

**ALTIMA RESOURCES LTD.**  
**Suite 303, 595 Howe Street**  
**Vancouver, B.C. V6C 2T5**  
**Phone: (604) 336-8610 Fax: (604) 718-2808**

## **INFORMATION CIRCULAR**

(As at May 15, 2019, except as indicated)

The Company is providing this Information Circular and a form of proxy in connection with management's solicitation of proxies for use at the annual general and special meeting (the "**Meeting**") of the Company to be held on Tuesday, June 25, 2019 and at any adjournments. Unless the context otherwise requires, when we refer in this Information Circular to the Company, its subsidiaries are also included. The Company will conduct its solicitation by mail and officers and employees of the Company may, without receiving special compensation, also telephone or make other personal contact. The Company will pay the cost of solicitation.

### **APPOINTMENT OF PROXYHOLDER**

The purpose of a proxy is to designate persons who will vote the proxy on a shareholder's behalf in accordance with the instructions given by the shareholder in the proxy. The persons whose names are printed in the enclosed form of proxy are officers or Directors of the Company (the "**Management Proxyholders**").

**A shareholder has the right to appoint a person other than a Management Proxyholder, to represent the shareholder at the Meeting by striking out the names of the Management Proxyholders and by inserting the desired person's name in the blank space provided or by executing a proxy in a form similar to the enclosed form. A proxyholder need not be a shareholder.**

### **VOTING BY PROXY**

**Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting.** Shares represented by a properly executed proxy will be voted or be withheld from voting on each matter referred to in the Notice of Meeting in accordance with the instructions of the shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly.

**If a shareholder does not specify a choice and the shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.**

**The enclosed form of proxy also gives discretionary authority to the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of the Meeting and with respect to other matters which may properly come before the Meeting.** At the date of this Information Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

### **COMPLETION AND RETURN OF PROXY**

Completed forms of proxy must be deposited at the office of the Company's registrar and transfer agent, **Computershare Trust Company, Proxy Department, 100 University Avenue, 8<sup>th</sup> Floor, Toronto,**

**Ontario, M5J 2Y1, by mail or facsimile, in accordance with the instructions set out in the form of proxy accompanying this Information Circular**, not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

#### **NOTICE-AND-ACCESS**

The Company is not sending this Information Circular to registered or beneficial shareholders using "notice-and-access" as defined under NI 54-101 ("**NI 54-101**").

#### **NON-REGISTERED HOLDERS**

**Only shareholders whose names appear on the records of the Company as the registered holders of shares or duly appointed proxyholders are permitted to vote at the Meeting.** Most shareholders of the Company are "non-registered" shareholders because the shares they own are not registered in their names but instead registered in the name of a nominee such as a brokerage firm through which they purchased the shares; bank, trust company, trustee or administrator of self-administered RRSP's, RRIF's, RESP's and similar plans; or clearing agency such as The Canadian Depository for Securities Limited (a "**Nominee**"). If you purchased your shares through a broker, you are likely a non-registered holder.

In accordance with securities regulatory policy, the Company has distributed copies of the Meeting materials, being the Notice of Meeting, this Information Circular and the Proxy, to the Nominees for distribution to non-registered holders.

Nominees are required to forward the Meeting materials to non-registered holders to seek their voting instructions in advance of the Meeting. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered holder. The Nominees often have their own form of proxy, mailing procedures and provide their own return instructions. If you wish to vote by proxy, you should carefully follow the instructions from the Nominee in order that your Shares are voted at the Meeting.

If you, as a non-registered holder, wish to vote at the Meeting in person, you should appoint yourself as proxyholder by writing your name in the space provided on the request for voting instructions or proxy provided by the Nominee and return the form to the Nominee in the envelope provided. Do not complete the voting section of the form as your vote will be taken at the Meeting.

#### **NOBOs**

The Company is sending the proxy-related materials for the Meeting directly to "non objecting beneficial owners" ("**NOBOs**"), as defined under NI 54-101. The name and address and information about NOBO holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Nominees holding on behalf of NOBOs. By choosing to send these materials to NOBOs directly, the Company (and not the Nominees holding on behalf of NOBOs) has assumed responsibility for (i) delivering these materials to NOBOs and (ii) executing the proper voting instructions of NOBOs.

#### **OBOs**

The Company does not intend to pay for Nominees to deliver the proxy-related materials and Form 54-101F7 to "objecting beneficial owners ("**OBOs**")", as defined under NI 54-101. As a result, OBOs may not receive the Meeting materials.

## REVOCABILITY OF PROXY

Any registered shareholder who has returned a proxy may revoke it at any time before it has been exercised. In addition to revocation in any other manner permitted by law, a registered shareholder, his attorney authorized in writing or, if the registered shareholder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a proxy by instrument in writing, including a proxy bearing a later date. The instrument revoking the proxy must be deposited at the registered office of the Company, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting. **Only registered shareholders have the right to revoke a proxy. Non-registered holders who wish to change their vote must, at least seven days before the Meeting, arrange for their Nominees to revoke the proxy on their behalf.**

## VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of common shares without par value (the "shares"), of which 34,474,949 shares are issued and outstanding. Persons who are registered shareholders at the close of business on the record date, May 15, 2019, will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each share held. The Company has only one class of shares.

To the knowledge of the Directors and executive officers of the Company, no person beneficially owns, controls or directs, directly or indirectly, shares carrying 10% or more of the voting rights attached to all shares of the Company.

## ELECTION OF DIRECTORS

The Directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are appointed. In the absence of instructions to the contrary, the enclosed proxy will be voted for the nominees herein listed.

Shareholder approval will be sought to fix the number of directors of the Company at four (4). The Company is required to have an audit committee. Members of this committee are as set out below.

Management of the Company proposes to nominate each of the following persons for election as a Director. Information concerning such persons, as furnished by the individual nominees, and each other person whose term of office as a director will continue after the Meeting, is as follows:

<i>Name, Jurisdiction of Residence and Position</i>	<i>Principal Occupation or employment and, if not a previously elected Director, occupation during the past 5 years</i>	<i>Previous Service as a Director</i>	<i>Number of Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly<sup>(2)</sup></i>
<b>Joe DeVries<sup>(1)</sup></b> Delta, B.C., Canada <b>CEO, President and Director</b>	Business Manager for several public companies; CEO of the Company, Petrichor Energy Inc. and Allante Resources Ltd.	Director since May 3, 2006.	1,561,433 common shares <sup>(3)</sup>
<b>Richard Barnett</b> Port Moody, B.C., Canada <b>CFO, Secretary and Proposed Director</b>	CFO and Secretary of several TSX-V listed companies since 2008; CFO or Controller of public companies for over 21 years.	Standing for election at this Meeting.	13,333 common shares <sup>(3)</sup>

<i>Name, Jurisdiction of Residence and Position</i>	<i>Principal Occupation or employment and, if not a previously elected Director, occupation during the past 5 years</i>	<i>Previous Service as a Director</i>	<i>Number of Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly</i> <sup>(2)</sup>
<b>Jurgen Wolf</b> <sup>(1)</sup> Vancouver, B.C., Canada <b>Director</b>	Retired businessman, involved in the oil and gas industry for over 25 years; Director of several public companies.	Director since May 3, 2006	135,166 common shares <sup>(5)</sup>
<b>Stephen Watts</b> <sup>(1)</sup> Crafers, Australia <b>Director</b>	Chartered Accountant, Partner at Tilbrook Rasheed Chartered Accountants, June 1999 to present.	Director since August 28, 2012	1,651,568 common shares <sup>(6)</sup>

- (1) Member of the audit committee.
- (2) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at May 15, 2019, based upon information furnished to the Company by individual Directors. Unless otherwise indicated, such shares are held directly.
- (3) Of these shares, 1,171,333 are held indirectly through Simco Services Inc., a private company controlled by Joe DeVries, and 181,067 are held indirectly through G&O Energy Investments Ltd., a private company wholly owned by Joe DeVries.
- (5) Of these shares, 4,833 are held indirectly through Epic Investments Ltd., and 107,000 are held indirectly through Kruger Pacific Ltd., both being private companies controlled by Jurgen Wolf.
- (6) Of these shares, 108,733 are held indirectly through Equipment Specialist Pty Ltd., a private company controlled by Stephen Watts, 666,667 are held indirectly through Stephen and Sarah Watts, Trustees for the Watts Superannuation Fund, and 838,835 are held indirectly through Stephen Watts, Trustee for the Watts Family Account.

No proposed director is to be elected under any arrangement or understanding between the proposed director and any other person or company, except the directors and executive officers of the company acting solely in such capacity.

Except as set out below, to the knowledge of the Company, no proposed director:

- (a) is, as at the date of the Information Circular, or has been, within 10 years before the date of the Information Circular, a director, chief executive officer ("CEO") or chief financial officer ("CFO") of any company (including the Company) that:
  - (i) was the subject, while the proposed director was acting in the capacity as director, CEO or CFO of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days other than:
    - A) *Jurgen Wolf* and *Richard Barnett* who were director and/or officer of American Biofuels Inc. (formerly TransAmerican Energy Inc ("TAE")) while that company was subject to:
      - a Management Cease Trade Order issued August 31, 2009 by the British Columbia Securities Commission against TAE in connection with the late filing of audited financial statements for the year ended April 30, 2009 and related MD&A. The Management Cease Trade Order was revoked on October 2, 2009, after the relevant documents were filed; and

B) *Jurgen Wolf, Joe DeVries, and Richard Barnett*, who acted as directors and/or officers of Petrichor Energy Inc. (formerly Odyssey Petroleum Corp. ("**Petrichor**")) while that company:

- was subject to a Management Cease Trader Order issued to Petrichor by the British Columbia Securities Commission on May 4, 2009 in connection with the late filing of Petrichor's audited annual financial statements for its fiscal year ended December 30, 2008, and subsequently the delay in filing Petrichor's interim financial statements for the three months ended March 31, 2009. The Management Cease Trade Order was revoked on June 8, 2009 after the relevant documents were filed; and
  - was subject to a Management Cease Trade Order issued to Petrichor by the British Columbia Securities Commission on June 18, 2010 in connection with the late filing of Petrichor's audited annual financial statements for its fiscal year ended December 30, 2009, and subsequently the delay in filing Petrichor's interim financial statements for the three months ended March 31, 2010. Although Petrichor filed the relevant annual and interim financials on July 14, 2010, a Cease Trade Order was issued by the British Columbia Securities Commission for failure to file NI 51-101 oil and gas forms as at the year ended December 31, 2010. On December 3, 2010 the TSX Venture Exchange ("TSX-V") suspended trading of Petrichor's shares. The oil and gas forms were subsequently filed and the CTO was revoked by the B.C. Commission on January 12, 2011, and the TSX-V reinstated Petrichor for trading on February 15, 2011; or
- (ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the proposed director ceased to be a director, CEO or CFO but which resulted from an event that occurred while the proposed director was acting in the capacity as director, CEO or CFO of such company; or
- (b) is, as at the date of this Information Circular, or has been within 10 years before the date of the Information 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; or
- (c) has, within the 10 years before the date of this Information 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; or
- (d) has been subject to 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
- (e) has been subject to any 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.

The following directors of the Company hold directorships in other reporting issuers as set out below:

<i>Name</i>	<i>Name and Jurisdiction of Reporting Issuer</i>	<i>Position</i>
Joe DeVries	Petrichor Energy Inc. (TSX-V) Allante Resources Ltd. (TSX-V) Anquiro Ventures Ltd. (TSX-V)	CEO and Director President, CEO and Director Director
Richard Barnett	Allante Resources Ltd. (TSX-V) Anquiro Ventures Ltd. (TSX-V) American Biofuels Inc. (TSX-V) Iconic Minerals Ltd. (TSX-V) Petrichor Energy Inc. (TSX-V)	CFO and Secretary Director Director CFO and Secretary CFO, Secretary and Director
Jurgen Wolf	Petrichor Energy Inc. (TSX-V) Iconic Minerals Ltd. (TSX-V) American Biofuels Inc. (TSX-V) Tasty Fries Inc. (OTC) Gainey Resources Ltd. (TSX-V) Metroen Capital Corp. (TSX-V) First Energy Metals Limited (TSX-V)	Director Director Director President, CEO, CFO and Director Director Director Director
Stephen Watts	American Biofuels Inc. (TSX-V)	Director

## EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

The main objective of the Company's executive compensation program is to attract, retain, and engage high-quality, high-performance executives who have the experience and ability to successfully execute the Company's strategy and deliver value to our shareholders.

The objectives of the Company's executive compensation program are as follows:

- (i) compensate executives competitively for the leadership, skills, knowledge, and experience necessary to perform their duties;
- (ii) align the actions and economic interests of executives with the interests of shareholders; and
- (iii) encourage retention of executives.

As there is no formal compensation committee, the independent members of the Board annually review and set remuneration of executive officers. The independent directors determined that the executive compensation program should be comprised of the following elements:

- Base Salary – to compensate executives for the leadership, skills, knowledge and experience required to perform their duties; and
- Long-term Incentive Plan – to retain talented executives, reward them for their anticipated contribution to the long-term successful performance of the Company and

align them with the interests of shareholders. The plan currently consists only of incentive stock options.

### **Process for Determining Executive Compensation**

To determine compensation payable, the independent directors generally review compensation paid for directors and CEOs (or persons acting in a similar capacity to CEO, such as Presidents) of companies of similar size and stage of development in the oil and gas industry and determines an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Company. In setting the compensation the independent directors annually review the performance of the CEO (or President) in light of the Company's objectives and consider other factors that may have impacted the success of the Company in achieving its objectives.

### **Risk Management**

The Board has not proceeded to an evaluation of the implications of the risks associated with the Company's compensation policies and practices.

### **Hedging of Economic Risks in the Company's Securities**

The Company has not adopted a policy forbidding directors or officers from purchasing financial instruments that are designed to hedge or offset a decrease in market value of the Company's securities granted as compensation or held, directly or indirectly, by directors or officers. The Company is not, however, aware of any directors or officers having entered into this type of transaction.

The Company has not retained a compensation consultant during or subsequent to the most recently completed financial year.

The Company does not use a specific "benchmark group" to determine executive compensation levels.

Total compensation for executive officers includes base salary and long-term incentive stock options.

### **Option-based awards**

The Company's stock option plan has been and 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 TSX-V, and closely align the interests of the executive officers with the interests of shareholders. The Directors of the Company are also eligible to receive stock option grants under the Company's stock option plan, and the Company applies the same process for determining such awards to Directors as with NEOs.

The Company adopted a fixed (less than 10%) stock option plan on July 6, 2012, which it intends to replace with a 10% Rolling Stock Option Plan that was adopted by the Company on April 10, 2019, subject to receipt of shareholder and TSX-V approval.

As there is currently no compensation committee, the independent directors of the Company have the responsibility to administer the compensation policies related to the executive management of the Company, including option-based awards.

## Summary Compensation Table

The following table (presented in accordance with National Instrument Form 51-102F6 *Statement of Executive Compensation* which came into force on October 31, 2011 (the "**Form 51-102F6**")) sets forth all annual and long term compensation for services in all capacities to the Company for the three most recently completed financial years of the Company ending on November 30, 2018 (to the extent required by Form 51-102F6) in respect of each of the individuals comprised of each Chief Executive Officer and the Chief Financial Officer who acted in such capacity for all or any portion of the most recently completed financial year, 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 Chief Executive Officer and the Chief Financial Officer), as at November 30, 2018 whose total compensation was, individually, more than \$150,000 for the financial year 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 the most recently completed financial year (collectively the "**Named Executive Officers**" or "**NEOs**").

NEO Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-term Incentive Plans			
Joe DeVries <sup>(1)</sup> , CEO	2018	Nil	N/A	Nil <sup>(5)</sup>	Nil	Nil	N/A	114,000	114,000
	2017	Nil	N/A	Nil <sup>(5)</sup>	Nil	Nil	N/A	114,000	114,000
	2016	Nil	N/A	Nil <sup>(5)</sup>	Nil	Nil	N/A	9,500 <sup>(2)</sup>	9,500 <sup>(2)</sup>
Richard Switzer <sup>(1)</sup> , former CEO	2016	Nil	N/A	Nil <sup>(5)</sup>	Nil	N/A	N/A	137,500 <sup>(3)</sup>	137,500 <sup>(3)</sup>
Richard Barnett, CFO	2018	Nil	N/A	Nil <sup>(5)</sup>	Nil	N/A	N/A	24,000	24,000
	2017	Nil	N/A	Nil <sup>(5)</sup>	Nil	N/A	N/A	24,000 <sup>(4)</sup>	24,000 <sup>(4)</sup>
	2016	Nil	N/A	Nil <sup>(5)</sup>	Nil	N/A	N/A	24,000 <sup>(4)</sup>	24,000 <sup>(4)</sup>

- (1) Joe DeVries was appointed as CEO and President of the Company on October 28, 2016, taking the place of Richard Switzer, who resigned as President, CEO and a director on that date.
- (2) MLTK Enterprises, a private company wholly-owned by Joe DeVries, received \$9,500 for consulting fees regarding certain financial and corporate services provided.
- (3) Fees paid or accrued to a proprietorship wholly owned by Richard Switzer.
- (4) Administration fees paid or accrued to Jenrich Operations Ltd., a private company controlled by Richard Barnett.

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

The following table sets forth information concerning all awards outstanding under incentive plans of the Company at the end of the most recently completed financial year, including awards granted before the most recently completed financial year, to each of the Named Executive Officers.



<i>Name</i>	<i>Option-Based Awards</i>				<i>Share-Based Awards</i>	
	<i>Number of Securities Underlying Unexercised Options (#)</i>	<i>Option Exercise Price (\$)</i>	<i>Option Expiration Date</i>	<i>Value of Unexercised In-The-Money Options <sup>(1)</sup> (\$)</i>	<i>Number of Shares Or Units Of Shares That Have Not Vested (#)</i>	<i>Market or Payout Value Of Share-Based Awards That Have Not Vested (\$)</i>
Joe DeVries, CEO	66,667	\$1.05	Mar.19/19	Nil	N/A	N/A
Richard Barnett, CFO	16,667	\$1.05	Mar.19/19	Nil	N/A	N/A

(1) This amount is calculated based on the difference between the market value of the securities underlying the options at the end of the most recently completed financial year ended November 30, 2018, which was \$0.025, and the exercise or base price of the option.

### Value Vested or Earned During the Year

The value vested or earned during the most recently completed financial year of incentive plan awards granted to Named Executive Officers are as follows:

<i>NEO Name</i>	<i>Option-Based Awards - Value Vested During The Year <sup>(1)</sup> (\$)</i>	<i>Share-Based Awards - Value Vested During The Year <sup>(2)</sup> (\$)</i>	<i>Non-Equity Incentive Plan Compensation - Value Earned During The Year (\$)</i>
Joe DeVries, CEO	Nil	N/A	N/A
Richard Barnett, CFO	Nil	N/A	N/A

(1) This amount is the dollar value that would have been realized if the options under the option-based award had been exercised on the vesting date, computed by obtaining the difference between the market price of the underlying securities at exercise and the exercise or base price of the options under the option-based award on the vesting date.

(2) This amount is the dollar value realized upon vesting of share-based awards, computed by multiplying the number of shares or units by the market value of the underlying shares on the vesting date.

### Pension Plan Benefits

The Company does not have a pension plan that provides for payments or benefits to the NEOs at, following or in connection with retirement.

### Termination and Change of Control Benefits

The Company and its subsidiaries have no employment contracts with any Named Executive Officer.

Neither the Company, nor any of its subsidiaries, has a contract, agreement, plan or arrangement that provides for payments to a Named Executive Officer at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or its subsidiaries, or a change in responsibilities of the NEO following a change in control.

## Director Compensation

The following table sets forth all amounts of compensation provided to the directors, who are each not also a Named Executive Officer, for the Company's most recently completed financial year:

<i>Director Name</i> <sup>(1)</sup>	<i>Fees Earned</i> (\$)	<i>Share-Based Awards</i> (\$)	<i>Option-Based Awards</i> (\$)	<i>Non-Equity Incentive Plan Compensation</i> (\$)	<i>Pension Value</i> (\$)	<i>All Other Compensation</i> (\$)	<i>Total</i> (\$)
James O'Byrne <sup>(2)</sup>	N/A	N/A	Nil	N/A	N/A	Nil	Nil
Jurgen Wolf	N/A	N/A	Nil	N/A	N/A	Nil	Nil
Stephen Watts	N/A	N/A	Nil	N/A	N/A	Nil	Nil

(1) Relevant disclosure has been provided in the *Summary Compensation Table* above, for directors who receive compensation for their services as a director who are also Named Executive Officers.

(2) James O'Byrne subsequently passed away in February 2019.

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

The following table sets forth information concerning all awards outstanding under incentive plans of the Company at the end of the most recently completed financial year, including awards granted before the most recently completed financial year, to each of the Directors who are not Named Executive Officers:

<i>Director Name</i>	<i>Option-Based Awards</i>				<i>Share-Based Awards</i>	
	<i>Number of Securities Underlying Unexercised Options</i> (#)	<i>Option Exercise Price</i> (\$)	<i>Option Expiration Date</i>	<i>Value of Unexercised In-The-Money Options</i> <sup>(1)</sup> (\$)	<i>Number of Shares Or Units Of Shares That Have Not Vested</i> (#)	<i>Market or Payout Value Of Share-Based Awards That Have Not Vested</i> (\$)
James O'Byrne <sup>(2)</sup>	6,667	\$1.05	Mar.19/19	Nil	N/A	N/A
Jurgen Wolf	6,667	\$1.05	Mar.19/19	Nil	N/A	N/A
Stephen Watts	66,667	\$1.05	Mar.19/19	Nil	N/A	N/A

(1) This amount is calculated based on the difference between the market value of the securities underlying the options at the end of the most recently completed financial year, which was \$0.07, and the exercise or base price of the option.

(2) James O'Byrne subsequently passed away in February 2019.

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

The value vested or earned during the most recently completed financial year of incentive plan awards granted to Directors who are not Named Executive Officers are as follows:

<i>Director Name</i>	<i>Option-Based Awards - Value Vested During The Year <sup>(1)</sup></i> (\$)	<i>Share-Based Awards - Value Vested During The Year <sup>(2)</sup></i> (\$)	<i>Non-Equity Incentive Plan Compensation - Value Earned During The Year</i> (\$)
James O'Byrne	Nil	N/A	N/A
Jurgen Wolf	Nil	N/A	N/A
Stephen Watts	Nil	N/A	N/A

- (1) This amount is the dollar value that would have been realized if the options under the option-based award had been exercised on the vesting date, computed by obtaining the difference between the market price of the underlying securities at exercise and the exercise or base price of the options under the option-based award on the vesting date.
- (2) This amount is the dollar value realized upon vesting of share-based awards, computed by multiplying the number of shares or units by the market value of the underlying shares on the vesting date.

### **Narrative Discussion**

There was no re-pricing of stock options under the Stock Option Plan or otherwise during the Company's completed financial year ended November 30, 2018.

### **Securities Authorized for Issuance under Equity Compensation Plans**

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

<i>Plan Category</i>	<i>Number of securities to be issued upon exercise of outstanding options, warrants and rights</i> (a)	<i>Weighted-average exercise price of outstanding options, warrants and rights</i> (b)	<i>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</i> (c)
<i>Equity compensation plans approved by security holders</i>	N/A	N/A	N/A
<i>Equity compensation plans not approved by security holders</i>	256,669	\$1.05	1,043,331 <sup>(1)</sup>
<i>Total</i>	256,669	\$1.05	1,043,331 <sup>(1)</sup>

- (1) Calculation based on total of 1,300,000 shares reserved for issuance under Fixed (less than 10%) Stock Option Plan, less 256,669 options outstanding as at the fiscal year end.

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 during the most recently completed financial year or subsequently, up to and including the date of this Information Circular except as described above.

### ***10% Rolling Stock Option Plan***

The Company currently has a fixed stock option plan for the granting of incentive stock options to the Company's officers, employees and Directors. However, on April 10, 2019, the Board of Directors adopted the Company has adopted a new 10% Rolling Stock Option Plan, subject to receipt of shareholder approval at this Meeting and subject to receipt of approval from the TSX-V. Refer to the heading "Particulars of Other Matters to be Acted Upon" herein.

The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the Directors of the Company and to closely align the personal interests of such persons to that of the shareholders. A summary of the significant terms of the proposed 10% Rolling Plan appears below.

The material terms of the new 10% Rolling Plan are set out under the heading "Particulars of Other Matters to be Acted Upon" herein.

### **INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS**

As at May 15, 2019, there was no indebtedness outstanding of any current or former Director, executive officer or employee of the Company or any of its subsidiaries which is owing to the Company or any of its subsidiaries or to another entity which is 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, entered into in connection with a purchase of securities or otherwise.

No individual who is, or at any time during the most recently completed financial year was, a Director or executive officer of the Company, no proposed nominee for election as a Director of the Company and no associate of such persons:

- (i) is or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or any of its subsidiaries; or
- (ii) whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year 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,

in relation to a securities purchase program or other program.

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

No person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee of management of the Company for election as a director of the Company and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting other than the election of directors.

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

No informed person or proposed director of the Company and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect the Company or any of its subsidiaries.

## **APPOINTMENT OF AUDITORS**

Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the appointment of Davidson and Company LLP, Chartered Accountants, as the auditor of the Company, to hold office for the ensuing year at a remuneration to be fixed by the Directors. Davidson and Company LLP were appointed as auditor of the Company on February 12, 2015.

## **MANAGEMENT CONTRACTS**

No management functions of the Company or any of its subsidiaries are performed to any substantial degree by a person other than the Directors or executive officers of the Company or subsidiary

## **CORPORATE GOVERNANCE DISCLOSURE**

A summary of the responsibilities and activities and the membership of each of the Committees are set out below.

National Policy 58-201 establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. National Instrument 58-101 mandates disclosure of corporate governance practices which disclosure is set out below.

### **Independence of Members of Board**

The Company's Board currently consists of three (3) directors, two (2) of whom are independent based upon the tests for independence set forth in National Instrument 52-110 ("NI 52-110"), being Jurgen Wolf and Stephen Watts. Joe DeVries is CEO and President, and according is not independent. Richard Barnett, who is standing for election as a director at this Meeting, will not be independent as he is CFO and Secretary of the Company.

### **Management Supervision by Board**

The size of the Company is such that all the Company's operations are conducted by a small management team which is also represented on the Board. The Board considers that management is effectively supervised by the independent directors on an informal basis as the independent directors are actively and regularly involved in reviewing the operations of the Company and have regular and full access to management. The independent directors are, however, able to meet at any time without any members of management including the non-independent directors being present. Further supervision is performed through the audit committee which is composed of a majority of independent directors who meet with the Company's auditors without management being in attendance.

### **Participation of Directors in Other Reporting Issuers**

The participation of the directors in other reporting issuers is described in the table provided under "Election of Directors" in this Information Circular.

### **Orientation and Continuing Education**

While the Company does not have formal orientation and training programs, new Board members are provided with:

1. access to recent, publicly filed documents of the Company, technical reports and the Company's internal financial information; and
2. access to management.

Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with industry trends and developments and changes in legislation with management's assistance; and to attend related industry seminars. Board members have full access to the Company's records.

### **Ethical Business Conduct**

The Board views good corporate governance as an integral component to the success of the Company and to meet responsibilities to shareholders. The Company's reputation for integrity is an important asset. The Company has always set high standards of personal and business integrity for its employees, and intends to continue to conduct its business in accordance with those high standards. The Company obeys the law wherever it operates. It is expected that the Company's business conduct and the personal actions of its employees reflect the spirit and intent of the laws under which the Company operates and its employees live. The Company's employees are encouraged to act so that others will view the Company and its employees as having the very highest standards of integrity. Ultimately there is no way to assure proper behavior, except through the actions of each employee. No set rules of conduct will apply to every possible situation. Common sense and judgment supported by a deeply ingrained tradition of integrity provides the Company's foundation.

### **Nomination of Directors**

The Board determines new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and the President/CEO. The Board monitors but does not formally assess the performance of individual Board members or committee members or their contributions.

### **Compensation of Directors and the CEO**

There are currently two (2) independent directors, being Jurgen Wolf and Stephen Watts. These directors have the responsibility for determining compensation for the directors and senior management.

To determine compensation payable, the independent directors review compensation paid for directors and CEOs (or persons acting in a similar capacity to CEO, such as Presidents) of companies of similar size and stage of development in the oil and gas industry and determines an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Company. In setting the compensation the independent directors annually review the performance of the CEO (or President) in light of the Company's objectives and consider other factors that may have impacted the success of the Company in achieving its objectives. Further information regarding director compensation appears under "Executive Compensation".

### **Board Committees**

Other than the Audit Committee, as the directors are actively involved in the operations of the Company and the size of the Company's operations does not warrant a larger board of directors, the Board has determined that additional committees are not necessary at this stage of the Company's development.

## **Assessments**

The Board does not consider that formal assessments would be useful at this stage of the Company's development. The Board conducts informal annual assessments of the Board's effectiveness, the individual directors and each of its committees. To assist in its review, the Board conducts informal surveys of its directors.

## **Expectations of Management**

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan.

## **AUDIT COMMITTEE**

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

The following is the text of the audit committee charter of the Company:

#### *Mandate*

The primary function of the audit committee (the "**Committee**") is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements.
- Review and appraise the performance of the Company's external auditors.
- Provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

#### *Composition*

The Committee shall be comprised of three directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Charter, the definition of "financially literate" is 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 presumably be expected to be raised by the Company's financial statements.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

### *Meetings*

The Committee shall meet at least quarterly, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

### *Responsibilities and Duties*

To fulfill its responsibilities and duties, the Committee shall:

#### Documents/Reports Review

- (a) Review and update this Charter annually.
- (b) Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

#### External Auditors

- (a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company.
- (b) Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
- (c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (d) Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors.
- (e) Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (f) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- (g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- (h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.



- (i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
  - i. 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;
  - ii. such services were not recognized by the Company at the time of the engagement to be non-audit services; and
  - iii. such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

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

#### *Financial Reporting Processes*

- (a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- (b) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- (i) Review certification process.
- (j) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

*Other*

Review any related-party transactions.

**Composition of the Audit Committee**

The following are the members of the Audit Committee:

Joe DeVries	Not Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>
Jurgen Wolf	Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>
Stephen Watts	Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>

(1) As defined by NI 52-110.

Currently two members of the Company's Audit Committee are independent. Joe DeVries is not independent within the meaning of NI 52-110, as he is currently acting as CEO and President of the Company. All members of the Audit Committee are financially literate, and have a working familiarity with basic finance and accounting practices. For the purposes of the Company's Audit Committee Charter, the definition of "financially literate" is 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 presumably be expected to be raised by the Company's financial statements.

**Relevant Education and Experience**

The educational background or experience of each of the following members of the Committee has enabled each to perform his responsibilities as a Committee member and has provided the member with an understanding of the accounting principles used by the Company to prepare its financial statements, including the ability to assess the general application of such accounting principles in connection with the accounting estimates, accruals and reserves. All members have experience analyzing and evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or have experience actively supervising one or more individuals engaged in such activities and all have an understanding of internal controls and financial reporting procedures.

*Joe DeVries - Mr.* DeVries has been a self-employed business manager for several Canadian public companies since January 1990, and has been Chief Executive Officer and a director of Petrichor Energy Inc. (formerly Odyssey Petroleum Corp.), a public oil and gas company listed on the TSX-V since 2005. He meets on a regular basis with employees involved with in-house accounting, as well as the Audit Committee and outside Auditors.

*Jurgen Wolf* – Mr. Wolf has been self-employed for over 56 years, and has been a director and/or officer of several public companies (see "Election of Directors" above for a list) for the past 25 years. He participates in regulatory courses, including in 2007 the TSX-V's workshop entitled "Managing Public Companies".

*Stephen Watts:* – Mr. Watts is a Chartered Accountant who has over the last 29 years provided a broad range of accounting services and advice to various public and large private companies. He is currently a partner in Tilbrook Rasheed Chartered Accountants in Australia.

### **Audit Committee Oversight**

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

### **Reliance on Certain Exemptions**

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

The Company is relying on the exemption in section 6.1 of NI 52-110 from the requirements of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations) of NI 52-110.

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

The Committee has adopted specific policies and procedures for the engagement of non-audit services as described above under the heading "External Auditors".

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

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

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

<i>Financial Year Ending</i>	<i>Audit Fees</i>	<i>Audit Related Fees</i>	<i>Tax Fees</i>	<i>All Other Fees</i>
Nov.30/18	\$40,000	\$800	\$6,500	NIL
Nov.30/17	\$55,000	\$1,100	\$6,500	NIL

## **PARTICULARS OF OTHER MATTERS TO BE ACTED UPON**

### **(a) Adoption of 10% Rolling Stock Option Plan**

On July 6, 2012, the Board of Directors adopted a fixed Stock Option Plan (the "Fixed Plan"), pursuant to which the Company has reserved 19,500,000 common shares for issuance, which was less than 10% of the Company's issued share capital at the time of implementing the Fixed Plan. The Fixed Plan was accepted by the TSX-V on July 9, 2012. On April 13, 2017 the Company consolidated its share capital on a 15:1 basis, and accordingly the shares reserved for issuance under the Fixed Plan were reduced to 1,300,000 common shares.

On April 10, 2019, the Board of Directors of the Company adopted a new 10% Rolling Stock Option Plan (the "Rolling Plan"), subject to receipt of shareholder and regulatory approval. Any options outstanding under the Fixed Plan will fall under the Rolling Plan. If approved by shareholders at this Meeting, the Rolling Plan will be filed with the TSX-V for acceptance.

The number of common shares which may be issued pursuant to options previously granted under the Fixed Plan and those granted under the Rolling Plan is a maximum of 10% of the issued and outstanding

common shares at the time of the grant. In addition, the number of shares which may be reserved for issuance to any one individual may not exceed 5% of the issued shares on a yearly basis or 2% if the optionee is engaged in investor relations activities nor is a consultant. Under TSX-V policy, all such rolling stock option plans which set the number of common shares issuable under the Rolling Plan at a maximum of 10% of the issued and outstanding common shares must be approved and ratified by shareholders on an annual basis.

Therefore, at the Meeting, shareholders will be asked to pass a resolution in the following form:

“UPON MOTION IT WAS RESOLVED that the Company approve and ratify, subject to regulatory approval, the 10% Rolling Stock Option Plan, pursuant to which the directors may, from time to time, authorize the issuance of options to directors, officers, employees and consultants of the Company and its subsidiaries to a maximum of 10% of the issued and outstanding common shares at the time of the grant, with a maximum of 5% of the Company’s issued and outstanding shares being reserved to any one person on a yearly basis.”

The purpose of the Rolling Plan is to allow the Company to grant options to directors, officers, employees and consultants, as additional compensation, and as an opportunity to participate in the success of the Company. The granting of such options is intended to align the interests of such persons with that of the shareholders. Options will be exercisable over periods of up to ten years as determined by the Board of Directors of the Company and are required to have an exercise price no less than the closing market price of the Company’s shares prevailing on the day that the option is granted less a discount of up to 25%, the amount of the discount varying with market price in accordance with the policies of the TSX-V. Pursuant to the Plan, the Board of Directors may from time to time authorize the issue of options to directors, officers, employees and consultants of the Company and its subsidiaries or employees of companies providing management or consulting services to the Company or its subsidiaries. The Rolling Plan contains no vesting requirements, but permits the Board of Directors to specify a vesting schedule in its discretion. The Rolling Plan provides that if a change of control, as defined therein, occurs, all shares subject to option shall immediately become vested and may thereupon be exercised in whole or in part by the option holder.

The full text of the Rolling Plan is available for viewing up to the date of the Meeting at the Company's offices at Suite 303, 595 Howe Street, Vancouver, British Columbia, and will also be available for review at the Meeting.

**Unless such authority is withheld, the persons named in the enclosed Proxy intend to vote for the approval and ratification of the Rolling Plan.**

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Company at Suite 303, 595 Howe Street, Vancouver, British Columbia, V6C 2T5 (Phone: (604) 336-8610 / Fax: (604) 718-2808) to request copies of the Company's financial statements and MD&A.

Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year which are filed on SEDAR.

#### **OTHER MATTERS**

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the notice of Meeting. If any other matter properly comes before the Meeting, it is the

intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

DATED this 15<sup>th</sup> day of May, 2019.

**APPROVED BY THE BOARD OF DIRECTORS**

*“Joe DeVries”*

**Joe DeVries, President and CEO**