the accompanying Notice of Meeting.

The persons named in the enclosed Form of Proxy are the Chief Executive Officer and the Chief Financial Officer, respectively, of the Corporation.

**A REGISTERED SHAREHOLDER OR AN INTERMEDIARY HOLDING COMMON SHARES ON BEHALF OF AN UNREGISTERED SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON, WHO NEED NOT BE A SHAREHOLDER, TO ATTEND AND ACT ON THEIR BEHALF AT THE MEETING, IN THE PLACE OF THE PERSONS DESIGNATED IN THE FORM OF PROXY FURNISHED BY THE CORPORATION. TO EXERCISE THIS RIGHT, THE SHAREHOLDER OR INTERMEDIARY SHOULD STRIKE OUT THE NAMES OF THE PERSONS NAMED IN THE FORM OF PROXY AND INSERT THE NAME OF THEIR NOMINEE IN THE BLANK SPACE PROVIDED, OR SUBMIT ANOTHER APPROPRIATE PROXY.**

A proxy must be dated and signed by the registered Shareholder or by his or her attorney authorized in writing or by the intermediary. In the case of a Shareholder that is a corporation, the proxy must be executed under its corporate seal or signed by a duly authorized officer or attorney for the corporation with proof of authority accompanying the proxy.

In order to be effective, the proxy, together with the power of attorney or other authority, if any, under which it was signed or a notarially certified copy thereof, must be mailed or completed online at [www.odysseytrust.com/Transfer-Agent/Login](http://www.odysseytrust.com/Transfer-Agent/Login) so as to be deposited at the office of the Corporation's agent, Odyssey Trust Company, 350, 300 5th Ave S.W., Calgary, Alberta T2P 3C4, not later than 11:00 a.m. (Calgary time) on the second last business day (not including Saturdays, Sundays and statutory holidays in the Province of Alberta) preceding the day of the Meeting or any adjournment thereof or deposited with the Chairman of the Meeting on the day of the Meeting prior to the commencement of the Meeting. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date of its execution. If a proxy is not dated, it will be deemed to bear the date on which it was mailed by management of the Corporation.

### *Appointment and Revocation of Proxies*

A Shareholder or intermediary who has submitted a proxy may revoke it by instrument in writing executed by the Shareholder or intermediary or his or her attorney authorized in writing, or, if the Shareholder is a corporation, under its corporate seal and executed by a director, officer or attorney thereof duly authorized, and deposited either: (i) with the Corporation at its offices or at the office of the Corporation's agent, Odyssey Trust Company, at any time prior to the close of business on the second last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used; or (ii) with the Chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting, and upon such deposit the previous proxy is revoked.

### *Exercise of Discretion by Proxies*

A Shareholder or intermediary may indicate the manner in which the persons named in the enclosed Form of Proxy are to vote with respect to any matter by checking the appropriate space. On any poll, those persons will vote or withhold from voting the Common Shares in respect of which they are appointed in accordance with the directions, if any, given in the Form of Proxy. If the Shareholder or intermediary wishes to confer a discretionary authority with respect to any matter, the space should be



left blank. **IN SUCH INSTANCE, THE PERSONS NAMED IN THE ENCLOSED FORM OF PROXY INTEND TO VOTE THE COMMON SHARES REPRESENTED BY THE PROXY IN FAVOUR OF THE MOTION.**

The enclosed Form of Proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. At the time of printing of this Information Circular, management of the Corporation knows of no such amendment, variation or other matter. However, if any other matters which are not now known to management should properly come before the Meeting, the proxies in favour of management nominees will be voted on such matters in accordance with the best judgment of the management nominees.

### *Advice to Beneficial Holders of Securities*

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

In accordance with applicable securities law requirements, the Corporation will have distributed copies of the Notice of Meeting, Form of Proxy and this Information Circular (the "**Meeting Materials**") to the intermediaries for distribution to Beneficial Shareholders. Intermediaries are required to forward the Meeting Materials to Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them. Intermediaries often use service companies to forward the Meeting Materials to Beneficial Shareholders.

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

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of the Beneficial Shareholder's broker (or agent of the broker), a Beneficial Shareholder may attend the Meeting as proxyholder for the registered Shareholder and vote such Common Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Common Shares as proxyholder for the registered Shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent) well in advance of the Meeting.

Management does not intend to pay for intermediaries to forward proxy solicitation materials to Beneficial Shareholders who have objected to their intermediary/broker disclosing ownership information about them pursuant to applicable securities laws ("**Objecting Beneficial Shareholders**"). Consequently, an Objecting Beneficial Shareholder will not receive the proxy solicitation materials unless the Objecting Beneficial Shareholder's intermediary/broker assumes the cost of delivery. The Corporation is not using "notice and access" to send its proxy related materials to Shareholders, and paper copies of such materials will be sent to all Shareholders. The Corporation will not send proxy related materials directly to non-objecting Beneficial Shareholders as such materials will be delivered to non-objecting Beneficial Shareholders through their intermediaries.

**If you have any questions respecting the voting of Common Shares held through an intermediary, please contact that intermediary for assistance.**

#### **INFORMATION CONCERNING THE CORPORATION**

The Corporation was incorporated under the *Business Corporations Act* (British Columbia) on October 4, 1989 as "Colossal Resources Corp.". On December 13, 2012, the Corporation continued into Alberta under the *Business Corporations Act* (Alberta) (the "**ABCA**") and changed its name to "Top Strike Resources Corp.". The Corporation is currently doing business as "Vencanna Ventures Inc.".

The Corporation is a reporting issuer in British Columbia, Alberta and Ontario. The Common Shares are listed on the Canadian Securities Exchange (the "**CSE**") under the trading symbol "VENI".

The head office of the Corporation is located at Suite 310, 250 - 6th Avenue S.W., Calgary, Alberta, T2P 3H7. The registered office of the Corporation is located at 4000, 421 7th Avenue S.W., Calgary, Alberta, T2P 4K9.

#### **VOTING OF COMMON SHARES AND PRINCIPAL HOLDERS THEREOF**

The Corporation is authorized to issue an unlimited number of Common Shares and an unlimited number of preferred shares ("**Preferred Shares**"), issuable in series. As at the date hereof, there are 185,966,168 fully paid and non-assessable Common Shares and nil Preferred Shares issued and outstanding. The holders of the Common Shares are entitled to receive notice of all meetings of Shareholders and to attend and vote the Common Shares at all such meetings. Each Common Share carries with it the right to one vote. The Preferred Shares may from time to time be issued in one or more series, and the board of directors of the Corporation (the "**Board**") may fix from time to time before such issue the number of Preferred Shares which is to comprise each series and the designation, rights, privileges, restrictions and conditions attaching to each series of Preferred Shares including, without limiting the generality of the foregoing, any voting rights, the rate or amount of dividends or the method of calculating dividends, the dates of payment thereof, the terms and conditions of redemption, purchase and conversion if any, and any sinking fund or other provisions.

The by-laws of the Corporation provide that a quorum of Shareholders is present at a meeting of Shareholders if at least two (2) persons are present in person or by proxy, each of whom is entitled to vote at the meeting, and who hold or represent by proxy in the aggregate not less than five (5%) percent of the shares entitled to vote at the meeting.

To the best of the knowledge of the directors and executive officers of the Corporation, as at the date hereof, no persons or companies beneficially owned, directly or indirectly, or exercised control or direction over, voting securities of the Corporation carrying more than 10% of the voting rights attached to the shares of the Corporation.

#### MATTERS TO BE ACTED UPON

The Shareholders of the Corporation will be asked to consider and, if deemed appropriate:

- (a) by ordinary resolution, to fix the Board at five members;
- (b) by ordinary resolution, to elect the directors of the Corporation;
- (c) by ordinary resolution, to appoint auditors for the ensuing year and to authorize the directors of the Corporation to fix their remuneration;
- (d) by ordinary resolution, to approve the Corporation's stock option plan (the "**New Stock Option Plan**") for the ensuing year;
- (e) by special resolution, to approve a change of the name of the Corporation to "Vencanna Ventures Inc."; and
- (f) to transact such other business as may properly come before the Meeting or any adjournments thereof.

Additional detail regarding each of the matters to be acted on at the Meeting is contained below.

#### FIXING NUMBER OF DIRECTORS

At the Meeting, it is proposed that the number of directors to be elected at the Meeting to hold office until the next annual meeting or until their successors are elected or appointed, subject to the articles of the Corporation, be set at five.

**Unless otherwise directed, it is the intention of management to vote proxies in the accompanying form in favour of setting the number of directors to be elected at the Meeting at five.**

#### ELECTION OF DIRECTORS

Action is to be taken at the Meeting with respect to the election of directors. The Shareholders will be asked to pass an ordinary resolution at the Meeting to elect, as directors, the nominees whose names are set forth in the table below. Voting for the election of nominees will be conducted on an individual, and not on a slate, basis. Each nominee elected will hold office until the next annual meeting of the Shareholders or until his successor is duly elected or appointed, unless his office is vacated earlier in accordance with the Corporation's articles.

The Corporation is required by applicable corporate legislation to have an Audit Committee comprised of members of the Board that are considered "financially literate" and a majority of which are considered

“independent”, as such terms are defined in National Instrument 52-110 – *Audit Committees* (“NI 52-110”). The Corporation has also established a Corporate Governance and Compensation Committee comprised of members of the Board. Please see the discussion under the heading “*Corporate Governance Practices*”. The present members of the Audit Committee and the Corporate Governance and Compensation Committee are identified in the table below.

The following information relating to the nominees as directors is based partly on the records of the Corporation and partly on information received by the Corporation from the respective nominees, and sets forth the name and municipality of residence of the persons proposed to be nominated for election as directors, all other positions and offices within the Corporation now held by them, the periods during which they have served as directors of the Corporation, their principal occupations or employments over the past five years and the number of Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised by each of them as at the date hereof.

<b>Name and Place of Residence</b>	<b>Positions Presently Held</b>	<b>Director Since<sup>(1)</sup></b>	<b>Principal Occupation for Previous Five Years</b>	<b>Number and Percentage of Common Shares Beneficially Owned or Over Which Control or Direction, Directly or Indirectly, is Exercised</b>
David McGorman Calgary, Alberta	Director and Chief Executive Officer	September 24, 2018	Managing Director of Black Spruce Merchant Capital from September 2016 to November 2018. Prior thereto, Vice Chairman of Mackie Research Capital Corporation from December 2014 to June 2016; President and Chief Executive Officer of Jennings Capital Inc. from September 2013 to December 2014; and Senior Managing Director and director of Jennings Capital Inc. from 2006 to 2013.	7,000,000 <sup>(2)</sup> (3.76%)
Jon Sharun Vancouver, British Columbia	Executive Director, Chief Financial Officer and Chair	September 24, 2018	Chairman and Managing Partner of Venexo Capital, an independent private equity and advisory firm, since January 2011. In addition, Chairman of Urban Sparq, a hospitality management company, since 2015.	14,066,600 <sup>(2)</sup> (7.56%)
Matt Christopherson <sup>(3)(4)</sup> Vancouver, British Columbia	Director	September 24, 2018	Chief Executive Officer of Higharchy Cannabis Group, a cannabis advisory and investment company; Vice President, Business Development and Partner of Keirton Inc., a crop harvesting product development company; Co-founder of SteviaOne Peru, a stevia extract producer; Certified Analyst at The Predictive Index since December 2016; and Member of TEC Canada	500,000 (0.27%)

			since February 2016. Prior thereto, Mr. Christopherson held roles in the Business Development department of Bloodline Design from 2011 to 2014.	
Alan Gertner <sup>(3)</sup> Toronto, Ontario	Director	September 24, 2018	Advisor at Lift Co. Ltd. since 2016. Chief Retail Officer of Canopy Growth Corp. from July 2018 to February 2019; Chief Executive Officer of Hiku Brands Co. Ltd., a cannabis branding company, from January 2018 to July 2018; Chief Executive Officer and Co-Founder of TS Brandco Holdings Inc. from 2015 to July 2018; Regional Head, Sales at Google from May 2012 to 2015; and Google Global Corporate Strategy from 2009 to 2012.	Nil (Nil%)
W. Scott McGregor <sup>(3)(4)</sup> Calgary, Alberta	Director	September 24, 2018	CEO of GEGS Capital Corp. from April 2018 to present. Prior thereto, was Executive Vice President of Merrco Payments Inc., a payment services company, from March 2017 to March 2018; Managing Director of Mackie Research Capital Corp. from January 2015 to March 2016; and Director of Blackhawk Resources Corp. from February 2014 to May 2015.	600,000 (0.32%)

**Notes:**

- (1) All directors of the Corporation are elected to hold office until the next annual meeting of Shareholders or until his successor is duly elected or appointed, unless his office is vacated earlier in accordance with the Corporation's articles.
- (2) Includes Common Shares held by such director/officer's spouse which, for the purposes of applicable securities laws, may be considered under the control or direction of such director/officer.
- (3) Member of the Audit Committee.
- (4) Member of the Corporate Governance and Compensation Committee.

***Corporate Cease Trade Orders or Bankruptcies***

Except as provided herein, none of the above proposed directors are, or within 10 years prior to the date of this Information Circular have been, a director, chief executive officer or chief financial officer of any company that, while such person was acting in that capacity, was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant issuer access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days.

None of the above proposed directors are, or within 10 years prior to the date of this Information Circular have been, a director, chief executive officer or chief financial officer of any company that was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant issuer access

to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days, that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Except as provided herein, none of the above proposed directors are, or within 10 years prior to the date of this Information Circular have been, a director or executive officer of any company that, while acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

*Matt Christopherson*

The British Columbia Securities Commission (the “BCSC”) issued a cease trade order against Global Stevia Corp. (“**Global Stevia**”) on September 14, 2012 while Mr. Christopherson was the President, Chief Executive Officer, Secretary, Treasurer, Chief Financial Officer and a director. Global Stevia was a Nevada corporation trading on the over-the-counter bulletin board and the BCSC issued the cease trade order for failure to file the required disclosure documents on SEDAR as required by Multilateral Instrument 51-105 – *Issuers Quoted in the U.S. Over-The-Counter Markets*. Mr. Christopherson resigned from Global Stevia on October 19, 2012. The cease trade order has not been revoked.

#### ***Personal Bankruptcies***

None of the above proposed directors have, within 10 years prior to the date of this Information Circular, become bankrupt, made a proposal under any bankruptcy or insolvency legislation, been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold their assets.

#### ***Penalties and Sanctions***

None of the above proposed directors have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority, or have entered into a settlement agreement with a securities regulatory authority, or 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.

**In the absence of contrary instructions, the persons named in the accompanying Form of Proxy intend to vote the Common Shares represented thereby in favour of the election to the Board of those persons designated above as nominees for election as directors. The Board does not contemplate that any of such nominees will be unable to serve as a director. However, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, proxies in favour of management designees will be voted for another nominee in their discretion, unless the Shareholder has specified in his proxy that his Common Shares are to be withheld from voting on the election of directors.**

#### **APPOINTMENT OF AUDITORS**

The Shareholders will be asked to pass an ordinary resolution at the Meeting to appoint MNP LLP as auditors of the Corporation, to hold office until the next annual meeting of the Shareholders, at such remuneration to be determined by the Board. MNP LLP was first appointed as the Corporation’s auditors on March 6, 2019 and is the current auditor of the Corporation.

**In the absence of contrary instructions, the persons named in the accompanying Form of Proxy intend to vote the Common Shares represented thereby in favour of the appointment of MNP LLP as auditors of the Corporation.**

#### **APPROVAL OF NEW STOCK OPTION PLAN**

At the Meeting, Shareholders will be asked to approve an ordinary resolution (the “**New Stock Option Plan Resolution**”) to approve and adopt the New Stock Option Plan, a copy of which is attached hereto as Schedule “A”.

The New Stock Option Plan will be implemented for directors, officers, employees and consultants of the Corporation and those persons providing services to the Corporation (each, an “**Optionee**”), in accordance with the rules and policies of the CSE. The purpose of the New Stock Option Plan is to encourage ownership of Common Shares by directors, officers and employees of the Corporation, and its subsidiaries (if any), and consultants who are primarily responsible for the management and profitable growth of its business and to advance the interests of the Corporation by providing additional incentive for superior performance by such persons and to enable the Corporation and its subsidiaries to attract and retain valued directors, officers, employees and consultants.

Pursuant to the New Stock Option Plan, the Corporation has authorized, subject to any regulatory approvals, the reservation of up to ten percent of the issued and outstanding Common Shares for the grant of stock options from time to time.

Under the New Stock Option Plan, the Board may from time to time grant to Optionees, as the Board shall designate, stock options to purchase from the Corporation such number of its Common Shares as the Board shall designate.

While the Common Shares are listed on the CSE, the exercise price per Common Share for any stock options granted under the New Stock Option Plan shall not be less than the greater of the closing market price of the underlying securities on: (a) the trading day prior to the date of grant of the stock options; and (b) the date of grant of the stock options.

Subject to earlier termination, stock options must expire no later than the maximum term permitted by the rules of the CSE. Stock options granted to any person who ceases to be a Optionee (as defined in the New Stock Option Plan) for any reason other than death will terminate on the 30<sup>th</sup> day following the effective date such person ceases to be an Optionee.

In the event of death of an Optionee, any stock options previously granted shall be exercisable with one year following the death of the Optionee to the extent the Optionee was entitled to exercise such stock options at the date of the Optionee’s death pursuant to the terms of the Optionee’s stock option agreement.

The Board believes that the passing of the New Stock Option Plan Resolution is in the best interest of the Corporation and unanimously recommends that Shareholders vote in favour of the New Stock Option Plan Resolution.

At the Meeting, the Shareholders will be asked to approve the following ordinary resolution:

**“BE IT RESOLVED THAT:**

1. the new stock option plan (the “**New Stock Option Plan**”), substantially in the form attached as Schedule “A” to the management information circular of the

Corporation dated April 29, 2019, be and is hereby approved and adopted as the stock option plan of the Corporation;

2. the form of New Stock Option Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of the Corporation; and
3. any one director or officer of the Corporation be and the same is hereby authorized and directed for and in the name of and on behalf of the Corporation to execute or cause to be executed, whether under corporate seal of the Corporation or otherwise, and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as in the opinion of such director or officer may be necessary or desirable in order to carry out the terms of this resolution, such determination to be conclusively evidenced by the execution and delivery of such documents or the doing of any such act or thing."

**In the absence of contrary instructions, the persons named in the accompanying Form of Proxy intend to vote the Common Shares represented thereby in favour of the approval of the New Stock Option Plan Resolution.**

#### **CHANGE OF NAME**

At the Meeting, Shareholders will be asked to consider and, if thought appropriate, to pass a special resolution (the "**Name Change Resolution**") authorizing the Board to change the name of the Corporation to "Vencanna Ventures Inc." or such other name as the Board, in its sole discretion, determines appropriate and which all applicable regulatory authorities, including the CSE, may accept, and to amend the Corporation's articles accordingly (the "**Name Change**"). The Name Change will better align with the Corporation's operations as a merchant capital firm focused on early-stage global cannabis initiatives.

The Name Change Resolution, substantially in the form set forth below, requires the approval of not less than two thirds of the votes cast in respect thereof by the Shareholders present in person or represented by proxy at the Meeting. The Board believes that the passing of the Name Change Resolution is in the best interest of the Corporation and unanimously recommends that Shareholders vote in favour of the Name Change Resolution.

If approved, the effective date of the Name Change will be the date of issuance of a certificate of amendment under the ABCA.

At the Meeting, Shareholders will be asked to consider and, if thought appropriate, to approve a special resolution in the following form:

**"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:**

1. the name of the Corporation be changed to "Vencanna Ventures Inc." or such other name as the Board, in its sole discretion, determines appropriate and subject to the approval of all applicable regulatory authorities;
2. any one director or officer of the Corporation be and is hereby authorized and directed, for and on behalf of the Corporation (whether under corporate seal or otherwise), to execute and deliver articles of amendment, in duplicate, to the



Registrar under the Business Corporations Act (Alberta) (“ABCA”), and all documents and instruments and to take such other actions as such director or officer may deem necessary or desirable to implement the foregoing special resolutions and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such documents or instruments and the taking of any such actions;

3. upon articles of amendment having become effective in accordance with the ABCA, the articles of the Corporation are amended accordingly; and
4. notwithstanding approval of the shareholders of the Corporation as herein provided, the Board may, in its sole discretion, revoke the special resolution before it is acted upon without further approval of the shareholders of the Corporation.”

The Name Change will not affect the validity of currently outstanding share certificates of the Corporation or the trading of the Common Shares. Shareholders will not be required to surrender or exchange any of the certificates representing Common Shares that they currently hold.

**In the absence of contrary instructions, the persons named in the accompanying Form of Proxy intend to vote the Common Shares represented thereby in favour of the Name Change Resolution.**

#### OTHER MATTERS COMING BEFORE THE MEETING

The Board does not know of any other matters to come before the Meeting other than as referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the Common Shares represented by proxy solicited hereby will be voted on such matters in accordance with the best judgement of the person voting such proxy.

#### EXECUTIVE COMPENSATION

The Corporation’s Form 51-102F6V *Statement of Executive Compensation – Venture Issuers* for the year ended April 30, 2018 is attached hereto as Schedule “B”.

#### EQUITY COMPENSATION PLAN INFORMATION

The following table sets forth information with respect to compensation plans under which equity securities are authorized for issuance as at April 30, 2018, aggregated for all compensation plans previously approved by the Shareholders and all compensation plans not previously approved by the Shareholders:

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c)
Equity Compensation Plans Approved by Securityholders	900,000	\$0.10	743,143
Equity Compensation Plans Not Approved by Securityholders	-	\$-	-

Total	900,000	\$0.10	743,143
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**Notes:**

- (1) The above stock options were issued under the Corporation's previous stock option plan and expire on January 6, 2020. Pursuant to the New Stock Option Plan, these stock options will be deemed to have been granted under the New Stock Option Plan.
- (2) Since April 30, 2018, 12,466,740 stock options were granted to directors and officer of the Corporation. Such stock options expire within five years from the date of grant and have an exercise price of \$0.06 per Common Share.

**INDEBTEDNESS OF DIRECTORS AND OFFICERS**

No director or executive officer of the Corporation, nor any of their associates or affiliates, nor any employee of the Corporation is or has been indebted to the Corporation since the beginning of the most recently completed financial year of the Corporation, nor is, or at any time since the beginning of the most recently completed financial year of the Corporation has, any indebtedness of any such person been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

**INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

There are no material interests, direct or indirect, of directors, executive officers of the Corporation or any person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the outstanding Common Shares or any known associate or affiliate of such persons, in any transaction since the commencement of the Corporation's most recently completed financial year or any proposed transaction which has materially affected or would materially affect the Corporation.

**INTEREST OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED UPON**

Other than as disclosed in this Information Circular, management of the Corporation is not aware of any material interest of any director or nominee for director or executive officer or anyone who has held office as such since the beginning of the Corporation's last financial year or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting.

**CORPORATE GOVERNANCE PRACTICES**

In accordance with National Instrument 58-101 – *Disclosure of Corporate Governance Practices* and National Policy 58-201 – *Corporate Governance Guidelines* ("NP 58-201"), issuers are to disclose the corporate governance practices that they have adopted. NP 58-201 provides guidance on corporate governance practices. The Corporation is also subject to NI 52-110, which has been adopted in each of the Canadian provinces and territories and which prescribes certain requirements in relation to audit committees.

The Board is responsible for the governance of the Corporation. The Board and the Corporation's management consider good corporate governance to be central to the effective and efficient operation of the Corporation. Below is a discussion of the Corporation's approach to corporate governance.

***Corporate Governance and Compensation Committee***

The Board established a Corporate Governance and Compensation Committee on November 15, 2018. The members of the Corporate Governance and Compensation Committee are Matt Christopherson (Chair) and W. Scott McGregor. The members of the Corporate Governance and Compensation Committee are independent. The Corporate Governance and Compensation Committee convenes at least

two times annually and otherwise as deemed appropriate by the Chair of the Corporate Governance and Compensation Committee.

#### *Mandate of the Corporate Governance and Compensation Committee*

On November 15, 2018, the Board adopted a written mandate that sets forth the responsibilities of the Corporate Governance and Compensation Committee, which include:

- (a) developing and reviewing the Corporation's approach and procedures in relation to governance matters;
- (b) reviewing the competencies and skills of the Board and its individual members to identify and recommend new director nominees annually;
- (c) establishing a process for direct communications with Shareholders, including through the whistleblowing policy;
- (d) reviewing and approving compensation, including salary and bonuses in the form of cash or other compensation, for the Corporation's staff, including the officers of the Corporation but not the Chief Executive Officer;
- (e) reviewing and providing recommendations to the Board on the compensation of the Chief Executive Officer; and
- (f) reviewing and, as appropriate, approving employment contracts or other major agreements for the Corporation's employees.

#### *Nomination of Directors*

Effective November 15, 2018, the Corporate Governance and Compensation Committee has the responsibility to propose to the Board, annually, the members proposed for re-election to the Board and identify and recommend new nominees for the Board. New candidates will be identified having regard to: (a) the competence and skills that the Board considers to be necessary for the Board, as a whole, to possess; (b) the competence and skills that the Board considers each existing director to possess; (c) the competencies and skills that each new nominee will bring to the boardroom; and (d) whether or not each new nominee can devote sufficient time and resources to his or her duties as a member of the Board. The Corporate Governance and Compensation Committee will also assess what competencies and skills the Board, as a whole, should possess and the appropriate size of the Board in order to facilitate effective decision making. The Corporate Governance and Compensation Committee has the power to retain outside advisors as it considers necessary for the proper functioning of the committee, at the Corporation's expense.

#### *Assessments*

Effective November 15, 2018, the Corporate Governance and Compensation Committee has become responsible for establishing and administering a process (including a review by the full Board and discussion with management) for: (a) assessing the effectiveness of the Board as a whole and the committees of the Board; (b) establishing, in consultation with the Board, criteria for Board membership and recommending Board composition; and (c) as circumstances require, assessing the performance and contribution of individual directors. The review will identify any areas where the directors of the Corporation or management believe that the Board could make a better collective contribution to overseeing the affairs of the Corporation.

## *Compensation Policies and Practices*

The Corporation's compensation policies and practices are intended to align management incentives with the long term interests of the Corporation and its Shareholders and to attract and retain qualified personnel. In each case, the Corporation seeks an appropriate balance of risk and reward. On November 15, 2018, the Board adopted the following practices that are designed to avoid inappropriate or excessive risks:

### Anti-Hedging Policy

The Corporation has adopted a written anti-hedging policy (the "**Anti-Hedging Policy**") that prohibits an executive officer or director, among others, from purchasing financial instruments, including prepaid variable forward contracts, instruments for the short sale or purchase or sale of call or put options, equity swaps, collars, or units of exchangeable funds, that are designed to or that may reasonably be expected to have the effect of hedging or offsetting a decrease in the market value of any securities of the Corporation.

The Anti-Hedging Policy has been implemented to ensure that directors, executive officers and employees of the Corporation are prohibited from hedging or monetizing transactions in order to lock in the value of their securities of the Corporation. Examples would include the entry into prepaid variable forward contracts, instruments for the short sale or purchase or sale of call or put options, equity swaps, collars, or units of exchangeable funds that have the effect of offsetting a decrease in the market value of securities held in the Corporation.

In addition, pursuant to the Anti-Hedging Policy governing insider trading, short term speculative trading of the Common Shares by officers, directors and employees is strongly discouraged as it conflicts with the best interests of the Corporation and its Shareholders. Consequently, insiders including the Corporation's executive officers, directors and their related persons, are not only discouraged from frequently trading the Common Shares, but are also specifically prohibited from short selling any Common Shares and from trading in any derivative instruments involving the Corporation's securities.

### Clawback Policy

The Corporation has implemented a written clawback policy for situations where a director, executive officer or other employee receives additional incentive compensation as a result of his or her own misconduct (the "**Clawback Amounts**"). In such situations, the director, executive officer or other employee shall be obligated to reimburse the Corporation for such Clawback Amounts and the Board shall be given the discretion to determine the steps required to effect such recovery.

### *Independence of Members of the Board*

The Board currently consists of five directors, three of whom are independent based upon the tests for independence set forth in NI 52-110. David McGorman, the Chief Executive Officer, and Jon Sharun, the Executive Director and Chief Financial Officer, are not independent by virtue of being senior officers of the Corporation.

NI 58-101 suggests that the board of directors of a public company should be constituted with a majority of individuals who qualify as independent directors. As disclosed above, 60% percent of the Board are independent directors. In addition, the independent judgment of the Board in carrying out its responsibilities is the responsibility of all directors. The Board exercises its independent supervision over the Corporation's management through a combination of formal meetings of the Board as well as informal discussions amongst the Board members. The independent directors can also hold scheduled

meetings at which non-independent directors and members of management are not in attendance. Where matters arise at Board meetings which require decision making and evaluation that is independent of management and interested directors, the meeting breaks into an *in camera* session among the independent and disinterested directors. In addition, the Board has free access to the Corporation's external auditors, legal counsel and to any of the Corporation's officers.

### ***Directorships in Other Reporting Issuers***

As of the date hereof, the following directors hold directorships in other reporting issuers:

<b>Name of Director</b>	<b>Reporting Issuer</b>
W. Scott Mcgregor	HAW Capital Corp. (TSXV) GEGS Capital Corp (TSXV)

### ***Orientation and Continuing Education***

Effective November 15, 2018, the Corporate Governance and Compensation Committee has under its mandate the responsibility to ensure that there is in place an education and orientation program for new members of the Board and a continuing education program for all directors and to maintain a Board manual. At present, each new director is given an outline of the nature of the Corporation's business, its corporate strategy and current issues with the Corporation. New directors are also expected to meet with management of the Corporation to discuss and better understand the Corporation's business and will be advised by counsel to the Corporation of their legal obligations as directors of the Corporation. New directors are also given copies of the Corporation's policies. While the Corporate Governance and Compensation Committee has not implemented a formal continuing education program for its directors, the Corporation provides continuing education on an informal basis.

Members of the Board are encouraged to communicate with management, legal counsel and, where applicable, auditors and technical consultants of the Corporation; 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 Corporation's operations. Board members have full access to the Corporation's records.

### ***Board Mandate***

On November 15, 2018, the Board adopted a written mandate that summarizes, among other things, the Board's duties and responsibilities. The Board is responsible for the overall stewardship of the Corporation and dealing with issues which are pivotal to determining the Corporation's strategy and direction. The Board has directly, and through the appointment of certain committees, put in place an effective system for monitoring the implementation of corporate strategies. The Board is not involved in the day to day operations of the Corporation, as these operations are conducted by the Corporation's management. The Board meets regularly to consider and approve the strategic objectives of the Corporation and management plans designed to accomplish those objectives. Where appropriate, key management personnel and professional advisors are invited to attend Board meetings to speak to these issues. The Board also meets as necessary to consider specific developments and opportunities as they arise, including asset acquisitions and dispositions and financing proposals. The Board approves, among other things, all issuances of securities of the Corporation, the appointment of officers, the entering into of lines of credit or other significant borrowing activities and all significant transactions. The Board considers, but has no formal policies, concerning management development and succession and risk management.

Essential to strategic planning is assessing and understanding business risks and related control systems. The Board helps set limits with respect to business risks, to the extent they can be managed, and approves strategies for minimizing risks. Implementations of these strategies are then monitored by the Board. The Board, through the Audit Committee, requires management of the Corporation to put into place systems to address financial risks and to periodically report to the Board on these systems and risks.

Management has implemented procedures to provide reasonable assurance of effective communication with the Corporation's shareholders and the public. The Corporation's management is responsible for the issuance of press releases and communications with the financial community. The Board reviews and approves all principal continuous disclosure documents, the release of interim and annual financial statements, annual information forms, prospectuses and information circulars.

The Corporate Governance and Compensation Committee is responsible for monitoring the governance systems of the Corporation with a view to ongoing improvements, reviewing the composition of the Board and developing criteria for new Board appointments. The Corporate Governance and Compensation Committee also acts as a nominating committee for new directors, oversees and approves the Corporation's compensation plans and evaluates the overall Board effectiveness.

### ***Board Oversight***

The Board exercises its independent supervision over the Corporation's management through a combination of formal meetings of the Board as well as informal discussions amongst the Board members. The independent directors can also hold scheduled meetings at which non-independent directors and members of management are not in attendance. Where matters arise at Board meetings which require decision making and evaluation that is independent of management and interested directors, the meeting breaks into an *in camera* session among the independent and disinterested directors.

### ***Position Descriptions***

The Board has developed a written position description for the Chair of the Board and the Chief Executive Officer of the Corporation.

The Board, in conjunction with management, sets the Corporation's annual objectives which become the objectives against which the Chief Executive Officer's performance is measured. The Board has plenary power; any responsibility which is not delegated to management or a Board committee remains with the Board.

### ***Ethical Business Conduct***

In establishing its corporate governance practices, the Board has been guided by applicable Canadian securities legislation, including NP 58-201. The Board is committed to a high standard of corporate governance practices. The Board believes that this commitment is not only in the best interests of its Shareholders, but that it also promotes effective decision making at the Board level.

The Board has adopted a code of business conduct and ethics for its directors, executive officers, employees, and consultants to promote a culture of ethical business conduct within the Corporation. The Board has also adopted a whistleblower policy and a corporate disclosure policy to ensure ethical business conduct and compliance with applicable Canadian securities legislation.

The Board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law and the restrictions placed by applicable corporate

legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation.

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. In addition, as the directors of the Corporation also serve as directors and officers of other companies engaged in similar business activities, directors must comply with the conflict of interest provisions of the ABCA, 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 officer has a material interest. Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors which evoke such a conflict.

### *Audit Committee*

Please see the discussion under the heading "*Audit Committee*".

## **AUDIT COMMITTEE**

The Audit Committee is a committee of the Board to which the Board delegates its responsibility for oversight of the financial reporting process. The Audit Committee is also responsible for managing, on behalf of the Shareholders, the relationship between the Corporation and the external auditor. Pursuant to NI 52-110, the Corporation is required to disclose certain information with respect to its Audit Committee, as summarized below.

### *Audit Committee Charter*

On November 15, 2018, the Board adopted a new Audit Committee charter (the "**Audit Committee Charter**"), attached hereto as Schedule "C". The mandate of the Audit Committee is to oversee and provide assistance in financial reporting, financial policies and internal controls as well as to work with the external auditors to ensure the accuracy of the Corporation's financial disclosures. The Audit Committee must pre-approve all non-audit services to be provided by an external auditor.

### *Composition of the Audit Committee*

As of November 15, 2018, the Audit Committee is comprised of W. Scott McGregor (Chair), Alan Gertner, and Matt Christopherson. All members of the Audit Committee are independent based upon the tests for independence set forth in NI 52-110. All members of the Audit Committee are financially literate.

### *Relevant Education and Experience*

Collectively, the Audit Committee has the education and experience to fulfill the responsibilities outlined in the Audit Committee Charter.

Mr. McGregor is a senior investment banking professional with over twenty years of energy and corporate finance experience complemented by undergraduate and master's degrees from two of Canada's highly respected universities. Mr. McGregor is the Chief Executive Officer of GEGS Capital Corp., a capital pool company. Prior thereto, Mr. McGregor served as Executive Vice President and director of Merrco Payments Inc., a secure payment gateway that provides a fully customizable method to regulate a direct-to-consumer cannabis mail-order system in Canada. Previously, Mr. McGregor was

Managing Director of Investment banking at Mackie Research. Mr. McGregor has a B.A. from Queens University and an M.B.A. from Rotman School of Management.

Mr. Gertner is the former Chief Retail Officer of Canopy Growth Corp., former Chief Executive Officer of HIKU Brands and co-founder of Tokyo Smoke, an award-winning, internationally recognized, cannabis brand with a cross country network of retail stores. Prior to taking the reins of HIKU Brands and founding Tokyo Smoke, he led a plus \$100 million organization at Google in Asia and was a founding member of Google's first Global Business Strategy team while based in Mountain View, California. Mr. Gertner graduated Dean's list from the Richard Ivey School of Business with an Honors Business Administration.

Mr. Christopherson is the founder and President/CEO of Higharchy Brands Group, a company that helps cannabis brands maximize growth through advising and capital investment. Mr. Christopherson has over a decade of experience within the cannabis space, previously as VP of Business Development and a Partner at Keirton Inc., a company that provides growers with medical cannabis harvesting machines under the brand "Twister Trimmer". In addition, Mr. Christopherson is a co-founder of Lift & Co, Canada's largest cannabis education and tech platform powered by the industry's largest database of medical marijuana and strain reviews left by real medical cannabis patients. He also sits on various boards within the cannabis industry, including Bevcanna and Isracann. Mr. Christopherson is a director of a non-profit organization, Ruben's Shoes.

Each member of the Audit Committee has:

- (a) an understanding of the accounting principles used by the Corporation to prepare its financial statements;
- (b) the ability to assess the general application of those principles in connection with the accounting for estimates, accruals and provisions;
- (c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements, or experience actively supervising individuals engaged in such activities; and
- (d) an understanding of internal controls and procedures for financial reporting.

### ***Reliance on Certain Exemptions***

Since the effective date of NI 52-110, the Corporation has not relied on the exemptions contained in sections 2.4 or 8 of NI 52-110. The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Audit Committee Charter.

The Corporation is relying on the exemption provided by section 6.1 of NI 52-110 which provides that the Corporation, 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.

### ***Audit Committee Oversight***

At no time since the commencement of the Corporation's financial year ended April 30, 2018 was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.



### ***Pre-Approval Policies and Procedures***

Effective November 15, 2018, the Audit Committee is authorized by the Board to review the performance of the Corporation's external auditors, and approve in advance the provision of services other than audit services and to consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the Corporation. The Audit Committee is authorized to approve any non-audit services or additional work, which the Chair of the Audit Committee deems as necessary.

### ***External Auditor Service Fees (By Category)***

In the following table, "audit fees" are fees billed by the Corporation's external auditors for services provided in auditing the Corporation's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditors for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation's financial statements. "Tax fees" are fees billed by the auditors for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditors for products and services not included in the foregoing categories.

The fees paid by the Corporation to its auditors in the previous two (2) financial years, by category, are as follows:

<b>Financial Year Ending April 30</b>	<b>Audit Fees</b>	<b>Audit-related Fees<sup>(1)</sup></b>	<b>Tax Fees</b>	<b>All Other Fees</b>
2018 <sup>(2)</sup>	\$5,500	-	\$500	-
2017 <sup>(2)</sup>	\$5,500	-	\$500	-

#### **Notes:**

- (1) "Audit-related Fees" include amounts billed for non-audit services, such as non-audit reviews of interim financial statements.
- (2) The auditor service fees for the fiscal years ended April 30, 2018 and 2017 were paid to the Corporation's former auditors, K.R. Margetson Ltd. ("K.R."). K.R. resigned as auditors of the Corporation and the Board appointed MNP LLP as successor auditors on March 6, 2019.

### **ADDITIONAL INFORMATION**

Financial information of the Corporation is provided in the Corporation's comparative annual financial statements and management's discussion and analysis for its most recently completed financial year. A copy of these documents may be obtained by contacting the Corporation's Chief Executive Officer at Suite 310, 250 - 6th Avenue S.W., Calgary, Alberta, T2P 3H7.

Copies of these documents, as well as additional information relating to the Corporation contained in documents filed by the Corporation with the Canadian securities regulatory authorities, may also be accessed through the SEDAR website at [www.sedar.com](http://www.sedar.com).

## SCHEDULE "A" STOCK OPTION PLAN

### 1. Purpose

The purposes of the Plan are: (i) to provide an incentive to the directors, officers, employees and consultants of the Corporation or any of its subsidiaries to achieve the longer-term objectives of the Corporation; (ii) to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Corporation; and (iii) to attract and retain in the employ of the Corporation or any of its subsidiaries, persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Corporation.

### 2. Definitions And Interpretation

When used in this Plan, unless there is something in the subject matter or context inconsistent therewith, the following words and terms shall have the respective meanings ascribed to them as follows:

- (a) **"Black Out Period"** means any period during which a policy of the Corporation prevents an Insider from trading in the Common Shares;
- (b) **"Board of Directors"** means the board of directors of the Corporation;
- (c) **"Common Shares"** means common shares in the capital of the Corporation and any shares or securities of the Corporation into which such common shares are changed, converted, subdivided, consolidated or reclassified;
- (d) **"Corporation"** means Top Strike Resources Corp. and any successor corporation, and any reference herein to action by the Corporation means action by or under the authority of its Board of Directors or a duly empowered committee appointed by the Board of Directors;
- (e) **"Exchange"** means the Canadian Securities Exchange or any other stock exchange on which the Common Shares are listed;
- (f) **"Exchange Policies"** means, collectively, Policy 6 of the Exchange entitled "Distributions", Policy 1 of the Exchange entitled "Interpretation" and any other policies of the Exchange applicable to incentive stock options;
- (g) **"Option"** means an option granted by the Corporation to an Optionee entitling such Optionee to acquire a designated number of Common Shares from treasury at a price determined by the Board of Directors;
- (h) **"Option Period"** means the period determined by the Board of Directors during which an Optionee may exercise an Option not to exceed the maximum period permitted by the Exchange, which maximum period is [5] years from the date the Option is granted;
- (i) **"Optionee"** means a person who is a director, officer, employee or consultant of the Corporation or a subsidiary of the Corporation; a corporation wholly-owned by such persons; or any other individual or body corporate who may be granted an option pursuant to the requirements of the Exchange, who is granted an Option pursuant to this Plan;

- (j) “**Plan**” means the Corporation’s incentive stock option plan as embodied herein and as amended from time to time; and
- (k) “**Stock Option Agreement**” has the meaning ascribed thereto in Section 7 of the Plan.

Capitalized terms in the Plan that are not otherwise defined herein shall have the meaning set out in the Exchange Policies.

Wherever the singular or masculine is used in this Plan, the same shall be construed as meaning the plural or feminine or body corporate and vice versa, where the context or the parties so require.

### **3. Administration**

The Plan shall be administered by the Board of Directors. The Board of Directors shall have full and final discretion to interpret the provisions of the Plan and to prescribe, amend, rescind and waive rules and regulations to govern the administration and operation of the Plan. All decisions and interpretations made by the Board of Directors shall be binding and conclusive upon the Corporation and on all persons eligible to participate in the Plan, subject to the approval of the Exchange (including shareholder approval if required by the Exchange). Notwithstanding the foregoing or any other provision contained herein, the Board of Directors shall have the right to delegate the administration and operation of the Plan to a special committee of directors appointed from time to time by the Board of Directors, in which case all references herein to the Board of Directors shall be deemed to refer to such committee.

### **4. Eligibility**

The Board of Directors may at any time and from time to time designate those Optionees who are to be granted an Option pursuant to the Plan and grant an Option to such Optionee. Subject to Exchange Policies and the limitations contained herein, the Board of Directors is authorized to provide for the grant and exercise of Options on such terms (which may vary as between Options) as it shall determine. No Option shall be granted to any person except upon the approval of the Board of Directors. An Optionee who has been granted an Option may, if he is otherwise eligible and if permitted by Exchange Policies, be granted an additional Option or Options if the Board of Directors shall so determine.

### **5. Participation**

Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Optionee’s relationship or employment with the Corporation.

Notwithstanding any express or implied term of this Plan or any Option to the contrary, the granting of an Option pursuant to the Plan shall in no way be construed as conferring on any Optionee any right with respect to continuance as a director, officer, employee or consultant of the Corporation or any subsidiary of the Corporation.

Options shall not be affected by any change of employment of the Optionee or by the Optionee ceasing to be a director or officer of or a consultant to the Corporation or any of its subsidiaries, where the Optionee at the same time becomes or continues to be a director, officer or employee of or a consultant to the Corporation or any of its subsidiaries.

No Optionee shall have any of the rights of a shareholder of the Corporation in respect of Common Shares issuable on exercise of an Option until such Common Shares shall have been paid for in full and issued by the Corporation on exercise of the Option, pursuant to this Plan.

## **6. Common Shares Subject to Options**

The number of authorized but unissued Common Shares that may be issued upon the exercise of Options granted under the Plan at any time, together with the number of Common Shares reserved for issuance under all other equity based compensation arrangements of the Corporation, shall not exceed 10% of the issued and outstanding Common Shares on a non-diluted basis, and such number shall increase or decrease as the number of issued and outstanding Common Shares changes.

Appropriate adjustments shall be made as set forth in Section 14 hereof in both the number of Common Shares covered by individual grants and the total number of Common Shares authorized to be issued hereunder, to give effect to any relevant changes in the capitalization of the Corporation.

If any Option granted hereunder shall expire or terminate for any reason without having been exercised in full, the unexercised Common Shares subject thereto shall again be available for the purpose of the Plan.

No fractional shares may be purchased or issued hereunder.

If the Expiry Date occurs during or within 10 days after the last day of a Black Out Period, the Expiry Date for the Option will be the last day of such 10 day period.

Each Option granted by the Corporation prior to the date of the approval of the Plan by the shareholders of the Corporation is continued under and shall be subject to the terms of the Plan after the Plan has been approved by the shareholders of the Corporation.

## **7. Option Agreement**

A written agreement will be entered into between the Corporation and each Optionee to whom an Option is granted hereunder, which agreement will set out the number of Common Shares subject to option, the exercise price and any other terms and conditions approved by the Board of Directors, all in accordance with the provisions of this Plan (herein referred to as the "**Stock Option Agreement**"). The Stock Option Agreement will be in such form as the Board of Directors may from time to time approve, and may contain such terms as may be considered necessary in order that the Option will comply with any provisions respecting options in the income tax or other laws in force in any country or jurisdiction of which the Optionee may from time to time be a resident or citizen or the rules of the Exchange or any other regulatory body having jurisdiction over the Corporation.

## **8. Option Period and Exercise Price**

Each Option and all rights thereunder shall be expressed to expire on the date set out in the respective Stock Option Agreement, which date shall be no later than the expiry of the Option Period (the "**Expiry Date**"), subject to earlier termination as provided in Sections 10, 11 and 16 hereof.

Subject to Exchange Policies and any limitations imposed by any other regulatory authority having jurisdiction over the Corporation, the exercise price of an Option granted under the Plan shall be as determined by the Board of Directors when such Option is granted and shall in no event be lower than the exercise price allowed by the Exchange. Once the exercise price has been determined by the Board of Directors and accepted by the Exchange (as applicable) and the Option has been granted, the exercise price of an Option may be reduced upon receipt of approval of the Board of Directors (subject to such reduction being in compliance with the rules and policies of the Exchange).

## **9. Exercise of Options**

An Optionee shall be entitled to exercise an Option granted to such Optionee at any time prior to the Expiry Date, subject to Sections 10, 11 and 16 hereof and to vesting limitations which may be imposed by the Board of Directors at the time such Option is granted as set out in the Stock Option Agreement. Subject to Exchange Policies, the Board of Directors may, in its sole discretion, determine the time during which an Option shall vest and the method of vesting, or that no vesting restriction shall exist.

The exercise of any Option will be conditional upon receipt by the Corporation at its head office of a written notice of exercise, specifying the number of Common Shares in respect of which the Option is being exercised, accompanied by cash payment, certified cheque or bank draft for the full purchase price of such Common Shares with respect to which the Option is being exercised.

## **10. Ceasing to be a Director, Officer, Employee or Consultant**

If a person who holds an Option or Options ceases to meet the definition of Optionee in this Plan for any reason other than death, any Options granted to such person will terminate on the 30th day following the effective date such person ceases to be an Optionee or the expiry time of such Option, whichever occurs first, and shall be of no further force or effect whatsoever as to the Common Shares in respect of which an Option has not previously been exercised; however, such Options may be exercised by a person who has ceased to be an Optionee only if the person was entitled to exercise the Options at the date of such cessation pursuant to the terms of the person's Stock Option Agreement.

## **11. Death of Optionee**

In the event of the death of an Optionee, any Options previously granted to such Optionee shall be exercisable within one year following the date of the death of the Optionee or prior to the Expiry Date, whichever is earlier, and then only:

- (a) by the person or persons to whom the Optionee's rights under such Options shall pass by the Optionee's will or the laws of descent and distribution, or by the Optionee's legal personal representative; and
- (b) to the extent that the Optionee was entitled to exercise such Options at the date of the Optionee's death pursuant to the terms of the Optionee's Stock Option Agreement.

## **12. Optionee's Rights Not Transferable**

No right or interest of any Optionee in or under the Plan is assignable or transferable, in whole or in part, either directly or by operation of law or otherwise in any manner except pursuant to Section 11 hereof, subject to the requirements of the Exchange, or as otherwise allowed by the Exchange.

Subject to the foregoing, the terms of the Plan shall bind the Corporation and its successors and assigns, and each Optionee and his heirs, executors, administrators and personal representatives.

## **13. Takeover or Change of Control**

The Corporation shall have the power, in the event of:

- (a) any disposition of all or substantially all of the assets of the Corporation, or the dissolution, merger, amalgamation or consolidation of the Corporation with or into any other corporation or of such corporation into the Corporation; or

- (b) any change in control of the Corporation,

to make such arrangements as it shall deem appropriate for the exercise of outstanding Options or continuance of outstanding Options, including without limitation, to amend any Stock Option Agreement to permit the exercise of any or all of the remaining Options prior to the completion of any such transaction. If the Corporation shall exercise such power, the Option shall be deemed to have been amended to permit the exercise thereof in whole or in part by the Optionee at any time or from time to time as determined by the Corporation prior to the completion of such transaction.

#### **14. Adjustments**

In the event of:

- (a) any subdivision, redivision or change of the Common Shares at any time during the term of the Option into a greater number of Common Shares, the Corporation shall deliver, at the time of any exercise thereafter of the Option, such number of Common Shares as would have resulted from such subdivision, redivision or change if the exercise of the Option had been made prior to the date of such subdivision, redivision or change;
- (b) any consolidation or change of the Common Shares at any time during the term of the Option into a lesser number of Common Shares, the number of Common Shares deliverable by the Corporation on any exercise thereafter of the Option shall be reduced to such number of Common Shares as would have resulted from such consolidation or change if the exercise of the Option had been made prior to the date of such consolidation or change; or
- (c) any reclassification of the Common Shares at any time outstanding or change of the Common Shares into other shares, or in case of the consolidation, amalgamation or merger of the Corporation with or into any other corporation (other than a consolidation, amalgamation or merger which does not result in a reclassification of the outstanding Common Shares or a change of the Common Shares into other shares), or in case of any transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another corporation, at any time during the term of the Option, the Optionee shall be entitled to receive, and shall accept, in lieu of the number of Common Shares to which he was theretofore entitled upon exercise of the Option, the kind and amount of shares and other securities or property which such holder would have been entitled to receive as a result of such reclassification, change, consolidation, amalgamation, merger or transfer if, on the effective date thereon he had been the holder of the number of Common Shares to which he was entitled upon exercise of the Option.

Adjustment shall be made successively whenever any event referred to in this section shall occur. Appropriate adjustments to: (i) the number of Common Shares subject to the Plan and, as regards to Options granted or to be granted, in the number of Common Shares optioned; and (ii) the exercise price, shall be made by the Board of Directors to give effect to adjustments in the number of Common Shares resulting from any of the above mentioned subdivisions, consolidations or reclassifications of the Common Shares, the payment of distributions or dividends by the Corporation (other than dividends in the ordinary course) or other relevant changes in the authorized or issued capital of the Corporation, which changes occur subsequent to the approval of the Plan by the Board of Directors.

#### **15. Costs**

The Corporation shall pay all costs of administering the Plan.

## **16. Termination and Amendment**

- (a) The Board of Directors may amend or terminate this Plan or any outstanding Option granted hereunder at any time without the approval of the shareholders of the Corporation or any Optionee whose Option is amended or terminated, in order to conform this Plan or such Option, as the case may be, to applicable law or regulation or the requirements of the Exchange or any other regulatory authority having jurisdiction over the Corporation, whether or not such amendment or termination would affect any accrued rights, subject to the approval of the Exchange or such other regulatory authority.
- (b) The Board of Directors may amend or terminate this Plan or any outstanding Option granted hereunder for any reason other than the reasons set forth in Section 16(a) hereof, subject to the approval of the Exchange or any other regulatory authority having jurisdiction over the Corporation, and the approval of the shareholders of the Corporation if required by the Exchange or such other regulatory authority. No such amendment or termination will, without the consent of an Optionee, alter or impair any rights which have accrued to such Optionee prior to the effective date thereof.
- (c) The Plan, and any amendments thereto, shall be subject to acceptance and approval by the Exchange. Any Options granted prior to such approval and acceptance shall be conditional upon such approval and acceptance being given and no such Options may be exercised unless and until such approval and acceptance are given.

## **17. Applicable Law**

This Plan shall be governed by, administered and construed in accordance with the laws of Canada applicable therein.

## **18. Prior Plans**

On the effective date (as defined in Section 19 hereof), subject to Exchange approval and, if required, shareholder approval:

- (a) the Plan shall entirely replace and supersede prior stock option plans, if any, enacted by the Corporation; and
- (b) all outstanding options shall be deemed to be granted pursuant to the Plan.

## **19. Effective Date**

This Plan shall become effective as of and from, and the effective date of the Plan shall be, the date of shareholder approval for the Plan, if such approval is required by the Exchange, subject to final Exchange approval for the Plan, or the date of final Exchange approval for the Plan if the Exchange does not require shareholder approval for the Plan.

**SCHEDULE "B"**  
**STATEMENT OF EXECUTIVE COMPENSATION**

**FORM 51-102 F6V**

**STATEMENT OF EXECUTIVE COMPENSATION - VENTURE ISSUERS**

**FOR THE YEAR ENDED APRIL 30, 2018**

**General**

All currency amounts expressed herein, unless otherwise indicated, are expressed in Canadian dollars. Except where otherwise defined herein, capitalized words and phrases have the meaning ascribed thereto in the body of this Information Circular.

The following information relates to the financial year ended April 30, 2018 of the Corporation and the Corporation's compensation philosophy and practices both prior and subsequent to the recapitalization transaction completed by the Corporation on September 24, 2018 (the "**Transaction**"). For more information regarding the Transaction, see the Corporation's amended annual information form dated January 21, 2018, available under the Corporation's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com).

For the purposes of this Statement, "**Named Executive Officers**" or "**NEOs**" means each of the following individuals:

- (a) each individual who, in respect of the Corporation, during any part of the financial year ended April 30, 2018, served as chief executive officer ("**CEO**"), including an individual performing functions similar to a CEO of the Corporation;
- (b) each individual who, in respect of the Corporation, during any part of the financial year ended April 30, 2018, served as chief financial officer ("**CFO**"), including an individual performing functions similar to a CFO of the Corporation;
- (c) in respect of the Corporation and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the financial year ended April 30, 2018 whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V - *Statement of Executive Compensation - Venture Issuers* 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 Corporation, nor acting in a similar capacity, as at April 30, 2018.

Based on the foregoing definitions, the Corporation's Named Executive Officers in respect of the year ended April 30, 2018 were: Dale Styner, former President, CEO, Secretary and director; and David F. Campbell, former CFO.

**Summary of Named Executive Officers' Compensation**

***Pre-Transaction***

The following discussion is primarily related to the Corporation's pre-Transaction policy for executive compensation.



Given the Corporation's early development stage before the Transaction, the Corporation was focused on limiting cash compensation to the extent appropriate. The pre-Transaction compensation program of the Corporation was designed to attract, motivate, reward and retain knowledgeable and skilled executives required to achieve the Corporation's corporate objectives and increase shareholder value. The main objective of the compensation program was to recognize the contribution of the executive officers to the overall success and strategic growth of the Corporation. The compensation program was designed to reward management performance by aligning a component of the compensation with the Corporation's business performance and share value. The philosophy of the Corporation was to maintain a close monitoring over costs during its start-up phase and then to pay the management a total compensation amount that is competitive with other junior companies in Canada and was consistent with the experience and responsibility level of the management. The purpose of executive compensation was to reward the executives for their contributions to the achievements of the Corporation on both an annual and long term basis.

The former board of directors of the Corporation (the "**Former Board**") adopted a compensation program that covered three (3) key elements: (i) a base amount of salary and benefits; (ii) a performance based cash bonus; and (iii) stock options. A description of the criteria used in each element of compensation is set forth below.

#### *Base Salary*

The objective of base salary compensation was to reward and retain NEOs. The program was designed to reward NEOs for maximizing shareholder value in a regulatory compliant and ethical manner. In setting base compensation levels, consideration was given to such factors as level of responsibility, experience, expertise and the amount of time devoted to the affairs of the Corporation. Subjective factors such as leadership, commitment and attitude were also considered. The members of the Former Board had experience with other junior companies to assist in determining the competitiveness of base salary, bonuses, benefits and stock options paid to each of the executive officers of the Corporation.

#### *Bonus Plan*

The Corporation's pre-Transaction compensation philosophy was to encourage the maximization of shareholder value at all levels of the organization by making cash bonuses a component of compensation, taking into consideration performance by both the Corporation and the respective executive officer.

Although no formal bonus plan was implemented, all executive officers were eligible to receive a bonus. Bonus levels, if any, were to be established by the Former Board. Bonus awards for executive officers were discretionary. No bonuses were paid by the Corporation.

#### *Stock Options*

The maximization of shareholder value was encouraged by the granting of stock options at all levels. The Corporation had, and still has, in place a stock option plan (the "**Stock Option Plan**") under which awards have been made to executive officers in amounts relative to positions, performance, and what is considered competitive in the industry. The objective of the Stock Option Plan is to reward and retain Named Executive Officers. The program is designed to reward Named Executive Officers for maximizing shareholder value in a regulatory compliant and ethical manner. The Board currently administers the Stock Option Plan. It is proposed that the Stock Option Plan be replaced by the New Stock Option Plan at the Meeting, as described in the body of this Information Circular.

Prior to the Transaction, the Corporation did not offer any long term incentive plans, share compensation plans, retirement plans, pension plans, or any such benefit programs for the NEOs other than the Stock

Option Plan. A summary of the terms of the Stock Option Plan is included under the heading “*Stock Option Plan*” below.

The Corporation did not grant any options (“**Options**”) to purchase Common Shares during the financial years ended April 30, 2018 and 2017.

#### *Post-Transaction*

On September 24, 2018, pursuant to the Transaction, the Former Board was replaced by the Board and a new management team was appointed to replace the former executive officers of the Corporation. On November 15, 2018, the Board established the Corporate Governance and Compensation Committee. The Corporate Governance and Compensation Committee assists the Board in carrying out its responsibilities to the Corporation with respect to, among other things, compensation matters. The Corporate Governance and Compensation Committee’s responsibilities with respect to compensation matters include but are not limited to: (i) reviewing and, as appropriate, approving, compensation, including salary and bonuses in the form of cash or other compensation, awarded to all of the Corporation’s staff, including the officers of the Corporation but not the Chief Executive Officer; and (ii) reviewing and providing recommendations to the Board on the compensation of the Chief Executive Officer.

The Board relies on the knowledge and experience of its members to set appropriate levels of compensation for future NEOs. When determining NEO compensation, the Board uses all data available to it to ensure that such compensation is set at a level that is both commensurate with the size of the Corporation, responsibilities of the particular NEO and retention of the NEOs, who are considered by the Board to be essential to the success of the Corporation.

The Board reviews the various elements of the NEOs’ compensation in the context of the total compensation package (including salary, incentive bonuses and awards of stock options), recommends the NEOs’ compensation packages, and where appropriate, engages in benchmarking for the purpose of establishing compensation levels relative to industry peers.

The new executive compensation program consists of three components: (a) base compensation in the form of salary; (b) incentive bonuses in the form of cash payments; and (c) subject to shareholder approval, long-term compensation in the form of Options granted under the Stock Option Plan. For the post-Transaction Named Executive Officers, the stock option component is an essential part of their compensation. No NEO or director of the Corporation is permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation, or held, directly or indirectly, by a Named Executive Officer or director of the Corporation.

#### *Base Compensation and Incentive Bonuses*

Base compensation for executive officers of the Corporation is set annually, having regard to the individual’s job responsibilities, contribution, experience and proven or expected performance, as well as to market conditions. In setting base compensation levels, consideration is given to such factors as level of responsibility, experience and expertise in addition to the policies of the CSE.

Incentive bonuses, in the form of cash payments, are designed to add a variable component of compensation based on corporate and individual performance for executive officers.

## *Stock Options*

To provide a long-term component to the executive compensation program, executive officers of the Corporation are eligible to receive Options. For a description of the purpose behind the Stock Option Plan and a summary of the terms of the Stock Option Plan, see “*Pre-Transaction – Stock Options*”, above, and “*Stock Option Plan*”, below, respectively. It is proposed that the Stock Option Plan be replaced by the New Stock Option Plan at the Meeting, as described in the body of this Information Circular.

## **Summary of Directors’ Compensation**

### *Pre-Transaction*

Prior to the Transaction, directors of the Corporation who were not also NEOs (the “**Outside Directors**”) were reimbursed by the Corporation for their out-of-pocket expenses. NEOs of the Corporation who also acted as directors of the Corporation did not receive any additional compensation for services rendered in their capacity as directors, other than as paid by the Corporation to such NEOs in their capacity as NEOs.

There has been no cash compensation (including salaries, director’s fees, commissions and bonuses paid for services rendered) paid to Outside Directors or corporations controlled by them, by the Corporation for the period from May 1, 2014 to April 30, 2018.

During the financial years ended April 30, 2018 and 2017, the Corporation did not grant any Options to the Outside Directors.

In the Former Board’s view, there was no need for the Corporation to design or implement a formal compensation program for directors. While the Former Board considered granting Options to directors from time to time, the Former Board did not employ a prescribed methodology when determining the grant or allocation of Options. Other than the Stock Option Plan, as discussed under the heading “*Stock Option Plan*” below, the Corporation did not offer any long term incentive plans, share compensation plans or any other such benefit programs for directors. For further information on compensation paid to the non-employee directors of the Corporation, see “*Compensation Table for Directors*” below.

### *Post-Transaction*

The directors of the Corporation are entitled to receive compensation for services in their capacity as directors. Members of the Board are entitled to be reimbursed for all reasonable expenses incurred to attend meetings. In addition, the Stock Option Plan allows for the grant of Options to the directors of the Corporation. A summary of the terms of the Stock Option Plan is included under the heading “*Stock Option Plan*” below.

Compensation of the directors of the Corporation is reviewed annually and determined by the Board. The level of compensation for the directors is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources.

## **Summary Compensation Table**

The following table and notes thereto provide a summary of the compensation paid to the NEOs and directors of the Corporation for the two most recently completed financial years ended April 30, 2018 and 2017:

<b>Name, Principal Positions</b>	<b>Year End</b>	<b>Salary, consulting fee, retainer or commission (\$)</b>	<b>Bonus (\$)<sup>(3)</sup></b>	<b>Committee or meeting fees (\$)<sup>(4)</sup></b>	<b>Value of perquisites (\$)</b>	<b>Value of all other compensation (\$)</b>	<b>Total compensation (\$)</b>
Dale Styner <sup>(1)</sup>	2018	Nil	Nil	Nil	Nil	Nil	Nil
<i>Former CEO, President, Secretary and Director</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil
David Campbell <sup>(2)</sup>	2018	4,388	Nil	Nil	Nil	Nil	4,388
<i>Former CFO</i>	2017	5,400	Nil	Nil	Nil	Nil	5,400
David Birnie <sup>(3)</sup>	2018	Nil	Nil	Nil	Nil	Nil	Nil
<i>Former Director</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil
David Safton <sup>(3)</sup>	2018	Nil	Nil	Nil	Nil	Nil	Nil
<i>Former Director</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil

**Notes:**

- (1) Mr. Styner did not receive any additional compensation for his role as a director of the Corporation. In connection with the completion of the Transaction, Mr. Styner resigned as CEO, President, Secretary and a director of the Corporation on September 24, 2018.
- (2) In connection with the completion of the Transaction, Mr. Campbell resigned as CFO on September 24, 2018.
- (3) In connection with the completion of the Transaction, Messrs. Birnie and Safton resigned as directors of the Corporation on September 24, 2018.

**Stock Options and Other Compensation Securities**

There were no compensation securities (as such term is defined in Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers*), including Options, granted or issued to the NEOs or directors of the Corporation during the most recently completed financial year.

**Exercise of Compensation Securities**

None of the NEOs or directors of the Corporation exercised any compensation securities during the most recently completed financial year.

**Stock Option Plan**

On December 8, 2016, the shareholders of the Corporation approved the Stock Option Plan pursuant to which the Board can grant Options to NEOs, directors and employees of the Corporation or affiliated corporations and to consultants retained by the Corporation.

The purpose of the Stock Option Plan is to attract, retain and motivate NEOs, directors, employees and other service providers by providing them with the opportunity to acquire an interest in the Corporation and benefit from the Corporation’s growth. The following is a summary of certain provisions of the Stock Option Plan, a copy of which is attached as Schedule “B” to the management information circular of the Corporation dated November 4, 2016 (a copy of which is available under the Corporation’s profile on the SEDAR website at [www.sedar.com](http://www.sedar.com)):

- (a) subject to the terms of the Stock Option Plan, Options may be granted in such numbers and with such vesting provisions as the Board may determine;
- (b) the Board shall, at the time an Option is granted under the Stock Option Plan, fix the exercise price at which Common Shares may be acquired upon the exercise of such

Options provided that such exercise price shall not be less than the Discounted Market Price (as is defined in Policy 1.1 of the TSXV Corporate Finance Manual);

- (c) the Board may, in its sole discretion, determine the time during which Options shall vest and the method of vesting, subject to any vesting restrictions imposed by the relevant exchange(s) on which the Common Shares are listed;
- (d) Options may be granted for a maximum term of five (5) years;
- (e) Options may only be transferred or assigned subject to the terms of the Stock Option Plan;
- (f) the maximum number of Common Shares reserved for issue under the Stock Option Plan, together with any Common Shares reserved for issuance under any other share compensation arrangements, shall not exceed 10% of the outstanding Common Shares as at the date of the grant;
- (g) the maximum number of Common Shares reserved for issue to any one person under the Stock Option Plan together with any Common Shares reserved for issuance under any other share compensation arrangements shall not exceed 5% of the outstanding Common Shares as at the date of the grant;
- (h) the maximum number of Common Shares reserved for issue to a Consultant (as defined in Policy 4.4 of the TSXV Corporate Finance Manual) or a person engaged in Investor Relations Activities (as defined in Policy 1.1 of the TSXV Corporate Finance Manual) in any 12 month period shall not exceed 2% of the outstanding Common Shares as at the date of the grant;
- (i) Options expire either: (i) within 90 days of (or 30 days with respect to a person engaged in Investor Relations Activities) of termination of employment or holding office as a director, officer, employee or consultant of the Corporation for any reason other than death or permanent disability; or (ii) for a “reasonable period” at the discretion of the Board;
- (j) in case of death, Options expire on the earlier of one (1) year thereafter or the end of the period during which the Option may be exercised, and may be exercised by legal representatives or designated beneficiaries of the holder of such Options;
- (k) the Corporation is permitted to make the required source withholdings and remittances in respect of employee stock option benefits as required under the Income Tax Act (Canada);
- (l) the Board may suspend or terminate the Stock Option Plan at any time; and
- (m) the Board may, at any time, amend or revise the terms of the Stock Option Plan, subject to the receipt of all necessary regulatory approvals, provided that no such amendment or revision shall alter the terms of any options granted under the Stock Option Plan.

### **Employment, Consulting and Management Agreements**

Prior to the completion of the Transaction, Mr. Styner was the Corporation’s President, CEO and Secretary and Mr. Campbell was the Corporation’s CFO. Mr. Campbell received compensation for the

provision of accounting services to the Corporation and Mr. Styner did not receive any compensation during the year ended April 30, 2018. No formal agreements were in place with either person.

Neither the Corporation, nor its subsidiaries, had a contract, agreement, plan or arrangement that provided for payments to a NEO following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Corporation or its subsidiaries, or a change in responsibilities of the NEO following a change in control.

With respect to the above, "Change of Control" means any event, including an amalgamation, merger or consolidation that causes:

- (a) a third party to own or control, directly or indirectly, 50% or more of the voting shares of the Corporation;
- (b) a third party to own or control, directly or indirectly, sufficient voting shares in the Corporation to elect a majority of the directors of the Corporation;
- (c) an assignment, sale, or transfer by the Corporation of all or substantially all of the Corporation's business to a third party or to an affiliate or a wholly owned subsidiary; or
- (d) an assignment, sale, or transfer by the Corporation of all or substantially all of the Corporation's assets to a third party or to an affiliate or a wholly owned subsidiary.

There are no contracts, agreements, plans or arrangements whereby any current NEO or director is entitled to receive payments from the Corporation in the event of the resignation, retirement or other termination of the NEO's or director's services with the Corporation, change of control of the Corporation or a change in the NEO's responsibilities.

**SCHEDULE "C"**  
**AUDIT COMMITTEE CHARTER**

**I. ROLE AND OBJECTIVE**

The Audit Committee (the "**Committee**") is a committee of the board of directors (the "**Board**") of Top Strike Resources Corp. (the "**Corporation**") to which the Board has delegated its responsibility for oversight of the nature and scope of the annual audit, management's reporting on internal accounting standards and practices, financial information and accounting systems and procedures, financial reporting and statements and recommending, for Board approval, the audited financial statements and other mandatory disclosure releases containing financial information. The objectives of the Committee, with respect to the Corporation and its subsidiaries, are as follows:

1. To assist directors to meet their responsibilities in respect of the preparation and disclosure of the financial statements of the Corporation and related matters.
2. To provide better communication between the Board and external auditors.
3. To ensure the external auditors' independence.
4. To review management's implementation and maintenance of an effective system of internal control over financial reporting and disclosure control over financial reporting.
5. To increase the credibility and objectivity of financial reports.
6. To facilitate in-depth discussions between directors on the Committee, management and external auditors.

The primary responsibility for the financial reporting, information systems, risk management and internal and disclosure controls of the Corporation is vested in management and overseen by the Board. At each meeting, the Committee may meet separately with management and will meet in separate, closed sessions with the external auditors and then with the independent directors in attendance.

**II. MANDATE AND RESPONSIBILITIES OF THE COMMITTEE**

**Financial Reporting and Related Public Disclosure**

It is a primary responsibility of the Committee to review and recommend for approval to the Board the annual and quarterly financial statements of the Corporation. The Committee is also to review and recommend to the Board for approval the financial statements and related information included in prospectuses, management discussion and analysis, financial press releases, information circular, proxy statements and annual information forms, including financial outlooks and future-oriented financial information included therein. The process should include but not be limited to:

- (a) reviewing changes in accounting principles, or in their application, which may have a material impact on the current or future years' financial statements;
- (b) reviewing significant management judgments and estimates that may be material to financial reporting including alternative treatments and their impacts;

- (c) reviewing the presentation and impact of any significant risks and uncertainties that may be material to financial reporting including alternative treatments and their impacts;
- (d) reviewing accounting treatment of significant, unusual or non-recurring transactions;
- (e) reviewing adjustments raised by the external auditors, whether or not included in the financial statements;
- (f) reviewing unresolved differences between management and the external auditors;
- (g) determining through inquiry if there are any related party transactions and ensure the nature and extent of such transactions are properly disclosed; and
- (h) reviewing all financial reporting relating to risk exposure including the identification, monitoring and mitigation of business risk and its disclosure.

The Committee shall satisfy itself that adequate procedures are in place for the review of the Corporation's public disclosure of financial information from the Corporation's financial statements and periodically assess the adequacy of those procedures.

#### **Internal Controls Over Financial Reporting and Information Systems**

It is the responsibility of the Committee to satisfy itself on behalf of the Board with respect to the Corporation's internal control over financial reporting and information systems. The process should include but not be limited to:

- (a) inquiring as to the adequacy and effectiveness of the Corporation's system of internal controls over financial reporting and review the evaluation of internal controls over financial reporting by external auditors;
- (b) establishing procedures for the confidential, anonymous submission by employees of the Corporation of concerns relating to accounting, internal control over financial reporting, auditing or Code of Business Conduct and Ethics matters and periodically review a summary of complaints and their related resolution; and
- (c) establishing procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters.

#### **External Auditors**

With respect to the appointment of external auditors by the Board, the Committee shall:

- (a) be directly responsible for overseeing the work of the external auditors engaged for the purpose of issuing an auditors' report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditors regarding financial reporting;
- (b) review the terms of engagement of the external auditors, including the appropriateness and reasonableness of the auditors' fees;



- (c) review and evaluate annually the external auditors' performance, and periodically (at least every five years) conduct a comprehensive review of the external auditors;
- (d) recommend to the Board appointment of external auditors and the compensation of the external auditors;
- (e) when there is to be a change in auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change;
- (f) review and approve any non-audit services to be provided by the external auditors' firm; and consider the impact on the independence of the auditors; between scheduled meetings, the Chair of the Committee is authorized to approve all audit related services and non-audit services provided by the external auditors for individual engagements with estimated fees of \$25,000 and under; and shall report all such approvals to the Committee at its next scheduled meeting;
- (g) inquire as to the independence of the external auditors and obtain, at least annually, a formal written statement delineating all relationships between the external auditors and the Corporation as contemplated by Independence Standards Board Standard No. 1 - Independence Discussions with Audit Committees;
- (h) review the Annual Report of the Canadian Public Accountability Board ("CPAB") concerning audit quality in Canada and discuss implications for the Corporation;
- (i) review any reports issued by CPAB regarding the audit of the Corporation; and
- (j) discuss with the external auditors, without management being present, the quality of the Corporation's financial and accounting personnel, the completeness and accuracy of the Corporation's financial statements and elicit comments of senior management regarding the responsiveness of the external auditors to the Corporation's needs.

The Committee shall review with the external auditors (and the internal auditor if one is appointed by the Corporation) their assessment of the internal control over financial reporting of the Corporation, their written reports containing recommendations for improvement of internal control over financial reporting and other suggestions as appropriate, and management's response and follow-up to any identified weaknesses.

The Committee shall also review and approve annually with the external auditors their plan for their audit and, upon completion of the audit, their reports upon the financial statements of the Corporation and its subsidiaries.

### **Compliance**

It is the responsibility of the Committee to review management's process for the certification of annual and interim financial reports in accordance with required securities legislation.

It is the responsibility of the Committee to ascertain compliance with covenants under loan agreements.

The Committee shall review the Corporation's compliance with all legal and regulatory requirements as it pertains to financial reporting, taxation, internal control over financial reporting and any other area the Committee considers to be appropriate relative to its mandate or as may be requested by the Board.

## **Other Matters**

It is the responsibility of the Committee to review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and external auditors of the Corporation.

The Committee may also review any other matters that the Committee feels are important to its mandate or that the Board chooses to delegate to it.

The Committee shall undertake annually a review of this mandate and make recommendations to the Corporate Governance and Compensation Committee as to proposed changes.

## **III. COMPOSITION**

This Committee shall be composed of at least three individuals appointed by the Board from amongst its members, all of whom shall be independent (within the meaning of section 1.4 and 1.5 of National Instrument 52-110 Audit Committees ("**NI 52-110**")) unless the Board determines to rely on an exemption in NI 52-110.

The chair of the Committee (the "**Committee Chair**") shall be appointed by the Board.

A quorum shall be a majority of the members of the Committee.

All of the members must be financially literate (within the meaning section 1.6 of NI 52-110) unless the Board has determined to rely on an exemption in NI 52-110. Being "financially literate" means members 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 issues that can reasonably be expected to be raised by the Corporation's financial statements.

## **IV. MEETINGS**

The Committee shall meet (in person or by teleconference) at least four times per year and/or as deemed appropriate by the Committee Chair.

The Committee shall meet (in person or by teleconference) not less than quarterly with the auditors, independent of the presence of management.

Agendas, with input from management, shall be circulated to Committee members and relevant management personnel along with background information on a timely basis prior to the Committee meetings.

The chief executive officer and the chief financial officer of the Corporation or their designates shall be available to attend at all meetings of the Committee upon the invitation of the Committee.

Other staff shall attend meetings upon invitation by the Committee should the Committee deem them necessary for the provision of information.

## **V. REPORTING / AUTHORITY**

Following each meeting, in addition to a verbal report, the Committee will report to the Board by way of providing copies of the minutes of such Committee meeting at the next Board meeting after a meeting is held (these may still be in draft form).

Supporting schedules and information reviewed by the Committee shall be available for examination by any director.

The Committee shall have the authority to investigate any financial activity of the Corporation and to communicate directly with the internal and external auditors. All employees are to cooperate as requested by the Committee.

The Committee may retain, and set and pay the compensation for, persons having special expertise and/or obtain independent professional advice to assist in fulfilling its duties and responsibilities at the expense of the Corporation.

The Committee shall annually review this mandate and make recommendations to the Corporate Governance and Compensation Committee as to proposal changes.

