



#162 – 2912 West Georgia Street
Vancouver, British Columbia Canada V6K 2G8
Telephone: 604 340-3774
www.deepsouthresources.com

INFORMATION CIRCULAR

(unless otherwise specified, information is as of January 17, 2019)

This Information Circular is furnished in connection with the solicitation of proxies by the management of **Deep-South Resources Inc.** (the “**Company**”) for use at the annual general meeting (the “**Meeting**”) of the Company (and any adjournment thereof) to be held on February 28, 2019 at the time and place and for the purposes set forth in the accompanying Notice of Meeting.

In this Information Circular, references to the “**Company**”, “**we**” and “**our**” refer to the Company. “**Common Shares**” means common shares without par value in the capital of the Company. “**Beneficial Shareholders**” means shareholders who do not hold shares in their own name and “**intermediaries**” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

The board of directors of the Company (the “**Board**”) has approved the contents and the sending of this Information Circular. All dollar amounts referred to herein are expressed in Canadian dollars unless otherwise indicated.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the “**Proxy**”) are directors and/or officers of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

Voting by Proxyholder

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors,
- (b) any amendment to or variation of any matter identified therein, and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter.

Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders may choose one of the following options to submit their proxy:

- (a) complete, date and sign the Proxy and return it to the Company's transfer agent, Computershare Investor Services Inc. ("Computershare"), by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail to the 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 or by hand delivery at 3rd Floor, 510 Burrard Street, Vancouver, British Columbia Canada V6C 3B9;
- (b) use a touch-tone phone to transmit voting choices to a toll free number. Registered shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll free number, the holder's account number and the control number; or
- (c) use the internet through the website of the Company's transfer agent at www.investorvote.com. Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder's account number and the control number.

In all cases the Registered Shareholder must ensure the proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting or the adjournment thereof at which the proxy is to be used.

Beneficial Shareholders

The following information is of significant importance to shareholders who do not hold Common Shares in their own name. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares) or as set out in the following disclosure.

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 Company. Such Common Shares will more likely be registered under the names of the shareholder's broker or an agent of that broker (an "intermediary"). In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of meetings of shareholders. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

There are two kinds of Beneficial owners - those who object to their name being made known to the issuers of securities which they own (called "OBOs" for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called "NOBOs" for Non-Objecting Beneficial Owners).

The Company is taking advantage of the provisions of National Instrument 54-101 "Communication with Beneficial Owners of Securities of a Reporting Issuer" that permit it to directly deliver proxy-related materials to its NOBOs. As a result NOBOs can expect to receive a scannable Voting Instruction Form ("VIF") from our transfer agent, Computershare. These VIFs are to be completed and returned to Computershare in the envelope provided or by facsimile. In addition, Computershare provides both telephone voting and internet voting as described on the VIF itself which contain complete instructions. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

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

By choosing to send these materials to you directly, the Company (and not the intermediary holding securities on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in your request for voting instructions.

Beneficial Shareholders who are OBOs should follow the instructions of their intermediary carefully to ensure that their Common Shares are voted at the Meeting.

The form of proxy supplied to you by your broker will be similar to the proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“Broadridge”) in the United States and in Canada. Broadridge mails a VIF in lieu of a proxy provided by the Company. The VIF will name the same persons as the Company’s Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than any of the persons designated in the VIF, to represent your Common Shares at the Meeting and that person may be you. To exercise this right, you should insert the name of the desired representative (which may be yourself) in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge’s instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting and the appointment of any shareholder’s representative. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Common Shares voted at the Meeting or to have an alternate representative duly appointed to attend the Meeting and to vote your Common Shares at the Meeting.**

Notice to Shareholders in the United States

The solicitation of proxies involve securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the *United States Securities Exchange Act of 1934*, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by:

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder’s authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare or at the address of the registered office of the Company at 1500 Royal Centre, 1055 West Georgia Street, P. O. Box 11117, Vancouver, British Columbia, V6E 4N7, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or
- (b) personally attending the Meeting and voting the registered shareholder’s Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

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

To the best of our knowledge, except as otherwise disclosed herein, no director or executive officer of the Company, nor any person who has held such a position since the beginning of the last completed financial year of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors and the continuation of the Company’s share option plan as set out herein.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of Common Shares. The Company’s Common Shares are listed for trading on the TSX Venture Exchange under stock symbol “DSM”.

The Board has fixed January 17, 2019 as the record date (the “Record Date”) for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The authorized capital of the Company consists of a no maximum number of Common Shares without par value.

As of January 17, 2019 there were 60,638,357 Common Shares issued and outstanding, each carrying the right to one vote. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

To the knowledge of the directors and executive officers of the Company, as at January 17, 2019, the below company beneficially owned, directly or indirectly, or exercised control or direction over, Shares carrying more than 10% of the voting rights attached to all outstanding Shares of the Company:

Shareholder Name	Number of Common Shares Held	Percentage of Issued Common Shares
Teck Resources Ltd,	18,226,667	29.24%

Note: The above information was supplied to the Company and from the insider reports available at www.sedi.ca.

Actions from August 31, 2017 year end to the date of this Information Circular

- 1) Effective on May 22, 2018, Hugo Monette resigned from the Board of Directors of the Company;
- 2) Effective on May 22, 2018, Jean-Luc Roy was appointed a director of the Company.

FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company's audited financial year end August 31, 2018 financial statements, the report of the auditor thereon and the management's discussion and analysis over the period, will be placed before shareholders at the Meeting for their consideration. No formal action will be taken at the Meeting to approve the financial statements. If any shareholder has questions regarding such financial statements, such questions may be brought forward at the Meeting.

ELECTION OF DIRECTORS

There are currently six directors of the Company. Management has determined the number of directors to be elected at the Meeting at six. The term of office of each of the current directors cease to hold office immediately before the election or appointment of directors at the Meeting. Unless the director's office is vacated earlier in accordance with the provisions of the *Business Corporations Act* (British Columbia), each director elected at the Meeting will hold office until the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

The following disclosure sets out the names of management's six nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, the principal occupation, business or employment of each director nominee, the period of time during which each nominee has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at January 17, 2019.

Name of Nominee; Current Position with the Company and Province or State and Country of Residence	Occupation, Business or Employment ⁽¹⁾	Period as a Director of the Company	Common Shares Beneficially Owned or Controlled ⁽¹⁾
John H. Akwenye Chairman and Director Namibia	Lawyer (retired) (<i>refer to Mr. Akwenye bio below</i>).	Since October 26, 2016	2,698,313 ⁽²⁾
Pierre Léveillé President, Chief Executive Officer and Director Quebec, Canada	President and owner of Q7 Capital inc. a private company providing financial advisory services to public and private companies (<i>refer to Mr. Léveillé bio below</i>).	CEO Since January 18, 2017 President and Director Since February 23, 2017	2,710,813 ⁽³⁾

Name of Nominee; Current Position with the Company and Province or State and Country of Residence	Occupation, Business or Employment ⁽¹⁾	Period as a Director of the Company	Common Shares Beneficially Owned or Controlled ⁽¹⁾
Tim Fernback ⁽⁶⁾ Vice-President and Director British Columbia, Canada	President of TCF Ventures Corp., a private company providing financial advisory services to public and private companies (refer to Mr. Fernback bio below).	Director Since January 31, 2014 Vice-President Since January 18, 2017	Nil ⁽⁴⁾
Ryan Cheung Chief Financial Officer and Director British Columbia, Canada	Proprietor of MCPA Services Inc., a public accounting practice licensed by the Chartered Professional Accountants of British Columbia (refer to Mr. Cheung bio below).	Director Since December 18, 2013 CFO Since May 3, 2012 Corporate Secretary Since September 12, 2014	26,666 ⁽⁵⁾
Sadike (Luke) N. Nepela ⁽⁶⁾ Director Namibia	General manager of Kalahari Minerals PLC, a private company specialized in the exploration and development of minerals in Namibia (refer to Mr. Nepela bio below).	Director Since February 23, 2017	599,625
Jean-Luc Roy ⁽⁶⁾ Director British Columbia, Canada	Director of Can Alaska since 2007; COO Ampella Mining Limited, a wholly owned subsidiary of Centamin PLX (2009-2016) (refer to Mr. Roy bio below).	Director Since May 22, 2018	Nil

Notes:

- (1) The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees.
- (2) A total of 2,698,313 Common Shares through Inter-Namibia Mining and Investments (PTY) Ltd. John H. Akwenye is the Chairman of Inter-Namibia.
- (3) A total of 2,698,313 Common Shares through Q7 Capital Inc. Pierre Léveill   is the President of Q7 Capital Inc.
- (4) Tim Fernback has 250,000 outstanding stock options at an exercise price of \$0.25 per common share expiring on January 25, 2020.
- (5) Ryan Cheung has 200,000 outstanding stock options at an exercise price of \$0.25 per common share expiring on January 25, 2020.
- (6) Member of the audit committee.

None of the proposed nominees for election as a director of the Company are proposed for election pursuant to any arrangement or understanding between the nominee and any other person, except for directors and senior officers of the Company acting solely in such capacity.

A shareholder can vote for all of the above nominees, vote for some of the above nominees and withhold for other of the above nominees, or withhold for all of the above nominees. **Unless otherwise instructed, the named proxyholders will vote FOR the election of each of the proposed nominees set forth above as directors of the Company. At the Meeting the above persons will be nominated for election as director as well as any person nominated pursuant to the Advance Notice Provision described below. Only persons nominated by management pursuant to this Information Circular or pursuant to the Advance Notice Provision will be considered valid director nominees eligible for election at the Meeting.**

Director Biographies

John H. Akwenye, Chairman of the Board and Director

Mr. Akwenye, a director of the Company, was appointed both Director and Chairman of the Board of the Company on October 26, 2016. Mr. Akwenye is a Namibian retired lawyer with over 30 years of experience in business development in Namibia. From 1994 to 2008, Mr. Akwenye was Chairman of Guinas Investments (PTY) Ltd. a Swapo-owned investment company and was Chairman of the Namibian Airports Company from 2001 to 2004. Mr. Akwenye is currently a director of Areva Resources Namibia, a private fully own subsidiary of Areva, a global leader in nuclear energy and major player in renewable energies. PE Minerals a private mineral License holder in Namibia and Haib Minerals (PTY) Ltd (held by Teck 70% and Deep-South 30%) .

Pierre Léveillé, President, Chief Executive Officer and Director

Mr. Léveillé, a director of the Company, was appointed Chief Executive Officer of the Company on January 18, 2017 and was appointed President of the Company on February 23, 2017. Mr. Léveillé has over 28 years of experience in the International financial sector including 20 years in the mining exploration industry. Mr. Léveillé started his career as a Stock Broker and Corporate Finance advisor with Lévesque, Beaubien, Geofrion and National Bank Financial. From the mid 1990's to today, he has been Executive and Director of several exploration companies active in Africa. He has financed and managed exploration projects in Namibia since 1996 and has realized over US\$ 70 million in transactions and financing for Namibian and African mining exploration projects. Mr. Léveillé is President of Q7 Capital inc., a company providing financial advisory services to public and private companies. He his currently Director of Deep-South Mining Company (PTY) Ltd. and Director of Haib Minerals (PTY) Ltd.

Tim Fernback, Vice President and Director

Mr. Fernback, MBA, CPA, CMA, a director of the Company, served as CEO of the Company from January 31, 2014 to January 18, 2017. Mr. Fernback was appointed Vice President of the Company on January 18, 2017. Mr. Fernback brings to the Company over 20 years of experience in financing public and private small-cap companies in Canada. From 1998 to 2004 Mr. Fernback worked at Wolverton Securities Ltd., a broker-dealer and investment bank based in Western Canada, as the Manager of the Corporate Finance Department. He was responsible for all due diligence activities with respect to Wolverton's underwritings, mergers, acquisitions, Exchange Sponsorships and corporate consulting practices. Mr. Fernback was the Chief Financial Officer of Upstream Biosciences Inc (OTCBB) from its inception in 2006 until 2009. Upstream is a biotechnology company involved in developing and licensing genetic based diagnostics for cancer susceptibility and drug response. Mr. Fernback is the President of TCF Ventures Corp., a company providing financial advisory services to public and private companies. Mr. Fernback obtained a Bachelor of Science, Honours (B.Sc.) in 1991 from McMaster University in Hamilton, Ontario and a Master of Business Administration (MBA) in 1993 from the University of British Columbia. Mr. Fernback completed the Canadian Securities Course as well as the Partners, Directors and Senior Officers Qualifying Exam.

Ryan Cheung, Chief Financial Officer, Corporate Secretary and Director

Mr. Cheung, CPA, CA , a director of the Company, has been the CFO of the Company since May 3, 2012 and has been the Corporate Secretary of the Company on September 12, 2014. Mr. Cheung holds an International Business degree from the University of Victoria and is an active member of the Institute of Chartered Accountants of British Columbia. Mr. Cheung has a strong background in public company financial reporting, risk management, and strategic finance. Before starting his own advisory practice, Mr. Cheung spent several years in public practice providing assurance and advisory services in the accounting firm of Dale Matheson Carr-Hilton LaBonte LLP, Vancouver, British Columbia.

Sadike (Luke) N. Nepela, Director

Sadike (Luke) Nepela, a director of the Company, serves as General Manager of Kalahari Minerals PLC. For a number of years, Mr. Nepela served as an Assistant to the Minister in the Namibian Ministry of Mines and Energy and most recently he has been the General Manager for Westport Resources, a subsidiary of Forsys Metals Corp.(listed on the TSX). He is also a Fellow of the International Centre for Research and Training in Major Projects Management, Montreal, Canada. Mr. Nepela is a graduate of the University of Witwatersrand, Johannesburg and has also studied at the University of Connecticut, West Hartford, USA.

Jean-Luc Roy, Director

Mr. Jean-Luc Roy was appointed a director of the Company on May 22, 2018. Mr. Roy has over 30 years experience in the mining industry. The majority of Mr. Roy's experience has been in Africa for companies such

as International Gold Resources, Ashanti Goldfields Inc., Semafo, and First Quantum Minerals. Mr. Roy has managed projects from exploration through to production in three different countries, and has extensive experience in negotiations at all levels. Mr. Roy, as Managing Director, played a crucial role in First Quantum Minerals' success in the Democratic Republic of Congo ("DRC") by successfully placing a project in production during a period of major unrest in the country. During Mr. Roy's tenure with First Quantum Minerals, the company went from being a \$250 million dollar market cap. company to a multi-billion dollar enterprise. Mr. Roy was also instrumental in securing First Quantum Mineral's extensive land positions in the DRC. Mr. Roy has also been President and CEO of El Nino Ventures Inc., CEO of Ampalle Mining Ltd (a division of Centamin PLC), General Manager of Resolute Mining Ltd in Mali. He is currently a Director of Can Alaska Uranium, listed on TSX-V.

Advance Notice Provisions

On June 20, 2016, the shareholders of the Company approved the adoption of new Company Articles, that include advance notice provisions (the "**Advance Notice Provision**"). The Advance Notice Provision provides for advance notice to the Company in circumstances where nominations of persons for election to the Board are made by shareholders of the Company other than pursuant to (i) a requisition of a meeting made pursuant to the provisions of the *Business Corporations Act* (British Columbia) ("BCA") or (ii) a shareholder proposal made pursuant to the provisions of the BCA.

Among other things, the Advance Notice Provision fixes a deadline by which holders of Shares must submit director nominations to the Company prior to any annual or special meeting of shareholders and sets forth the minimum information that a shareholder must include in the notice to the Company for the notice to be in proper written form.

The Advance Notice Provision also requires all proposed director nominees to deliver a written representation and agreement that such candidate for nomination, if elected as a director of the Company, will comply with all applicable corporate governance, conflict of interest, confidentiality, share ownership, majority voting and insider trading policies and other policies and guidelines of the Company applicable to directors and in effect during such person's term in office as a director.

The foregoing is merely a summary of the Advance Notice Provision, is not comprehensive and is qualified by the full text of such provision which is more fully described in the Company's Information Circular filed on May 17, 2016 under the Company's profile on SEDAR at www.sedar.com.

The Company did not receive notice of a nomination in compliance with the Advance Notice Provision, and as such, any nominations other than nominations by or at the direction of the Board or an authorized officer of the Company will be disregarded at the Meeting.

Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the election of the Nominees.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT EACH SHAREHOLDER VOTE "FOR" THE ELECTION OF THE ABOVE NOMINEES AS DIRECTORS.

APPOINTMENT OF AUDITOR

Morgan & Company LLP, Chartered Professional Accountants, will be nominated at the Meeting for re appointment as auditor of the Company, at a remuneration to be fixed by the directors

AUDIT COMMITTEE

Under National Instrument 52-110 of the Canadian Securities Administrators ("**NI 52-110**"), the Company is required to have an Audit Committee comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company, and the Company is required to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor.

The Audit Committee's Charter

A copy of the Company's Audit Committee Charter is attached as Schedule "A" to this Information Circular.

Composition of the Audit Committee

The current members of the Audit Committee are Tim Fernback (Chair), Sadike (Luke) Nepela and Jean-Luc Roy. Tim Fernback is not independent as he is the Vice-President of the Company. Messrs. Nepela and Jean-Luc Roy are independent

members of the Audit Committee. All members of the Audit Committee are considered to be financially literate. Refer to *Director Biographies* above.

Relevant Education and Experience

Each member of the Audit Committee has:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) 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 Company's financial statements, or experience actively supervising individuals engaged in such activities; and
- (c) an understanding of internal controls and procedures for financial reporting.

Audit Committee Oversight

The Audit Committee has not made any recommendations to the Board to nominate or compensate any auditor other than Morgan & Company LLP.

Reliance on Certain Exemptions

The Company's auditor, Morgan & Company LLP, has not provided any material non-audit services.

Pre-Approval Policies and Procedures

See the Company's Audit Committee Charter attached as Schedule "A" to this Information Circular, for specific policies and procedures adopted by the Audit Committee for the engagement of non-audit services.

External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audited services provided by Morgan & Company LLP, Chartered Professional Accountants to the Company to ensure auditor independence. Fees incurred with Morgan & Company LLP, Chartered Professional Accountants for audit and non-audit services in the last two fiscal years for audit fees are outlined in the following table:

Nature of Services	Fees Paid to & Morgan Company LLP in Year Ended August 31, 2017.	Fees Paid to Morgan & Company LLP in Year Ended August 31, 2018.
Audit Fees ^{(1) (5)}	\$18,000	\$18,000
Audit-Related Fees ⁽²⁾	NIL	NIL
Tax Fees ⁽³⁾	NIL	NIL
All Other Fees ⁽⁴⁾	NIL	NIL
Total	\$18,000	\$18,000

Notes:

- (1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Corporation's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All Other Fees" include all other non-audit services. Fees related to the preparation of the Company's T-2 corporate income tax return and the General Index of Financial Information required by the CCRA.

Exemption

The Company is a “venture issuer” as defined in NI 52-110 and is relying upon the exemption in section 6.1 of NI 51-110 relating to Parts 3 (*Composition of Audit Committee*) and 5 (*Reporting Obligations*).

CORPORATE GOVERNANCE

General

Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The Board is committed to sound corporate governance practices, as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of the Company’s Board, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The Board facilitates its independent supervision over management by holding regular meetings at which members of management or non-independent directors are not in attendance and by retaining independent consultants where it deems necessary.

The independent members of the Board are John H. Akwenye, Sadike (Luke) Nepela and Jean-Luc Roy. The non-independent directors are Pierre Léveillé, Tim Fernback and Ryan Cheung who are Officers of the Company (President and CEO, Vice President, and CFO and Corporate Secretary respectively).

Directorships

Certain directors of the Company are currently serving on boards of the following other reporting companies (or equivalent) is as set out below:

Name of Director	Name of Reporting Issuer	Exchange Listed
Ryan Cheung	Canex Energy Corp.	TSXV
		T
	Hilltop Cybersecurity Inc.	CSE
	Midasco Capital Corp.	TSXV
	Maxtech Ventures Inc.	CSE/Frankfurt/OTC
	3D Signatures Inc.	TSXV
Tim Fernback	CUV Ventures Corp. (formerly Cuba Ventures Corp.)	TSXV
	LiCo Energy Metals Inc.	TSXV
	Nevada Energy Metals Inc.	TSXV
	Surge Exploration Inc. (formerly Copper Creek Gold Corp.)	TSXV
Jean-Luc Roy	CanAlaska Uranium Ltd.	TSXV/OTCQB

Orientation and Continuing Education

When new directors are appointed, they receive an orientation, commensurate with their previous experience, on the Company's properties, business, technology and industry and on the responsibilities of directors.

Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business.

Ethical Business Conduct

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

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience. The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

The Company's management is continually in contact with individuals involved in areas of strategic interest to the Company. From these sources the Company has made numerous contacts and in the event that the Company was in a position to nominate any new directors, such individuals would be brought to the attention of the Board. The Company conducts the due diligence, reference and background checks on any suitable candidate. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required and a willingness to serve.

Compensation

The Board considers compensation for the directors and its CEO on an annual basis.

Other Board Committees

The Board has no committees other than the audit committee.

Assessments

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committees.

STATEMENT OF EXECUTIVE COMPENSATION

GENERAL

For the purposes of this Statement of Executive Compensation:

"NEO" or "**named executive officer**" means each of the following individuals:

- (a) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief executive officer ("CEO"), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer ("CFO"), including an individual performing functions similar to a CFO;
- (c) in respect of the company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000;
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

Director and NEO Compensation, Excluding Options and Compensation Securities

The following table of compensation, excluding options and compensation securities, provides a summary of the compensation paid by the Company to NEOs and directors of the Company for the two most recently completed financial years ended August 31, 2017 and 2016. Options and compensation securities are disclosed under sub heading “**Stock Options and Other Compensation Securities**” below.

During financial year ended August 31, 2018, based on the definition above, the NEOs of the Company were Pierre Léveillé, President and CEO, Tim Fernback, Vice-President, former CEO and director, Ryan Cheung, CFO, Corporate Secretary and director and Vivian Stuart-Williams, Vice-President Exploration. The directors of the Company who were not NEOs during financial year ended August 31, 2018 were John H. Akwenye, Sadike (Luke) Nepela and Jean-Luc Roy. John H. Akwenye was appointed a director of the Company on October 26, 2016. Mr. Roy was appointed a director of the Company on May 22, 2018. Hugo Monette resigned as a director of the Company on May 22, 2018.

During financial year ended August 31, 2017, based on the definition above, the NEOs of the Company were Pierre Léveillé, President and CEO, Tim Fernback, Vice-President, former CEO and director, Ryan Cheung, CFO, Corporate Secretary and director and Vivian Stuart-Williams, Vice-President Exploration. The directors of the Company who were not NEOs during financial year ended August 31, 2017 were Hugo Monette, John H. Akwenye and Sadike (Luke) Nepela. John H. Akwenye was appointed a director of the Company on October 26, 2016. Tim Fernback resigned as Chief Executive Officer of the Company on January 18, 2017 and was appointed Vice President of the Company on January 18, 2017. Pierre Leveille was elected a director of the Company on February 23, 2017 and was appointed President of the Company on February 23, 2017. Mr. Vivian Stuart-Williams was appointed Vice-President Exploration on February 23, 2017. Mr. Sadike (Luke) Nepela was elected a director of the Company on February 23, 2017.

Table of Compensation, Excluding Compensation Securities Financial Years ended August 31, 2018 and August 31, 2017

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
John H. Akwenye ⁽¹⁾ Chairman and Director	2018	21,600	NIL	NIL	NIL	NIL	21,600
	2017	19,666	NIL	NIL	NIL	NIL	19,666
Pierre Léveillé ⁽²⁾ President, CEO and Director	2018	48,000 (note a)	NIL	NIL	NIL	NIL	48,000
	2017	36,000	NIL	NIL	NIL	NIL	36,000
Tim Fernback ⁽³⁾ Vice President, former CEO and Director	2018	32,400 (note b)	NIL	NIL	NIL	NIL	NIL
	2017	28,100	NIL	NIL	NIL	NIL	28,000
Ryan Cheung ⁽⁴⁾ CFO, Corporate Secretary and Director	2018	24,000 (note c)	NIL	NIL	NIL	NIL	24,000
	2017	19,500	NIL	NIL	NIL	NIL	19,500
Sadike (Luke) Nepela ⁽⁶⁾ Director	2018	NIL	NIL	NIL	NIL	NIL	NIL
	2017	3,500	NIL	NIL	NIL	NIL	3,500
Jean-Luc Roy Director	2018	NIL	NIL	NIL	NIL	NIL	NIL

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Hugo Monette ⁽⁵⁾ Former Director	2018	NIL	NIL	NIL	NIL	NIL	NIL
	2017	NIL	NIL	NIL	NIL	NIL	NIL
Vivian Stuart-Williams ⁽⁷⁾ Vice President, Exploration	2018	16,023	NIL	NIL	NIL	NIL	NIL
	2017	5,806	NIL	NIL	NIL	NIL	5,806
Ryan Goodman ⁽⁸⁾ former Director	2017	NIL	NIL	NIL	NIL	NIL	NIL
	2016	NIL	NIL	NIL	NIL	NIL	NIL

Notes:

- (a) Q7 Capital inc, a company controlled by Pierre Léveillé has a management contract with a remuneration of \$ 4,000 per month but Q7 Capital was paid only \$28,000 for the year 2018. The balance is still outstanding and accrued.
- (b) TCF Venture Corp, a company controlled by Tim Fernback has a management contract with a remuneration of \$ 2,700 per month but TCF was paid only \$16,200 for the year 2018. The balance is still outstanding and accrued.
- (c) Midland Management Ltd, a company controlled by Ryan Cheung has a management contract with a remuneration of \$ 2,000 per month but Midland was paid only \$10,000 for the year 2018. The balance is still outstanding and accrued.
- (1) John H. Akwenye was appointed Chairman and a director of the Company on October 26, 2016.
- (2) Pierre Léveillé was elected a director of the Company on February 23, 2017 and was appointed President of the Company on February 23, 2017. Mr. Leveille was appointed Chief Executive Officer of the Company on January 18, 2017.
- (3) Tim Fernback was appointed a director of the Company on January 31, 2014. Mr. Fernback served as Chief Executive Officer of the Company from January 31, 2014 to January 18, 2017. Mr. Fernback was appointed Vice President of the Company on January 18, 2017. (See “External Management Companies” below).
- (4) Ryan Cheung was appointed a director of the Company on December 18, 2013 and has served as the Company CFO since May 3, 2012. Mr. Cheung was appointed Corporate Secretary of the Company on September 12, 2014. (See “External Management Companies” below).
- (5) Jean-Luc Roy was appointed a director on May 22, 2018.
- (6) Hugo Monette resigned as a director on May 22, 2018.
- (7) Sadike (Luke) Nepela was elected a director of the Company on February 23, 2017.
- (8) Vivian Stuart-Williams was appointed Vice President, Exploration of the Company on February 23, 2017.
- (9) Ryan Goodman resigned as a director on February 23, 2017.

External Management Companies

Inter-Namibia Mining and Investments (PTY) Ltd. whereby John H. Akwenye is a Chairman of. Pursuant to monthly invoices, Inter-Namibia Mining and Investments (PTY) Ltd. consulting services and administrative services.

Q7 Capital Inc. is a private company wholly-owned by Pierre Leveille, President, Chief Executive Officer and Director of the Company. Pursuant to monthly invoices, Q7 Capital Inc. provides consulting and administrative services.

Midland Management Ltd. is a private company wholly-owned by Ryan Cheung, Chief Financial Officer, Corporate Secretary and a Director of the Company. Pursuant to monthly invoices, Midland Management Ltd. provides accounting and administrative services.

TCF Ventures Corp. is a private company wholly-owned by Tim Fernback, Vice President and Director of the Company. Pursuant to monthly invoices, TCF Ventures Corp. provides accounting and administrative services.

Financial Years ended August 31, 2018 and August 31, 2017

The key management personnel of the Company are the directors and officers of the Company. Compensation and expenses paid to key management for the following periods:

	August 31, 2018	August 31, 2017
	\$	\$
Consulting fees	126,800	106,121
Share-based compensation	--	87,701

Included in accounts payable and accrued liability in the Company's year end audited financial statements is \$95,433 (2017 - \$15,081) owed to companies controlled by directors or officers as at August 31, 2018.

Loans Payable

On January 30, 2017, the Company entered into a bridge loan agreement with an arm's length party for working capital purposes and received \$50,000. The loan is unsecured, bears interest at 10% per annum, and was due on January 31, 2018. \$15,000 of the principal amount was repaid on January 16, 2018.

Stock Options and Other Compensation SecuritiesIncentive Stock Options during financial year ended August 31, 2018

Financial Year Ended August 31, 2018. The following table sets forth incentive stock options (option-based awards) pursuant to the Company's share option plan that were outstanding to NEOs and directors of the Company as at August 31, 2018.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant M/D/Year	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date M/D/Year
John Akwenye	Stock Options	NIL	NIL	NIL	NIL	NIL	NIL
Pierre Léveillé	Stock Options	NIL	NIL	NIL	NIL	NIL	NIL
Sadike Nepela	Stock Options	NIL	NIL	NIL	NIL	NIL	NIL
Tim Fernback	Stock Options	250,000	01/25/2017	0.25	0.20	0.12	01/25/2020
Ryan Cheung	Stock Options	200,000	01/25/2017	0.25	0.20	0.12	01/25/2020
Ryan Goodman ⁽¹⁾	Stock Options	125,000	01/25/2017	0.25	0.20	0.12	01/25/2020
Hugo Monette ⁽²⁾	Stock Options	125,000	01/25/2017	0.25	0.20	0.12	01/25/2020
Jean-Luc Roy ⁽²⁾	Stock Options	NIL	NIL	NIL	NIL	NIL	NIL

Note:

⁽¹⁾ Ryan Goodman resigned as a director of the Company on February 23, 2017. Under the terms of the Company's share option plan, Mr. Goodman's 125,000 stock options have expired without having been exercised.

⁽²⁾ Hugo Monette resigned as a director of the Company on May 22, 2018. Under the terms of the Company's 10% 2016 rolling share option plan, Mr. Monette's 125,000 stock options expired without having been exercised.

⁽³⁾ Jean-Luc Roy was appointed a director of the Company on May 22, 2018.

Exercise of Compensation Securities by NEOs and Directors

Financial Year Ended August 31, 2018. There were no options exercised by a Director or NEO of the Company during the Company's financial year ended August 31, 2018.

Exercise of Compensation Securities by Directors and NEOs (Note: No Compensation Securities were exercised in 2018)							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of Exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)

Share Option Plan

The Company has a 10% "rolling" stock option plan (the "**Plan**") in place for the granting of stock options to the directors, officers, employees and consultants of the Company. The allocation of options under the Plan is determined by the Company's board of directors (the "**Board**") which, in determining such allocations, considers such factors as previous grants to individuals, overall Company performance, share price, the role and performance of the individual in question, the amount of time directed to the Company's affairs and time expended for serving on the Company's committees.

The purpose of the Plan is to assist the Company in attracting, retaining and motivating directors, officers and employees of the Company and to closely align the personal interests of such directors, officers and employees with the interests of the Company and its shareholders. Options granted under the Plan are non-assignable and may be granted for a term not exceeding that permitted by the Exchange (currently ten years). Shareholders are being asked at the Meeting, to ratify and approve the continuation of the 10% "rolling" share option plan. Refer to heading "**PARTICULARS OF MATTERS TO BE ACTED UPON – Ratification 10% "rolling" Share Option Plan**" below.

Employment, Consulting and Management Agreements

Except as disclosed above under "**External Management Companies**", the Company does not have any employment, consulting or management agreements or arrangements with any of the Company's current directors or NEOs.

Oversight and description of Director and Named Executive Officer Compensation

Elements of the Compensation Program

The total compensation plan for NEOs is comprised of two components: base salary or consulting fees and stock options. The Board has not established any specific performance goals or similar conditions that are based on objective, identifiable measures regarding cash and non-cash elements of the Company's compensation program. Instead, the Board annually reviews the total compensation of the Company's executives against the backdrop of the general compensation goals and objectives described above and makes decisions concerning the individual components of the executives' compensation.

Base Salary or Consulting Fees

Base salary ranges for the executive officers were initially determined upon a review of companies within the mining industry, which were of the same size as the Company, at the same stage of development as the Company and considered comparable to the Company.

In determining the base salary of an executive officer, the Board considers the following factors:

- (a) the particular responsibilities related to the position;
- (b) salaries paid by other companies in the mining industry which were similar in size as the Company;
- (c) the experience level of the executive officer;
- (d) the amount of time and commitment which the executive officer devotes to the Company; and
- (e) the executive officer's overall performance and performance in relation to the achievement of corporate milestones and objectives.

Bonus Incentive Compensation

The Company's objective is to achieve certain strategic objectives and milestones. The Board will consider executive bonus compensation dependent upon the Company meeting those strategic objectives and milestones and sufficient cash resources being available for the granting of bonuses. The Board approves executive bonus compensation dependent upon compensation levels based on recommendations of the CEO. Such recommendations are generally based on information provided by issuers that are similar in size and scope to the Company's operations.

Equity Participation

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Company's April 7, 2016 10% rolling incentive share option plan. Stock options are granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive factors. The amounts and terms of options granted are determined by the Board based on recommendations put forward by the CEO. Due to the Company's limited financial resources, the Company emphasizes the provisions of option grants to maintain executive motivation.

Compensation Review ProcessRisks Associated with the Company's Compensation Practices

At the date of this Information Circular, the Company's directors had not considered the implications of any risks to the Company associated with decisions regarding the Company's compensation program. The Company intends to formalize its compensation policies and practices and will take into consideration the implications of the risks associated with the Company's compensation program and how it might mitigate those risks.

Benefits and Perquisites

The Company does not, as of the date of this Information Circular, offer any benefits or perquisites to its directors or NEOs other than potential grants of incentive stock options as otherwise disclosed and discussed herein.

Hedging by Directors or NEOs

The Company has not, to date, adopted a policy restricting its executive officers and directors from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, which are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by executive officers or directors. As of the date of this Information Circular, entitlement to grants of incentive stock options under the Company's 2016 incentive share option plan is the only equity security element awarded by the Company to its executive officers and directors.

Option-Based Awards

The Company's April 7, 2016 10% rolling incentive share option plan provides incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. Management proposes stock option grants to the Board based on such criteria as performance, previous grants, and hiring incentives. All grants require approval of the Board. The April 7, 2016 incentive share option plan is administered by the Board and provides that options will be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company.

Pension disclosure

The Company does not have any pension, defined benefit, defined contribution or deferred compensation plans in place.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

See heading below "PARTICULARS OF MATTERS TO BE ACTED UPON – Ratification 10% rolling Share Option Plan" below for disclosure on the only equity compensation plan which the Company has in place at the date hereof.

The following table sets out equity compensation plan information as at the end of the financial year ended August 31, 2018.

Equity Compensation Plan Information

	Number of securities to be issued upon exercise of outstanding options.	Weighted-average exercise price of outstanding options.	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders - (the Share option plan)	925,000	0.25	5,138,836
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	925,000	0.25	5,138,836

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

There is no indebtedness of any: (a) director; (b) executive officer; (d) proposed nominee for election as a director; (e) associate of a director, executive officer or proposed nominee for election as a director; (f) employee or (g) former director, executive officer or employee of the Company, to or guaranteed or supported by the Company or any of its subsidiaries either pursuant to an employee stock purchase program of the Company or otherwise, during the most recently completed financial year.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set out in this Information Circular, none of the informed persons of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, in any transactions since the commencement of the Company's last financial year.

Applicable securities legislation defines “**informed person**” to mean any of the following: (a) a director or executive officer of a reporting issuer; (b) a director or officer of a person or company that is itself an informed person or subsidiary of a reporting issuer; (c) any person or company who beneficially owns, directly or indirectly, voting securities of a reporting issuer or who exercises control or direction over voting securities of a reporting issuer or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the reporting issuer other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) a reporting issuer that has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

MANAGEMENT CONTRACTS

Other than set out in this Information Circular, during the Company's financial year ended August 31, 2017 there were no management functions of the Company or any of its subsidiaries which were to any substantial degree performed other than by the directors or executive officers of the Company or its subsidiaries.

PARTICULARS OF MATTERS TO BE ACTED UPON

Ratification 10% “rolling” Share Option Plan

TSX Venture Exchange (“TSXV”) policy requires all of its listed companies to have a share option plan if the company intends to grant options. Shareholders approved the adoption of the Company's 10% rolling share option plan dated for reference April 7, 2016, at its Annual General and Special Meeting held on June 10, 2016 (the “Plan”).

The Plan is a 10% maximum rolling plan. Options granted under the Plan are not exercisable for a period longer than 10 years and the exercise price must be paid in full upon exercise of the option. At the date of this Information Circular, there were options outstanding to purchase an aggregate of 925,000 Common Shares under the Company's Plan.

The Plan is subject to the following restrictions:

- (a) The Company must not grant an option to any one individual director, officer, employee, management company employee, consultant or company consultant (the “Service Provider”) in any 12 month period that exceeds 5% of the outstanding shares, unless the Company has obtained approval to do so by a majority of the votes cast by the shareholders of the Company eligible to vote at a shareholders’ meeting, excluding votes attaching to shares beneficially owned by insiders and their associates (“Disinterested Shareholder Approval”);
- (b) The aggregate number of options granted to a Service Provider conducting investor relations activities in any 12 month period must not exceed 2% of the outstanding Common Shares calculated at the date of the grant, without the prior consent of the TSXV;
- (c) The Company must not grant an option to any one individual consultant in any 12 month period that exceeds 2% of the outstanding shares calculated at the date of the grant of the option, without the prior consent of the TSXV;
- (d) The aggregate number of Common Shares reserved for issuance under options granted to insiders must not exceed 10% of the outstanding Common Shares (in the event that the Plan is amended to reserve for issuance more than 10% of the outstanding Common Shares) unless the Company has obtained Disinterested Shareholder Approval to do so;
- (e) The aggregate number of Common Shares issued for option to insiders in any 12 month period must not exceed 10% of the outstanding Common Shares (in the event that the Plan is amended to reserve for issuance more than 10% of the outstanding Shares) unless the Company has obtained Disinterested Shareholder Approval to do so;
- (f) The issuance to any one Optionee within a 12 month period of a number of Common Shares must not exceed 5% of outstanding Common Shares unless the Company has obtained Disinterested Shareholder Approval to do so;
- (g) any one Person engaged in Investor Relations Activities for the Company must vest in stages over a 12 month period with no more than 1/4 of the Options vesting in any three month period; and
- (h) The exercise price of an option previously granted to an insider must not be reduced, unless the Company has obtained Disinterested Shareholder Approval to do so.

Material Terms to the Plan

The following is a summary of the material terms of the Plan:

- (a) Persons who are Service Providers to the Company or its affiliates, or who are providing services to the Company or its affiliates, are eligible to receive grants of options under the Plan;
- (b) options granted under the Plan are non-assignable and non-transferable and are issuable for a period of up to ten (10) years;
- (c) for options granted to Service Providers, the Company must ensure that the proposed Optionee is a bona fide Service Provider of the Company or its affiliates;
- (d) if there is a takeover bid for all or any of the issued and outstanding Common Shares, then all outstanding Options, whether fully vested and exercisable or remaining subject to vesting provisions or other limitations on exercise, shall become exercisable in full to enable the Optioned Shares to be issued and tendered to such bid, subject to prior written approval of the TSXV;
- (e) an Option granted to any Service Provider will expire 60 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option), after the date the Optionee ceases to be employed by or provide services to the Company, and only to the extent that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Company;
- (f) if an Optionee dies, any vested option held by him at the date of death will become exercisable by the Optionee’s lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;

- (g) in the case of an Optionee being dismissed from employment or service for cause, such Optionee's options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same;
- (h) the exercise price of each option will be set by the Board at the time such Option is allocated under the Plan, and cannot be less than the Discounted Market Price (as defined in the Plan);
- (i) vesting of Options shall be at the discretion of the Board, and will generally be subject to: (i) the Service Provider remaining employed by or continuing to provide services to the Company or any of its affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its affiliates during the vesting period; or (ii) the Service Provider remaining as a Director of the Company or any of its affiliates during the vesting period;
- (j) the Plan contains a black-out provision restricting all or any of the Company's Service Providers to refrain from trading in the Company's securities until the restriction has been lifted by the Company;
- (k) no vesting requirements will apply to options granted under the Plan other than as required by TSXV policies; however, a four month hold period will apply to all Common Shares from the date of grant for all Options granted to:
 - (i) insiders of the Company; or
 - (ii) where Options are granted to any Service Provider, including Insiders, where the exercise price is at a discount to the Market Price; and
- (l) the Board reserves the right in its absolute discretion to amend, modify or terminate the Plan with respect to all common shares in respect of options which have not yet been granted under the Plan. Any amendment to any provision of the Plan will be subject to any necessary Regulatory approvals unless the effect of such amendment is intended to reduce (but not to increase) the benefits of the Plan to Service Providers.

The Board has determined that, in order to reasonably protect the rights of participants, as a matter of administration, it is necessary to clarify when amendments to the Plan may be made by the Board without further shareholder approval.

Accordingly, the Plan also provides that the Board may, without shareholder approval:

- (i) amend the Plan to correct typographical, grammatical or clerical errors;
- (ii) change the vesting provisions of an option granted under the Plan, subject to prior written approval of the TSXV, if applicable;
- (iii) change the termination provision of an Option granted under the Plan if it does not entail an extension beyond the original expiry date of such Option;
- (iv) make such amendments to the Plan as are necessary or desirable to reflect changes in securities laws applicable to the Company or any requested changes by the TSXV;
- (v) if the Company becomes listed or quoted on a stock exchange or stock market senior to the TSXV, it may make such amendments as may be required by the policies of such senior stock exchange or stock market; and
- (vi) amend the Plan to reduce, and not to increase, the benefits of this Plan to Service Providers.

Pursuant to the Board's authority to govern the implementation and administration of the Plan, all previously granted and outstanding stock options shall be governed by the provisions of the Plan.

A copy of the Plan will be available for inspection at the Meeting.

Shareholder Approval

At the Meeting, Shareholders will be asked to consider and vote on an ordinary resolution to ratify and confirm the Plan, with or without variation, as follows:

“RESOLVED that the Company's Share Option Plan dated for reference April 7, 2016, be and is hereby ratified and confirmed until the next annual meeting of the Company.”

An ordinary resolution is a resolution passed by the shareholders of the Company at a general meeting by a simple majority of the votes cast in person or by proxy.

A copy of the Plan will be available for inspection at the Meeting. A shareholder may also obtain a copy of the Plan by contacting the Company at #162 - 2912 West Georgia Street, Vancouver, British Columbia Canada. Tel: 604-340-3774.

The Board recommends that shareholders vote in favour of the Company's 10% "rolling" Share Option Plan.

ADDITIONAL INFORMATION

Financial information is provided in the report of the auditor, audited financial statements of the Company for the year ended August 31, 2018, and related management discussion and analysis and filed on www.sedar.com and will be tabled at the Meeting.

Additional information concerning the Company is available through the Internet on SEDAR which may be accessed at www.sedar.com, or may be obtained by a Shareholder upon request without charge from the Company located at #162 - 2906 West Georgia Street, Vancouver, British Columbia Canada. The Company may require the payment of a reasonable charge from any person or company who is not a securityholder of the Company, who requests a copy of any such document.

OTHER MATTERS

The Board is not aware of any other matters which it anticipates will come before the Meeting as of the date of mailing of this Information Circular.

The contents of this Information Circular and its distribution to shareholders has been approved by the Board.

DATED at Vancouver, British Columbia, January 18, 2019.

BY ORDER OF THE BOARD

"Pierre Léveillé"

Pierre Léveillé
President and Chief Executive Officer

**SCHEDULE “A” TO DEEP-SOUTH RESOURCES INC.
2019 ANNUAL GENERAL MEETING INFORMATION CIRCULAR**

AUDIT COMMITTEE CHARTER

DEEP-SOUTH RESOURCES INC.

CHARTER OF THE AUDIT COMMITTEE

Purpose

The Audit Committee (the “**Committee**”) of Deep-South Resources Inc. (the “**Company**”) is appointed by the Board of Directors of the Company to assist the Board in fulfilling its oversight responsibilities of the Company. In so doing, the Committee provides an avenue of communication among the independent auditors, management, and the Board.

The Committee’s primary duties and responsibilities are to gain reasonable assurance of the following:

- that the Company complies with the applicable laws, regulations, rules, policies and other requirements of governments, regulatory agencies and stock exchanges relating to financial reporting and disclosure;
- that management of the Company has assessed areas of potential significant financial risk to the Company and taken appropriate measures;
- the independence and satisfactory performance of duties by the Company’s independent auditors;
- that the accounting principles, significant judgments and disclosures that underlie or are incorporated in the Company’s financial statements are the most appropriate in the prevailing circumstances;
- that the Company’s quarterly and annual financial statements present fairly the Company’s financial position and performance in accordance with generally accepted accounting principles (“**IFRS**”); and
- that appropriate information concerning the financial position and performance of the Company is disseminated to the public in a timely manner.

Composition

The Committee shall be comprised of three or more directors as determined by the Board, a majority of whom must be independent¹ and free from any relationship that would interfere with the exercise of his or her independent judgment. All members of the Committee shall be financially literate². The Committee members shall be appointed by the Board.

Chair

The Board will appoint the Chair of the Committee annually, to be selected from the members of the Committee. If, in any year, the Board does not make an appointment of the Chair, the incumbent Chair will continue in office until that Chair’s successor is appointed.

Removal and Vacancies

Any member of the Committee may be removed and replaced at any time by the Board and will automatically cease to be a member of the Committee as soon as such member ceases to be a director. The Board may fill vacancies in the Committee by election from among the members of the Board. If and whenever a vacancy exists on the Committee, the remaining members may exercise all its powers so long as a quorum remains in office.

Meetings and Operating Procedures

- The Committee shall meet at least four times annually, or more frequently as circumstances dictate.
- A quorum shall be a majority of the members of the Committee.
- In the absence of the Chair of the Committee, the members shall appoint an acting Chair.

¹ For the definition of “**independent**”, please see the Glossary of Terms.

² For the definition of “**financially literate**”, please see the Glossary of Terms.

- A copy of the minutes of each meeting of the Committee shall be provided to each member of the Committee and to each director of the Company in a timely fashion.
- Notice of the time and place of each meeting of the Committee will be given by the member calling the meeting to the other members by telephone, electronic mail or facsimile transmission not less than forty-eight (48) hours before the time of the meeting, and, subject to the requirements of applicable law, need not specify the purpose of or the business to be transacted at the meeting. Meetings of the Committee may be held at any time without notice if all members have waived or are deemed to have waived notice of the meeting.
- The Chair of the Committee shall use his or her best efforts to prepare and/or approve an agenda in advance of each meeting.
- The Committee, in consultation with management and the independent auditors, shall develop and participate in a process for review of important financial topics that have the potential to impact the Company's financial policies and disclosures.
- The Committee shall communicate its expectations to management and the independent auditors with respect to the nature, timing and extent of its information needs. The Committee expects that written materials will be received from management and, to the extent needed, the independent auditors in advance of meeting dates.
- The Committee should meet privately in executive session at least quarterly with management and as a committee, and at least annually with the independent auditors, to discuss any matters that the Committee or each of these groups believes should be discussed.
- The Committee shall annually review, discuss and assess its own performance. In addition, the Committee shall periodically review its role and responsibilities.
- The Committee expects that, in discharging their responsibilities to the shareholders, the independent auditors shall be accountable to the Board through the Committee. The independent auditors shall report all material issues or potentially material issues to the Committee.

Reliance on Experts

The Committee shall have the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties and to set and pay the compensation for any advisors engaged by it. In so doing, each member of the Committee shall be entitled to rely in good faith upon:

- (a) the financial statements of the Company represented to him or her by an officer of the Company or in a written report of the independent auditors to present fairly the financial position of the Company in accordance with IFRS; and
- (b) any report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by any such person.

The Committee shall also have the authority to communicate directly with the independent auditors.

Remuneration of Committee Members

No member of the Committee may earn fees from the Company other than directors' fees (which fees may include cash, options or other in-kind consideration ordinarily available to directors). For greater certainty, no member of the Committee shall accept any consulting, advisory or other compensatory fee from the Company.

Limitations on Committee's Duties

In contributing to the Committee's discharging of its duties under this Charter, each member of the Committee shall be obliged only to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in this Charter is intended, or may be construed, to impose on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all Board members are subject.

Responsibilities and Duties

Review Procedures

- Review and reassess the adequacy of this Charter at least annually, submit any changes to the Board for approval and ensure that it is in compliance with applicable securities laws.

- Review the Company's annual audited financial statements and quarterly unaudited financial statements and the accompanying Management Discussion and Analysis prior to filing or distribution, and, in respect of the annual financial statements, report its findings for approval to the Board. Review should include discussion with management and, in respect of the annual financial statements, independent auditors of significant issues regarding accounting principles, practices and judgments.
- Review news releases and reports to shareholders, prior to distribution, that are to be issued by the Company with respect to the Company's annual and quarterly financial statements and, if appropriate, recommend approval of same to the Board.
- Ensure that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the disclosure stated above, and periodically assess the adequacy of those procedures.
- In consultation with management and the independent auditors, consider the integrity of the Company's financial reporting processes and controls. Discuss significant financial risk exposures and the steps management has taken to monitor, control, and report such exposures.
- Review and approve the Company's hiring policy regarding the partners, employees and former partners and employees of the present and former external auditor of the Company.
- Review with management and the independent auditors the management certifications of the financial statements and accompanying Management Discussion & Analysis as required under applicable securities laws.
- Review with management and the independent auditors the appropriateness of the Company's accounting policies, disclosures, reserves, key estimates and judgments, including changes or alternatives thereto and to obtain reasonable assurance that they are in compliance with IFRS and fairly present in all material respects the Company's financial condition and results, and report thereon to the Board.
- Review the following with management with the objective of obtaining reasonable assurance that financial risk is being effectively managed and controlled:
 - management's tolerance for financial risks;
 - management's assessment of significant financial risks facing the Company; and
 - the Company's policies, plans, processes and any proposed changes to those policies for controlling significant financial risks.
- On at least an annual basis, review with the Company's counsel any legal matters that could have a significant impact on the Company's financial statements, the Company's compliance with applicable laws and regulations, or inquiries received from regulators or governmental agencies.

Independent Auditors

- The independent auditors are ultimately accountable to the Committee and the Board and shall report directly to the Committee. The Committee shall review the independence and performance of the auditors and annually recommend to the Board the appointment and compensation of the independent auditors or approve any discharge of auditors when circumstances warrant.
- Assume direct responsibility for overseeing the work of the independent auditors engaged to prepare or issue an audit report or perform other audit, review or attest services for the Company, including the resolution of disagreements between management and the independent auditors regarding financial reporting.
- Evaluate and recommend to the Board the independent auditors to be nominated to prepare or issue an audit report or perform other audit, review or attest services for the Company, and the compensation of the independent auditors.
- Pre-approve all non-audit services to be provided to the Company or its subsidiary entities by its independent auditors. Authority to pre-approve non-audit services may be delegated to one or more independent members, provided that the pre-approval is presented to the full Committee at its first scheduled meeting following such pre-approval.
- On an annual basis, the Committee should review and discuss with the independent auditors all significant relationships they have with the Company that could impair the auditors' independence.

- Review the independent auditors' audit plan, and discuss scope, staffing, locations, reliance upon management and internal audit and general audit approach.
- Prior to releasing the year-end earnings, discuss the results of the audit with the independent auditors. Discuss certain matters required to be communicated to audit committees.
- Consider the independent auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- Review the results of independent audits and any change in accounting practices or policies and their impact on the financial statements.
- Where there are unsettled issues raised by the independent auditors that do not have a material effect on the annual audited financial statements, require that there be a written response identifying a course of action that would lead to the resolution of such issues.

Other

- Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters, and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
- Ensure that the Company's annual information form, if one is prepared and filed, contains the required prescribed disclosure regarding the Committee, and, if management solicits proxies from the Company's securityholders for the purpose of electing directors to the Board, ensure that the prescribed disclosure is included in the Company's management information circular.

Access to Records

The Committee will be permitted access to all records and corporate information that it determines to be required in order to perform its duties.