INFORMATION CIRCULAR

(information as at August 21, 2019 except as otherwise indicated)

PERSONS MAKING THE SOLICITATION

This Information Circular (the "Circular") is furnished in connection with the solicitation of proxies being made by the management of Armor Minerals Inc. ("Armor " or the "Company") for use at the Annual General and Special Meeting (the "Meeting") of the holders (each a "Shareholder") of common shares (each a "Common Share") of the Company to be held on Monday, September 30, 2019 at the time and place and for the purposes set forth in the accompanying notice of meeting (the "Notice of Meeting"). While it is expected that the solicitation will be made primarily by mail, proxies may be solicited personally or by telephone by directors, officers and employees of the Company.

All costs of this solicitation will be borne by the Company.

NOTICE AND ACCESS

The Notice-and-Access provisions are a mechanism which allows reporting issuers to choose to deliver proxy-related materials to registered Shareholders and non-registered Shareholders by posting such materials on a non-SEDAR website rather than delivering such materials by mail.

The Meeting materials have been posted in full on the Company's website at http://www.armorminerals.com/investors/agm and under the Company's SEDAR profile at www.sedar.com.

The Company has determined that those registered and beneficial Shareholders with existing instructions on their account to receive printed materials will receive a printed copy of the Meeting materials together with the Notice of Meeting and form of proxy or voting instruction form.

Any Shareholder who wishes to receive a paper copy of the Circular should contact the Company by telephone at (604) 687-1717 (collect calls will be accepted) or by email at info@armorminerals.com. In order to ensure that a paper copy of the Circular can be delivered to a requesting Shareholder in time for such Shareholder to review the Circular and return a proxy or voting instruction form prior to the deadline to received proxies, it is strongly suggested that a shareholder ensure their request is received no later than September 13, 2019.

APPOINTMENT OF PROXYHOLDER

The individuals named as proxyholders in the accompanying form of proxy (the "**Proxy**") are directors or officers of the Company or both. **A SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR THE SHAREHOLDER AND ON THE SHAREHOLDER'S BEHALF AT THE MEETING, OR ANY ADJOURNMENT OR POSTPONEMENT THEREOF, HAS THE RIGHT TO DO SO, EITHER BY INSERTING SUCH PERSON'S NAME IN THE BLANK SPACE PROVIDED IN THE PROXY AND STRIKING OUT THE TWO PRINTED NAMES, OR BY COMPLETING ANOTHER VALID PROXY**. A Proxy will not be valid unless it is completed, dated and signed and delivered to Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or any adjournment or postponement thereof.

NON-REGISTERED HOLDERS

Only registered Shareholders ("Registered Shareholders") or duly appointed proxyholders are permitted to vote at the Meeting. Most Shareholders of the Company are "non-registered" Shareholders because the Common Shares they own are not registered in their names but are instead registered in the names of a brokerage firm, bank or other intermediary or in the name of a clearing agency. Shareholders who do not hold their Common Shares in their own name (referred to herein as "Beneficial Shareholders") should note that only Registered Shareholders (or duly appointed proxyholders) may complete a Proxy or vote at the Meeting in person. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in such Shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which company acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the brokers' clients.

This Circular and accompanying materials are being sent to both Registered Shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories – those who object to their identity being 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 provision of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of Reporting Issuers* ("**NI 54-101**"), issuers may request and obtain a list of their NOBOs from intermediaries via their transfer agents and use this NOBO list for distribution of proxy-related materials directly to NOBOs.

The Company is taking advantage of those provisions of NI 54-101 that permit the Company to deliver proxy-related materials to the Company's NOBOs who have not waived the right to receive them (and is not sending proxy-related materials using notice-and-access). As a result, NOBOs can expect to receive a Voting Instruction Form ("**VIF**") together with the Notice of Meeting, this Circular and related documents through your broker or through another intermediary. These VIFs are to be completed and returned in line with the instructions provided by your broker or other intermediary. **NOBOs should carefully follow the instructions provided, including those regarding when and where to return the completed VIFs.**

Should a NOBO wish to attend and vote at the Meeting in person, the NOBO must insert the NOBO's name (or such other person as the NOBO wishes to attend and vote on the NOBO's behalf) in the blank space provided for that purpose on the VIF and return the completed VIF in line with the instructions provided by your broker or other intermediary or the NOBO must submit, to the Company or as provided by your broker or other intermediary, any other document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder. In such circumstances with respect to proxies held by management in respect of securities owned by the NOBO so requesting, the Company must arrange, without expense to the NOBO, to appoint the NOBO or a nominee of the NOBO as a proxyholder in respect of those securities. Under NI 54-101, if the Company appoints a NOBO or a nominee of the NOBO as a proxyholder as aforesaid, the NOBO or nominee of the NOBO, as applicable, must be given the authority to attend, vote and otherwise act for and on behalf of management in respect of all matters that may come before the Meeting and any adjournment or postponement thereof, unless corporate law does not permit the giving of that authority. Pursuant to NI 54-101, if the Company appoints a NOBO or its nominee as proxyholder as aforesaid, the Company must deposit the Proxy within the timeframe specified above for the deposit of proxies if the Company obtains the instructions at least one (1) business day before the termination of that time. **If a NOBO or a nominee of the NOBO is approved as a proxyholder pursuant to such request,**

the appointed proxyholder will need to attend the Meeting in person in order for their votes to be counted.

NOBOs that wish to change their vote must contact their broker or other intermediary who provided the instructions to arrange to change their vote in sufficient time in advance of the Meeting.

In accordance with the requirements of NI 54-101, we have distributed copies of the Notice of Meeting, this Circular and related documents (collectively, the "**Meeting Materials**") to the clearing agencies and intermediaries for onward distribution to OBOs. Intermediaries are required to forward the Meeting Materials to OBOs unless in the case of certain proxy-related materials the OBO has waived the right to receive them. Very often, intermediaries will use service companies such as Broadridge to forward the Meeting Materials to OBOs. With those Meeting Materials, intermediaries or their service companies should provide OBOs with a request for a VIF which, when properly completed and signed by such OBO and returned to the intermediary or its service company, will constitute voting instructions which the intermediary must follow. The purpose of this procedure is to permit OBOs to direct the voting of the Common Shares that they beneficially own. The Company will pay for intermediaries to deliver the proxy-related materials and request for a VIF to OBOs. **OBOs should carefully follow the instructions of their intermediary, including those regarding when and where the completed request for voting instructions is to be delivered.**

Should an OBO wish to vote at the Meeting in person, the OBO must insert the OBO's name (or such other person as the OBO wishes to attend and vote on the OBO's behalf) in the blank space provided for that purpose on the request for a VIF and return the completed request for a VIF form to the intermediary or its service provider or the OBO must submit, to their intermediary, any other document in writing that requests that the OBO or a nominee of the OBO be appointed as proxyholder. In such circumstances an intermediary who is the registered holder of, or holds a Proxy in respect of, securities owned by an OBO is required under NI 54-101 to arrange, without expense to the OBO, to appoint the OBO or a nominee of the OBO as a proxyholder in respect of those securities. Under NI 54-101, if an intermediary appoints an OBO or the nominee of the OBO as a proxyholder as aforesaid, the OBO or nominee of the OBO, as applicable, must be given the authority to attend, vote and otherwise act for and on behalf of the intermediary, in respect of all matters that may come before the Meeting and any adjournment or postponement thereof, unless corporate law does not permit the giving of that authority. Pursuant to NI 54-101 an intermediary who appoints an OBO or its nominee as proxyholder as aforesaid is required under NI 54-101 to deposit the Proxy within the timeframe specified above for the deposit of proxies if the intermediary obtains the instructions at least one (1) business day before the termination of that time. **If the OBO or a nominee of the OBO is appointed a proxyholder pursuant to such request, the appointed proxyholder will need to attend the Meeting in person in order for their votes to be counted.**

Only Registered Shareholders have the right to revoke a Proxy. NOBOs and OBOs who wish to change their vote must, sufficiently in advance of the Meeting, arrange for their respective intermediaries to change their vote and if necessary revoke their Proxy in accordance with the revocation procedures set out below.

All references to Shareholders in this Circular, the accompanying Proxy and Notice of Meeting of Shareholders are to Registered Shareholders of record unless specifically stated otherwise.

REVOCABILITY OF PROXIES

A Shareholder who has given a Proxy may revoke it by an instrument in writing executed by the Shareholder or by the Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered either to the registered office of the Company, at Suite 1200 Waterfront Centre, 200 Burrard St, P.O. Box 48600, Vancouver, BC, Canada V7X

1T2, at any time up to and including the last business day preceding the day of the Meeting or any adjournment or postponement thereof, or to the chair of the Meeting on the day of the Meeting or any adjournment or postponement thereof. A revocation of a Proxy does not affect any matter on which a vote has been taken prior to the revocation.

VOTING OF PROXIES

The Common Shares represented by a properly executed Proxy in favour of persons designated as proxyholders in the enclosed Proxy will:

(a) be voted or withheld from voting in accordance with the instructions of the person appointing the proxyholder on any ballot that may be called for; and

(b) where a choice with respect to any matter to be acted upon has been specified in the Proxy, be voted in accordance with the specification made in such Proxy.

If, however, direction is not made in respect of any matter, the Proxy will be voted as recommended by management of the Company.

The enclosed Proxy, when properly completed and delivered and not revoked, confers discretionary authority upon the persons appointed proxyholder thereunder to vote with respect to amendments or variations of matters identified in the Notice of the Meeting, and with respect to other matters which may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting or any further or other business is properly brought before the Meeting, the persons designated by management as proxyholders in the enclosed Proxy will have the discretion to vote in accordance with their judgment on such matters or business. At the time of the printing of this Circular, the management of the Company knows of no such amendment, variation or other matter which may be presented to the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The directors of the Company have set August 21, 2019 as the record date (the "**Record Date**") for determining which Shareholders shall be entitled to receive a notice of and to vote at the Meeting.

As at the Record Date, there were a total of 44,319,015 Common Shares issued and outstanding. Each Common Share entitles the Shareholder(s) thereof to one vote for each Common Share shown as registered in the Shareholders' name on the Record Date. Only Shareholders of record holding Common Shares at the close of business on the Record Date who either personally attend the Meeting or who have completed and delivered a Proxy in the manner and subject to the provisions described above shall be entitled to vote or to have their Common Shares voted at the Meeting.

On a show of hands, every individual who is present and is entitled to vote as a Shareholder or as a representative of one or more corporate Shareholders, or who is holding a valid Proxy on behalf of a Shareholder who is not present at the Meeting, will have one vote, and on a poll every Shareholder present in person or represented by a valid Proxy and every person who is a representative of one or more corporate Shareholders, will have one vote for each share registered in that Shareholder's name on the list of Shareholders, which is available for inspection during normal business hours at Computershare Investor Services Inc. and will be available at the Meeting. Shareholders represented by proxyholders are not entitled to vote on a show of hands.

To the knowledge of the directors and executive officers of the Company, as at August 21, 2019, no Shareholders of the Company beneficially own, directly or indirectly, or exercise control or direction over,

Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company, except for the following:

Name	Number of Common Shares Beneficially Owned	Percentage of Issued Common Shares
Richard W. Warke	37,336,106[(1)]	84.24%

(1) Richard Warke indirectly holds 19,746,553 through Augusta Investments Inc. (formerly 25022011 Ltd.) and 17,589,553 through Ozama River Corp. both companies controlled by Mr. Warke.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Other than as set out in this Circular and other than transactions carried out in the ordinary course of business of the Company or any of its subsidiaries no person who has been a director or executive officer of the Company at any time since the beginning of the last financial year nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of any of the foregoing, has any material interest directly or indirectly, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING

ANNUAL FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company for the year ended March 31, 2019, together with the report of the Company's auditors thereon, which were filed on SEDAR at www.sedar.com on July 15, 2019 will be presented to the Company's Shareholders at the Meeting.

ELECTION OF DIRECTORS

The directors of the Company are elected annually and hold office until the next annual general meeting of the Shareholders or until their successors are elected or appointed. Management of the Company proposes to nominate the persons listed below for election as directors of the Company to serve until their successors are elected or appointed. In the absence of instructions to the contrary, proxies given pursuant to the solicitation by the management of the Company will be voted for the nominees listed in this Circular. Management does not contemplate that any of the nominees will be unable to serve as a director.

There are presently three directors of the Company, all of whom will be standing for re-election. At the Meeting, the Shareholders will be asked to pass an ordinary resolution to set the number of directors on the Company's board of directors (the "**Board**") at three (3), subject to increases permitted by the Articles of the Company and the *Business Corporations Act* (British Columbia).

The three persons named below will be nominated for election as directors of the Company.

The following table and notes thereto state the name of each person proposed to be nominated by management for election as a director, the city, province or state and country in which they are ordinarily resident, all offices of the Company now held by them, their principal occupation, business or employments of each proposed director within the preceding five years, the date they were first appointed as a director of the Company and the number of Common Shares beneficially owned by them, directly or indirectly, or over which they exercises control or direction, as at the date Record Date.

Name, Position with Company, Province or State and Country of Residence	Date First Appointed as Director	Present and Principal Occupation During the Past Five Years[2]	Number of Common Shares beneficially owned or over which control or direction is exercised[1]
Purni Parikh Burnaby, BC Canada	Feb. 26, 2015	Director and President of Titan Mining Corporation since January 2017 and September 2018 respectively; Senior Vice President, Corporate Affairs and Corporate Secretary of Arizona Mining Inc. from February 2010 and November 2007, respectively to August 2018; Senior Vice President, Corporate Affairs of NewCastle Gold Ltd. from May 2016 to December 2017; Vice President, Corporate Secretary of Catalyst Copper Corp. from September 2014 to May 2016; Vice President of Augusta Resources Corporation from July 1999 to July 2014.	1,000,000
Robert P. Pirooz Q.C Vancouver, BC Canada	Feb. 26, 2015	Director of RIWI Corp., and Executive Chairman until December 12, 2017 and Director until January 15, 2018 of Network Media Group, Director of Fiore Exploration Ltd. until September 26, 2017, General Counsel of Pan American Silver Corp. from January 2003 to March 2015.	462,500[3]
Richard W. Warke West Vancouver, BC Canada	Feb. 26, 2015	Director and Executive Chairman of the Titan Mining Corporation since October 2012 and President and CEO from October 2012 to September 2018; Executive Chairman of Tethyan Resource Corp. since May 2019; Executive Chairman and Director of Arizona Mining Inc. from July 2008 to August 2018; Executive Chairman and Director of NewCastle Gold Ltd. from May 2016 to December 2017; Director, President of Catalyst Copper Corp. from September 2014 to May 2016; Executive Chairman and Director of Augusta Resources Corporation to July 2014.	37,336,106[4]

(1) Statements as to securities beneficially owned, directly or indirectly, or over which control or direction is exercised by the directors named above are, in each instance, based upon information furnished by the individual concerned and is calculated as at the Record Date.

(2) Details with respect to other directorships for each director can be found under "Statement of Corporate Governance Practices – Directorships".

(3) Robert P. Pirooz indirectly holds 462,500 Common Shares through Iris Consulting Ltd. a company controlled by Mr. Pirooz.

(4) Richard Warke indirectly holds 19,746,553 through Augusta Investments Inc. (formerly 25022011 Ltd.) and 17,589,553 through Ozama River Corp. both companies controlled by Mr. Warke

Corporate Cease Trade Orders and Bankruptcies

No proposed director of the Company is, as at the date of this Circular, or was within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Company), that (i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer, or (ii) 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.

Except as provided below, no proposed director of the Company, is or has been within the 10 years before the date of this Circular, a director or executive officer of any company (including the Company) that while that person 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:

Robert P. Pirooz Q.C., a proposed director of the Company, was formerly a director of Pacific Ballet British Columbia Society (the "**Ballet**"). On December 23, 2008, within a year following Mr. Pirooz's resignation from the board of directors of the Ballet, the Ballet filed a Notice of Intention to Make a Proposal under subsection 50.4(1) of the *Bankruptcy and Insolvency Act*. Subsequently, on January 9, 2009, the proposal was unanimously accepted by the creditors of the Ballet.

Bankruptcies

No proposed director of the Company is or has within the 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.

Penalties Or Sanctions

No proposed director of the Company 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.

APPOINTMENT OF AUDITORS

At the Meeting, Shareholders will be asked to re-elect Davidson & Company LLP, Chartered Professional Accountants, as auditors of the Company and to authorize the directors to set their remuneration. Davidson & Company LLP were first appointed auditors of the Company on May 31, 2013.

APPROVAL OF 10% ROLLING STOCK OPTION PLAN

The Company's current stock option plan (the "**Option Plan**") was originally adopted by the Board on July 27, 2016 and approved by the Shareholders on August 31, 2016, September 22, 2017 and September 20, 2018. At the date of this Circular no stock options are outstanding under the Option Plan.

The purpose of the Plan is to secure for the Company and its Shareholders the benefits of the incentives inherent to share ownership by directors, officers, key employees and consultants of the Company and its subsidiaries who, in the judgment of the Board, will be largely responsible for Company's future growth and success.

All capitalized terms under this section are as defined in the Plan attached to this Circular as Schedule "A".

Directors, officers and employees of, and consultants to, the Company or any of its Subsidiaries, as well as employees of companies providing management services or support to the Company or any of its Subsidiaries, are eligible to receive Option grants under the Plan. The Option Plan includes the following significant terms and restrictions:

- The aggregate number of Shares that may be reserved for issuance pursuant to the Option Plan and all other Share Compensation Arrangements cannot exceed 10% of the number of Shares issued and outstanding from time to time.

- Any Shares subject to an Option that expires or terminates without having been fully exercised may be made the subject of a further Option.
- Upon the partial or full exercise of an Option, the Shares issued upon such exercise automatically become available to be made the subject of a new Option, provided that the total number of Shares reserved for issuance under the Option Plan at any time does not exceed 10% of the number of Shares then issued and outstanding.
- The aggregate number of Shares reserved for issuance pursuant to the Option Plan or any other Share Compensation Arrangement to any one participant (other than a consultant) cannot exceed 5% of the number of Shares issued and outstanding at any time.
- The aggregate number of Shares reserved for issuance pursuant to the Option Plan or any other Share Compensation Arrangement to any one consultant cannot exceed 2% of the number of Shares issued and outstanding at any time.
- The aggregate number of Shares issuable pursuant to the Option Plan or any other Share Compensation Arrangement (including the Existing Option Plan and any predecessor plans) to Insiders of the Company cannot exceed 10% of the number of Shares issued and outstanding at any time.
- The aggregate number of Shares issued to Insiders of the Company pursuant to the Option Plan or any other Share Compensation Arrangement in any one-year period cannot exceed 10% of the number of Shares then issued and outstanding.

The Option Plan provides that the aggregate number of Shares that may be reserved for issuance upon the exercise of Options cannot exceed 10% of the number of Shares issued and outstanding from time to time. As a result, the number of Options available to be granted under the Option Plan will automatically increase if the Company issues any additional Shares in the future. The TSX Venture Exchange (the **"Exchange"**) rules require that this type of "rolling" plan must be approved by Shareholders every year in order for the Company to be able to continue to make grants thereunder. If Shareholder approval is not obtained every year, all unallocated entitlements under the Option Plan will be cancelled; however, all allocated awards, such as Options that have been granted but not yet exercised, will continue unaffected.

The Exercise Price for each Share subject to an Option will be determined by the Board at the time of the of grant, and may not be lower than the last closing price of a Share on the Exchange preceding the time of the Option grant, less any discounts permitted by the Exchange, rounded up to the nearest whole cent.

Options will vest and become exercisable at such time or times as may be determined by the Board at the time of the Option grant. Unless the Board determines otherwise and subject to any accelerated termination in accordance with the Option Plan, each Option will expire on the fifth anniversary of the date on which it was granted. In no event may an Option expire later than the tenth anniversary of the date on which it was granted. If the date on which an Option is scheduled to expire occurs during, or within ten business days after the last day of, a Black Out Period applicable to the Optionee (as defined in the Option Plan), then the date on which the Option will expire will be extended to the last day of such ten business day period.

Options are non-assignable and non-transferable, with the exception of an assignment by testate succession or by the laws of descent and distribution upon the death of an Optionee.

If an Optionee ceases to be an Eligible Person (other than by reason of death, permanent disability or termination for cause), the Optionee may exercise any vested Options for a period of 60 days after the Optionee ceases to provide services to the Company or any of its subsidiaries, subject to the earlier expiry of the Options. If an Optionee ceases to be an Eligible Person by reason of death, the Optionee's heir may exercise any vested Options for one-year following the date of the Optionee's death, subject to the earlier expiry of the Options. If an Optionee ceases to be an Eligible Person while on permanent disability, the Optionee or his legal representatives may exercise any vested Options until the expiry of the Options. If an

Optionee is dismissed for cause, any Options (whether vested or unvested) held by such Optionee shall terminate immediately upon receipt by the Optionee of notice of such dismissal.

The Board may from time to time, subject to applicable law and any required approval of the Exchange, or any other regulatory authority, suspend, terminate or discontinue the Option Plan at any time, or amend or revise the terms of the Option Plan or of any Option granted thereunder; provided that no such amendment, revision, suspension, termination or discontinuance can adversely affect the rights of an Optionee under any previously granted Option except with the consent of that Optionee.

Shareholder approval is not required for the following amendments, subject to any regulatory approvals, including, where required, the approval of the Exchange:

(a) amendments to the Option Plan to ensure continuing compliance with applicable laws, regulations, requirements, rules or policies of any governmental or regulatory authority or any stock exchange;
(b) amendments of a "housekeeping", clerical, technical or stylistic nature, which include amendments relating to the administration of the Option Plan or to eliminate any ambiguity or correct or supplement any provision contained in the Option Plan which may be incorrect or incompatible with any other provision of the Option Plan;
(c) changing the terms and conditions governing any Option(s) granted under the Option Plan, including the vesting terms, the exercise and payment method, the Exercise Price and the effect of the Optionee's death or permanent disability, the termination of the Optionee's employment, term of office or consulting engagement or the Optionee ceasing to be an Eligible Person;
(d) determining that any of the provisions of the Option Plan concerning the effect of the Optionee's death or permanent disability, the termination of the Optionee's employment, term of office or consulting engagement or the Optionee ceasing to be an Eligible Person shall not apply for any reason acceptable to the Board;
(e) amendments to the definition of Eligible Person;
(f) changing the termination provisions of the Option Plan or any Option which, in the case of an Option, does not entail an extension beyond an Option's originally scheduled expiry date;
(g) changing the terms and conditions of any financial assistance which may be provided by the Company to Optionees to facilitate the purchase of Shares under the Option Plan, or adding or removing any provisions providing for such financial assistance;
(h) the addition of or amendments to any provisions necessary for Options to qualify for favourable tax treatment to Optionees or the Company under applicable tax laws or otherwise address changes in applicable tax laws;
(i) amendments relating to the administration of the Option Plan; and
(j) any other amendment, whether fundamental or otherwise, not requiring Shareholder approval under applicable law or the rules or policies of any stock exchange upon which the Shares trade from time to time.

The Company has the ability to grant up the 10% of the number of Shares issued and outstanding from time to time. If the Option Plan is approved the Company will have the ability to grant an aggregate of 4,431,901 Options to acquire 4,431,901 Shares of the company based on the issued and outstanding at the date of this Circular.

At the Meeting, Shareholders will be asked to pass the following ordinary resolution for approval, confirmation, and adoption, with or without modification (the **"Option Plan Resolution"**). To be effective, such resolution must be approved by a simple majority of the votes cast by the Shareholders present in person or represented by proxy and entitled to vote at the Meeting.

BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

(a) the Option Plan, in the form attached as Schedule "A" to the Management Information Circular of the Company dated August 21, 2019, is hereby ratified and approved, subject to any amendments that may be required by the Exchange; and

(b) any director or officer of the Company is hereby authorized and directed, acting for, in the name of and on behalf of the Company, to execute or cause to be executed, under the seal of the Company or otherwise and to deliver or to cause to be delivered, all such other deeds, documents, instruments and assurances and to do or cause to be done all such other acts as in the opinion of such director or officer of the Company may be necessary or desirable to carry out the terms of the foregoing resolutions.

The Option Plan Resolution will require approval by a majority of votes cast on the matter at the Meeting. Unless otherwise instructed, management's nominees named in the Proxy accompanying this Circular will vote "FOR" the Option Plan Resolution.

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Executive Compensation

The Company's executive compensation strategy continues to evolve, however the Company's compensation philosophy has consisted of two main components: (1) base salaries and, at the Board's discretion, a bonus; and (2) long term incentives in the form of stock options. In making its determination regarding the various elements of executive compensation, the Board did not bench mark its executive compensation program and generally, executive compensation has been designed to be competitive with the executive compensation offered by companies comparable to the Company in terms of size, assets and stage of development within the precious metals mining industry. The Company targeted total compensation to be below or near the median for those junior mining companies of comparable project development stage and market capitalization, with the relative importance of salary and stock options being equal. Due to the limited cash available to the Company, the total level of compensation should be at the lower end of the range of comparable companies; however, given the demand for competent people, the Company will need to remain competitive in order to attract and retain qualified management.

Base Salary and Bonus

To ensure that the Company will continue to attract and retain qualified and experienced executives, base salaries are reviewed and if necessary, adjusted annually, in order to ensure that they remain at or near the median for comparable companies. Bonuses, if any, are based upon a combination of individual and Company performances and are weighted more against Company performance for senior executives. The Company did not pay any financial bonuses during the two most recently completed fiscal years, nor does it anticipate paying any bonuses in the current fiscal year.

Long Term Incentives – Stock Options

The purpose of the stock option plan is to ensure that an incentive exists to maximize Shareholder value by aligning executive compensation to share price performance and to reward those executives making a long-term commitment and contribution to the Company.

The Option Plan will be used to provide share purchase options which are granted in consideration of the level of responsibility of the executive as well as his or her impact or contribution to the longer-term operating performance of the Company. In determining the number of options to be granted to the executive officers, the Board takes into account the number of options, if any, previously granted to each executive officer, and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the Exchange, and closely align the interests of the executive officer with the interests of Shareholders.

At the current time, the Company's Board has the responsibility to administer the compensation policies related to the executive management of the Company, including option-based awards.

Compensation Governance

During the year ended March 31, 2019, the Board performed the activities of a Compensation Committee. The Board members have extensive experience in executive compensation through their roles as directors and/or officers of other public companies.

During fiscal 2019, the Board did not retain a professional executive compensation consultant.

Risk Considerations

The Board considers the implications of the risks associated with the Company's compensation policies and practices when determining rewards for its officers and directors. The Board intends to review at least once annually the risks, if any, associated with the Company's compensation policies and practices at such time.

Executive compensation is comprised of both short-term compensation in the form of a base salary/fee and an incentive cash bonus plan, and long-term ownership through the grant of stock options. This structure ensures that a significant portion of executive compensation (stock options) is both long-term and "at risk" and, accordingly, is directly linked to the achievement of business results and the creation of long term Shareholder value.

The Board also has the ability to set out vesting periods in each stock option agreement. As the benefits of such compensation, if any, are not realized by officers and directors until a period of time has passed, the ability of officers to take inappropriate or excessive risks that are beneficial to their compensation at the expense of the Company and the Shareholders is thereby limited. Furthermore, all elements of executive compensation are discretionary. As a result, it is unlikely an officer would take inappropriate or excessive risks at the expense of the Company or the Shareholders that would be beneficial to their short-term compensation when their long-term compensation might be put at risk from their actions.

Due to the relatively small size of the Company and its current management group, the Board is able to closely monitor and consider any risks which may be associated with the Company's compensation policies and practices. Risks, if any, may be identified and mitigated through regular Board meetings during which financial and other information of the Company is reviewed. No risks have been identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

Summary Compensation Table

The following table sets forth compensation awarded to, earned by, paid to, or payable for each of the Company's three most recently completed fiscal years, to the Chief Executive Officer (the "**CEO**"), the Chief Financial Officer (the "**CFO**") or who acted in such capacity for all or any portion of the such

financial years, and each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, (other than the CEO and the CFO) whose total compensation was, individually, more than $150,000 for such years and any individual who would have satisfied these criteria but for the fact that individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of such financial year (collectively the "**Named Executive Officers**" or "**NEOs**").

Name and principal position	Year	Salary	Share-based awards ($)	Option-based awards[1]	Non-equity incentive plan compensation ($)		Pension value ($)	All other compensation ($)	Total compensation
					Annual incentive plans	Long-term incentive plans			
Matthew Watson[2]	2019	Nil	N/A	Nil	N/A	N/A	N/A	Nil	Nil
Former President	2018	Nil	N/A	Nil	N/A	N/A	N/A	Nil	Nil
& CEO	2017	Nil	N/A	Nil	N/A	N/A	N/A	Nil	Nil
Richard Warke[3]	2019	Nil	N/A	Nil	N/A	N/A	N/A	Nil	Nil
President & CEO	2018	Nil	N/A	Nil	N/A	N/A	N/A	Nil	Nil
	2017	Nil	N/A	Nil	N/A	N/A	N/A	Nil	Nil
Linda Chang[4][6]	2019	$4,417	N/A	Nil	N/A	N/A	N/A	Nil	$4,417
Former CFO	2018	$11,375	N/A	Nil	N/A	N/A	N/A	Nil	$11,375
	2017	$25,661	N/A	Nil	N/A	N/A	N/A	Nil	$25,661
Edward Boney[5][6]	2019	Nil	N/A	Nil	N/A	N/A	N/A	Nil	Nil
CFO	2018	N/A	N/A	Nil	N/A	N/A	N/A	Nil	N/A
	2017	N/A	N/A	Nil	N/A	N/A	N/A	Nil	N/A

(1) The Company uses Black Scholes pricing model which is the industry standard for valuing stock options.
(2) Mr. Watson ceased to be President & CEO of the Company on October 2, 2018.
(3) Mr. Warke was appointed President & CEO of the Company on October 2, 2018.
(4) Ms. Chang ceased to be CFO of the Company on December 31, 2018.
(5) Mr. Boney was appointed CFO of the Company on March 11, 2019.
(6) Ms. Chang's and Mr. Boney's salaries were paid through a management services company equally owned by the Company and other companies related by virtue of certain common management and directors. The salary for Ms. Chang and Mr. Boney reflects the amount charged to the Company and is paid in Canadian dollars.

NEO Employment Agreements (including termination and change of control benefits)

The Company has a letter agreement with Mr. Boney's which provides, in addition to annual compensation, the reimbursement of annual membership dues to the Canadian Institute of Chartered Accountants and standard health benefits. In the event of termination by the Company without cause or by the employee for good reason, the Company shall pay Mr. Boney, at the time of such termination: (i) if within the first 6 months of employment, as stipulated on the BC statute; (ii) if between 6 to 12 months, one (1) month's pay based on his annual salary; and (iii) if after 12 months of employment, a lump sum cash amount equal to two (2) months' pay based on his annual salary. In the event that Mr. Boney should resign for any reason or the Company should terminate his employment without cause within six months after a change of control, the Company shall compensate Mr. Boney with a lump sum cash amount of one and a half (1.5) times his annual salary and target bonus. The estimated incremental payment from the Company to Mr. Boney on termination without cause or by him for good reason, assuming a triggering event occurred on March 31, 2019 would be nil (Mr. Boney did not receive any salary from the Company from the time of his appointment to March 31, 2019 the trigger date). In addition, all non-vested securities under any securities compensation plan granted him shall immediately and fully vest on the effective date of such termination and be redeemable or exercisable for 60 days thereafter.

Incentive Plan Awards

Outstanding share-based awards and option-based awards

The Company did not grant any stock options during fiscal 2019, nor does it have any previously granted stock options outstanding.

Pension Plan Benefits

The Company does not provide pension or retirement benefits for its directors or executive officers.

Director Compensation

The Company has no arrangements, standard or otherwise, pursuant to which directors are compensated by the Company or its subsidiaries for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as a consultant or expert during the most recently completed financial year or subsequently, up to and including the date of this Circular.

Incentive Plan Awards - Outstanding Share-Based and Option-Based Awards

At the end of fiscal 2019 and to date there were no outstanding share based or option-based awards.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Stock Option Plan

As of the end of fiscal 2019 there were no outstanding stock options under the Company's Option Plan. The Company may grant options under the Option Plan.

At the date of this Circular there were no stock options issued and outstanding.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

During fiscal year 2019, no director, executive officer or senior officer of the Company, proposed management nominee for election as a director of the Company or associate or affiliate of any such director, executive or senior officer or proposed nominee is or has been indebted to the Company or any of its subsidiaries or is or has been indebted to another entity where such indebtedness is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries, other than routine indebtedness.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

During fiscal 2019, other than information disclosed in this Circular, no directors or executive officers of the Company or a subsidiary of the Company nor a proposed nominee for election to the Board, nor any person or company who beneficially owns, directly or indirectly, or who exercises control or direction over (or a combination of both) more than 10% of the issued and outstanding Common Shares, nor any associate or affiliate of those persons, had or has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

National Instrument 58-101 – *Disclosure of Corporate Governance Practices*, requires all companies to provide certain annual disclosure of their corporate governance practices with respect to the corporate

governance guidelines (the "**Guidelines**") adopted in National Policy 58-201 – *Corporate Governance Guidelines* ("**NP 58-201**"). These Guidelines are not prescriptive, but have been used by the Company in adopting its corporate governance practices.

During the last fiscal year the Company's Board was comprised of three (3) members: Richard W. Warke, Robert P. Pirooz Q.C. and Purni Parikh.

It is the intention of the Board to maintain a level of independence as set forth in NI-52-110 and take guidance provided under the Guidelines of NP 58-201 in an effort to maintain good governance.

Board of Directors

Management is nominating three individuals to the Board, all of whom are current directors of the Company.

Directorships

The Board nominees are directors of other reporting issuers as follows:

- Robert P. Pirooz is a Director of RIWI Corp.
- Richard W. Warke is Director and Executive Chairman of Titan Mining Corporation and Tethyan Resource Corp.
- Purni Parikh is a Director of Titan Mining Corporation.

During fiscal 2019 the Board held no formal meetings. However, there were informal meetings and discussions that occurred throughout the year.

AUDIT COMMITTEE

The following is information the Company is required to disclose under NI 52-110 with respect to its audit Committee ("**Audit Committee**").

The Board currently has only one standing committee, the Audit Committee. As the Company becomes more active, the Company plans on forming a Compensation Committee and Nominating and Corporate Governance Committee.

Audit Committee Charter

The text of the Audit Committee's charter is attached as Schedule "B" to this Circular.

Composition of Audit Committee, Independence, Relevant Education and Experience

The Company is required to have an Audit Committee comprised of not less than three directors, a majority of whom are not officers or employees of the Company or of an affiliate of the Company.

During the fiscal year 2019, the audit committee comprised of the following three (3) members: Richard Warke, Robert P. Pirooz Q.C. and Purni Parikh all of whom are financially literate in accordance with NI 52-110.

The following is a description of the education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member.

Richard Warke

Mr. Warke more than 25 years of experience in corporate finance and marketing in the global resource industry, and has been involved in raising over $1 billion dollars in equity for resource companies. Although his endeavours have primarily involved mineral resource operations, he has also been involved with oil and gas, forestry, technology and manufacturing operations.

Robert P. Pirooz Q.C.

In 1989, Mr. Pirooz received a Juris Doctorate from the University of British Columbia and in the ensuing 25 years practiced corporate and commercial law with two of Vancouver's premier law firms and served as General Counsel to B.C. Rail and Pan American Silver.

Purni Parikh

Ms. Parikh has more than 25 years of experience in business administration. She has a Certificate in Business from the University of Toronto and has completed coursework at Simon Fraser University and other institutions in various areas including: business management, accounting, organizational behavior, marketing, securities, computer science and software and web design. She holds an honours certificate in the Canadian Securities Course and extensive experience working with public companies in the areas of communications, investor relations and legal administration.

Audit Committee Oversight

Since the commencement of fiscal 2019, the Audit Committee of the Company has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the Company's two most recently completed fiscal years, the Company has not relied on:

(a) the exemption in section 2.4 (De Minimis Non-audit Services) of NI 52-110; or

(b) an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions).

Pre-Approval Policies and Procedures

The Audit Committee charter provides that the pre-approved requirement is waived with respect to the provision of non-audit services if:

a) the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;

b) such services were not recognized by the Company at the time of the engagement to be non-audit services; and

c) such services are promptly brought to the attention of the Audit Committee by the Company and approved prior to the completion of the audit by the Audit Committee or by one or more members of the Audit Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Audit Committee.

Provided the pre-approval of the non-audit services is presented to the Audit Committee's first scheduled meeting following such approval such authority may be delegated by the Audit Committee to one or more independent members of the Audit Committee.

Audit Fees

The following table sets forth the fees paid by the Company to its external auditors for services rendered in the last three fiscal years.

Financial Year Ending	Audit Fees[(1)]	Audit Related Fees[(2)]	Tax Fees[(3)]	All Other Fees[(4)]
March 31, 2019	$12,000	Nil	Nil	$146
March 31, 2018	$12,000	Nil	Nil	$240
March 31, 2017	$12,500	Nil	Nil	$250

(1) The amounts represent actual bills paid to the Company's appointed auditors and excludes bills paid to other professional firms.
(2) Aggregate fees billed by the Company's auditors for audit related services.
(3) Aggregate fees billed by the Company's auditors for professional services rendered for tax compliance, tax advice and tax planning.
(4) Aggregate fees billed by the Company's auditors for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and not contained under "Audit fees".

Exemption in Section 6.1

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

MANAGEMENT CONTRACTS

Commencing March 1, 2015 the Company shares office space, equipment, personnel and various administrative services with certain other reporting issuers related by virtue of certain common management and directors of the Company. These services have been mainly provided through a management company equally owned by such companies. Costs incurred by the management company are allocated between the companies based on time incurred and use of services.

GENERAL MATTERS

It is not known whether any other matters will come before the Meeting other than those set forth above and in the Notice of Meeting, but if any other matters do arise, the persons named in the Shareholders' Proxy intend to vote on any poll, in accordance with their best judgement, exercising discretionary authority with respect to amendments or variations of matters set forth in the Notice of Meeting and other matters which may properly come before the Meeting or any adjournment or postponement thereof.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found on SEDAR at www.sedar.com under the profile 'Armor Minerals Inc.' and the Company's website www.armorminerals.com.

Financial information is provided in the Company's consolidated audited financial statements and in the management's discussion and analysis ("MD&A") for its most recently completed fiscal year. Shareholders may request copies of the Company's audited consolidated financial statements and MD&A by contacting the Company at (604) 687-1717.

BOARD APPROVAL

The contents of this Circular have been approved and its mailing authorized by the directors of the Company.

DATED at Vancouver, British Columbia, this 21st day of August, 2019.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ Richard W. Warke
Richard W. Warke
President & CEO

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SCHEDULE A

2016 STOCK OPTION PLAN

ARMOR MINERALS INC.
(the "Company")
Dated July 29, 2016

Approved: September ____, 2019

ARTICLE 1
INTRODUCTION

1.1 Purpose of Plan

The purpose of the Plan is to secure for the Company and its shareholders the benefits of the incentives inherent to share ownership by directors, officers, key employees and consultants of the Company and its Subsidiaries who, in the judgment of the Board, will be largely responsible for Company's future growth and success.

1.2 Definitions

(a) "**Adjustment Provisions**" has the meaning set out in Section 2.19.

(b) "**Associate**" has the meaning ascribed thereto in the *Securities Act*.

(c) "**Black Out Period**" means any period during which a policy of the Company prevents an Optionee from trading in the Company's securities.

(d) "**Board**" means the board of directors of the Company, or any committee of the board of directors to which administration of the Plan has been delegated.

(e) "**Business Day**" means any day, other than a Saturday, Sunday or statutory holiday in the Province of British Columbia, on which commercial banks in the City of Vancouver are open for business;

(f) "**Change of Control**" means the occurrence of any of the following events:

(i) any one person holds a sufficient number of voting shares of the Company or resulting company to affect materially the control of the Company or resulting company;

(ii) any combination of persons, acting in concert by virtue of an agreement, arrangement, commitment or understanding, hold in total a sufficient number of voting shares of the Company or its successor to affect materially the control of the Company or its successor; or

(iii) the Board adopts a resolution to the effect that the circumstances in clause (i) or (ii) of this definition have occurred or are imminent,

where such person or combination of persons referred to in clause (i) or (ii) of this definition did not previously hold a sufficient number of voting shares to affect materially control of the Company or its successor. In the absence of evidence to the contrary, any person or combination of persons acting in concert by virtue of an agreement, arrangement, commitment or understanding holding more than 20% of the voting shares of the Company or its successor is deemed to materially affect control of the Company or its successor.

(g) "**Company**" means Armor Minerals Inc., a corporation duly incorporated under the laws of the Province of British Columbia, and includes any successor corporation thereto.

(h) "**Consultant**" means a "consultant" (as such term is defined in NI 45-106) that has been engaged to provide services to the Company or any of its Subsidiaries for an initial, renewable or extended period of 12 months or more.

(i) "**Director**" means a director of the Company or any of its Subsidiaries.

(j) "**Eligible Person**" means any Director, Officer, Employee, Management Company Employee or Consultant, and includes a company that is wholly-owned by such persons.

(k) "**Employee**" means an individual who is a *bona fide* employee of the Company or any Subsidiary of the Company and includes a *bona fide* permanent part-time employee of the Company or any Subsidiary of the Company.

(l) "**Exchange**" means the TSX-V or, if the Board in its discretion so determines, any other stock exchange or quotation system on which the Shares are, at the relevant time, listed or quoted for trading;

(m) "**Exercise Price**" in respect of an Option, means the price per share at which Shares may be purchased under such Option, as the same may be adjusted from time to time in accordance with the Adjustment Provisions.

(n) "**Expiry Date**" in respect of an Option, means the date determined by the Board at the time of grant on which the Option will expire.

(o) "**Heir**" has the meaning set out in Section 3.2.

(p) "**Insider**" has the meaning ascribed thereto in the rules and policies of the Exchange.

(q) "**Management Company Employee**" means an individual who (i) is a *bona fide* employee of a company that has been engaged to provide management services or support to the Company or any of its Subsidiaries under a written contract for an initial, renewable or extended period of 12 months or more and (ii) spends or will spend a significant amount of time and attention on the affairs and business of the Company or any of its Subsidiaries.

(r) "**NI 45-106**" means *National Instrument 45-106 - Prospectus and Registration Exemptions* of the Canadian Securities Administrators, as amended from time to time, or such other successor and/or additional regulatory rules, instruments or policies from time to time of Canadian provincial securities regulatory authorities which may govern the trades of securities pursuant to the Plan.

(s) "**Notice of Exercise**" means a notice, substantially in the form set out in Exhibit "B" hereto, or in such other form as may be approved by the Board from time to time, delivered by an Optionee to the Company providing notice of the exercise or partial exercise of an Option previously granted to the Optionee.

(t) "**Offer**" has the meaning set out in Section 2.15.

(u) "**Officer**" means a senior officer of the Company or any of its Subsidiaries.

(v) "**Option**" means an option to purchase Shares granted under the Plan.

(w) "**Optioned Shares**" has the meaning set out in Section 2.15.

(x) "**Optionee**" means a Participant to whom an Option has been granted under the Plan.

(y) "**Participant**" means an Eligible Person who elects to participate in the Plan.

(z) "**Plan**" means this amended and restated stock option plan, as the same may be further amended, restated, modified or supplemented from time to time.

(aa) "**Securities Act**" means the *Securities Act* (British Columbia), R.S.B.C., 1996 c.418, as amended from time to time.

(bb) "**Share Compensation Arrangement**" means the Plan and any other stock option, stock option plan, employee stock purchase plan, share distribution plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to one or more Eligible Persons.

(cc) "**Shareholders**" means the holders of Shares.

(dd) "**Shares**" means the common shares of the Company.

(ee) "**Stock Option Plan Certificate**" means the option certificate delivered by the Company to an Optionee, substantially in the form set out in Exhibit "A" hereto or in such other form as may be approved from time to time by the Board.

(ff) "**Subsidiary**" has the meaning ascribed thereto in the Securities Act.

(gg) "**TSX-V**" means The TSX Venture Exchange.

(hh) "**U.S. Option Holder**" means an Option Holder who is a U.S. Person or who is holding or exercising Options in the United States.

(ii) "**U.S. Person**" has the meaning set forth in Rule 902(k) of Regulation S under the *U.S. Securities Act* and generally includes, but is not limited to, any natural person resident in the United States, any partnership or corporation organized under the laws of the United States and any estate or trust of which any executor, administrator or trustee is a U.S. Person.

(jj) "**U.S. Securities Act**" means the *United States Securities Act* of 1933, as amended.

(kk) "**Withholding Tax Amount**" has the meaning set out in Section 3.8.

1.3 **Construction**

In the Plan, unless otherwise expressly stated or if the context otherwise requires:

(a) the division of the Plan into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of the Plan;

(b) the terms "the Plan", "herein", "hereby", "hereof" and "hereunder" and similar expressions refer to the Plan in its entirety and not to any particular provision hereof;

(c) references to Articles and Sections followed by a number or letter refer to the specified articles and sections of the Plan;

(d) words importing the singular number only shall include the plural and vice versa and words importing the use of any gender shall include all genders;

(e) the word "including" is deemed to mean "including without limitation"; and

(f) whenever the Board is to exercise discretion in the administration of the terms and conditions of this Plan, the term "discretion" means the sole and absolute discretion of the Board.

ARTICLE 2
STOCK OPTION PLAN

2.1 Participation

The Board may, from time to time, in its discretion, subject to the provisions of the Plan, grant Options to Eligible Persons.

2.2 Determination of Option Recipients

The Board shall make all necessary or desirable determinations regarding the granting of Options to such Eligible Persons as the Board deems appropriate, and may take into consideration the present and potential contributions of a particular Eligible Person to the success of the Company and any other factors which it may deem proper and relevant. For Options granted to Employees, Consultants or Management Company Employees, the Corporation represents that the Optionee is a bona fide Employee, Consultant or Management Company Employee, as the case may be.

2.3 Exercise Price

The Exercise Price for each Share subject to an Option shall be determined by the Board, in its discretion, at the time of the Option grant, which Exercise Price will not be lower than the last closing price of a Share on the Exchange preceding the time of the Option grant, less any discounts permitted by the Exchange, rounded up to the nearest whole cent. If the Exercise Price of an Option is expressed in a different currency than the closing price of a Share on the Exchange, the closing price will be converted into the currency of the Exercise Price using the Bank of Canada noon rate of exchange on the trading day immediately preceding the date of the Option grant. If, and for so long as the Common Shares are listed on the TSX-V, disinterested shareholder approval will be obtained for any reduction in the Exercise Price if the Optionee is an Insider of the Company at the time of the proposed amendment.

2.4 Grant of Options

The Board may at any time authorize the granting of Options to such Eligible Persons as it may select for the number of Shares that it shall designate, subject to the provisions of the Plan. The date of each grant of Options shall be determined by the Board when the grant is authorized.

2.5 Stock Option Plan Certificate

Each Option granted to an Optionee shall be evidenced by a Stock Option Plan Certificate detailing the terms of the Option. Upon the delivery of a Stock Option Plan Certificate to an Optionee by the Company, the Optionee shall have the right to purchase the Shares underlying the Option at the Exercise

Price set out therein, subject to any provisions with respect to the vesting of the Option and the provisions of the Plan.

2.6 **Terms of Options**

The periods during which Options may be exercised and the number of Options which may be exercised in any given period shall be determined by the Board at the time of granting Options. Unless the Board determines otherwise and subject to any accelerated termination in accordance with the Plan, each Option shall expire on the fifth anniversary of the date on which it was granted. In no event may an Option expire later than the tenth anniversary of the date on which it was granted.

2.7 **Exercise of Option**

Subject to the provisions of the Plan and any vesting provisions to which the Option may be subject, an Option that has vested may be exercised from time to time by delivery to the Company of a completed Notice of Exercise, specifying the number of Shares with respect to which the Option is being exercised and accompanied by payment in full of the aggregate Exercise Price for such Shares and any amount required by the Company pursuant to Section 3.8 as a condition to the exercise of the Option. Certificates for such Shares shall be issued and delivered to the Optionee within a reasonable time following the receipt of such Notice of Exercise and payment.

2.8 **Hold Period**

Shares issued upon the exercise of an Option may be subject to a hold period imposed by the Exchange or under applicable securities laws, in which case the certificates representing such Shares shall be legended accordingly.

2.9 **Vesting**

Options granted pursuant to the Plan shall vest and become exercisable by an Optionee at such time or times as may be determined by the Board on the date of the Option grant, and as indicated in the Stock Option Plan Certificate. The Board in its discretion may accelerate the date upon which any Option vests and becomes exercisable. Options issued to an Optionee retained to provide Investor Relations Activities (as such term is defined in the policies of the TSX-V) must vest in stages over a period of not less than 12 months with no more than one quarter (1/4) of the options vesting in any three month period. No unvested Options may be exercised by an Optionee.

2.10 **Black Out Periods**

If the date on which an Option held by an Optionee is scheduled to expire occurs during, or within 10 Business Days after the last day of, a Black Out Period applicable to such Optionee, then the date on which such Option will expire shall be extended to the last day of such 10 Business Day period.

2.11 **Death of Optionee**

If an Optionee ceases to be an Eligible Person by reason of death, any Options held by such Optionee on the date of his death shall only be exercisable by the Heir of such Optionee. All such Options shall be exercisable only (i) to the extent that the Optionee was entitled to exercise such Options on the date of his death and (ii) until the one-year anniversary of the death of the Optionee or the Expiry Date of the Option, whichever is earlier.

2.12 **Permanent Disability of Optionee**

If an Optionee ceases to be an Eligible Person while on permanent disability (which determination shall be made by the Board in its discretion), any Options held by such Optionee shall be exercisable by the Optionee or his legal representatives. Such Optionee's Options shall be exercisable only (i) to the extent that the Optionee was entitled to exercise such Option on the date the Board determined his permanent disability and (ii) until the Expiry Date of the Option.

2.13 **Termination for Cause**

If an Employee, Management Company Employee or Officer is dismissed for cause (for this purpose, as determined by the Board in its discretion, or if applicable, as defined in the applicable person's employment agreement) or a consulting agreement or arrangement is terminated by the Company or any of its Subsidiaries as a result of a breach or default committed thereunder by a Consultant (as determined by the Board in its discretion, and whether or not such termination is effected in compliance with any termination provisions contained in the applicable consulting agreement or arrangement), any Options (whether vested or unvested) held by the Employee, Management Company Employee, Officer or applicable Consultant, as the case may be, shall terminate immediately upon receipt by the Optionee (or consulting firm, if applicable) of notice of such dismissal or termination and shall no longer be exercisable as of the date of such notice (or, if applicable, such other period set out in the Optionee's employment or consulting agreement or arrangement or prescribed by law).

2.14 **Termination of Employment, Term of Office or Agreement**

If an Optionee ceases to be an Eligible Person (including upon the expiry of a consulting or management services agreement or arrangement), other than in the circumstances described in Section 2.11, 2.12 or 2.13, any Options held by such Optionee on the date the Optionee ceases to provide services to the Company or any of its Subsidiaries shall be exercisable only (i) to the extent that the Optionee is entitled to exercise such Options as of such date and (ii) until the 60th day after such date (or such other period as may be determined by the Board in its discretion, set out in the Optionee's employment or consulting agreement or arrangement, if applicable, or prescribed by law) or the Expiry Date of the Option, whichever is earlier, provided that such period shall not exceed 12 months.

2.15 **Effect of Take-Over Bid**

If a *bona fide* take-over bid (as such term is defined in the Securities Act, and referred to herein as an "**Offer**") for Shares is made, which Offer, if successful, would result in a Change of Control, then the Company shall, immediately upon receipt of notice of the Offer, notify each Optionee of the full particulars of the Offer. The Board may, in its discretion, amend, abridge or otherwise eliminate any vesting schedule so that notwithstanding the other terms of any outstanding Option or the Plan, each outstanding Option may be exercised in whole or in part by the Optionee so as to permit the Optionee to tender the Shares received upon such exercise (the "**Optioned Shares**") pursuant to the Offer. If:

(a) the Offer expires or is withdrawn and no Shares are taken up pursuant to the Offer;

(b) the Optionee does not tender the Optioned Shares pursuant to the Offer; or

(c) all of the Optioned Shares tendered by the Optionee pursuant to the Offer are not taken up and paid for by the offeror in respect of the Offer;

then at the discretion of the Board, the Optioned Shares or, in the case of clause (c) above, the Optioned Shares that are not taken up and paid for, shall, subject to applicable laws, be returned by the Optionee to

the Company and reinstated as authorized but unissued Shares and the terms of such Option as set forth in the Plan and the applicable Stock Option Plan Certificate shall again apply to the Option. If any Optioned Shares are returned to the Company under this Section, the Company shall refund the Exercise Price paid for such Optioned Shares without interest or deduction.

2.16 **Effect of Reorganization, Amalgamation or Merger**

If the Company is reorganized, amalgamated or merges or combines with or into another person or completes a plan of arrangement, then, at the discretion of the Board, the Optionee shall be entitled to receive upon the subsequent exercise of his Option in accordance with the terms thereof, and shall accept in lieu of the number of Shares to which he was theretofore entitled upon such exercise, but for the same aggregate consideration payable therefor, the aggregate number or amount of securities, property, cash and/or any other consideration the Optionee would have been entitled to receive as a result of such transaction if, on the record date of such transaction, the Optionee had been the registered holder of the number of Shares to which he was theretofore entitled upon the exercise of his Option, and such adjustment shall be binding for all purposes of the Plan.

2.17 **Effect of Change of Control**

If a Change of Control occurs the Board may in its discretion, (a) amend, abridge or otherwise eliminate any vesting schedule so that notwithstanding the other terms of any outstanding Option or the Plan, such that any outstanding Option may be exercised in whole or in part by the Optionee and/or (b) determine that all holders of outstanding Options with an exercise price equal to or greater than the price per Share provided for in the transaction giving rise to such Change of Control shall be entitled to receive and shall accept, immediately prior to or concurrently with the transaction giving rise to such Change of Control, in consideration for the surrender of such Options, the value of such Options determined in accordance with the Black and Scholes Option Pricing Model, as determined by the Board.

2.18 **Adjustment in Shares**

If there is any change in the Shares resulting from or by means of a declaration of stock dividends, or any consolidation, subdivision or reclassification of the Shares, or otherwise, the number of Shares subject to any Option, the Exercise Price thereof and the maximum number of Shares which may be issued under the Plan in accordance with Section 3.1(a) shall be adjusted appropriately by the Board in its discretion and such adjustment shall be effective and binding for all purposes of the Plan.

2.19 **Effect of an Adjustment**

Any adjustment under Section 2.16 or Section 2.18 (collectively, the "**Adjustment Provisions**") will take effect at the time of the event giving rise to such adjustment. The Adjustment Provisions are cumulative. The Company will not be required to issue fractional Shares in satisfaction of its obligations under the Plan. Any fractional interest in a Share that would, except for this provision, be deliverable upon the exercise of an Option will be cancelled and not be deliverable by the Company. If any questions arise at any time with respect to the Exercise Price or number of Shares deliverable upon the exercise of an Option as a result of any of the events set out in Section 2.15, 2.16, 2.17, 2.18 or 2.19 such questions will be conclusively determined by the Company's auditors, or, if they decline to so act, any other firm of chartered accountants that the Board may designate and who will have access to all appropriate records of the Company, and such determination will be binding upon the Company and all Optionees.

ARTICLE 3
GENERAL

3.1 **Maximum Number of Shares**

(a) The aggregate number of Shares that may be reserved for issuance pursuant to the Plan and all other Share Compensation Arrangements shall not exceed 10% of the number of Shares issued and outstanding from time to time.

(b) Any Shares subject to an Option that expires or terminates without having been fully exercised may be made the subject of a further Option. No fractional Shares may be issued under the Plan.

(c) Upon the partial or full exercise of an Option, the Shares issued upon such exercise automatically become available to be made the subject of a new Option, provided that the total number of Shares reserved for issuance under the Plan does not exceed 10% of the number of Shares then issued and outstanding.

(d) The aggregate number of Shares reserved for issuance pursuant to the Plan or any other Share Compensation Arrangement to any one Participant (other than a Consultant) in any 12 month period shall not exceed 5% of the number of Shares issued and outstanding at any time.

(e) The aggregate number of Shares reserved for issuance pursuant to the Plan or any other Share Compensation Arrangement to any one Consultant in any 12 month period shall not exceed 2% of the number of Shares issued and outstanding at any time.

(f) The aggregate number of Shares issuable pursuant to the Plan or any other Share Compensation Arrangement to Insiders shall not exceed 10% of the number of Shares issued and outstanding at any time.

(g) The aggregate number of Shares issued to Insiders pursuant to the Plan or any other Share Compensation Arrangement, within any 12 month period, shall not exceed 10% of the number of Shares then issued and outstanding.

(h) If, and for so long as the Shares are listed on the TSX-V, the maximum number of Options that may be granted to all Optionees who are engaged in Investor Relations Activities (as such term is defined in the policies of the TSX-V) shall not exceed 2% of the issued and outstanding Shares in any 12 month period.

3.2 **Transferability**

Options are non-assignable and non-transferable. During the lifetime of the Optionee, an Option granted to the Optionee shall be exercisable only by the Optionee and, upon the death of an Optionee, the person to whom the Optionee's rights shall have passed by testate succession or by the laws of descent and distribution (the "**Heir**") may exercise any Option in accordance with the provisions of Section 2.11, as applicable. Any attempt to otherwise assign or transfer an Option (or any interest therein) shall be null and void.

3.3 **Employment**

Nothing contained in the Plan shall confer upon any Optionee any right with respect to employment or continuance of employment with the Company or any of its Subsidiaries, or interfere in any way with the right of the Company or any of its Subsidiaries, to terminate the Optionee's employment at any time. Participation in the Plan by an Optionee is voluntary.

3.4 **No Shareholder Rights**

An Optionee shall not have any of the rights or privileges of a Shareholder with respect to any of the Shares covered by an Option until the Optionee exercises such Option in accordance with the terms thereof and the Plan (including tendering payment in full of the aggregate Exercise Price for the Shares in respect of which the Option is being exercised) and the issuance of the Shares by the Company.

3.5 **Record Keeping**

The Company shall maintain a register in which shall be recorded the name and address of each Optionee, the number of Options granted to each Optionee, the details of each Option granted and the number of Options outstanding.

3.6 **Necessary Approvals**

Notwithstanding any of the provisions contained in the Plan or in any Option, the Company's obligation to issue Shares to an Optionee upon the exercise of an Option shall be subject to the following:

(a) completion of such registration or other qualification of such Shares and the receipt of any approvals of governmental authority or stock exchange as the Company shall determine to be necessary or advisable in connection with the authorization, issuance or sale thereof;

(b) the admission of such Shares to listing on the Exchange; and

(c) the receipt from the Optionee of such representations, agreements and undertakings, including as to future dealings in such Shares, as the Company or its counsel determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction.

In connection with the foregoing, the Company shall, to the extent necessary, take all steps determined by the Board in its discretion to be reasonable to obtain such approvals, registrations and qualifications as may be necessary for the issuance of such Shares in compliance with applicable securities laws and for the listing of such Shares on the Exchange. If any Shares cannot be issued to an Optionee for any reason, including the failure to obtain the aforementioned approvals, registrations and qualifications, then the obligation of the Company to issue such Shares shall terminate (without penalty or payment of any compensation or damages) and any Exercise Price paid by an Optionee to the Company shall be returned to the Optionee without interest or deduction.

3.7 **Administration of the Plan**

The Board is authorized to administer and interpret the Plan and to from time to time adopt, amend and rescind rules and regulations relating to the Plan; provided that the Board shall be entitled to delegate such administration to a committee of the Board. The interpretation and construction of any provision of the Plan by the Board shall be conclusive and binding on the Company and other persons. Day-to-day

administration of the Plan shall be the responsibility of the appropriate Officers and all costs in respect thereof shall be paid by the Company.

3.8 **Taxes**

Upon the exercise of an Option, the Optionee shall make arrangements satisfactory to the Company regarding the payment of any taxes required by any applicable law to be paid in connection with the exercise of the Option. In order to satisfy the Company's or any Subsidiaries' obligation, if any, to remit an amount to a taxation authority on account of the Optionee's taxes in respect of the exercise or other disposition of an Option (the "**Withholding Tax Amount**"), each of the Company and applicable Subsidiary shall have the right, in its discretion, to:

(a) withhold amounts from any amount or amounts owing to the Optionee, whether under this Plan or otherwise;

(b) require the Optionee to pay to the Company the Withholding Tax Amount as a condition to the exercise of the Option by the Optionee; or

(c) withhold from the Shares otherwise deliverable to the Optionee upon the exercise of the Option such number of Shares as have a market value not less than the Withholding Tax Amount and cause such withheld Shares to be sold on the Optionee's behalf to fund the Withholding Tax Amount, provided that any proceeds from such sale in excess of the Withholding Tax Amount shall be promptly paid over to the Optionee.

Notwithstanding the foregoing, nothing shall preclude the Company and the Optionee from agreeing to use a combination of the methods described in this Section 3.8 or some other method to fund the Withholding Tax Amount.

3.9 **Amendment or Discontinuance of the Plan**

The Board may from time to time, subject to applicable law and any required approval of the Exchange or any other regulatory authority having authority over the Company or the Plan, suspend, terminate or discontinue the Plan at any time, or amend or revise the terms of the Plan or of any Option granted thereunder and the Stock Option Plan Certificate relating thereto; provided, however, that no such amendment, revision, suspension, termination or discontinuance shall in any manner adversely affect the rights of an Optionee under any Option previously granted under the Plan without the consent of that Optionee.

(a) For greater certainty and without limiting the generality of the foregoing, Shareholder approval shall not be required for the following amendments, subject to any regulatory approvals, including, where required, the approval of the Exchange:

(i) amendments to the Plan to ensure continuing compliance with applicable laws, regulations, requirements, rules or policies of any governmental or regulatory authority or any stock exchange;

(ii) amendments of a "housekeeping", clerical, technical or stylistic nature, which include amendments relating to the administration of the Plan or to eliminate any ambiguity or correct or supplement any provision herein which may be incorrect or incompatible with any other provision hereof;

(iii) changing the terms and conditions governing any Option(s) granted under the Plan, including the vesting terms, the exercise and payment method, the Exercise Price and the effect of the Optionee's death or permanent disability, the termination of the Optionee's employment, term of office or consulting engagement or the Optionee ceasing to be an Eligible Person;

(iv) determining that any of the provisions of the Plan concerning the effect of the Optionee's death or permanent disability, the termination of the Optionee's employment, term of office or consulting engagement or the Optionee ceasing to be an Eligible Person shall not apply for any reason acceptable to the Board;

(v) changing the termination provisions of the Plan or any Option which, in the case of an Option, does not entail an extension beyond an Option's originally scheduled expiry date;

(vi) changing the terms and conditions of any financial assistance which may be provided by the Company to Optionees to facilitate the purchase of Shares under the Plan, or adding or removing any provisions providing for such financial assistance;

(vii) the addition of or amendments to any provisions necessary for Options to qualify for favourable tax treatment to Optionees or the Company under applicable tax laws or otherwise address changes in applicable tax laws;

(viii) amendments relating to the administration of the Plan; and

(ix) any other amendment, whether fundamental or otherwise, not requiring Shareholder approval under applicable law or the rules or policies of any stock exchange upon which the Shares trade from time to time.

(b) Notwithstanding anything contained in the Plan to the contrary, no amendment requiring the approval of the Shareholders under applicable law or the rules or policies of any stock exchange upon which the Shares trade from time to time shall become effective until such approval is obtained. In addition to the foregoing, the approval the Shareholders by ordinary resolution shall be required for:

(i) any amendment to the provisions this Section 3.9 that is not an amendment within the nature of Sections 3.9(a)(i) and 3.9(a)(ii);

(ii) any increase in the maximum number of Shares that can be issued under the Plan, except in connection with an adjustment made in accordance with the Adjustment Provisions;

(iii) any reduction in the Exercise Price of an Option granted under the Plan (including the cancellation and re-grant of an Option, constituting a reduction of the Exercise Price of an Option), except in connection with an adjustment made in accordance with the Adjustment Provisions;

(iv) any amendment to extend the expiry of an Option beyond its original Expiry Date;

(v) any amendment to Section 3.1(e) or Section 3.1(f) to increase participation by Insiders; and

(vi) any amendment to the provisions of the Plan that would permit Options to be transferred or assigned other than for normal estate settlement purposes,

provided further that, in the case of any amendment or variance referred to (I) in clause (v) of this Section 3.9(b), Insiders are not eligible to vote their Shares in respect of the required approval of the Shareholders, and (II) in clauses (iii), (iv) or (vi) of this Section 3.9(b), Insiders who shall benefit from such amendment or variance are not eligible to vote their Shares in respect of the required approval of the Shareholders.

3.10 **No Representation or Warranty**

The Company makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of the Plan.

3.11 **Interpretation**

The Plan and all other agreements entered into pursuant to the Plan shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

3.12 **Compliance with Applicable Law**

If any provision of the Plan or any agreement entered into pursuant to the Plan contravenes any law or any order, policy, by-law or regulation of any regulatory body or stock exchange having authority over the Company or the Plan then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

3.13 **Effective Date**

The Plan shall become effective upon the later of the acceptance for filing of this Plan by the Exchange, if applicable, and the approval of the Plan at a meeting of the shareholders of the Company. Options may be granted, but not exercised, prior to the receipt of such approvals.

3.14 **Application of U.S. Securities Laws**

Neither the Options which may be granted pursuant to the provisions of the Plan nor the Shares which may be purchased pursuant to the exercise of Options have been registered under the U.S. Securities Act or under any securities law of any state of the United States of America, unless the Company has made a determination to register such Shares or Options. Accordingly, any Participant who is or becomes a U.S. Option Holder, who is granted an Option in the United States, who is a resident of the United States or who is otherwise subject to the U.S. Securities Act or the securities laws of any state of the United States shall by acceptance of the Options be deemed to represent, warrant, acknowledge and agree that:

(a) the Participant is acquiring the Options and any Shares acquired upon the exercise of such Options as principal and for the account of the Participant;

(b) in granting the Options and issuing the Shares to the Participant upon the exercise of such Options, the Company is relying on the representations and warranties of the Participant contained in this Plan relating to the Options to support the conclusion of the Company that the granting of the Options and the issue of Shares upon the exercise of such Options do not require registration under the U.S. Securities Act or to be qualified under the securities laws of any state of the United States of America;

(c) each certificate representing shares issued upon the exercise of such Options to a U.S. Option Holder shall bear the following legends:

"THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"). THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, (C) IN COMPLIANCE WITH THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE LAWS AND REGULATIONS GOVERNING THE OFFER AND SALE OF SECURITIES, AND THE HOLDER HAS, PRIOR TO SUCH SALE, FURNISHED TO THE COMPANY AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE REASONABLY SATISFACTORY TO THE COMPANY. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA."

provided that if such Shares are being sold outside the United States of America in compliance with the requirements of Rule 904 of Regulation S under the U.S. Securities Act the foregoing legends may be removed by providing a written declaration by the holder to the registrar and transfer agent for the Shares to the following effect:

"The undersigned (A) acknowledges that the sale of _____ common shares represented by Certificate Number(s) _____, to which this declaration relates, is being made in reliance on Rule 904 of Regulation S ("Regulation S") under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), and (B) certifies that (1) the undersigned is not an "affiliate" (as defined in Rule 405 under the U.S. Securities Act) of the Company or a "distributor", as defined in Regulation S, or an affiliate of a "distributor"; (2) the offer of such securities was not made to a person in the United States and either (a) at the time the buy order was originated, the buyer was outside the United States, or the seller and any person acting on its behalf reasonably believe that the buyer was outside the United States, or (b) the transaction was executed on or through the facilities of a "designated offshore securities market" within the meaning of Rule 902(b) of Regulation S under the U.S. Securities Act, and neither the seller nor any person acting on its behalf knows that the transaction has been prearranged with a buyer in the United States; (3) neither the seller nor any person acting on its behalf engaged in any directed selling efforts in connection with the offer and sale of such securities; (4) the sale is bona fide and not for the purpose of "washing off" the resale restrictions imposed because the securities are "restricted securities" (as such term is defined in Rule 144(a)(3) under the U.S. Securities Act); (5) the seller does not intend to replace the

securities sold in reliance on Rule 904 of Regulation S under the U.S. Securities Act with fungible unrestricted securities; and (6) the contemplated sale is not a transaction, or part of a series of transactions which, although in technical compliance with Regulation S, is part of a plan or a scheme to evade the registration provisions of the U.S. Securities Act. Terms used herein have the meanings as used in Regulation S.";

(d) other than as contemplated by subsection (c) of this Section 3.14, prior to making any disposition of any Shares acquired pursuant to the exercise of such Options which might be subject to the requirements of the U.S. Securities Act, the U.S. Option Holder shall give written notice to the Company describing the manner of the proposed disposition and containing such other information as is necessary to enable counsel for the Company to determine whether registration under the U.S. Securities Act or qualification under any securities laws of any state of the United States of America is required in connection with the proposed disposition and whether the proposed disposition is otherwise in compliance with such legislation and the regulations thereto;

(e) other than as contemplated by subsection (c) of this Section 3.14, the U.S. Option Holder will not attempt to effect any disposition of the Shares owned by the U.S. Option Holder and acquired pursuant to the exercise of such Options or of any interest therein which might be subject to the requirements of the U.S. Securities Act in the absence of an effective registration statement relating thereto under the U.S. Securities Act or an opinion of counsel satisfactory in form and substance to counsel for the Company that such disposition would not constitute a violation of the U.S. Securities Act or any securities laws of any state of the United States of America and then will only dispose of such Shares in the manner so proposed;

(f) the Company may place a notation on the records of the Company to the effect that none of the Shares acquired by the U.S. Option Holder pursuant to the exercise of such Options shall be transferred unless the provisions of the Plan have been complied with; and

(g) the effect of these restrictions on the disposition of the Shares acquired by the U.S. Option Holder pursuant to the exercise of such Options is such that the U.S. Option Holder may not be able to sell or otherwise dispose of such Shares for a considerable length of time in a transaction which is subject to the provisions of the U.S. Securities Act other than as contemplated by subsection (c) of this Section 3.14.

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EXHIBIT "A"

ARMOR MINERALS INC.

STOCK OPTION PLAN CERTIFICATE

This Certificate is issued pursuant to the provisions of the Stock Option Plan dated as of July 29, 2016 (the "**Plan**") of Armor Minerals Inc. (the "**Company**") and evidences that _____ (the "**Optionee**") is the holder of an option (the "**Option**") to purchase up to _____ common shares ("**Shares**") in the capital stock of the Company at a purchase price of $_____ per Share.

Subject to the provisions of the Plan:

(a) the Option was awarded to the Optionee as of _____ (the "**Award Date**"); and

(b) the Option shall expire on _____ (the "**Expiry Date**").

The right to purchase Shares under the Option shall vest in increments over the term of the Option as follows:

Date	**Number of Shares which may be Purchased**

The Option may be exercised in accordance with its terms, subject to the provisions of the Plan, at any time and from time to time from and including the Award Date through to and including up to 5:00 pm local time in Vancouver, British Columbia on the Expiry Date, by delivery to the Company a Notice of Exercise (as such term is defined in the Plan), in the form provided in the Plan, together with this Certificate and a certified cheque or bank draft payable to "Armor Minerals Inc." in an amount equal to the aggregate exercise price of the Shares in respect of which the Option is being exercised. No unvested Options can be exercised.

This Certificate and the Option evidenced hereby are not assignable or transferable and are subject to the terms and conditions contained in the Plan. This Certificate is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the Plan and the records of the Company shall prevail.

The foregoing Option has been awarded as of this _____ day of _____.

By signing this Certificate, the Optionee acknowledges that:

1. the Optionee has read and understands the Plan and agrees to the terms and conditions of both the Plan and this Certificate;

2. the Optionee is a *bona fide* Director, Officer, Employee, Management Company Employee or Consultant (as each such term is defined in the Plan), as the case may be, and is participating in the Plan voluntarily;

3. in order to satisfy the Company's obligation, if any, to remit a Withholding Tax Amount (as such term is defined in the Plan), the Company has the right to, among other things:

   (a) withhold amounts from any amount or amounts owing to the Optionee, whether under the Plan or otherwise;

   (b) require the Optionee to pay to the Company the Withholding Tax Amount as a condition to the exercise of the Option by the Optionee; and

   (c) withhold from the Shares otherwise deliverable to the Optionee upon the exercise of the Option such number of Shares as have a market value not less than the Withholding Tax Amount and cause such withheld Shares to be sold on the Optionee's behalf to fund the Withholding Tax Amount, provided that any proceeds from such sale in excess of the Withholding Tax Amount shall be promptly paid over to the Optionee;

4. the Optionee consents to the disclosure by the Company of personal information regarding the Optionee to the stock exchange or quotation system on which the Shares are listed or quoted for trading and to the collection, use and disclosure of such information by such stock exchange or quotation system on which the Shares are listed or quoted for trading may determine; and

5. if the Optionee is a U.S. person (the definition of which includes, but is not limited to, a person resident in the United States, a partnership or corporation organized or incorporated under the laws of the United States, and a trust or estate of which any trustee, executor or administrator is a U.S. person), the Optionee has prepared, executed and delivered herewith a supplemental Acknowledgment and Agreement for U.S. Option Holders substantially in the form provided by the Company (attached hereto as Schedule A), which is true and correct in every material respect as of the date hereof.

The terms "United States" and "U.S. person" are as defined by Rule 902 of Regulation S under the United States Securities Act of 1933, as amended.

The certificate for the Shares shall bear any legend required under applicable securities laws or by the TSX-V (or any other stock exchange or quotation system on which the Shares are listed or quoted for trading).

ARMOR MINERALS INC.

by _____
Name:
Title:

_____ _____
Witness Signature of Optionee

_____ _____
Name of Witness (Print) Name of Optionee (Print)

SCHEDULE A TO EXHIBIT A

STOCK OPTION PLAN
SUPPLEMENTAL ACKNOWLEDGMENT AND AGREEMENT
(U.S. OPTION HOLDER)

Notice is hereby given that, effective this _____ day of _____, 20___ (the "**Effective Date**") Armor Minerals Inc. (the "**Company**") has granted to _____ (the "**Option Holder**") an option (the "**Option**") to acquire _____ common shares ("**Shares**") up to 5:00 p.m., Vancouver Time, on the _____ day of _____, 20___ (the "**Expiry Date**") at a purchase price of Cdn$____ per share (the "**Exercise Price**").

The Shares may be acquired as follows:

_____

_____

_____

_____

The grant of the Option evidence hereby is made subject to the terms and conditions of the Stock Option Plan dated as of July 29, 2016 (the "**Plan**") of the Company, the terms and conditions of which are hereby incorporated herein.

Neither the Option nor the Shares have been registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws. The Option may not be exercised in the United States unless registered under the U.S. Securities Act or an exemption from such registration requirement is available. Any Shares issued to the Option Holder in the United States that have not been registered under the U.S. Securities Act will be deemed "restricted securities" (as defined in Rule 144(a)(3) of the U.S. Securities Act) and bear a restrictive legend to such effect.

The Option Holder acknowledges that the Option is **not** intended to qualify as "incentive stock options" in accordance with the terms of Section 422 of Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder. The Option Holder acknowledges that the Company may have federal, state, provincial or local tax withholding and reporting obligations and consents to such actions by the Company as may reasonably be required to comply with such obligations in connection with the exercise of the Option. The acceptance and exercise of the Option and the sale of Shares issued pursuant to exercise of the Option may have consequences under federal, provincial and other tax and securities laws which may vary depending on the individual circumstances of the Option Holder. Accordingly, the Option Holder acknowledges that the Option Holder has been advised to consult the Option Holder's personal legal and tax advisors in connection with this Agreement and the Option Holder's dealings with respect to the Option or the Shares.

To exercise your Option, deliver a written Exercise Notice in the form attached as Exhibit B to the Company's Stock Option Plan, specifying the number of Shares you wish to acquire, together with a certified cheque or bank draft payable to "Armor Minerals Inc." in an amount equal to the aggregate of the Exercise Price of the Shares in respect of which the Option is being exercised, specifying the number of Shares you wish to acquire. A certificate for the Shares so acquired will be issued by the transfer agent as soon as possible thereafter.

ARMOR MINERALS INC.

Per: _____ _____

Authorized Signatory Employee Signature

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EXHIBIT "B"

NOTICE OF EXERCISE

TO: Armor Minerals Inc.
555 – 999 Canada Place
Vancouver, BC
V6C 3E1

1. Exercise of Option

The undersigned hereby irrevocably gives notice pursuant the Stock Option Plan dated as of July 29, 2016 (the "**Plan**") of Armor Minerals Inc. (the "**Company**") of the exercise of an option (the "**Option**") to purchase common shares ("**Shares**") in the capital stock of the Company at a purchase price of $_____ per Share (the "**Exercise Price**"), and hereby subscribes for (cross out inapplicable item):

(a) all of the Shares; or

(b) _____ Shares

which are the subject of the option certificate attached hereto.

Calculation aggregate Exercise Price for the Shares:

(a) number of Shares to be acquired on exercise of the Option _____ Shares

(b) times the Exercise Price: $ _____

(c) Aggregate Exercise Price, as enclosed herewith: $ _____

The undersigned tenders herewith a cheque or bank draft (circle one) in the amount of $_____, payable to "Armor Minerals Inc." in an amount equal to the aggregate Exercise Price, as calculated above, and directs the Company to issue a share certificate evidencing the Shares so purchased in the name of the undersigned to be mailed to the undersigned at the following address:

_____

_____

_____

In connection with such exercise, the undersigned represents, warrants and covenants to the Company (and acknowledges that the Company is relying thereon) that (**check one**):

_____ 1. The undersigned is not a U.S. person (the definition of which includes, but is not limited to, a person resident in the United States, a partnership or corporation organized or incorporated under the laws of the United States, and a trust or estate of which any trustee, executor or administrator is a U.S. person), the undersigned was not offered the Shares in the United States and the options are not being exercised within the United States or for the account or benefit of a U.S. person. The terms "United States" and "U.S.

person" are as defined by Rule 902 of Regulation S under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"); or

_____ 2. The undersigned represents, warrants and covenants to the Company that:

(a) the undersigned understands and agrees that:

____ (i) the Shares have not been and will not be registered under the U.S. Securities Act and the Shares are being offered and sold by the Company in reliance upon an exemption from registration under the U.S. Securities Act; or

____ (ii) the Shares have been registered under the U.S. Securities Act and paragraph (c) below does not apply;

(b) if the undersigned is a U.S. person, the undersigned confirms that the representations and warranties of the undersigned set forth in the Acknowledgement and Agreement for U.S. Option Holders remain true and correct as of the date hereof; and

(c) unless the shares have been registered under the U.S. Securities Act, the undersigned understands that upon the issuance of the Shares, and until such time as the same is no longer required under the applicable requirements of the U.S. Securities Act or applicable U.S. state laws and regulations, the certificates representing the Shares will bear a legend in substantially the following form:

> "THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"). THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, (C) IN COMPLIANCE WITH THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE LAWS AND REGULATIONS GOVERNING THE OFFER AND SALE OF SECURITIES, AND THE HOLDER HAS, PRIOR TO SUCH SALE, FURNISHED TO THE COMPANY AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE REASONABLY SATISFACTORY TO THE COMPANY. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA."

provided, that if Shares of the Company are being sold under clause (B) above, at a time when the Company is a "foreign issuer" as defined in Rule 902 under the U.S. Securities Act, the legend may be removed by providing a declaration to the Company's transfer agent in such form as the Company may from time to time prescribe together with such documentation as the Company or its transfer agent may require, to the effect that the

sale of the securities is being made in compliance with Rule 904 of Regulation S under the U.S. Securities Act.

The terms "United States" and "U.S. person" are as defined by Rule 902 of Regulation S under the U.S. Securities Act.

DATED the _____ day of _____.

Witness	Signature of Optionee
Name of Witness (Print)	Name of Optionee (Print)

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SCHEDULE B

ARMOR MINERALS INC.
(the "Company")

AUDIT COMMITTEE

CHARTER

The Audit Committee (the "Committee") is a committee of the Board of Directors (the "Board") of Armor Minerals Inc. (the "Company") to which the Board delegates its responsibilities for the oversight of the accounting and financial reporting process and financial statement audits.

The Committee will:

(a) review and report to the Board on the following before they are published:

(i) the financial statements and MD&A (management discussion and analysis) (as defined in National Instrument 51-102) of the Company;

(ii) the auditors report, if any, prepared in relation to those financial statements; and

(iii) all other filings with regulatory authorities and any other publicly disclosed information containing the Company's financial statements, including any certification, report, opinion or review rendered by the independent accountants, and all financial information and earnings guidance intended to be provided to analysts and the public or to rating agencies, and consider whether the information contained in these documents is consistent with the information contained in the financial statements.

(b) review the Company's annual and interim earnings press releases, if any, before the Company publicly discloses this information;

(c) satisfy itself that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements and periodically assess the adequacy of those procedures;

(d) recommend to the Board the external auditor to be nominated for the purposes of preparing and issuing an auditor's report or performing other audit, review or attest services for the Company and the compensation of such external auditor;

(e) be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting;

(f) monitor and report to the Board on the integrity of the financial reporting process and the system of internal controls that management and the Board have established;

(i) establish procedures for:

(i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and

(ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

(j) pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the Company's external auditor, including as contemplated by National Instrument 52-110;

(k) review and approve the Company's hiring of partners, employees and former partners and employees of the external auditor of the Company;

(l) with respect to ensuring the integrity of disclosure controls and internal controls over financial reporting, understand the process utilized by the Chief Executive Officer and the Chief Financial Officer to comply with National Instrument 52-109;

(m) review any changes proposed by management to accounting policies and report to the Board on such changes;

(n) oversee the opportunities and risks inherent in the Company's financial management and the effectiveness of the controls thereon;

(o) review major transactions (acquisitions, divestitures and funding), in respect of which a special committee of the Board is not established;

(p) review the reports of the Chief Executive Officer and Chief Financial Officer regarding any significant deficiencies or material weaknesses in the design of operation of internal controls and any fraud that involves management or other employees of the Company who have a significant role in managing or implementing the Company's internal controls and evaluate whether the internal control structure, as created and as implemented, provides reasonable assurances that transactions are recorded as necessary to permit the Company's external auditor to reconcile the Company's financial statements in accordance with applicable securities laws;

(q) review with management the adequacy of the insurance and fidelity bond coverage, reported contingent liabilities, and management's assessment of contingency planning. Review management's plans regarding any changes in accounting practices or policies and the financial impact of such changes, any major areas in management's judgment that have a significant effect upon the financial statements of the Company, and any litigation or claim, including tax assessments, that could have a material effect upon the financial position or operating results of the Company;

(r) periodically review and discuss with the external auditor all significant relationships the external auditor has with the Company to determine the independence of the external auditor, including a review of service fees for audit and non-audit services; and

consider, in consultation with the external auditor, the audit scope and plan of the external auditor and approve the proposed audit fee and the final fees for the audit.

Composition of the Committee

The Committee shall be composed of at least three independent directors. Independence of the Board members will be as defined by applicable legislation and as a minimum each committee member will have no direct or indirect relationship with the Company which, in the view of the Board, could reasonably interfere with the exercise of a member's independent judgement.

All members of the Committee must be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the Committee. "Financial literate" means that such member has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements. One or more members of the Committee shall, in the judgment of the Board, have accounting or financial management expertise.

Appointing Members

The members of the Committee shall be appointed or re-appointed by the Board on an annual basis. Each member of the Committee shall continue to be a member thereof until such member's successor is appointed, unless such member shall resign or be removed by the Board or such member shall cease to be a director of the Company. Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board and shall be filled by the Board if the membership of the Committee is less than three directors as a result of the vacancy or the Committee no longer has a member who has, in the judgment of the Board, accounting or financial management expertise.

Authority

The Committee has the authority to engage independent counsel and other advisors as it deems necessary to carry out its duties and the Committee will set the compensation for such advisors.

The Committee has the authority to communicate directly with and to meet with the external auditors and the internal auditor, without management involvement. This extends to requiring the external auditor to report directly to the Committee.

The Committee has the authority to approve, if so delegated by the board of directors, the interim financial statements and management discussion and analysis and to cause the filing of the same together with all required documents and information with the securities commissions and other regulatory authorities in the required jurisdictions.

The Committee shall have full access to the books, records and facilities of the Company in carrying out its responsibilities.

The Board shall adopt resolutions which provide for appropriate funding, as determined by the Committee, for (i) services provided by the external auditor in rendering or issuing an audit report, (ii) services provided by any adviser employed by the Committee which it believes, in its sole discretion, are needed to carry out its duties and responsibilities, or (iii) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties and responsibilities.

Reporting

The reporting obligations of the Committee will include:

1. reporting to the Board on the proceedings of each Committee meeting and on the Committee's recommendations at the next regularly scheduled directors meeting; and

2. reviewing, and reporting to the Board on its concurrence with, the disclosure required by Form 52-110F2 in any management information circular prepared by the Company.

Meetings

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 thereof provided that:

- *A quorum for meetings shall be at least a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permit all persons participating in the meeting to speak and hear each other;*

- *The Committee shall meet at least quarterly (or more frequently as circumstances dictate); and*

- *Notice of the time and place of every meeting shall be given in writing or facsimile communication to each member of the Committee and the external auditors of the Company at least 48 hours prior to the time of such meeting.*

While the Committee is expected to communicate regularly with management, the Committee shall exercise a high degree of independence in establishing its meeting agenda and in carrying out its responsibilities. The Committee shall submit the minutes of all meetings of the Committee to, or discuss the matters discussed at each Committee meeting with, the Board.

The members of the Committee must elect a chair from among the members of the Committee. On request of the auditor of the Company, the chair of the Committee must convene a meeting of the Committee to consider any matter that the auditor believes should be brought to the attention of the directors or shareholders.