

**RICHMOND MINERALS INC.**

**NOTICE OF MEETING**

**AND**

**MANAGEMENT INFORMATION CIRCULAR**

**WITH RESPECT TO**

**THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON AUGUST 12, 2016**

Dated June 20, 2016

## **RICHMOND MINERALS INC.**

### **NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

Notice is hereby given that an annual and special meeting (the “**Meeting**”) of the shareholders (“**Shareholders**”) of Richmond Minerals Inc. (the “**Corporation**”) will be held at 133 Richmond Street West, Suite 403, Toronto, Ontario M5H 2L3 on August 12, 2016 at 11:00 a.m. (Toronto time), for the following purposes:

1. to receive and consider the financial statements of the Corporation for the year ended May 31, 2015 and the report of the auditors thereon;
2. to appoint Wasserman Ramsay, Chartered Accountants as the auditors of the Corporation for the ensuing year and to authorize the directors to fix their remuneration;
3. to elect the directors of the Corporation for the ensuing year;
4. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution to approve, for the ensuing year, the Corporation’s incentive stock option plan; and
5. to transact such other business as may properly come before the Meeting or any adjournments or postponements thereof.

An “**ordinary resolution**” is a resolution passed by at least a majority of the votes cast by Shareholders who voted in respect of that resolution at the Meeting.

The nature of the business to be transacted at the Meeting is described in further detail in the management information circular of the Corporation (the “**Circular**”) under the section entitled *Matters to be Acted Upon*.

The record date for the determination of Shareholders entitled to receive notice of, and to vote at, the Meeting or any adjournments or postponements thereof is June 28, 2016 (the “**Record Date**”). Shareholders whose names have been entered in the register of Shareholders at the close of business on the Record Date will be entitled to receive notice of, and to vote, at the Meeting or any adjournments or postponements thereof.

#### **Notice-and-Access**

The Corporation is utilizing the notice-and-access mechanism (the “**Notice-and-Access Provisions**”) that came into effect on February 11, 2013 under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* and National Instrument 51-102 – *Continuous Disclosure Obligations*, for distribution of Meeting materials to registered and beneficial Shareholders.

#### **Website Where Meeting Materials are Posted**

The Notice-and-Access Provisions are a new set of rules that allows reporting issuers to post electronic versions of proxy-related materials (such as proxy circulars and annual financial statements) on-line, via the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) and one other website, rather than mailing paper copies of such materials to Shareholders. Electronic copies of the Circular, financial statements of the Corporation for the year ended May 31, 2015 (“**Financial Statements**”) and management’s discussion and analysis of the Corporation’s results of operations and financial condition for 2015 (“**MD&A**”) may be found on the Corporation’s SEDAR profile at [www.sedar.com](http://www.sedar.com) and also on the Corporation’s website at [www.richmondminerals.com/investors](http://www.richmondminerals.com/investors). The Corporation will not use procedures known as “stratification” in relation to the use of Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of the Circular to some Shareholders with this notice package. In relation to the Meeting, all Shareholders will receive the required documentation under the Notice-and-Access Provisions, which will not include a paper copy of the Circular.

### **Obtaining Paper Copies of Materials**

The Corporation anticipates that using notice-and-access for delivery to all Shareholders will directly benefit the Corporation through a substantial reduction in both postage and material costs, and also promote environmental responsibility by decreasing the large volume of paper documents generated by printing proxy-related materials. Shareholders with questions about notice-and-access can call the Corporation's transfer agent Capital Transfer Agency Inc. ("**Capital Transfer**") toll-free at 1.800.631.0940. Shareholders may also obtain paper copies of the Circular, Financial Statements and MD&A free of charge by contacting Capital Transfer at the same toll-free number or upon request to the Corporation's Corporate Secretary.

A request for paper copies which are required in advance of the Meeting should be sent so that they are received by the Corporation or Capital Transfer, as applicable, by Wednesday, July 20, 2016 in order to allow sufficient time for Shareholders to receive the paper copies and to return their proxies or voting instruction forms to intermediaries not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, Ontario) prior to the time set for the Meeting or any adjournments or postponements thereof (the "**Proxy Deadline**").

### **Voting**

**All Shareholders are invited to attend the Meeting and may attend in person or may be represented by proxy. A "beneficial" or "non-registered" Shareholder will not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his/her/its broker; however, a beneficial Shareholder may attend the Meeting as proxyholder for the registered Shareholder and vote the common shares in that capacity. Only Shareholders as of the Record Date are entitled to receive notice of and vote at the Meeting. Shareholders who are unable to attend the Meeting in person, or any adjournments or postponements thereof, are requested to complete, date and sign the enclosed form of proxy (registered holders) or voting instruction form (beneficial holders) and return it in the envelope provided. To be effective, the enclosed form of proxy or voting instruction form must be mailed or faxed so as to reach or be deposited with Capital Transfer (in the case of registered holders) at 121 Richmond Street, West, Suite 401, Toronto, Ontario M5H 2K1, Fax Number: 416.350.5008, prior to the Proxy Deadline, failing which such votes may not be counted, or your intermediary (in the case of beneficial holders) with sufficient time for them to file a proxy by the Proxy Deadline. **SHAREHOLDERS ARE REMINDED TO REVIEW THE CIRCULAR BEFORE VOTING.****

DATED this 20<sup>th</sup> day of June, 2016.

**BY ORDER OF THE BOARD OF DIRECTORS OF  
RICHMOND MINERALS INC.**

*"Franz Kozich-Koschitzky"*

Franz Kozich-Koschitzky  
President and Chief Executive Officer

## RICHMOND MINERALS INC.

### MANAGEMENT INFORMATION CIRCULAR

Richmond Minerals Inc. (the “**Corporation**”) is utilizing the notice-and-access mechanism (the “**Notice-and-Access Provisions**”) that came into effect on February 11, 2013 under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) and National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”) for distribution of this Circular to both registered and non-registered (or beneficial) shareholders of the Corporation (collectively, the “**Shareholders**”). Further information on notice-and-access is contained below under the heading *General Information Respecting the Meeting – Notice-and-Access* and Shareholders are encouraged to read this information for an explanation of their rights.

### GENERAL INFORMATION RESPECTING THE MEETING

#### Solicitation of Proxies

This Circular is furnished in connection with the solicitation of proxies by the management of the Corporation for use at the annual and special meeting (the “**Meeting**”) of the shareholders (the “**Shareholders**”) of the Corporation to be held at 11:00 a.m. (Toronto time) on August 12, 2016 at 133 Richmond Street West, Suite 403, Toronto, Ontario M5H 2L3, for the purposes set forth in the Notice of Annual and Special Meeting of Shareholders (the “**Notice**”). References in this Circular to the Meeting include any adjournment(s) or postponement(s) thereof. It is expected that the solicitation of proxies will be primarily by mail, however, proxies may also be solicited by the officers, directors and employees of the Corporation by telephone, electronic mail, telecopier or personally. These persons will receive no compensation for such solicitation other than their regular fees or salaries. The cost of soliciting proxies in connection with the Meeting will be borne directly by the Corporation.

The board of directors of the Corporation (the “**Board**”) has fixed the close of business on June 28, 2016 as the record date, being the date for the determination of the registered Shareholders entitled to receive notice of, and to vote at, the Meeting. All duly completed and executed proxies must be received by the Corporation’s registrar and transfer agent, 121 Richmond Street, West, Suite 401, Toronto, Ontario M5H 2K1, Fax 416.350.5008 or Tel: 1.800.631.0940 not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, Ontario) prior to the time set for the Meeting or any adjournments or postponements thereof.

In this Circular, unless otherwise indicated, all dollar amounts “\$” are expressed in Canadian dollars.

Unless otherwise stated, the information contained in this Circular is as of June 29, 2016.

#### Voting of Proxies

The common shares in the capital stock of the Corporation (“**Common Shares**”) represented by the form of proxy delivered to registered Shareholders (if same is properly executed and is received at the offices of Capital Transfer Agency Inc. (“**Capital Transfer**”) at the address provided herein, not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, Ontario) prior to the time set for the Meeting or any adjournment(s) or postponement(s) thereof), will be voted at the Meeting, and, where a choice is specified in respect of any matter to be acted upon, will be voted or withheld from voting in accordance with the specification made on any ballot that may be called for. **In the absence of such specification, proxies in favour of management will be voted in favour of all resolutions described below. The form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice and with respect to other matters which may properly come before the Meeting.** At the time of the filing of this Circular, management knows of no such amendments, variations or other matters to come before the Meeting. However, if any other matters that are not now known to management should properly come before the Meeting, the form of proxy will be voted on such matters in accordance with the best judgment of the named proxies.

### **Appointment of Proxies**

The persons named in the enclosed form of proxy are officers and/or directors of the Corporation. **A Shareholder desiring to appoint some other person, who need not be a Shareholder, to represent him or her at the Meeting, may do so by inserting such person's name in the blank space provided in the enclosed form of proxy or by completing another proper form of proxy and, in either case, depositing the completed and executed proxy at the offices of Capital Transfer, at the address provided herein, not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, Ontario) prior to the time set for the Meeting or any adjournment(s) or postponement(s) thereof.**

A Shareholder forwarding the enclosed form of proxy may indicate the manner in which the appointee is to vote with respect to any specific item by checking the appropriate space. If the Shareholder giving the proxy wishes to confer a discretionary authority with respect to any item of business, then the space opposite the item is to be left blank. The Common Shares represented by the form of proxy submitted by a Shareholder will be voted in accordance with the directions, if any, given in the form of proxy.

To be valid, a form of proxy must be executed by a Shareholder or a Shareholder's attorney duly authorized in writing or, if the Shareholder is a body corporate, under its corporate seal or, by a duly authorized officer or attorney.

### **Revocation of Proxies**

A proxy given pursuant to this solicitation may be revoked at any time prior to its use. A Shareholder who has given a proxy may revoke the proxy by:

- (i) completing and signing a proxy bearing a later date and depositing it at the offices of Capital Transfer, 121 Richmond Street, West, Suite 401, Toronto, Ontario M5H 2K1;
- (ii) depositing an instrument in writing executed by the Shareholder or by the Shareholder's attorney duly authorized in writing or, if the Shareholder is a body corporate, under its corporate seal or, by a duly authorized officer or attorney either with Capital Transfer, 121 Richmond Street, West, Suite 401, Toronto, Ontario M5H 2K1 at any time up to and including the last business day preceding the day of the Meeting or any adjournment(s) or postponement(s) thereof or with the Chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment(s) or postponement(s) thereof; or
- (iii) in any other manner permitted by law.

Such instrument will not be effective with respect to any matter on which a vote has already been cast pursuant to such proxy.

### **Voting by Non-Registered Shareholders**

Only registered Shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. Most Shareholders are "non-registered" or "beneficial" Shareholders ("**Non-Registered Shareholders**") because the Common Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Common Shares. Common Shares beneficially owned by a Non-Registered Shareholder are registered either: (i) in the name of an intermediary ("**Intermediary**") that the Non-Registered Shareholder deals with in respect of the Common Shares; or (ii) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc. ("**CDS**")) of which the Intermediary is a participant. In accordance with applicable securities law requirements, the Corporation will have distributed copies, via mail or electronically, of the Notice, this Circular, the form of proxy and a request card for interim and annual materials (collectively, the "**Meeting Materials**") to the clearing agencies and Intermediaries for distribution to Non-Registered Shareholders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them. Intermediaries often use service companies to forward the Meeting Materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive Meeting Materials will either:

- (i) be given a voting instruction form **which is not signed by the Intermediary** and which, when properly completed and signed by the Non-Registered Shareholder and **returned to the Intermediary or its service company**, will constitute voting instructions (often called a “**voting instruction form**”) which the Intermediary must follow. Typically, the voting instruction form will consist of a one page pre-printed form. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in Canada and the United States. Broadridge typically prepares a machine-readable voting instruction form, mails those forms to Non-Registered Shareholders and asks Non-Registered Shareholders to return the forms to Broadridge or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of the shares to be represented at the Meeting. Sometimes, instead of the one page pre-printed form, the voting instruction form will consist of a regular printed proxy form accompanied by a page of instructions which contains a removable label with a bar-code and other information. In order for this form of proxy to validly constitute a voting instruction form, the Non-Registered Shareholder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company. **A Non-Registered Shareholder who receives a voting instruction form cannot use that form to vote his or her Common Shares at the Meeting;** or
- (ii) be given a form of proxy **which has already been signed by the Intermediary** (typically by a facsimile, stamped signature), which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Shareholder but which is otherwise not completed by the Intermediary. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Shareholder when submitting the proxy. In this case, the Non-Registered Shareholder who wishes to submit a proxy should properly complete the form of proxy and deposit it with Capital Transfer at 121 Richmond Street, West, Suite 401, Toronto, Ontario M5H 2K1, Fax Number: 416.350.5008.

In either case, the purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of the Common Shares they beneficially own. Should a Non-Registered Shareholder who receives one of the above forms wish to vote at the Meeting, or any adjournment(s) or postponement(s) thereof, (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should strike out the persons named in the voting instruction form and insert the Non-Registered Shareholder or such other person’s name in the blank space provided. **In either case, Non-Registered Shareholders should carefully follow the instructions of their Intermediary, including those regarding when and where the voting instruction form is to be delivered.**

A Non-Registered Shareholder may revoke a voting instruction form or a waiver of the right to receive Meeting Materials and to vote which has been given to an Intermediary at any time by written notice to the Intermediary provided that an Intermediary is not required to act on a revocation of a voting instruction form or of a waiver of the right to receive Meeting Materials and to vote, which is not received by the Intermediary at least seven (7) days prior to the Meeting.

Non-Registered Shareholders fall into two categories: those who object to their identity being made known to the issuers of securities which they own (“**Objecting Beneficial Owners**” or “**OBOs**”) and those who do not object to their identity being made known to the issuers of the securities they own (“**Non-Objecting Beneficial Owners**” or “**NOBOs**”). Subject to the provisions of NI 54-101, issuers may request and obtain a list of their NOBOs from intermediaries. Pursuant to NI 54-101, issuers may obtain and use the NOBO list in connection with any matter relating to the affairs of the issuer, including the distribution of proxy-related materials directly to NOBOs. The Corporation is not sending Meeting Materials directly to the NOBOs. The Corporation will use and pay intermediaries and agents to send the Meeting Materials and also intends to pay for intermediaries to deliver the Meeting Materials to the OBOs. **As more particularly outlined below under the heading “Notice-and-Access”, Meeting Materials will be sent to Non-Registered Shareholders using the Notice-and-Access Provisions.**

## **Notice and Access**

As noted above, the Corporation is utilizing the Notice-and-Access Provisions that came into effect on February 11, 2013 under NI 54-101 and NI 51-102 for distribution of this Circular to all registered Shareholders and Non-Registered Shareholders.

The Notice-and-Access Provisions are a new set of rules that allows reporting issuers to post electronic versions of proxy-related materials (such as proxy circulars and annual financial statements) on-line, via the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) and one other website, rather than mailing paper copies of such materials to Shareholders. Electronic copies of the Circular, financial statements of the Corporation for the year ended May 31, 2015 (“**Financial Statements**”) and management’s discussion and analysis of the Corporation’s results of operations and financial condition for 2015 (“**MD&A**”) may be found on the Corporation’s SEDAR profile at [www.sedar.com](http://www.sedar.com) and also on the Corporation’s website at [www.richmondminerals.com/investors](http://www.richmondminerals.com/investors). The Corporation will not use procedures known as “stratification” in relation to the use of Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of this Circular to some Shareholders with the notice package. In relation to the Meeting, all Shareholders will receive the required documentation under the Notice-and-Access Provisions, which will not include a paper copy of this Circular. **Shareholders are reminded to review this Circular before voting.**

Although this Circular, the Financial Statements and the MD&A will be posted electronically on-line as noted above, Shareholders will receive paper copies of a “notice package” via prepaid mail containing the Notice with information prescribed by NI 54-101 and NI 51-102, a form of proxy or voting instruction form, and supplemental mail list return card for Shareholders to request they be included in the Corporation’s supplementary mailing list for receipt of the Corporation’s interim financial statements for the 2016 fiscal year.

The Corporation anticipates that notice-and-access will directly benefit the Corporation through a substantial reduction in both postage and material costs, and also promote environmental responsibility by decreasing the large volume of paper documents generated by printing proxy-related materials.

Shareholders with questions about notice-and-access can call the Corporation’s transfer agent Capital Transfer toll-free at 1.800.631.0940. Shareholders may also obtain paper copies of this Circular, the Financial Statements and the MD&A free of charge by contacting Capital Transfer at the same toll-free number or upon request to the Corporate Secretary of the Corporation.

A request for paper copies which are required in advance of the Meeting should be sent so that they are received by the Corporation or Capital Transfer, as applicable, by Wednesday, July 6, 2016 in order to allow sufficient time for Shareholders to receive their paper copies and to return a) their form of proxy to the Corporation or Capital Transfer, or b) their voting instruction form to their Intermediaries by its due date.

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

Other than as disclosed herein, no director or executive officer of the Corporation who has held such position at any time since the beginning of the Corporation’s last financial year, each proposed nominee for election as a director of the Corporation, and associates or affiliates of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matters to be acted upon at the Meeting.

## **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The authorized share capital of the Corporation consists of an unlimited number of Common Shares without par value. As at the date hereof, there are 43,544,078 Common Shares issued and outstanding.

Each Common Share entitles the holder thereof to one vote on all matters to be acted upon at the Meeting. The record date for the determination of Shareholders entitled to receive notice of the Meeting has been fixed at June 28, 2016 (the “**Record Date**”). All such holders of record of Common Shares on the Record Date are entitled either to

attend and vote thereat in person the Common Shares held by them or, provided a completed and executed proxy shall have been delivered to the Corporation's transfer agent, Capital Transfer, within the time specified in the Notice, to attend and to vote thereat by proxy the Common Shares held by them.

To the knowledge of the directors and executive officers of the Corporation, as of the date hereof, no person or company beneficially owns, controls or directs, directly or indirectly, voting securities of the Corporation carrying 10% or more of the voting rights attached to all outstanding Common Shares of the Corporation.

## **BUSINESS MATTERS TO BE ACTED UPON AT THE MEETING**

### **Appointment of Auditors**

Wasserman Ramsay, Chartered Accountants Chartered Accountants (“**Wasserman Ramsay**”) are the independent registered certified auditors of the Corporation.

**Unless the Shareholder has specifically instructed in the enclosed form of proxy that the Common Shares represented by such proxy are to be withheld or voted otherwise, the persons named in the accompanying proxy will vote FOR the appointment of Wasserman Ramsay as auditors of the Corporation to hold office until the next annual meeting of Shareholders or until a successor is appointed and to authorize the Board to fix the remuneration of the auditors.**

### **Election of Directors**

At the Meeting, the following five (5) persons named hereunder will be proposed for election as directors of the Corporation. Management does not contemplate that any of the nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, it is intended that discretionary authority shall be exercised by the persons named in the accompanying proxy to vote the proxy for the election of any other person or persons in place of any nominee or nominees unable to serve. Each director elected will hold office until the close of the next annual meeting of Shareholders of the Corporation, or until his successor is duly elected unless prior thereto he resigns or his office becomes vacant by reason of death or other cause.

Shareholders have the option to (i) vote for all of the directors of the Corporation listed in the table below; (ii) vote for some of the directors and withhold for others; or (iii) withhold for all of the directors. **Unless the Shareholder has specifically instructed in the enclosed form of proxy that the Common Shares represented by such proxy are to be withheld or voted otherwise, the persons named in the accompanying proxy will vote FOR the election of each of the proposed nominees set forth below as directors of the Corporation.**

The following table, among other things, sets forth the name of all persons proposed to be nominated for election as directors, their place of residence, position held, and periods of service with, the Corporation, or any of its affiliates, their principal occupations and the approximate number of Common Shares beneficially owned, controlled or directed, directly or indirectly, by them.

Name, Province or State and Country of Residence	Date First Became a Director	Present Principal Occupation and Positions Held During the Preceding Five Years	Number of Common Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Direction is Exercised <sup>(1)</sup>
Franz Kozich- Koschitzky <sup>(2)(3)(4)</sup> <i>Ebenfurth, Austria</i>	November 2005	President and Chief Executive Officer of the Corporation	835,250
Andrew J. McQuire <sup>(2)(3)(4)</sup> <i>Ontario, Canada</i>	March 2006	Business Consultant	300,909



Name, Province or State and Country of Residence	Date First Became a Director	Present Principal Occupation and Positions Held During the Preceding Five Years	Number of Common Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Direction is Exercised <sup>(1)</sup>
Paul Millar <sup>(2)(3)(4)</sup> Ontario, Canada	October 2008	President, York London Holdings Limited	250,000
Bogdan Nitescu Ontario, Canada	July 2014	Consulting Geologist of the Corporation (March 2014-Present); Consulting Geologist and Geophysicist with Horny Bay Mineral Exploration (October 2005 – Present); and Consulting Geophysicist with Superior Copper Corporation (July 2012 – April 2013)	Nil
Lee Bowles <sup>(2)</sup> Ontario, Canada	April 2015	CEO Ironstone Capital, Investor Relations Consultant for WCB Resources Ltd.	Nil

**Notes:**

- (1) The information with respect to the Common Shares beneficially owned, controlled or directed is not within the direct knowledge of the Corporation and has been furnished by the respective individuals.
- (2) Member of the Audit Committee.
- (3) Member of the Compensation Committee.
- (4) Member of the Nominating and Corporate Governance Committee.

As a group, the proposed directors beneficially own, control or direct, directly or indirectly, 1,386,159 Common Shares, representing approximately 3.3% of the issued and outstanding Common Shares as of the date hereof.

***Dr. Bogdan Nitescu***

Dr. Nitescu is a professional geoscientist who trained both as a geophysicist and as a geologist. He obtained his Ph.D. in Geology from the University of Toronto in 2004 and has expertise with geophysical interpretations of the Kapuskasing Structural Zone and the Western Superior Province. Since 2005, he has been actively involved in exploration work for gold, uranium, copper and diamonds with various junior exploration companies. In addition, his previous experience includes participation in government-funded research in the Bathurst Mining Camp and work as a lecturer in Geology at the University of Toronto. Dr. Nitescu is a member of the Association of Professional Geoscientists of Ontario.

***Mr. Lee Bowles***

Lee Bowles is the Principal of Ironstone Capital Corporation, has been in the investment business since 1994 and has worked for several leading independent investment dealers in Toronto, New York and London in the areas of fixed income trader, investment banking and institutional equity sales. He is credited with helping build one of Canada's leading resource focused investment dealers. Most recently, he provided institutional equity sales coverage with a focus on European based institutions.

***Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions***

No individual set forth in the above table is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that:

- (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied

the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued while such individual was acting in the capacity as director, chief executive officer or chief financial officer; or

- (b) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after such individual ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while such proposed director was acting in the capacity as director, chief executive officer or chief financial officer.

No individual set forth in the above table (or any personal holding company of any such individual) is, as of the date of this Circular, or has been within ten (10) years before the date of this Circular, a director or executive officer of any company (including the Corporation) that, while such individual was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

No individual as set forth in the above table (or any personal holding company of any such individual) has, within the ten (10) years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such individual.

No individual set forth in the above table (or any personal holding company of any such individual) has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

### **Stock Option Plan Approval**

The TSX-V requires all listed companies with a 10% rolling stock option plan to obtain annual shareholder approval of such a plan. Shareholders will be asked at the Meeting to vote on a resolution to reapprove the Plan for the upcoming year.

The Plan provides that the Board may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Corporation, or any subsidiary of the Corporation, the option to purchase common shares. The Plan provides for a floating maximum limit of 10% of the outstanding Common Shares as permitted by the policies of the TSX-V. As at the date hereof, this represents 4,354,408 Common Shares available under the Plan.

As at the date hereof, outstanding options to purchase a total of 3,862,500 Common Shares have been issued to directors, officers, employees and consultants of the Corporation and remain outstanding. As at the date hereof, the number of Common Shares remaining available for issuance under the Plan is 491,908. For a brief description of the Plan, please see: “*Securities Authorized for Issuance Under Equity Compensation Plans – Stock Option Plan*”.

The full text of the Plan will be supplied free of charge to Shareholders upon written request made directly to the Corporation at its registered head office located at 133 Richmond Street West, Suite 403, Toronto, Ontario M5H 2L3, Attention: Chief Executive Officer.

### ***Shareholder Approval for the Plan***

Shareholders will be asked to consider and, if deemed advisable, to pass an ordinary resolution approving the Plan (the “**Stock Option Plan Resolution**”), which, to be effective, must be passed by not less than a majority of the votes cast by the holders of Common Shares present in person, or represented by proxy, at the Meeting.

**The Board recommends that Shareholders vote FOR the Stock Option Plan Resolution. Unless the Shareholder has specifically instructed in the form of proxy or voting instruction form that the Common Shares represented by such proxy or voting instruction form are to be voted against the Stock Option Plan Resolution, the persons named in the proxy or voting instruction form will vote FOR the Stock Option Plan Resolution.**

### **Other Matters**

Management of the Corporation knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice. However, if any other matter properly comes before the Meeting, the form of proxy furnished by the Corporation will be voted on such matters in accordance with the best judgment of the persons voting the proxy.

## **EXECUTIVE COMPENSATION**

### **Compensation Discussion and Analysis**

The purpose of this Compensation Discussion and Analysis is to provide information about the Corporation’s executive compensation philosophy, objectives, and processes and to discuss compensation decisions relating to the Corporation’s Chief Executive Officer, Chief Financial Officer, and, if applicable, its three most highly compensated individuals acting as, or in a like capacity as, executive officers of the Corporation whose total compensation for the most recently completed financial year was individually equal to more than \$150,000 (the “**NEOs**” or “**Named Executive Officers**”), during the Corporation’s most recently complete financial year, being the financial year ended May 31, 2015 (the “**Last Financial Year**”). The only NEOs of the Corporation during the Last Financial Year were Franz Kozich-Koschitzky, President and Chief Executive Officer of the Corporation, and Victoria Kuklina, the Chief Financial Officer of the Corporation.

### ***Compensation Committee***

The compensation committee of the Board (“**Compensation Committee**”) is currently comprised of three directors, namely Franz Kozich-Koschitzky, Andrew J. McQuire and Paul Millar, all of whom are independent within the meaning of Canadian Securities Administrator’s National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”), other than Mr. Kozich-Koschitzky.

The Compensation Committee’s purpose is, among other things, to: (i) review and make recommendations to the Board at least annually regarding the Corporation’s remuneration and compensation policies, including short and long-term incentive compensation plans and equity-based plans, bonus plans, pension plans (if any), executive stock option plans (including the Corporation’s incentive stock option plan) and grants, and benefit plans; (ii) have the sole authority to retain and terminate any compensation consultant to assist in the evaluation of director compensation, including sole authority to approve fees and other terms of the retention; (iii) review and approve at least annually all compensation arrangements with the senior executives of the Corporation; (iv) review and approve at least annually all compensation arrangements with the directors of the Corporation; and (v) review the executive compensation sections disclosed in the Corporation’s management proxy circular distributed to the Shareholders in respect of the Corporations annual meetings of Shareholders.

## ***Compensation Process***

The Board relies on the knowledge and experience of the directors thereon and the members of the Compensation Committee to set appropriate levels of compensation for senior officers. Neither the Corporation nor the Board, nor the Compensation Committee currently has any contractual arrangement with any executive compensation consultant who has a role in determining or recommending the amount or form of senior officer compensation.

The Compensation Committee reviews the various elements of the NEOs' compensation in the context of the total compensation package (including salary, consulting fees and prior awards under the Corporation's stock option plan) and recommends to the Board the NEOs' compensation packages. The Compensation Committee's recommendations regarding NEO compensation are presented to the independent members of the Board for their consideration and approval.

## **Principles/Objectives of the Compensation Program**

The primary goal of the Corporation's executive compensation program is to attract, motivate and retain top quality individuals at the executive level. The program is designed to ensure that the compensation provided to the Corporation's senior officers is determined with regard to the Corporation's business strategy and objectives and financial resources, and with the view of aligning the financial interests of the senior officers with the financial interests of the shareholders of the Corporation.

## **Compensation Program Design and Analysis of Compensation Decisions**

Standard compensation arrangements for the Corporation's senior officers are composed of the following elements, which are linked to the Corporation's compensation and corporate objectives as follows:

<b>Compensation Element</b>	<b>Link to Compensation Objectives</b>	<b>Link to Corporate Objectives</b>
Base Salary and/or Consulting Fees	Attract and Retain	Competitive pay ensures access to skilled employees necessary to achieve corporate objectives.
Stock Options	Motivate and Reward  Align interests with shareholders	Long-term incentives motivate and reward senior officers to increase shareholder value by the achievement of long-term corporate strategies and objectives.

## **Performance and Compensation**

The Corporation is an exploration stage mining company and does not expect to be generating revenues from operations in the foreseeable future. As a result, the use of traditional performance standards such as corporate profitability is not considered by the Board or Compensation Committee to be appropriate in the evaluation of corporate or NEO performance. The compensation of senior officers is based, in part, on trends in the mineral exploration industry as well as achievement of the Corporation's business plans. The Board did not establish any quantifiable criteria during the Last Financial Year with respect to base compensation payable or the amount of equity compensation granted to NEOs and did not benchmark against a peer group of companies.

### ***Base Salaries and Consulting Fees***

The Corporation provides senior officers with base salaries or consulting fees which represent their minimum compensation for services rendered, or expected to be rendered. NEOs' base compensation depends on the scope of their experience, responsibilities, leadership skills, performance, length of service, generally industry trends and practices competitiveness, and the Corporation's existing financial resources. Base salaries are reviewed annually by the Compensation Committee.

### *Stock Options*

The grant of options pursuant to the Corporation's stock option plan is an integral component of the compensation arrangements of the senior officers of the Corporation. The Board believes that the grant of options to senior officers and common share ownership by such officers serves to motivate such officers to strive towards achievement of the Corporation's long-term strategic objectives, which will benefit all shareholders of the Corporation. Options are awarded to employees of the Corporation by the Board, based on the recommendations of the Compensation Committee. Decisions with respect to options granted are based upon the individual's level of responsibility and their contribution towards the Corporation's goals and objectives, and additionally may be awarded in recognition of the achievement of a particular goal or extraordinary service. The Board considers the overall number of options that are outstanding relative to the number of outstanding Common Shares in determining whether to make any new grants of options and the size of such grants. During the Last Financial Year, the Board did not grant any stock options to purchase Common Shares.

### *Compensation Risk Considerations*

The Compensation Committee is responsible for considering, establishing and reviewing executive compensation programs, and whether the programs encourage unnecessary or excessive risk taking. The Corporation believes the programs are balanced and do not motivate unnecessary or excessive risk taking. The Corporation does not currently have a policy that restricts directors or NEOs from purchasing 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. However, to the knowledge of the Corporation, as of the date of hereof, no director or NEO of the Corporation has participated in the purchase of such financial instruments.

Base salaries are fixed in amount thus do not encourage risk taking. While annual incentive awards focus on the achievement of short term or annual goals and short term goals may encourage the taking of short-term risks at the expense of long term results, the Corporation's annual incentive award program represents a small percentage of employee's compensation opportunities. Annual incentive awards are based on various personal and company-wide achievements. Such performance goals are subjective and include achieving individual and/or corporate targets and objectives, as well as general performance in day-to-day corporate activities which would trigger the award of a bonus payment to the NEO. The determination as to whether a target has been met is ultimately made by the Board (after receiving recommendations of the Compensation Committee) and the Board reserves the right to make positive or negative adjustments to any bonus payment if they consider them to be appropriate. Funding of the annual incentive awards is capped at the company level and the distribution of funds to the executive officers is at the discretion of the Compensation Committee. Stock option awards are important to further align employees' interests with those of the Shareholders. The ultimate value of the awards is tied to the Corporation's stock price and since awards are staggered and subject to long-term vesting schedules, they help ensure that NEOs have significant value tied in long-term stock price performance.

### **Summary Compensation Table**

The following tables provides information for the Last Financial Year and the years ended May 31, 2014 and May 31, 2013 regarding compensation earned by each of the following NEOs:

Name and principal position	Year Ended May 31	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Franz Kozich-Koschitzky President & Chief Executive Officer	2015	5,517	Nil	Nil	Nil	Nil	Nil	Nil	5,517
	2014	3,000	Nil	Nil	Nil	Nil	Nil	Nil	3,000

Name and principal position	Year Ended May 31	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
	2013	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Victoria Kuklina <sup>(1)</sup> Chief Financial Officer	2015	36,510	Nil	Nil	Nil	Nil	Nil	Nil	36,510
	2014	16,000	Nil	Nil	Nil	Nil	Nil	Nil	16,000
	2013	1,250	N/A	N/A	N/A	N/A	N/A	N/A	1,250

Notes:

(1) Ms. Kuklina was appointed Chief Financial Officer of the Corporation effective April 29, 2013.

**Incentive Plan Awards**

The following table provides information regarding the incentive plan awards for each NEO outstanding as of May 31, 2015:

**Outstanding Share Awards and Option Awards**

Name	Option-based Awards				Share-based Awards	
	Number of Common Shares underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share awards that have not vested (\$)
Franz Kozich-Koschitzky	475,000	0.10	September 7, 2019	Nil	N/A	N/A
Victoria Kuklina	400,000	0.10	September 7, 2019	Nil	N/A	N/A

Note:

(1) Aggregate dollar amount of in-the-money unexercised options held as at May 31, 2015. This figure is computed based on the difference between the market value of the Common Shares on the TSX Venture Exchange as at May 31, 2015 and the exercise price of the option. The closing price of the Common Shares on the TSX Venture Exchange on May 31, 2015 was \$0.10.

The following table provides information regarding the value vested or earned on incentive plan awards for each NEO during the year ended May 31, 2015:

**Incentive Plan Awards – Value Vested or Earned During the Year**

Name	Option-based awards – Value vested during the year <sup>(1)</sup> (\$)	Share-based awards – Value vested (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Franz Kozich-Koschitzky	Nil	N/A	N/A
Victoria Kuklina	Nil	N/A	N/A

Note:

(1) Calculated based on the closing price of the Common Shares on the TSX Venture Exchange at the vesting date less the exercise price of the vested options multiplied by the number of vested options.

**Pension Plan Benefits**

As at the date of this Circular, the Corporation does not have any pension plans.

**Termination and Change of Control Benefits**

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

**Director Compensation**

The Board determines the level of compensation for directors based on recommendations from the Compensation Committee. The Board reviews directors' compensation as needed, taking into account time commitment, risks and responsibilities to ensure that the amount of compensation adequately reflects the responsibilities and risks of being a director and makes adjustments as deemed necessary.

As of the date hereof, the Board has not adopted a cash compensation program for its directors with respect to general director's duties, meeting attendance, or for additional service on Board committees. However, directors are reimbursed for all reasonable out-of-pocket expenses incurred in attending Board, committee or shareholder meetings and otherwise incurred in carrying out their duties as directors of the Corporation.

Directors may receive option grants as determined by the Board pursuant to the Plan. The exercise price of such options is determined by the Board, but shall in no event be less than the market price of the Common Shares at the time of the grant of the options.

### Director Compensation Table

The following table provides information regarding compensation paid to the Corporation's directors, other than the NEOs, during the financial year ended May 31, 2015:

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Andrew J. McQuire	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Paul Millar	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Lee Bowles	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Bogdan Nitsecu	15,237.41	Nil	Nil	Nil	Nil	Nil	Nil

### Incentive Plan Awards

The following table provides information regarding the incentive plan awards for each director outstanding as of May 31, 2015:

#### Outstanding Share Awards and Options Awards

Name	Option-based Awards				Share-based Awards	
	Number of Securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Andrew J. McQuire	375,000	0.10	Sept. 7, 2019	Nil	N/A	N/A
Paul Millar	375,000	0.10	Sept. 7, 2019	Nil	N/A	N/A
Bogdan Nitsecu	190,000	0.10	Sept. 7, 2019	Nil	N/A	N/A
Lee Bowles	Nil	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) Aggregate dollar amount of in-the-money unexercised options held as at May 31, 2015. This figure is computed based on the difference between the market value of the Common Shares on the TSX Venture Exchange as at May 31, 2015 and the exercise price of the option. The closing price of the Common Shares on the TSX Venture Exchange on May 31, 2015 was \$0.10.

The following table provides information regarding the value vested or earned on incentive plan awards for each director during the year ended May 31, 2015:



### Incentive Plan Awards – Value Vested or Earned During the Year

Name	Option awards – Value vested during the year <sup>(1)</sup> (\$)	Share awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Andrew J. McQuire	Nil	N/A	Nil
Paul Millar	Nil	N/A	Nil
Bogdan Nitsecu	Nil	N/A	Nil
Lee Bowles	Nil	N/A	Nil

Notes:

(1) Calculated based on the closing price of the Common Shares on the TSX Venture Exchange at the vesting date less the exercise price of the vested options multiplied by the number of vested options.

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

#### *Stock Option Plan*

The Corporation adopted an incentive stock option plan dated November 30, 2007 (the “**Plan**”), and the Plan is the Corporation’s only equity compensation plan. As of the date of this Circular, the Corporation has 3,862,500 options outstanding to purchase Common Shares.

The Plan is a rolling stock option plan, under which 10% of the outstanding Common Shares at any given time are available for issuance thereunder. The purpose of the Plan is to advance the interests of the Corporation by (i) providing certain employees, officers, directors or consultants of the Corporation (collectively, the “**Optionees**”) with additional performance incentives; (ii) encouraging Common Share ownership by the Optionees; (iii) increasing the proprietary interest of the Optionees in the success of the Corporation; (iv) encouraging the Optionees to remain with the Corporation; and (v) attracting new employees, officers, directors and consultants to the Corporation.

#### *Equity Compensation Plan Information*

The following table provides details of the equity securities of the Corporation authorized for issuance as of the financial year ended May 31, 2015 pursuant to the Corporation’s equity compensation plan currently in place:

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) <sup>(1)</sup>
Equity compensation plans approved by securityholders	2,622,500	\$0.10	626,904
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	2,622,500 <sup>(2)</sup>		

Notes:

(1) Based on a total of 3,249,404 stock options issuable pursuant to the Plan, representing 10% of the issued and outstanding Common Shares as at May 31, 2015.

(2) Representing approximately 8% of the issued and outstanding Common Shares as at May 31, 2015.

## STATEMENT OF CORPORATE GOVERNANCE

### **Board of Directors**

The Board and senior management consider good corporate governance to be central to the effective and efficient operation of the Corporation. The Board is committed to a high standard of corporate governance practices. The Board believes that this commitment is not only in the best interest of the Shareholders, but that it also promotes effective decision making at the Board level.

NI 58-101 defines an “independent director” as a director who has no direct or indirect “material relationship” with the issuer. A “material relationship” is as a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a member’s independent judgment. The Board maintains the exercise of independent supervision over management by ensuring that the majority of its directors are independent.

The Board is currently comprised of five (5) directors being Franz Kozich-Koschitzky, Andrew J. McQuire, Paul Millar, Bogdan Nitescu, and Lee Bowles. Messrs. Millar and Bowles are independent within the meaning of NI 58-101. Messrs. Kozich-Koschitzky and McQuire are not independent as Kozich-Koschitzky is an officer of the Corporation, and Mr. McQuire was an officer of the Corporation within the last three years, and thereby both have a “material relationship” with the Corporation.

The Board believes that it functions independently of management and reviews its procedures on an ongoing basis to ensure that it is functioning independently of management. The Board meets without management present, as circumstances require. When conflicts arise, interested parties are precluded from voting on matters in which they may have an interest. In light of the suggestions contained in National Policy 58-201 – *Corporate Governance Guidelines*, the Board convenes meetings, as deemed necessary, of the independent directors, at which non-independent directors and members of management are not in attendance.

### **Other Public Company Directorships**

The following member of the Board currently holds a directorship in another reporting issuer as set forth below:

<b>Name of Director</b>	<b>Name of Reporting Issuer</b>	<b>Market</b>
Franz Kozich-Koschitzky	The Streetwear Corporation	CSE
Paul Millar	Noble Mineral Exploration Inc.	TSX-V
Andrew J. McQuire	Wabi Exploration Inc. The Streetwear Corporation	CNSX CNSX
Lee Bowles	None	None

### **Orientation and Continuing Education of Board Members**

The Board, together with the Corporate Governance and Nominating Committee (the “**Nominating Committee**”) is responsible for providing a comprehensive orientation and education program for new directors which fully sets out:

- the role of the Board and its committees;
- the nature and operation of the business of the Corporation; and
- the contribution which individual directors are expected to make to the Board in terms of both time and resource commitments.

In addition, the Board, together with the Nominating Committee, is also responsible for providing continuing

education opportunities to existing directors so that individual directors can maintain and enhance their abilities and ensure that their knowledge of the business of the Corporation remains current.

### **Ethical Business Conduct**

The Board has adopted a written code of business conduct and ethics to encourage and promote a culture of ethical business conduct amongst the directors, officers and employees of the Corporation. Copies of the Code of Conduct are available upon written request from the Chief Executive Officer of the Corporation. The Board is responsible for ensuring compliance with the Corporation's Code of Conduct. The Code of Conduct was adopted during the Last Financial Year, and there have been no departures from the Corporation's Code of Conduct since its adoption.

In addition to those matters which, by law, must be approved by the Board, the approval of the Board is required for:

- the Corporation's annual business plan and budget;
- material transactions not in the ordinary course of business; and
- transactions which are outside of the Corporation's existing business.

To ensure the directors exercise independent judgment in considering transactions and agreements in which a director or officer has a material interest, all such matters are considered and approved by the independent directors. 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.

The Corporation believes that it has adopted corporate governance procedures and policies which encourage ethical behaviour by the Corporation's directors, officers and employees.

### **Nomination of Directors**

The Nominating Committee holds the responsibility for the appointment and assessment of directors.

The Nominating Committee seeks to achieve a balance of knowledge, experience and capability among the members of the Board. When considering candidates for director, the Nominating Committee takes into account a number of factors, including the following (although candidates need not possess all of the following characteristics and not all factors are weighted equally):

- Personal qualities and characteristics, accomplishments and reputation in the business community;
- Current knowledge and contacts in the countries and/or communities in which the Corporation does business and in the Corporation's industry sectors or other industries relevant to the Corporation's business; and
- Ability and willingness to commit adequate time to Board and committee matters, and be responsive to the needs of the Corporation.

The Board will periodically assess the appropriate number of directors on the Board and whether any vacancies on the Board are expected due to retirement or otherwise. If vacancies are anticipated, or otherwise arise, or the size of the Board is expanded, the Nominating Committee will consider various potential candidates for director. Candidates may come to the attention of the Nominating Committee through current directors or management, stockholders or other persons. These candidates will be evaluated at regular or special meeting of the Nominating Committee, and may be considered at any point during the year.

## **Compensation**

The Compensation Committee assists the Board in its oversight role with respect to (i) the Corporation's global human resource strategy, policies and programs, and (ii) all matters relating to the proper utilization of human resources within the Corporation, with special focus on management succession, development and compensation.

The Compensation Committee:

- reviews and makes recommendations to the Board at least annually regarding the Corporation's remuneration and compensation policies, including short and long-term incentive compensation plans and equity-based plans, bonus plans, pension plans (if any), executive stock option plans including the Plan and grants and benefit plans;
- has sole authority to retain and terminate any compensation consultant to assist in the evaluation of director compensation, including sole authority to approve fees and other terms of the retention;
- reviews and approves at least annually all compensation arrangements with the senior executives of the Corporation;
- reviews and approves at least annually all compensation arrangements with the directors of the Corporation; and
- reviews the executive compensation sections disclosed in annual management proxy circular distributed to the shareholders in respect of the Corporation's annual meetings of shareholders.

## **Other Board Committees**

The Board has no standing committees other than the Audit Committee, the Compensation Committee and the Nominating Committee.

## **Assessments**

The Board does not consider formal assessments useful given the stage of the Corporation's business and operations. However, the chairman of the Board meets annually with each director individually, which facilitates a discussion of his contribution and that of other directors. When needed, time is set aside at a meeting of the Board for a discussion regarding the effectiveness of the Board and its committees. If appropriate, the Board then considers procedural or substantive changes to increase the effectiveness of the Board and its committees. On an informal basis, the chairman of the Board is also responsible for reporting to the Board on areas where improvements can be made. Any agreed upon improvements required to be made are implemented and overseen by the Nominating Committee. A more formal assessment process will be instituted as, if, and when the Board considers it to be necessary.

## **AUDIT COMMITTEE INFORMATION**

### **The Audit Committee's Charter**

The directors of the Corporation have adopted a Charter for the Audit Committee, which sets out the Audit Committee's mandate, organization, powers and responsibilities. The full text of the Audit Committee Charter is attached hereto as Appendix "A" to this Circular.

### **Composition of the Audit Committee**

The members of the Audit Committee are Lee Bowles (Chairman), Andrew McQuire and Paul Millar. Messrs. Bowles and Millar are independent (as defined in National Instrument 52-110 – *Audit Committees* ("NI 52-110"))

adopted by the Canadian Securities Administrators), Mr. McQuire is not independent as he was an officer of the Corporation, and all members are financially literate (as defined in NI 52-110).

<b>Name of Member</b>	<b>Independent<sup>(1)</sup></b>	<b>Financially Literate<sup>(2)</sup></b>
Lee Bowles (Chair)	Yes	Yes
Andrew McQuire	No	Yes
Paul Millar	Yes	Yes

Notes:

- (1) To be considered independent, a member of the Audit Committee must not have any direct or indirect “material relationship” with the Corporation. A “material relationship” is a relationship which could, in the view of the board of directors of the Corporation, be reasonably expected to interfere with the exercise of a member’s independent judgment.
- (2) To be considered financially literate, a member of the Committee must have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements.

### **Relevant Education and Experience**

Lee Bowles is the Principal of Ironstone Capital Corporation, has been in the investment business since 1994 and has worked for several leading independent investment dealers in Toronto, New York and London in the areas of fixed income trader, investment banking and institutional equity sales. He is credited with helping build one of Canada's leading resources focused investment dealers. Most recently, he provided institutional equity sales coverage with a focus on European based institutions.

Mr. McQuire has over 35 years’ experience in the mining industry. He serves or has served on the board of directors of several public companies and is or has been a member of several audit committees. Mr. McQuire obtained a BA in Mining Engineering from Queens University in 1970, a Master’s Degree in Mining Engineering from Queens University in 1974. He is also a Certificate Management Accountant.

Mr. Millar has over 25 years of international real estate and finance experience having worked in New York, England, Hong Kong and now in Toronto, Canada. Mr. Millar holds a B.Sc. in Land Management, an M.A. in Victorian Literature from the University of London, and an M.B.A. in Finance from the University of London.

### **Audit Committee Oversight**

At no time during the Last Financial Year have any recommendations by the Audit Committee respecting the appointment and/or compensation of the external auditors of the Corporation not been adopted by the Board.

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

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in its Charter.

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

The following table discloses the fees billed to the Corporation by its external auditor during the last two completed financial years:

<b>Financial Year Ending</b>	<b>Audit Fees<sup>(1)</sup></b>	<b>Audit Related Fees<sup>(2)</sup></b>	<b>Tax Fees<sup>(3)</sup></b>	<b>All Other Fees<sup>(4)</sup></b>
May 31, 2015	\$20,221	Nil	\$2,232	Nil
May 31, 2014	\$16,365	Nil	\$5,300	Nil

Notes:

- (1) The aggregate fees billed for professional services rendered by the auditor for the audit of the Corporation’s annual financial statements.
- (2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation’s financial statements and are not disclosed in the “Audit Fees” column.
- (3) The aggregate fees billed for tax compliance, tax advice, and tax planning services.
- (4) Represents fees billed by the auditor in connection with the review of the Corporation’s quarterly statements and the provision of non-audit related services during the last financial year.

### **Exemption**

Since the Corporation is a “Venture Issuer” pursuant to NI 52-110 (its securities are not listed or quoted on any of the Toronto Stock Exchange, a market in the United States of America, or a market outside of Canada and the United States of America), it is exempt from the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

During the year ended May 31, 2015, no director, executive officer or associate of any director or executive officer of the Corporation was indebted to the Corporation, nor were any of these individuals indebted to any other entity which indebtedness was the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Corporation, including under any securities purchase or other program.

### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Since the commencement of the Corporation’s most recently completed financial year, no informed person of the Corporation, or any associate or affiliate of any informed person or nominee, has or had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or will materially affect the Corporation or any of its subsidiaries.

### **ADDITIONAL INFORMATION**

Additional information relating to the Corporation may be found under the Corporation’s profile on SEDAR at [www.sedar.com](http://www.sedar.com). Inquiries including requests for copies of this Circular, the Financial Statements and MD&A for the year ended May 31, 2015 may be directed to the Corporation’s transfer agent toll-free by telephone at 1.800.631.0940. Additional financial information is provided in the Financial Statements and MD&A for the year ended May 31, 2015 which is also available on SEDAR and the Corporation’s website at [www.richmondminerals.com/investors](http://www.richmondminerals.com/investors).

### **APPROVAL**

The contents of this Circular and the sending thereof to the Shareholders have been approved by the Board.

BY ORDER OF THE BOARD OF DIRECTORS

“*Franz Kozich-Koschitzky*”

Franz Kozich-Koschitzky  
President and Chief Executive

## **APPENDIX “A”**

### **AUDIT COMMITTEE CHARTER**

#### **AUDIT COMMITTEE**

The Audit Committee (hereinafter referred to as the “Committee”) shall i) assist the Board of Directors in its oversight role with respect to the quality and integrity of the financial information; ii) assess the effectiveness of the Corporation’s risk management and compliance practices; iii) assess the independent auditor’s performance, qualifications and independence; iv) assess the performance of the Corporation’s internal audit function; v) ensure the Corporation’s compliance with legal and regulatory requirements, and vi) prepare such reports of the Audit Committee required to be included in Management Information Circular in accordance with applicable laws or the rules of applicable securities regulatory authorities.

#### **STRUCTURE AND OPERATIONS**

The committee shall be composed of not less than three Directors. A majority of the members of the Committee shall not be an Officer or employee of the Corporation. All members shall satisfy the applicable independence and experience requirements of the laws governing the Corporation, the applicable stock exchanges on which the Corporation’s securities are listed and applicable securities regulatory authorities.

Each member of the Audit Committee shall be financially literate as such qualification is interpreted by the Board of Directors in its business judgment.

Members of the Committee shall be appointed or reappointed at the annual meeting of the Corporation and in the normal course of business will serve a minimum of three years. Each member shall continue to be a member of the Committee until a successor is appointed, unless the member resigns, is removed or ceases to be a Director. The Board of Directors may fill a vacancy that occurs in the Committee at any time.

The Board of Directors or, in the event of its failure to do so, the members of the Committee, shall appoint or reappoint, at the annual meeting of the Corporation a Chairman among their number. The Chairman shall not be a former Officer of the Corporation. Such Chairman shall serve as a liaison between members and senior management. The time and place of meetings of the Committee and the procedure at such meetings shall be determined from time to time by the members therefore provided that:

- a) a quorum for meetings shall be at least three members;
- b) the Committee shall meet at least quarterly;
- c) notice of the time and place of every meeting shall be given in writing or by telephone, facsimile, email or other electronic communication to each member of the Committee at least 24 hours in advance of such meeting;
- d) a resolution in writing signed by all directors entitled to vote on that resolution at a meeting of the Committee is as valid as if it had been passed at a meeting of the Committee.

The Committee shall report to the Board of Directors on its activities after each of its meetings. The Committee shall review and assess the adequacy of this charter annually and, where necessary, will recommend changes to the Board of Directors for its approval. The Committee shall undertake and review with the Board of Directors an annual performance evaluation of the Committee, which shall compare the performance of the Committee with the

requirements of this charter and set forth the goals and objectives of the Committee for the upcoming year. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. The report to the Board of Directors may take the form of an oral report by the chairperson of the Committee or any other designated member of the Committee.

## **SPECIFIC DUTIES:**

### *Oversight of the Independent Auditor*

- Sole authority to appoint or replace the independent auditor (subject to shareholder ratification) and responsibility for the compensation and oversight of the work of the independent auditor (including resolution of disagreements between Management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Audit Committee.
- Sole authority to pre-approve all audit services as well as non-audit services (including the fees, terms and conditions for the performance of such services) to be performed by the independent auditor.
- Evaluate the qualifications, performance and independence of the independent auditor, including (i) reviewing and evaluating the lead partner on the independent auditor's engagement with the Corporation, and (ii) considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence.
- Obtain and review a report from the independent auditor at least annually regarding: the independent auditor's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm; any steps taken to deal with any such issues; and all relationships between the independent auditor and the Corporation.
- Review and discuss with Management and the independent auditor prior to the annual audit the scope, planning and staffing of the annual audit.
- Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law.
- Review as necessary policies for the Corporation's hiring of employees or former employees of the independent auditor.

### *Financial Reporting*

- Review and discuss with Management and the independent auditor the annual audited financial statements prior to the publication of earnings.
- Review and discuss with Management the Corporation's annual and quarterly disclosures made in Management's Discussion and Analysis. The Audit Committee shall approve any reports for inclusion in the Corporation's Annual Report, as required by applicable legislation.
- Review and discuss with Management and the independent auditor management's report on its assessment of internal controls over financial reporting and the independent auditor's attestation report on management's assessment.
- Review and discuss with Management the Corporation's quarterly financial statements prior to the publication of earnings.



- Review and discuss with Management and the independent auditor at least annually significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements, including any significant changes in the Corporation's selection or application of accounting principles, any major issues as to the adequacy of the Corporation's internal controls and any special steps adopted in light of material control deficiencies.
- Review and discuss with Management and the independent auditor at least annually reports from the independent auditors on: critical accounting policies and practices to be used; significant financial reporting issues, estimates and judgments made in connection with the preparation of the financial statements; alternative treatments of financial information within generally accepted accounting principles that have been discussed with Management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor; and other material written communications between the independent auditor and Management, such as any management letter or schedule of unadjusted differences.
- Discuss with the independent auditor at least annually any "Management" or "internal control" letters issued or proposed to be issued by the independent auditor to the Corporation.
- Review and discuss with Management and the independent auditor at least annually any significant changes to the Corporation's accounting principles and practices suggested by the independent auditor, internal audit personnel or Management.
- Discuss with Management the Corporation's earnings press releases, including the use of "pro forma" or "adjusted" non-GAAP information, as well as financial information and earnings guidance (if any) provided to analysts and rating agencies.
- Review and discuss with Management and the independent auditor at least annually the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Corporation's financial statements.
- Review and discuss with the Chief Executive Officer and the Chief Financial Officer the procedures undertaken in connection with the Chief Executive Officer and Chief Financial Officer certifications for the annual filings with applicable securities regulatory authorities.
- Review disclosures made by the Corporation's Chief Executive Officer and Chief Financial Officer during their certification process for the annual filing with applicable securities regulatory authorities about any significant deficiencies in the design or operation of internal controls which could adversely affect the Corporation's ability to record, process, summarize and report financial data or any material weaknesses in the internal controls, and any fraud involving Management or other employees who have a significant role in the Corporation's internal controls.
- Discuss with the Corporation's General Counsel at least annually any legal matters that may have a material impact on the financial statements, operations, assets or compliance policies and any material reports or inquiries received by the Corporation or any of its subsidiaries from regulators or governmental agencies.

#### *Oversight of Risk Management*

- Review and approve periodically Management's risk philosophy and risk management policies.
- Review with Management at least annually reports demonstrating compliance with risk management policies.
- Review with Management the quality and competence of Management appointed to administer risk management policies.

- Review reports from the independent auditor at least annually relating to the adequacy of the Corporation's risk management practices together with Management's responses.
- Discuss with Management at least annually the Corporation's major financial risk exposures and the steps Management has taken to monitor and control such exposures, including the Corporation's risk assessment and risk management policies.

*Oversight of Regulatory Compliance*

- Establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
- Discuss with Management and the independent auditor at least annually any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Corporation's financial statements or accounting.
- Meet with the Corporation's regulators, according to applicable law.
- Exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Audit Committee by the Board of Directors.

**FUNDING FOR THE INDEPENDENT AUDITOR AND RETENTION OF OTHER INDEPENDENT ADVISORS:**

The Corporation shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to the independent auditor for the purpose of issuing an audit report and to any advisors retained by the Audit Committee. The Audit Committee shall also have the authority to retain such other independent advisors as it may from time to time deem necessary or advisable for its purposes and the payment of compensation therefore shall also be funded by the Corporation.

### **Procedures for Receipt of Complaints and Submissions Relating to Accounting Matters**

1. The Corporation shall inform employees on the Corporation's intranet, if there is one, or via a newsletter or e-mail that is disseminated to all employees at least annually, of the officer (the "Complaints Officer") designated from time to time by the Committee to whom complaints and submissions can be made regarding accounting, internal accounting controls or auditing matters or issues of concern regarding questionable accounting or auditing matters.
2. The Complaints Officer shall be informed that any complaints or submissions so received must be kept confidential and that the identity of employees making complaints or submissions shall be kept confidential and shall only be communicated to the Committee or the Chair of the Committee.
3. The Complaints Officer shall be informed that he or she must report to the Committee as frequently as such Complaints Officer deems appropriate, but in any event no less frequently than on a quarterly basis prior to the quarterly meeting of the Committee called to approve interim and annual financial statements of the Corporation.
4. Upon receipt of a report from the Complaints Officer, the Committee shall discuss the report and take such steps as the Committee may deem appropriate.
5. The Complaints Officer shall retain a record of a complaint or submission received for a period of six years following resolution of the complaint or submission.

### **Procedures for Approval of Non-Audit Services**

1. The Corporation's external auditors shall be prohibited from performing for the Corporation the following categories of non-audit services:
  - (a) bookkeeping or other services related to the Corporation's accounting records or financial statements;
  - (b) financial information systems design and implementation;
  - (c) appraisal or valuation services, fairness opinion or contributions-in-kind reports;
  - (d) actuarial services;
  - (e) internal audit outsourcing services;
  - (f) management functions;
  - (g) human resources;
  - (h) broker or dealer, investment adviser or investment banking services;
  - (i) legal services;
  - (j) expert services unrelated to the audit; and
  - (k) any other service that the Canadian Public Accountability Board determines is impermissible.
2. In the event that the Corporation wishes to retain the services of the Corporation's external auditors for tax compliance, tax advice or tax planning, the Chief Financial Officer of the Corporation shall consult with the Chair of the Committee, who shall have the authority to approve or disapprove on behalf of the Committee, such non-audit services. All other non-audit services shall be approved or disapproved by the Committee as a whole.