



Notice of Annual General Meeting  
Management Information Circular

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For the

**ANNUAL GENERAL MEETING OF SHAREHOLDERS**

To be held

**Wednesday, July 31, 2019  
1:30 PM MDT  
Offices of DLA Piper LLP  
Suite 1000, 250 – 2<sup>nd</sup> Street SW  
Calgary, Alberta**

# MINEWORX TECHNOLOGIES LTD.

## NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

The annual general meeting of shareholders (“**Meeting**”) of Mineworx Technologies Ltd. (“**Corporation**”) will be held on Wednesday, July 31, 2019 at the offices of DLA Piper LLP, Suite 1000, 250 – 2<sup>nd</sup> Street SW, Calgary, Alberta at 1:30 PM MDT in order to:

1. receive and consider the audited financial statements of the Corporation for the financial year ended December 31, 2018, and the report of the auditor thereon, and the unaudited financial statements of the Corporation for the interim period ended March 31, 2019;
2. fix the number of directors to be elected at the Meeting at five (5);
3. elect the nominated directors being Greg Pendura, Akiva Borenstein, Darcy Thiele, Rick Purdy and A.J. Pienaar;
4. appoint the auditor and authorize the directors to fix the auditor’s remuneration;
5. transact any other business as may be properly brought before the Meeting or any adjournment.

The specific details of the matters proposed to be put before the Meeting are set forth in the Management Information Circular accompanying this notice.

If you are a registered shareholder and are unable to attend the Meeting in person, date and sign the enclosed form of proxy and deliver to Computershare Trust Company, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 or fax to 1-866-249-7775 or vote through the Internet or vote by telephone. In order to be valid and acted upon at the Meeting, the form of proxy must be voted not less than 48 hours, excluding Saturdays, Sundays and holidays, before the time fixed for holding the Meeting or any adjournment.

***If you are a beneficial shareholder of the Corporation and received these materials through your broker or through another intermediary, please complete and return the voting information form in accordance with the instructions provided to you by your broker or by the intermediary.***

Only Shareholders of record at the close of business on June 25, 2019 will be entitled to vote at the Meeting, unless that Shareholder has transferred any shares subsequent to that date and the transferee Shareholder, not later than 10 calendar days before the Meeting, establishes ownership of the shares and demands that the transferee’s name be included on the list of Shareholders.

Dated this 25th day of June 2019

BY ORDER OF THE BOARD OF DIRECTORS

“*Greg Pendura*”

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Greg Pendura

Chairman of the Board of Directors

# MINEWORX TECHNOLOGIES LTD.

## MANAGEMENT INFORMATION CIRCULAR dated June 25, 2019 for the Annual General Meeting to be held on July 31, 2019

### SOLICITATION OF PROXIES

This management information circular ("**Circular**") is provided in connection with the solicitation by management of Mineworx Technologies Ltd. ("**Corporation**") of proxies for use at the annual general meeting ("**Meeting**") of the holders of common shares ("**Shareholders**") to be held on Wednesday, July 31, 2019 at the offices of DLA Piper LLP, Suite 1000, 250 – 2<sup>nd</sup> Street SW, Calgary, Alberta at 1:30 PM MDT and at any adjournment, for the purposes set forth in the notice of meeting ("**Notice**").

The record date for the purpose of determining holders of common shares is June 25, 2019 ("**Record Date**"). Shareholders of record on that date are entitled to receive notice of and attend the Meeting and vote on the basis of one vote for each common share held, except to the extent that a registered Shareholder has transferred the ownership of any shares subsequent to the Record Date and the transferee of those shares produces properly endorsed share certificates, or otherwise establishes that he owns the shares and demands, not later than 10 calendar days before the Meeting, that his name be included on the Shareholder list, in which case, the transferee will be entitled to vote his shares at the Meeting.

This solicitation is made on behalf of management. The Corporation will bear the costs incurred in the preparation and mailing of the Meeting materials. In addition to mailing forms of proxy, proxies may be solicited by personal interviews, or by other means of communication, by directors, officers and employees of the Corporation who will not be remunerated for their services.

### APPOINTMENT AND REVOCATION OF PROXIES

**The persons named in the enclosed form of proxy are officers and directors of the Corporation. As a Shareholder, you have the right to appoint a person, who need not be a Shareholder, to represent you at the Meeting. To exercise this right you should insert the name of your representative in the blank space provided on the form of proxy and strike out the other names or submit another appropriate proxy.** The form of proxy should be dated and executed by the Shareholder or an attorney, authorized in writing and with proof of the authorization attached. A proxy may be revoked by a registered Shareholder personally attending at the Meeting and voting his shares in person.

A form of proxy will not be valid for the Meeting or any adjournment unless it is completed and delivered to Computershare Trust Company of Canada, Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 prior to 1:30 PM MDT on Monday, July 29, 2019 being at least 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment.

**The common shares represented by the Shareholder proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and that, if the Shareholder specifies a choice with respect to the any matter to be acted upon, the common shares will be voted accordingly.**

A registered Shareholder may revoke his proxy at any time prior to a vote. In addition to revocation in any other manner permitted by law, a proxy may be revoked by depositing an instrument in writing executed by the Shareholder or by his authorized attorney in writing, or, if the Shareholder is a company, under its corporate seal by an officer or attorney duly authorized, either at the registered office of the Corporation or with Computershare Trust Company of Canada, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment at which the proxy is to be used, or with the Chair of the Meeting on the day of the Meeting, or any adjournment.

## ADVICE TO BENEFICIAL SHAREHOLDERS

The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold common shares in their own name. Shareholders who do not hold their common shares in their own name (“**Beneficial Shareholders**”) should note that only proxies deposited by Shareholders who appear on the records of the registrar and transfer agent will be recognized at the Meeting. If the common shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those common shares will, in all likelihood, **not** be registered in the Shareholder’s name. Without specific instructions, brokers and their nominees are prohibited from voting shares held by Beneficial Shareholders.

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. Every broker and other intermediaries have their own mailing procedures and provide their own return instructions to clients which should be carefully followed by Beneficial Shareholders in order to ensure that their common shares are voted at the Meeting. The majority of brokers delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications Solutions, Canada (“**Broadridge**”). Broadridge mails a Voting Information Form (“**VIF**”) asking the Beneficial Shareholders to return the VIF to Broadridge by mail or by way of the Internet or telephone. **A Beneficial Shareholder who receives a VIF cannot use that VIF to vote directly at the Meeting. The VIF must be returned to Broadridge well in advance of the Meeting in order to have the common shares voted.**

**All reference to Shareholders in this Circular, the form of proxy and Notice are to registered Shareholders unless specifically stated otherwise.**

## REQUEST FOR FINANCIAL STATEMENTS

National Instrument 51-102 *Continuous Disclosure Obligations* (“**NI 51-102**”) sets out the procedures for a Shareholder to receive financial statements. If a Shareholder wishes to receive financial statements, the Shareholder may use the enclosed form or provide instructions in any other written format. Shareholders are advised that the Corporation’s financial statements are also filed on and available for view at [www.SEDAR.com](http://www.SEDAR.com) and also on the Corporation’s website [www.mineworx.net](http://www.mineworx.net).

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Corporation is authorized to issue an unlimited number of common shares and an unlimited number of preferred shares. As at the Record Date, there were 311,025,080 common shares issued and outstanding. There were no preferred shares issued and outstanding. Shareholders are entitled to one vote for each common share held. A quorum of shareholders is present at a meeting of shareholders if at least two holders representing not less than 5% of the outstanding shares of the Corporation are present in person or represented by proxy.

To the knowledge of the directors and management, no person or company beneficially owns, directly or indirectly, or controls or directs, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Corporation.

## BUSINESS OF THE MEETING

To the knowledge of the board of directors (“**Board**”), the only matters to be brought before the Meeting are those matters set forth in the accompanying Notice.

### 1. Financial Statements

The Board has approved all of the information in the audited consolidated financial statements for the year ended December 31, 2018 and the report of the auditor thereon. The Audit Committee has approved all of the information in the interim unaudited financial statements for the period ended March 31, 2019. The

financial statements have been mailed to all the Shareholders who responded to the Corporation's mail list request form pursuant to NI 51-102. The audited financial statements and MD&A are available on SEDAR, www.sedar.com, and will be tabled at the Meeting.

## 2. Fix Number of Directors

Shareholders will be asked to vote in favour of the resolution to fix the number of directors to be elected at the Meeting at five.

## 3. Election of Directors

There are currently five directors and their term of office will expire at the Meeting. The following table sets forth the nominees, positions with the Corporation, their principal occupations, periods during which they have served as directors and the number of voting shares beneficially owned, directly or indirectly, by each of them, or over which they exercise control or direction. Management does not contemplate that any of the nominees will be unable to serve as a director. In the event that a nominee cannot stand for election for any reason prior to the Meeting, the proxy shall **not** be voted with respect to the filling of that vacancy.

Name and Residence	Director and Position held with the Corporation	Principal Occupation	Common Shares Beneficially Owned or Controlled or Directed
Greg Pendura <sup>1</sup> Alberta, Canada	Director since 2010 President and CEO since 2010	President and Chief Executive Officer of the Corporation	4,504,833
Akiva Borenstein <sup>1</sup> Manitoba, Canada	Director since June 2015	Director of Finance for Family Dynamics Inc.	3,096,500
Darcy Thiele Saskatchewan, Canada	Director since June 2015	Principal Owner & Engineering Manager of PSI Pressure Solutions Inc.	2,116,500 <sup>2</sup>
Rick Purdy <sup>1</sup> Alberta, Canada	Director since June 2015	Founder of Nutraponics Canada Corp.	1,186,851
A.J. ("Pine") Pienaar Ontario, Canada	Director since January 2018	Former Senior Vice President of AIMCo to 2013 Currently retired	Nil

<sup>1</sup>Member of Audit Committee

<sup>2</sup>Mr. Thiele's spouse is the beneficial owner of 55,000 shares

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

No proposed director, within 10 years before the date of this Circular, has been, a director, chief executive officer or chief financial officer of any company that: (a) was subject to: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) 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 (collectively, an "Order") that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or (b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No proposed director, within 10 years before the date of this Circular, has been a director or executive officer of any company that, while the proposed director was acting in that capacity, or within a year of the proposed director 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, except as noted below.

No proposed director has, within 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 the proposed director.

No proposed director 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 securityholder in deciding whether to vote for a proposed director.

#### **4. Appointment of Auditor**

The Shareholders will be asked to vote for the appointment of K.R. Margetson Ltd., Chartered Accountants, Vancouver, BC as auditor to hold office until the next annual meeting of the Shareholders at remuneration to be fixed by the directors. K.R. Margetson Ltd. was appointed auditor effective October 14, 2010.

#### **5. Other Business**

While there is no other business other than that business mentioned in the Notice to be presented for action by Shareholders at the Meeting, it is intended that the proxies hereby solicited will be exercised upon any other matters and proposals that may properly come before the Meeting or any adjournment or adjournments thereof, in accordance with the discretion of the persons authorized to act thereunder.

### **GENERAL**

**Unless otherwise directed, it is management's intention to vote proxies in favor of the resolutions set forth herein.** All ordinary resolutions require, for the passing of the same, a simple majority of the votes cast at the Meeting by the holders of common shares.

### **AUDIT COMMITTEE**

#### **Audit Committee Terms of Reference**

The text of the Corporation's Audit Committee charter is set out under Exhibit II to the Corporation's Management Information Circular dated July 23, 2014 and filed on SEDAR at [www.sedar.com](http://www.sedar.com) on August 5, 2014, which is incorporated by reference herein.

#### **Composition and Relevant Education and Experience**

The Audit Committee is composed of Rick Purdy, Akiva Borenstein and Greg Pendura. Messrs. Purdy and Borenstein are considered independent. All members have the ability to read, analyze and understand the complexities surrounding the preparation of financial statements pertinent to the Corporation. All members have been involved in the financing, administration and operation of managing small private and/or public companies for several years and have been, either directly or indirectly, involved in the preparation of financial statements, dealing with the auditors or as a member of an audit committee.

#### **Audit Committee Oversight**

At no time since the commencement of the Corporation's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

## Reliance on Certain Exemptions

Since the commencement of the Corporation's most recently completed financial year, it has not relied on the exemption in section 2.4 (*De Minimus Non-audit Services*) or an exemption granted under Part 8 (*Exemptions*) of NI 52-110 *Audit Committees* ("**NI 52-110**").

## Pre-Approval Policies and Procedures

The Audit Committee must approve all non-audit services provided by auditors prior to any work commencing.

## External Auditor Service Fees

The aggregate fees billed by the external auditors in each of the last two fiscal years for audit and other fees are as follows:

Financial Year Ending	Audit Fees <sup>1</sup>	Audit Related Fees <sup>2</sup>	Tax Fees <sup>3</sup>	All Other Fees <sup>4</sup>
2018	\$24,500	Nil	\$2,000	\$131
2017	\$28,000	Nil	Nil	Nil

<sup>1</sup>Audit Fees is the aggregate fees billed by the external auditor

<sup>2</sup>Audit-Related Fees are the aggregate fees billed for assurance and related services by the external auditor

<sup>3</sup>Tax Fees are the aggregate fees billed for professional services rendered by the external auditor for tax compliance, tax advice and tax planning.

<sup>4</sup>All Other Fees are the aggregate fees billed for products and services provided by the external auditor other than the services reported.

## Exemption

The Corporation is relying upon the exemption in section 6.1 of NI 52-110 in respect of the composition of its audit committee and its reporting obligations under NI 52-110.

## EXECUTIVE COMPENSATION

The Named Executive Officers ("**NEOs**") for the year ended December 31, 2018 were Greg Pendura, Chief Executive Officer ("**CEO**"), Don Weatherbee, Chief Financial Officer ("**CFO**"), and Gavin Watkins, Chief Technical Officer ("**CTO**").

NEO means a CEO, CFO, each of the three most highly compensated executive officers other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year, and each individual who would be an NEO but for the fact that the individual was neither an executive officer at the end of that financial year.

## Compensation Discussion and Analysis

The compensation program of the Corporation is designed to attract, motivate, reward and retain knowledgeable and skilled executives required to achieve the Corporation's corporate objectives and to increase shareholder value. The main objective of the compensation program is to recognize the contribution of the NEOs to the overall success and strategic growth of the Corporation. The philosophy of the Corporation is to pay the management a total compensation amount that is competitive with other Canadian junior resource companies and is consistent with the experience and responsibility level of the management. The purpose of executive compensation is to reward the executives for their contributions to the achievements of the Corporation on both an annual and long-term basis.

The compensation program provides incentives to its NEOs and Board to achieve long term objectives through grants of stock options pursuant to the Plan. Increasing the value of the common shares increases the value of the stock options. This incentive closely links the interests of the NEOs and directors to

Shareholders. The allocation of options pursuant to the Plan is determined by the Board which considers such factors as previous grants to individuals, overall corporate performance, share price performance, the role and performance of the individuals and, in the case of grants to non-executive directors, the amount of time directed to the Corporation's affairs. The Corporation believes that participation by the NEOs in the Plan aligns the interests of the NEOs with the Shareholders, as the NEOs are rewarded for the Corporation's performance as evidenced by share price appreciation.

The Board has not considered the implications of the risks associated with the Corporation's compensation policies and practices. Neither a NEO nor a director are permitted to purchase financial instruments, including prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

### Summary Compensation Table

The following table sets forth all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly to the NEOs during the last completed financial year. The Corporation does not have any share-based award plans, non-equity long-term incentive plans, or any defined benefit or defined contribution pension plans.

Name and Principal Position	Year Ended Dec 31	Salary	Option-Based Awards <sup>1</sup>	All Other Compensation <sup>2</sup>	Total Compensation
Greg Pendura, CEO	2018	Nil	\$124,000	\$218,119	\$342,119
	2017	Nil	\$50,240	\$198,139	\$248,379
Don Weatherbee, CFO	2018	\$103,500	\$46,500	\$3,631	\$153,631
	2017	\$97,500	\$18,840	\$3,397	\$119,737
Gavin Watkins, CTO	2018	\$150,500	\$38,750	\$3,631	\$192,881
	2017	\$118,500	\$17,270	\$3,326	\$139,096

<sup>1</sup>Option-based award amounts are non-cash amounts and are the fair value estimates of options granted during the year, calculated using the Black-Scholes pricing model, whereby the fair value of stock options is determined on the grant date and recorded as compensation expense over the period that the stock options vest. The Black-Scholes model is an industry accepted valuation method.

<sup>2</sup>Compensation was paid pursuant to consulting agreements with Mr. Pendura

### *Narrative Discussion*

Calculating the value of stock options using the Black-Scholes option pricing model is very different from a simple "in-the-money" value calculation. In fact, stock options that are well out-of-the-money can still have a significant "grant date fair value" based on a Black-Scholes option pricing model, especially where, as in the case of the Corporation, the price of the share underlying the option is highly volatile. Accordingly, caution must be exercised in comparing grant date fair value amounts with cash compensation or an in-the-money option value calculation.

### Employment and Consulting Contracts

During the year-ended December 31, 2018, the Corporation had a written agreement with Mr. Pendura for his consulting services which include, as CEO, providing leadership and vision to manage the Corporation in the best interests of the Shareholders; serving as external spokesman; providing strategic planning; and risk management in addition to other appropriate duties and responsibilities assigned by the Board.

## Incentive Plan Awards

### *Outstanding Share-Based Awards and Option-Based Awards*

The following table sets forth details of all option-based awards outstanding for each NEO as of December 31, 2018. The Corporation does not have any share-based award plans for its NEOs.

Name	Option-Based Awards			
	Number of Securities Underlying Unexercised Options	Option Exercise Price	Option Expiration Date	Value of Unexercised in-the-money Option <sup>1, 2</sup>
Greg Pendura	800,000	\$0.10	June 20, 2020	\$28,000
	2,300,000	\$0.10	December 17, 2020	\$80,500
	800,000	\$0.07	November 7, 2022	\$52,000
	800,000	\$0.175	September 18, 2023	Nil
Don Weatherbee	500,000	\$0.10	September 8, 2020	\$17,500
	200,000	\$0.06	November 28, 2021	\$15,000
	300,000	\$0.07	November 7, 2022	\$19,500
	300,000	\$0.175	September 18, 2023	Nil
Gavin Watkins	250,000	\$0.10	December 21, 2020	\$8,750
	200,000	\$0.06	November 28, 2021	\$15,000
	275,000	\$0.07	November 7, 2022	\$17,875
	250,000	\$0.175	September 18, 2023	Nil

<sup>1</sup>Unexercised "in-the-money" options refer to the options in respect of which the market value of the underlying securities as at the financial year end exceeds the exercise or base price of the option.

<sup>2</sup>As at December 31, 2018, the market value of the common shares on the TSX Venture Exchange was \$0.135.

### *Incentive Plan Awards - Value Vested or Earned During the Year*

The following table sets forth the value of option-based awards which vested or were earned during the most recently completed financial year for each NEO. The Corporation does not have any share-based award plans for its NEOs.

Name	Option-Based Awards - Value vested during the year <sup>1</sup>
Greg Pendura	Nil
Don Weatherbee	Nil
Gavin Watkins	Nil

<sup>1</sup>Based on the difference between the market price of the options at the vesting date and the exercise price of \$0.175

### *Narrative Discussion*

The Corporation's only long-term incentive plan is the Plan pursuant to which the Board may, at their discretion, grant options to participants. The purpose of the Plan is to provide compensation opportunities to participants which align their interests with those of Shareholders and which assist in attracting and retaining individuals of exceptional ability. Significant terms of the Plan are: (i) options may be granted in such numbers and with such vesting provisions as the Board may determine; (ii) the Board would fix the exercise price at which common shares may be acquired upon the exercise of such option provided that such exercise price shall not be less than Exchange policy allows; (iii) options may be granted for a maximum term of ten years; (iv) options are not transferable or assignable; (v) the maximum number of common shares reserved for issue under the Plan shall not exceed 20% of the issued and outstanding common shares; (vi) the maximum number of common shares reserved for issue to any one person shall not exceed 5% of the outstanding common shares as at the date of the grant.

## Pension Plan Benefits

The Corporation does not have any deferred compensation plan or pension plan that provides for payments or benefits at, following or in connection with retirement.

## Termination and Change of Control Benefits

The Corporation is not a party to any contract, agreement, plan or arrangement that provides for payments to a NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Corporation, its subsidiaries or affiliates or a change in a NEOs responsibilities, except for the consulting contract for Mr. Pendura. The contract states the consultant would be entitled to his base fee not yet paid up to the termination date plus a retiring allowance calculated as: one-quarter of the current annual base fee, plus an additional one-sixth of the current annual base fee for each full year that the Consultant has been retained by the Corporation (with a start date of September 20, 2010 for Mr. Pendura) up to maximum retiring allowance in the amount of two times the current annual base fee.

## Director Compensation

During the most recently completed financial year, the Corporation did not pay any cash compensation to any of the directors for services rendered in their capacity as directors, in addition to reimbursement of reasonable expenses.

## Director Compensation Table

The following table sets forth all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Corporation to directors for the most recently completed financial year, excluding NEOs whose compensation has been previously disclosed in this Circular. The Corporation does not have share-based award plans, non-equity incentive plans or pension plans for its directors.

Name	Fees Earned	Option-Based Awards	All Other Compensation	Total
Akiva Borenstein	Nil	\$46,500	Nil	\$46,500
Darcy Thiele	Nil	\$46,500	Nil	\$46,500
Rick Purdy	Nil	\$46,500	Nil	\$46,500
A.J. Pienaar	Nil	\$115,800	Nil	\$115,800

<sup>1</sup>All options are granted pursuant to the stock option plan. Option-based award amounts are non-cash amounts and are the fair value estimates of options granted during the year, calculated using the Black-Scholes pricing model, whereby the fair value of stock options is determined on the grant date and recorded as compensation expense over the period that the stock options vest. The Black-Scholes model is an industry accepted valuation method.

## Incentive Plan Awards

### *Outstanding Share-Based Awards and Option-Based Awards*

The following table sets forth for each director, other than NEOs, all option-based awards outstanding as at December 31, 2018. The Corporation does not have any share-based award plans.

Name	Option-Based Awards			
	Number of Securities Underlying Unexercised Options	Option Exercise Price	Option Expiration Date	Value of Unexercised in-the-money Option <sup>1 2</sup>
Akiva Borenstein	300,000	\$0.10	June 20, 2020	\$10,500
	750,000	\$0.10	December 17, 2020	\$26,250
	300,000	\$0.06	November 28, 2021	\$22,500
	300,000	\$0.07	November 7, 2022	\$19,500
	300,000	\$0.175	September 18, 2023	Nil
Darcy Thiele	300,000	\$0.10	June 20, 2020	\$10,500
	750,000	\$0.10	December 17, 2020	\$26,250
	350,000	\$0.06	November 28, 2021	\$26,250
	300,000	\$0.07	November 7, 2022	\$19,500
	300,000	\$0.175	September 18, 2023	Nil
Rick Purdy	300,000	\$0.10	June 20, 2020	\$10,500
	750,000	\$0.10	December 17, 2020	\$26,250
	350,000	\$0.06	November 28, 2021	\$26,250
	350,000	\$0.07	November 7, 2022	\$22,750
	300,000	\$0.175	September 18, 2023	Nil
A.J. Pienaar	300,000	\$0.26	January 11, 2023	Nil
	300,000	\$0.175	September 18, 2023	Nil

<sup>1</sup>Unexercised "in-the-money" options refer to the options in respect of which the market value of the underlying securities as at the financial year end exceeds the exercise or base price of the option.

<sup>2</sup>As at December 31, 2018, the market value of the common shares on the TSX Venture Exchange was \$0.135.

### *Incentive Plan Awards - Value Vested or Earned During the Year*

The following table sets forth for each director, other than a NEO, the value vested or earned on all option-based awards during the financial year ending December 31, 2018. The Corporation does not have non-equity incentive plans or share based award plans for Directors.

Name	Option-Based Awards - Value vested during the year
Akiva Borenstein	Nil
Darcy Thiele	Nil
Rick Purdy	Nil
A.J. Pienaar	Nil

<sup>1</sup>Based on the difference between the market price of the options at the vesting dates and the exercise price of \$0.175.

## Other Compensation

Other than as set forth herein, the Corporation did not pay any other compensation to executive officers or directors (including personal benefits and securities or properties paid or distributed which compensation was not offered on the same terms to all full time employees) during the last completed financial year other than benefits and perquisites which did not amount to \$10,000 or greater per individual.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth securities of the Corporation that are authorized for issuance under equity compensation plans as at the end of the Corporation's most recently completed financial year.

Plan Category	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
Equity compensation plans approved by securityholders	23,645,000	\$0.1096	5,354,209
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	23,645,000	\$0.1096	5,354,209

## DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES

Corporate governance relates to the activities of the directors who are elected by and are accountable to the Shareholders and takes into account the role of management who are appointed by the Board and who are charged with the day to day management of the Corporation. The Board is committed to sound corporate governance practices which are in the interest of its shareholders and contribute to effective and efficient decision making.

### Board of Directors

The Board is currently comprised of five directors, all of whom are nominated for election at the Meeting. Messrs. Borenstein, Thiele, Purdy and Pienaar are independent directors. Mr. Pendura, Chief Executive Officer, is a member of management and, as a result, is not an independent director.

An "independent" director is a director who has no direct or indirect material relationship with the Corporation. A material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a director's independent judgment. The Board facilitates independent supervision of management through meetings of the Board and through frequent informal discussions among independent members of the Board and management. In addition, the directors have access to the external auditors, legal counsel and to any of the Corporation's officers.

### Directorships

Mr. Greg Pendura is a Director of Enviroleach Technologies Inc.

### Orientation and Continuing Education

Each new director is given an outline of the Corporation's business, its corporate strategy and any current issues before the Board and copies of the Corporation's governance policies. New directors meet with management to discuss and better understand the Corporation's business and are advised by counsel to the Corporation of their legal obligations as directors. The introduction and education process is reviewed and revised as necessary.

## **Ethical Business Conduct**

The Board has adopted a written code of business conduct and ethics, which was filed on SEDAR at [www.sedar.com](http://www.sedar.com) on December 12, 2007.

The Board has established a Whistleblower Policy, which establishes the complaint procedure for concerns about any aspect of the Corporation's activities and operations. These policies assist in maintaining the ethical business conduct of the officers and directors.

The Board has found that the fiduciary duties placed on individual directors by governing corporate legislation and the common law have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation.

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. In addition, directors must comply with the conflict of interest provisions of the *Business Corporations Act* (Alberta), as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors which evoke such a conflict.

## **Nomination of Directors**

The Board establishes criteria for board membership, reviews candidates' qualifications and any potential conflicts of interest. The Board employs prescribed criteria in its selection of new candidates, which criteria include:

- independence and judgment - the directors should have a substantial degree of independence from management. Board independence depends not only on directors' individual relationships (personal, employment or a business) but also on the Board's overall attitude towards management; and
- relevant experience in business and industry - the directors should be possessed of relevant experience in business and industry, government, education and other areas which are beneficial to the Corporation. Directors with such backgrounds can provide a useful perspective on significant risks and competitive advantages.

## **Compensation**

The Board is responsible for determining the compensation of the directors and executive officers. The Board uses market data for comparable industry sectors in order to set compensation levels.

## **Assessments**

The Board has not implemented a formal process for assessing its effectiveness or the effectiveness of individual members or committees. Due to the Corporation's size, its stage of development and the limited number of directors, the Board considers a formal assessment process to be unnecessary at this time. The Board continues to evaluate its own effectiveness on an ad hoc basis.

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

No director, executive officer, employee or former director, executive officer or employee of the Corporation nor any of their associates or affiliates, is, or has been at any time since the beginning of the last completed financial year, indebted to the Corporation nor has any of these persons been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding, provided by the Corporation.

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

The Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or executive officer, or proposed nominee for election as a director or any associate or affiliate of any of the foregoing, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has or would materially affect the Corporation or any of its subsidiaries.

## **MANAGEMENT CONTRACTS**

During the most recently completed financial year, no management functions of the Corporation were to any substantial degree performed by a person or company other than the directors or executive officers (or private companies controlled by them, either directly or indirectly) of the Corporation.

## **INTERESTS OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

Except as otherwise set out herein, no director or executive officer of the Corporation or any proposed nominee of management of the Corporation for election as a director of the Corporation, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting.

## **ADDITIONAL INFORMATION**

Additional information relating to the Corporation is available on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information of the most recently completed financial year is provided in the comparative financial statements and management discussion and analysis available on SEDAR. A shareholder may contact the Corporation at 101 Lafleur Drive, St. Albert, AB T8N 7M8 or by fax (250) 247-7393 to obtain a copy of the most recent financial statements and management discussion and analysis.

## **BOARD APPROVAL**

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