



**NOTICE OF ANNUAL GENERAL MEETING  
OF SHAREHOLDERS  
TO BE HELD ON OCTOBER 17, 2019  
AND  
INFORMATION CIRCULAR**

**September 12, 2019**

*This document requires immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this Circular, you should immediately contact your advisor.*

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Suite 810, 789 West Pender Street,  
Vancouver, British Columbia, V6C 1H2

## NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

**NOTICE IS GIVEN THAT** the annual general meeting (the “**Meeting**”) of the holders of common shares (the “**Shareholders**”) of MegumaGold Corp. (“**Meguma**” or the “**Company**”) will be held at Suite 810, 789 West Pender Street, Vancouver, British Columbia, V6C 1H2, Canada, on Thursday, October 17, 2019, at 10:00 a.m. (Vancouver time), for the following purposes:

1. to receive the audited financial statements of the Company for the financial year ended on March 31, 2019;
2. fix the number of directors at three (3);
3. elect directors for the ensuing year;
4. appoint Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, as auditor of the Company for the ensuing year and authorize the directors to determine the remuneration to be paid to the auditor;
5. transact such other business as may properly be put before the Meeting.

The accompanying Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this Notice of Meeting.

The Company’s Board of Directors has fixed September 12, 2019 as the record date for the determination of Shareholders entitled to receive notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered Shareholder at the close of business on that date is entitled to receive such notice and to vote at the Meeting in the circumstances set out in the accompanying Circular.

If you are a registered Shareholder of Meguma and unable to attend the Meeting in person, please complete, date and sign the accompanying form of proxy and deposit it with Meguma’s transfer agent, National Securities Administrators Ltd., 760 – 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4, no later than 10:00 a.m. on October 15, 2019 or at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of any adjournment or postponement of the Meeting.

If you are a non-registered Shareholder and received this Notice of Meeting and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a self-administered retirement savings plan, retirement income fund, education savings plan or other similar self-administered savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing that holds your securities on your behalf (the “**Intermediary**”), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

Dated at Vancouver, British Columbia, this 12<sup>th</sup> day of September, 2019.

**BY ORDER OF THE BOARD OF DIRECTORS**

**MEGUMAGOLD CORP.**

/s/ "Theo van der Linde"

President & Director

Registered shareholders unable to attend the Meeting are requested to date, sign and return their form of proxy in the enclosed envelope or to vote by telephone or using the internet in accordance with the instructions on the proxy form. If you are a non-registered shareholder of the Company and receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or by the other intermediary. Failure to do so may result in your shares not being eligible to be voted by proxy at the Meeting.



Suite 810, 789 West Pender Street  
Vancouver, British Columbia, V6C 1H2

## INFORMATION CIRCULAR

This Circular accompanies the Notice of the annual general meeting (the “**Meeting**”) of the Shareholders of MegumaGold Corp. (“**Meguma**”, or the “**Company**”), and is furnished to Shareholders holding Meguma Shares, in connection with the solicitation by the management of The Company of proxies to be voted at the annual general meeting to be held at 10:00 am on Thursday, October 17, 2019 at Suite 810, 789 West Pender Street, Vancouver, British Columbia V6C 1H2 or at any adjournment or postponement thereof.

Unless the context otherwise requires, capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Glossary of Terms in this Circular.

## INFORMATION CONTAINED IN THIS INFORMATION CIRCULAR

The date of this Circular is September 12, 2019. Unless otherwise stated, all amounts herein are in Canadian dollars. The following documents filed by the Company on SEDAR at [www.sedar.com](http://www.sedar.com) are specifically incorporated by reference into, and form an integral part of, this Circular: the audited consolidated financial statements of the Company and the related notes thereto, for the financial year ended March 31, 2019; the report of the Company's auditor thereon; and management's discussion and analysis related to the above financial statements.

This Circular does not constitute the solicitation of an offer to purchase any securities or the solicitation of a proxy by any person in any jurisdiction in which such solicitation is not authorized or in which the person making such solicitation is not qualified to do so or to any person to whom it is unlawful to make such solicitation.

Information contained in this Circular should not be construed as legal, tax or financial advice and Shareholders are urged to consult their own professional advisers in connection therewith.

## GLOSSARY OF TERMS

“**Beneficial Shareholders**” mean holders of Meguma Shares held of record by Intermediaries;

“**Board**” means the board of directors of the Company;

“**Business Day**” means a day other than a Saturday, Sunday or other than a day when banks in the City of Vancouver, British Columbia are not generally open for business;

“**Circular**” means this management information circular;

“**National**” means National Securities Administrators Ltd.;

“**Company**” mean MegumaGold Corp.;

“**Intermediaries**” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders;

“**Meeting**” means the annual general meeting of the Shareholders to be held on October 17, 2019, and any adjournment(s) or postponement(s) thereof;

“**Meguma Shares**” means the common shares without par value of Meguma, as constituted on the date of this Circular;

“**Notice of Meeting**” means the notice of the Meeting;

“**Registered Shareholder**” means a registered holder of Meguma Shares as recorded in the shareholder register of Meguma maintained by National;

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval; and

“**Shareholders**” means the holders from time to time of Meguma Shares.

## **PROXIES AND VOTING RIGHTS**

### ***Management Solicitation***

The solicitation of proxies by management of the Company will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation by the directors, officers and employees of the Company. The Company does not reimburse Shareholders, nominees or agents for costs incurred in obtaining from their principals authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold stock in their respective names to furnish the proxy-related materials to their customers, and the Company will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company. No person has been authorized to give any information or to make any representation other than as contained in this Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Circular.

This Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

The Company has arranged for intermediaries to forward the Meeting materials to beneficial owners of Meguma Shares (the “**Beneficial Shareholders**”) held of record by those intermediaries. The Company has distributed or made available for distribution, copies of the Notice, this Circular and form of proxy to clearing agencies, securities dealers, banks and trust companies or their nominees (collectively, the “**Intermediaries**”) for distribution to Beneficial Shareholders held of record by those Intermediaries. Such Intermediaries are required to forward such documents to the Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them. The solicitation of proxies from Beneficial Shareholders will be carried out by the Intermediaries or by the Company if the names and addresses of the Beneficial Shareholders are provided by Intermediaries. The Company will pay the permitted fees and costs of the Intermediaries for reasonable fees and disbursements incurred in connection with the distribution of these materials.

The Company does not intend to pay for Intermediaries to forward to objecting Beneficial Shareholders under NI 54-101 the proxy-related materials and Form 54-101F7 *Request for Voting Instructions Made by Intermediary*. An objecting Beneficial Shareholder will not receive such materials unless the objecting Beneficial Shareholder's Intermediary assumes the cost of delivery.

These proxy-related materials are being sent to both registered and non-registered Shareholders. If you are a non-registered Shareholder, and the Company or its agent has sent these materials directly to you, your name and address and information about your Meguma Shares, have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf.

### ***Appointment of Proxy***

Registered Shareholders are entitled to vote at the Meeting. On a show of hands, every Shareholder is entitled to one vote for each Meguma Share that such Shareholder holds on the record date of September 12, 2019 on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting. The list of Registered Shareholders is available for inspection during normal business hours at the offices of National and will be available at the Meeting.

The persons named as proxyholders (the “**Designated Persons**”) in the enclosed form of proxy are directors and/or officers of the Company.

**A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING, OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY.**

**TO EXERCISE THE RIGHT, THE SHAREHOLDER MAY DO SO BY STRIKING OUT THE PRINTED NAMES AND INSERTING THE NAME OF SUCH OTHER PERSON AND, IF DESIRED, AN ALTERNATE TO SUCH PERSON, IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE'S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER'S SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.**

In order to be voted, the completed form of proxy must be received by Meguma Metals' registrar and transfer agent, National at their offices located at 760 – 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4, by mail, or by fax at 604-559-8908, or by email at [proxy@transferagent.ca](mailto:proxy@transferagent.ca), no later than 10:00 am on Wednesday, October 15, 2019, or at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of any adjournment or postponement of the Meeting.

A proxy may not be valid unless it is dated and signed by the Shareholder who is giving it or by that Shareholder's attorney-in-fact duly authorized by that Shareholder in writing or, in the case of a Company, dated and executed by a duly authorized officer or attorney-in-fact for the Company. If a form of proxy is executed by an attorney-in-fact for an individual Shareholder or joint Shareholders or by an officer or attorney-in-fact for a corporate Shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarially certified copy thereof, must accompany the form of proxy.

### ***Revocation of Proxy***

A Shareholder who has given a proxy may revoke it at any time before it is exercised by an instrument in writing: (a) executed by that Shareholder or by that Shareholder's attorney-in-fact authorized in writing or, where the Shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to Meguma at the address set forth above, at any time up to and including the last Business Day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (a) attendance at the Meeting and participation in a poll (ballot) by a Shareholder, or (b) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

### ***Voting of Common Shares and Proxies and Exercise of Discretion by Designated Persons***

A Shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space. If the instructions as to voting indicated in the proxy are certain, the Meguma Shares represented by the proxy will be voted or withheld from voting in accordance with the instructions given in the proxy. If the Shareholder specifies a choice in the proxy with respect to a matter to be acted upon, then the Meguma Shares represented will be voted or withheld from the vote on that matter accordingly. **The Meguma Shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Meguma Shares will be voted accordingly.**

**IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE COMMON SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY AND FOR THE NOMINEES OF THE BOARD FOR DIRECTORS AND AUDITOR.**

The enclosed form of proxy confers discretionary authority upon the Designated Persons with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice, and with respect to other matters which may properly come before the Meeting. At the date of this Circular, management of the Company is not aware of any such amendments, variations, or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the Meguma Shares on any matter, the Meguma Shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

### **ADVICE TO BENEFICIAL SHAREHOLDERS**

**The information set out in this section is of significant importance to those Shareholders who do not hold shares in their own name. Beneficial Shareholders who do not hold their shares in their own name should note that only proxies deposited by Shareholders whose names appear on the records**



**of the Company as the registered holders of Meguma Shares can be recognized and acted upon at the Meeting.** If Meguma Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Meguma Shares will not be registered in the Shareholder's name on the records of the Company. Such Meguma Shares will more likely be registered under the names of the Shareholder's broker or an agent of that broker. In the United States, the vast majority of such Meguma Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Corporation (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). **Beneficial Shareholders should ensure that instructions respecting the voting of their Meguma Shares are communicated to the appropriate person well in advance of the Meeting.**

Meguma does not have access to names of Beneficial Shareholders. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Meguma Shares are voted at the Meeting.

The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the Form of Proxy provided to Registered Shareholders by Meguma. However, its purpose is limited to instructing the Registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge typically prepares a special voting instruction form, mails this form to the Beneficial Shareholders and asks for appropriate instructions regarding the voting of Meguma Shares to be voted at the Meeting. Beneficial Shareholders are requested to complete and return the voting instructions to Broadridge by mail or facsimile. Alternatively, Beneficial Shareholders can call a toll-free number and access Broadridge's dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and to vote the Meguma Shares held by them. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Broadridge voting instruction form cannot use that form as a proxy to vote Meguma Shares directly at the Meeting – the voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have its Meguma Shares voted at the Meeting.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Meguma Shares registered in the name of his broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for a Registered Shareholder and vote the Meguma Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Meguma Shares as proxyholder for the Registered Shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the proxy well in advance of the Meeting to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent).

Alternatively, a Beneficial Shareholder may request in writing that his, her or its broker send to the Beneficial Shareholder a legal proxy which would enable the Beneficial Shareholder to attend the Meeting and vote his, her or its Meguma Shares.

## EXERCISE OF DISCRETION

The persons named in the enclosed form of proxy will vote the shares in respect of which they are appointed in accordance with the direction of the Shareholders appointing them. **In the absence of such direction, such shares will be voted in the discretion of the person named in the proxy. The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting.** At the time of printing of this Circular, management knows of no such amendments, variations or other matters to come before the Meeting. However, if any other matters which are not now known to management should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the named proxies.

### *Persons Making the Solicitation*

The Company's management is using this Circular to solicit proxies from Shareholders for use at the Meeting. The solicitation of proxies will be primarily by mail, but the Company's directors, officers and regular employees may also solicit proxies personally or by telephone. The Company will bear all costs of the solicitation. The Company has arranged for Intermediaries to forward the Meeting materials to beneficial owners of Common Shares held of record by those Intermediaries and The Company may reimburse the Intermediaries for their reasonable fees and disbursements in that regard.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of common shares without par value. As of the record date, determined by the Board to be the close of business on September 12, 2019, a total of **96,530,640** Meguma Shares were issued and outstanding. Each Meguma Share carries the right to one vote at the Meeting.

Only Registered Shareholders as of the record date, September 12, 2019, are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

To the knowledge of the directors and executive officers of the Company, the only persons who, or corporations which, beneficially own, or control or direct, directly or indirectly, shares carrying 10% or more of the voting rights attached to all outstanding shares of the Company are:

Name of Shareholder	Number of Shares Owned	Percentage of Outstanding Shares <sup>(1)</sup>
CDS & Co <sup>(3)</sup>	55,096,250 <sup>(2)</sup>	57.07%

#### Notes:

- (1) Based on 96,530,640 Meguma Shares issued and outstanding as of the date of this Circular.
- (2) CDS & Co is a share depository, the beneficial ownership of which is unknown to the Company.
- (3) The above information was supplied by the Transfer Agent, as of the record date.

## VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast at the Meeting is required to pass the ordinary resolutions described herein. If there are more nominees for election as directors or appointment of the Company's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled all such nominees will be declared elected or appointed by acclamation.

## AUDITED FINANCIAL STATEMENTS

The audited financial statements of the Company for the fiscal period ended March 31, 2019, and the report of the auditors on those statements will be placed before the Meeting. Receipt at the Meeting of the audited financial statements of the Company will not constitute approval or disapproval of any matters referred to in those statements. No vote will be taken on the audited financial statements. These audited financial statements are available at [www.sedar.com](http://www.sedar.com).

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations* and National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, both of the Canadian Securities Administrators, a person or corporation who in the future wishes to receive annual and interim financial statements from the Company must deliver a written request for such material to the Company. Shareholders who wish to receive annual and interim financial statements are encouraged to complete the appropriate section on the Request form attached to this Circular and send it to the transfer agent, National

## NUMBER OF DIRECTORS

The articles of the Company provide for a Board of no fewer than three directors and no greater than a number as fixed or changed from time to time by ordinary resolution passed by the Shareholders.

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company for the ensuing year at three (3). The number of directors will be approved if the affirmative vote of the majority of Meguma Shares present or represented by proxy at the Meeting and entitled to vote, are voted in favour to set the number of directors at three (3).

***Management recommends the approval of the resolution to set the number of directors of Meguma at three (3).***

## ELECTION OF DIRECTORS

At present, the directors of the Company are elected at each annual meeting and hold office until the next annual meeting or until their successors are duly elected or appointed in accordance with the Company's articles or until such director's earlier death, resignation or removal. In the absence of instructions to the contrary, the enclosed form of proxy will be voted for the nominees listed in the proxy, all of whom are presently members of the Board.

### ***Nominees***

The following table sets forth for each of the persons proposed to be nominated for election as directors their name, city, province/state and country of residence; their principal occupations or employment; the date on which they became directors of the Company; their independence; their memberships with the applicable committees of the Company. The Company currently has one committee which is the Audit Committee.

In addition, the table shows the nominees' current equity ownership consisting of common shares beneficially owned, directly or indirectly, or controlled or directed, and options credited to, each nominee. For additional information regarding compensation, options, equity ownership, and current directorships, please refer to the Statement of Executive Compensation.

<b>Name of Nominee; Current Position with the Company and Province or State and Country of Residence<sup>(2)</sup></b>	<b>Principal Occupation<sup>(2)</sup></b>	<b>Period as a Director of the Company</b>	<b>Common Shares Beneficially Owned or Controlled<sup>(1)</sup></b>
Theo van der Linde President & Director Non-Independent Director Member of Audit Committee <sup>(4)</sup> <i>British Columbia, Canada</i>	Mr. van der Linde is a Chartered Accountant with 22 years' extensive experience in finance, reporting, regulatory requirements, public company administration, equity markets and financing of publicly traded companies. He has served/serving as a CFO & Director for a number of TSX Venture Exchange and Canadian Securities Exchange (CSE) listed companies over the past several years. Industry experience include financial services, manufacturing, Oil & gas, mining and retail industries. More recently, Mr. van der Linde has been involved with future use trends of natural resources as well as other disruptive technologies. He has worked and is currently working on projects in South Africa, West-Africa, East-Africa, Peru, United Kingdom, Sri-Lanka, the United States and Norway.	September 27, 2012	3,365,305 <sup>(3)</sup>
Stephen Stine Director Independent Director Member of Audit Committee <sup>(4)</sup> <i>Colorado, USA</i>	Mr. Stine is a mining executive with 40 years' experience in public/private company formation, acquisitions, turnarounds, debt and equity financings and mine operations around the world. Mr. Stine currently acts a mining consultant as the President of Stine Consulting LLC. Mr. Stine is a co-founder and former director of Alamos Gold where he served as COO in charge of exploration and production.	June 1, 2011	1,018,844
Fred Tejada Director Independent Director Member of Audit Committee <sup>(4)</sup> <i>British Columbia, Canada</i>	Mr. Tejada is a professional geologist, registered in British Columbia. He has over 30 years of international mineral industry experience working with both major and junior mining and exploration focused organizations. He is currently CEO of European Electric Metals Inc. Mr. Tejada is also a director of several junior mining companies based in Vancouver, BC.	June 7, 2016	54,000

**Notes:**

- (1) Information as to voting shares beneficially owned, directly or indirectly, not being within the knowledge of the Company, has been furnished by the respective nominees individually. This does not include options, warrants or any other securities.
- (2) The information as to country of residence and principal occupation is not within the knowledge of the management of the Company and has been furnished by the respective Director.
- (3) Of the 3,365,305, a total of 300,000 common shares are held indirectly by Executive Management Solutions Ltd. and 250,000 common shares are held indirectly by T & E R F Corp.
- (4) The Audit Committee was comprised of Theo van der Linde, Stephen Stine and Fred Tejada for the year ended March 31, 2019.

***Management recommends the approval of each of the nominees listed above for election as a director of Meguma for the ensuing year.***

Management does not contemplate that any of its nominees will be unable to serve as directors. If any vacancies occur in the slate of nominees listed above before the Meeting, then the Designated Persons

intend to exercise discretionary authority to vote the Meguma Shares represented by proxy for the election of any other persons as directors.

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

No director or proposed director of the Company is, or within the ten years prior to the date of this Circular has been, a director or executive officer of any company, including the Company, that while that person was acting in that capacity:

- (a) is, or has been, within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Company) that:
- (b) was subject to a cease trade order or similar order or an order that denied the Company access to any statutory exemptions for a period of more than 30 consecutive days (an "**Order**"), which was issued while the proposed director or executive officer was acting in the capacity as director, CEO or CFO; or
- (c) was subject to an Order that was issued after the director or executive officer 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, CEO or CFO.

### ***Bankruptcies***

To the best of the Company's knowledge, no proposed director of the Company is, or within ten (10) years before the date of this Circular, has been a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the 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 made a proposal under any legislation relating to bankruptcies or insolvency.

### ***Personal Bankruptcies***

To the best of the Company's knowledge, no proposed director of the Company has, within ten (10) years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

### ***Securities Related Penalties and Sanctions***

To the best of the Company's knowledge, no proposed director has been subject to, or entered into a settlement agreement resulting from:

- (a) a court order 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.

## STATEMENT OF EXECUTIVE COMPENSATION

This section of the Circular explains how the Company's executive compensation program is designed and operated with respect to the Company's named executive officers ("NEOs") defined as follows:

- (a) a chief executive officer ("CEO") of the Company;
- (b) a chief financial officer ("CFO") of the Company;
- (c) each of the Company's three most highly compensated executive officers of the Company including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 as determined in accordance with subsection 1.3(6) of Form 51-102F6, for the fiscal year ended March 31, 2019; and
- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity at the fiscal year ended March 31, 2019.

The Company's current NEOs are Theo van der Linde (President), Regan Isenor (CEO) and Peter Nguyen (CFO).

### *Compensation Discussion and Analysis*

The Company does not have a formal compensation program. The general objectives of the Company's compensation strategy are to: (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value; (b) align management's interests with the long-term interests of shareholders; (c) provide a compensation package that is proportionate with other junior companies in the mining and development sector to enable the Company to attract and retain talent; and (d) ensure that the total compensation package is designed in a manner that takes into account the constraints that the Company is under by virtue of the fact that it is a junior Company without a history of earnings.

The Board ensures that total compensation paid to all NEOs is fair and reasonable. The Board relies on the experience of its members as officers and directors of other junior mining companies in assessing compensation levels. The Company's process for determining executive compensation will be done on a case by case basis and will involve discussion by the Board of the factors the Board deems relevant to each case. There are not expected to be any formally defined objectives, benchmarks, criteria and analysis that will be used in all cases.

The Company has not placed a restriction on the purchase by its NEOs or other employees of financial instruments (including pre-paid variable forward contracts, equity swaps, collars or units of exchange funds) that are designed to hedge or offset a decrease in the market value of equity securities granted as compensation or held, directly or indirectly by the NEO or employee. To the Company's knowledge, none of the NEOs have purchased any such financial instruments.

The Board has not considered the implications of the risks associated with the Company's compensation program. The Company intends to formalize its compensation policies and practices and will take into consideration the implications of the risks associated with the Company's compensation program and how it might mitigate those risks.

## ***Compensation Governance***

The Board has not appointed a Compensation Committee. The Board assumes responsibility for reviewing and monitoring the long-range compensation strategy for the Company's senior management, with a view to fulfilling its responsibilities concerning executive and director compensation, reviewing director compensation, overseeing the Company base compensation structure and equity-based compensation programs, recommending compensation of the Company's officers and employees and evaluating the performance of officers generally, all in light of the Company's annual goals and objectives.

### ***Director and NEO Compensation, excluding Compensation Securities***

The following table sets forth all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company or its subsidiary, to each NEO and director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or a director of the Company for services provided and for services to be provided, directly or indirectly, to the Company or its subsidiary.

The compensation paid or accrued to each Director and NEO during the Company's two most recently completed financial year ended March 31, 2019 is as set out below and expressed in Canadian dollars unless otherwise noted.

<b>Name and principal position</b>	<b>Year</b>	<b>Salary, consulting fee, retainer or commission (\$)</b>	<b>Bonus (\$)</b>	<b>Committee or meeting Fees (\$)</b>	<b>Value of all other Compensation (\$)</b>	<b>Total compensation (\$)</b>
Theo van der Linde <sup>(1)</sup> <i>President &amp; Director</i>	2019	88,000 <sup>(2)</sup>	Nil	Nil	Nil	88,000 <sup>(2)</sup>
	2018	90,000 <sup>(2)</sup>	Nil	Nil	Nil	90,000 <sup>(2)</sup>
Regan Isenor <sup>(3)</sup> <i>CEO</i>	2019	104,351 <sup>(5)</sup>	Nil	Nil	Nil	104,351 <sup>(5)</sup>
	2018	N/A	N/A	N/A	N/A	N/A
Peter Nguyen <sup>(4)</sup> <i>CFO</i>	2019	45,000 <sup>(6)</sup>	Nil	Nil	Nil	45,000 <sup>(6)</sup>
	2018	N/A	N/A	N/A	N/A	N/A
Stephen Stine <i>Director</i>	2019	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil
Fred Tejada <i>Director</i>	2019	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil

#### **Notes:**

- (1) Theo van der Linde was appointed as President and Interim CEO effective April 9, 2014 and Director effective September 27, 2012. Mr. van der Linde resigned as Interim CEO on June 1, 2018.
- (2) Represents consulting fees paid to Executive Management Solutions Ltd., a company wholly owned by Theo van der Linde. All fees were accrued.
- (3) Regan Isenor was appointed as CEO effective June 1, 2018.
- (4) Peter Nguyen was appointed as CFO effective June 20, 2018.
- (5) Represents consulting fees paid to RCBI Geological Inc., a company wholly owned by Regan Isenor.
- (6) Represents consulting fees paid to 1183877 B.C. Ltd., a company wholly owned by Peter Nguyen.

## ***Employment, Consulting and Management Agreements***

### **Executive Management Solutions Limited (“EMSL”)**

EMSL is a private company wholly-owned by Theo van der Linde, President of the Company. EMSL provides management consulting services for the Company.

The Company has entered into a consulting agreement dated April 1, 2011 with EMSL (the “**EMSL Agreement**”) whereby Mr. van der Linde provides consulting services to the Company in accordance with the terms of the EMSL Agreement for a monthly fee of \$20,000. The EMSL Agreement also states that the Company shall reimburse EMSL for all reasonable expenses incurred by Mr. van der Linde in the provision of services under the EMSL Agreement. EMSL is eligible to receive a cash bonus equal up to 50% of the total consulting fees paid to EMSL in the previous year at the discretion of, and as determined by, the Board.

In July 2013, the parties agreed, as a cost cutting measure, to pay Mr. Van der Linde a fixed fee of \$8,000 per month as a cost cutting measure. For the fiscal 2018, the fee has been reduced to \$7,500 per month.

Pursuant to the EMSL Agreement, EMSL is entitled to three months’ notice as well as any unpaid cash bonuses in the event of termination without cause. In addition, all unvested stock options will immediately vest and become exercisable.

In the event that EMSL resigns for “Good Cause” following a “Change of Control” (as those terms are defined in the EMSL Agreement), EMSL will be entitled to three times the annual pro-rated fee paid as well as any unpaid cash bonuses.

### **RCBI Geological Inc. (“RCBI”)**

RCBI is a private company wholly-owned by Regan Isenor, CEO of the Company. RCBI provides management services to companies in the natural resource acquisition, exploration and development industry.

The Company has entered into a consulting agreement effective June 1, 2018 with RCBI (the “**RCBI Agreement**”) whereby Mr. Isenor provides consulting services to the Company in accordance with the terms of the RCBI Agreement for a base starting salary of \$160,000 per annum paid in equal monthly installments (the “**RCBI Fees**”).

Pursuant to the RCBI Agreement, in the event of a “Change of Control” (as defined in the RCBI Agreement) RCBI shall be paid a lump sum payment equal to the RCBI Fees owing for a one (1) year period.

The table below sets out the estimated incremental payments, payables and benefits due to each of the NEOs on termination without cause or on termination on a change of control assuming termination as of March 31, 2019.

<b>Name</b>	<b>Termination Without Cause (other than in connection with a Change of Control)</b>	<b>Resignation Following a Change of Control</b>
Theo van der Linde President	\$22,000 <sup>(1)</sup>	\$264,000 <sup>(2)</sup>



Name	Termination Without Cause (other than in connection with a Change of Control)	Resignation Following a Change of Control
Regan Isenor CEO	\$Nil	\$160,000 <sup>3)</sup>

**Notes:**

- (1) Represents three months' fees based on Mr. van der Linde's 2019 annual fees of \$88,000. Figures are rounded.
- (2) Represents three years' fees based on Mr. van der Linde's 2019 annual fees of \$88,000. Figures are rounded.
- (3) Represents one years' fee based on Mr. Isenor's 2019 annual fees of \$160,000. Figures are rounded.

Except as disclosed above, the Company and its subsidiaries have no other compensatory plan, contract or arrangement where a NEO is entitled to receive more than \$50,000 (including periodic payments or instalments) to compensate such executive officer in the event of resignation, retirement or other termination of the NEO's employment with the Company or its subsidiaries, a change of control of the Company or its subsidiaries, or a change in responsibilities of the NEO following a change in control.

## INCENTIVE PLAN AWARDS

### *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.

### *Incentive Plan Compensation*

The Company currently does not have any non-equity incentive plan compensation plans for payments or benefits to the NEOs.

### *Stock Options and other Compensation Securities*

No compensation securities were granted or issued to any director or NEO by the Company or one of its subsidiaries in the most recently completed financial year for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

### *Exercise of Compensation Securities by Directors and NEOs*

No compensation securities were exercised by any director or NEO during the most recently completed financial year.

### *Stock Option Plan*

The Company has in effect a 10% rolling stock option plan (the "**Stock Option Plan**") approved by the shareholders of the Company at its annual general meeting held on October 5, 2017. The following information is intended as a brief description of the Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan, which will be available for review at the Meeting:

- (a) the maximum aggregate number of common shares that can be issued pursuant to the exercise of options granted under the Stock Option Plan or otherwise, is 10% of the Company's current issued and outstanding share capital (on a non-diluted basis);

- (b) stock options granted under the Stock Option Plan will have an expiry date not to exceed five years from the date of grant;
- (c) any stock options granted that expire or terminate for any reason without having been exercised will again be available under the Stock Option Plan;
- (d) stock options will vest as required by the policies of any stock exchanges or any other regulatory body having authority over the Company and, as may be determined, by the administrator of the Stock Option Plan, or in the absence of such body, the Board;
- (e) the minimum exercise price of any stock options issued under the Stock Option Plan will be determined by the Board at the time of grant, subject to the requirements of any stock exchanges or any other regulatory body having authority over the Company;
- (f) stock options granted will expire 90 days after an optionee ceases to be involved with the Company, or for any options granted to an individual providing investor relations services, 30 days after the optionee ceases to be involved with the Company;
- (g) the Company cannot grant options to any one consultant in any 12-month period which could, when exercised, result in the issuance of shares exceeding 2% of the issued and outstanding common shares of the Company;
- (h) the Company cannot grant options in any 12-month period to persons employed or engaged by the Company to perform investor relations activities which could, when exercised, result in the issuance of common shares exceeding, in aggregate, 2% of the issued and outstanding shares of the Company and options issued to consultants performing investor relations activities must vest in stages over 12 months with no more than 1/4 of the options vested in any three-month period;
- (i) in connection with the exercise of an option, as a condition to such exercise the Company may require the optionee to pay to the Company an amount as necessary so as to ensure that the Company is in compliance with the applicable provisions of any federal, provincial or local laws relating to the withholding of tax or other required deductions relating to the exercise of such Option; and
- (j) if a change of control, as described in the Stock Option Plan, occurs, the vesting of all Options and the time for the fulfilment of any conditions or restrictions on such vesting shall be accelerated to a date or time immediately prior to the Effective Time of the Change of Control Event, subject to any required approval of the Exchange.

#### **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The following table sets out those securities of the Company which have been authorized for issuance under equity compensation plans, as at the previous year end:

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</b>
Equity compensation plans approved by the securityholders	2,949,500	\$0.132	6,703,564
Equity compensation plans not approved by the securityholders	N/A	N/A	N/A
<b>Total</b>	<b>2,949,500</b>		<b>6,703,564</b>

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

None of the current or former directors, executive officers, employees of the Company, the proposed nominees for election to the Board, or their respective associates or affiliates, are or have been indebted to the Company or its subsidiaries since the beginning of the last completed financial year of the Company.

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

An informed person is one who generally speaking is a director or executive officer or a 10% shareholder of the Company. To the knowledge of management of the Company, other than as set out in this Circular, no informed person or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction during the Company's financial year ended March 31, 2019 or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries other than as set out in a document already disclosed to the public and as except as disclosed in this Circular.

### **AUDIT COMMITTEE DISCLOSURE**

National Instrument 52-110 of the Canadian Securities Administrators ("**NI 52110**") requires the Company, as a venture issuer, to disclose annually in its Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor.

#### ***The Audit Committee Charter***

The text of the audit committee's charter is included as Schedule "A" to this Circular.

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

As of the date of this Circular, the following are the members of the Audit Committee:

<b>Audit Committee Members</b>		
Theo van der Linde	Not-Independent	Financially literate
Fred Tejada	Independent	Financially literate
Stephen Stine	Independent	Financially literate

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

#### **Theo van der Linde**

Mr. van der Linde is a Chartered Accountant with 22 years' extensive finance, administration and public accounting experience in diverse industries including mining, oil & gas, financial services, insurance, manufacturing and retail.

#### **Fred Tejada**

Mr. Tejada is a Professional Geologist registered with the Engineers and Geoscientists of BC. Mr. Tejada serves on the board of directors and the audit committee of several publicly traded companies.

#### **Stephen Stine**

Mr. Stine is a seasoned mining executive with extensive experience in public/private company formation, acquisitions, turnarounds, debt and equity financings and general mine operations around the world. Mr. Stine is a co-founder and former director of Alamos Gold where he served as COO in charge of exploration and production. Mr. Stine also worked as a consultant to Newmont Mining at their Yanachocha Gold Mine in Peru. Most recently, Mr. Stine acted as Director and COO of Etruscan Resources where he was responsible for turning around the Youga Gold Mine in Burkina Faso, West Africa. During that time, the mine doubled production and the cost of production was reduced by 50%.

In these positions, each member of the Audit Committee has been responsible for receiving financial information relating to the various companies for which they have acted. Additionally, each member has obtained an understanding of balance sheets, income statements and statements of cash flows and how these statements are integral in assessing the financial position of the Company and its operational results. Each member of the Audit Committee has a significant understanding of the business in which the Company is engaged and has an appreciation for the relevant accounting principles for the business of the Company.

### ***Audit Committee Oversight***

Since the commencement of Meguma's most recently completed financial year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

### ***Reliance on Certain Exemptions***

At no time since the commencement of our most recently completed financial year, have we relied on the exemption in sections 2.4 (De Minimis Non-Audit Services), 3.2 (Initial Public Offerings), 3.4 (Events Outside Control of Member), 3.5 (Death, Disability or Resignation of Audit Committee Member) of NI 52-110, or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

### ***Reliance on the Exemption in Subsection 3.3(2) or Section 3.6***

At no time since the commencement of our most recently completed financial year, have we relied on the exemption in subsection 3.3(2) (Controlled Companies) or section 3.6 (Temporary Exemption for Limited and Exception Circumstances) of NI 52-110.

### ***Reliance on Section 3.8***

At no time since the commencement of our most recently completed financial year, have we relied on section 3.8 (Acquisition of Financial Literacy) of NI 52-110.

### ***Reliance on Section 6.1***

Pursuant to section 6.1 of NI 52-110, as a venture issuer the Company is relying on the exemption from the audit committee composition requirements and certain reporting obligations found in Parts 3 and 5 of NI 52-110.

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

The audit committee has not adopted any specific policies and procedures for the engagement of non-audit services.

### ***External Auditor Service Fees***

In the following table, “Audit Fees” are fees billed by the Company’s external auditors for services provided in auditing the Company’s annual financial statements for the subject year. “Audit-related Fees” are fees not included in audit fees that are billed by the auditors for assurance and related services that are reasonably related to the performance of the audit or review of the Company’s financial statements. “Tax Fees” are billed by the auditors for professional services rendered for tax compliance, tax advice and tax planning. “All Other Fees” are fees billed by the auditors for products and services not included in the foregoing categories.

The fees paid by the Company to its auditors in each of the last two financial years, by category, are as follows:

<b>Financial Year Ended March 31</b>	<b>Audit Fees (\$)</b>	<b>Audit-Related Fees (\$)</b>	<b>Tax Fees (\$)</b>	<b>All Other Fees (\$)</b>
2019	26,000	Nil	1,200	Nil
2018	16,000	Nil	1,200	Nil

**Notes:**

- (1) “Audit fees” include aggregate fees billed by the Company’s external auditor in each of the last two fiscal years for audit fees.
- (2) “Audited related fees” include the aggregate fees billed in each of the last two fiscal years for assurance and related services by the Company’s external auditor that are reasonably related to the performance of the audit or review of the Company’s financial statements and are not reported under “Audit fees” above. The services provided include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) “Tax fees” include the aggregate fees billed in each of the last two fiscal years for professional services rendered by the Company’s external auditor for tax compliance, tax advice and tax planning. The services provided include tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) “All other fees” include the aggregate fees billed in each of the last two fiscal years for products and services provided by the Company’s external auditor, other than “Audit fees”, “Audit related fees” and “Tax fees” above.
- (5) Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants was appointed as the Company’s auditor effective August 30, 2016.

## **CORPORATE GOVERNANCE**

Maintaining a high standard of corporate governance is a priority for the Board and the Company’s management believes that effective corporate governance will help create and maintain shareholder value

in the long term. A description of the Company's corporate governance practices, which addresses the matters set out in National Instrument 58-101 *Disclosure of Corporate Governance Practices*, is set out below.

### ***Board of Directors***

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

The Guidelines suggest that the Board of every reporting issuer should be constituted with a majority of individuals who qualify as "independent" directors under NI 52-110, which provides that a director is independent if he or she has no direct or indirect "material relationship" with the Company. The "material relationship" is defined as a relationship which could, in the view of the Company's Board, reasonably interfere with the exercise of a director's independent judgement. Stephen Stine and Fred Tejada are considered "independent" within the meaning of NI 52-110. Theo van der Linde who is the President of the Company is not considered "independent" of the Company. Following the annual general meeting, the Company will endeavor to appoint additional independent directors to the Board.

The Board has a stewardship responsibility to supervise the management of and oversee the conduct of the business of the Company, provide leadership and direction to Management, evaluate Management, set policies appropriate for the business of the Company and approve corporate strategies and goals. The day-to-day management of the business and affairs of the Company is delegated by the Board to the CEO. The Board will give direction and guidance through the CEO to Management and will keep Management informed of its evaluation of the senior officers in achieving and complying with goals and policies established by the Board.

The Board recommends nominees to the Shareholders for election as directors, and immediately following each annual general meeting appoints an Audit Committee and appoints the chairperson of the Audit Committee. The Board establishes and periodically reviews and updates the committee mandates, duties and responsibilities of the committee of the Board, elects a chairperson of the Board and establishes his or her duties and responsibilities, appoints the CEO, CFO and President of the Company and establishes the duties and responsibilities of those positions and on the recommendation of the CEO and President, appoints the senior officers of the Company and approves the senior Management structure of the Company.

The Board exercises its independent supervision over management by its policies that (a) periodic meetings of the Board be held to obtain an update on significant corporate activities and plans; and (b) all material transactions of the Company are subject to prior approval of the Board. The Board shall meet not less than three times during each year and will endeavour to hold at least one meeting in each fiscal quarter. The Board will also meet at any other time at the call of the CEO, or subject to the Articles of the Company, of any director.

The mandate of the Board, as prescribed by the *Business Corporations Act* (British Columbia), is to manage or supervise management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company's affairs directly and through its committees.

### ***Independence of Directors***

As a venture issuer, Meguma is exempt from the independence requirements of NI 52-110, Part 3.

## ***Directorships***

The current directors of Meguma and each of the individuals to be nominated for election as a director of Meguma at the Meeting may serve as a director or officer of one or more other reporting issuers as at the date of this Notice of Meeting and Circular. However, our directors are required by law to act honestly and in good faith with a view to our best interests and to disclose any interests which they may have in any of our projects or opportunities. If a conflict of interest arises at a meeting of the Board, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not we will participate in any project or opportunity, that director will primarily consider the degree of risk to which we may be exposed and our financial position at that time.

The following directors of the Company also serve as directors of other reporting issuers:

<b>Director</b>	<b>Other Reporting Issuer(s)</b>
Theo van der Linde	Organic Flower Investments Group Inc. (formerly Q Investments Ltd.) Metaverse Capital Corp. (formerly Global Blockchain Mining Corp.) Tidal Royalty Corp. Elcora Advanced Materials Corp. Slam Exploration Ltd.
Stephen Stine	Eastern Zinc Corp.
Fred Tejada	European Electric Metals Inc. 37 Capital Inc. Eastern Zinc Corp.

To the best of our knowledge, there are no known existing or potential conflicts of interest among us and our promoters, directors, officers or other members of management as a result of their outside business interests except that certain of the directors, officers, promoters and other members of management serve as directors, officers, promoters and members of management of other public companies, and therefore it is possible that a conflict may arise between their duties as a director, officer, promoter or member of management of such other companies.

## ***Orientation and Continuing Education***

The Board of the Company briefs all new directors with respect to the policies of the Board and other relevant corporate and business information. The Board does not provide any continuing education, but does encourage directors to individually and as a group keep themselves informed on changing corporate governance and legal issues. Directors are individually responsible for updating their skills as required to meet their obligations as directors. In addition, the Board undertakes strategic planning sessions with management.

## ***Ethical Business Conduct***

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

## ***Nomination of Directors***

The Board is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of Shareholders.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the required time, show support for the Company's mission and strategic objectives, and a willingness to serve.

### ***Compensation***

The Board conducts reviews with regard to the compensation of the directors and CEO once a year. To make its recommendations on such compensation, the Board informally takes into account the types of compensation and the amounts paid to directors and officers of comparable publicly traded Canadian companies.

At present, no compensation is paid to the directors of the Company in their capacity as directors. The Board does not currently have a compensation committee.

### ***Other Board Committees***

The Board has no other committees other than the Audit Committee.

### ***Assessments***

The Board regularly monitors the adequacy of information given to directors, communications between the Board and management and the strategic direction and processes of the Board and its committees. The Board is currently responsible for assessing its own effectiveness, the effectiveness of individual directors and the effectiveness of the Audit Committee.

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

Except as disclosed elsewhere in this Circular, no director or executive officer of the Company who was a director or executive officer since the beginning of the Company's last financial year, each proposed nominee for election as a director of the Company, or any associate or affiliates of any such directors, officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of Meguma Shares or other securities in Meguma or otherwise, in any matter to be acted upon at the Meeting other than the election of directors.

## **APPOINTMENT OF AUDITOR**

At the Meeting, Shareholders will be asked to pass an ordinary resolution re-appointing Dale-Matheson Carr-Hilton Labonte LLP., Chartered Accountants as the auditor to hold office until the next annual meeting of the Shareholders or until such firm is removed from office or resigns as provided by law and to authorize the Board to fix the remuneration to be paid to the auditor Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, of Vancouver, British Columbia as the auditor for Meguma since August 30, 2016.

***Management recommends that Shareholders vote for the approval of the re-appointment of Dale-Matheson Carr-Hilton Labonte LLP., Chartered Accountants as the auditor for Meguma for the ensuing year at a remuneration to be fixed by the Board.***



## MANAGEMENT CONTRACTS

Except as described below and elsewhere in this Circular, no Management functions of the Company or its subsidiaries are to any substantial degree performed by a person or company other than the directors or NEOs of the Company.

Effective January 1, 2018, the Company entered into a management agreement (the “**Management Contract**”) with Pender Street Corporate Consulting Ltd. of Suite 810 – 789 West Pender Street, Vancouver, British Columbia, V6C 1H2, to provide certain corporate, accounting and administrative services to the Company in accordance with the terms of the Management Contract.

## ADDITIONAL INFORMATION

Additional information relating to the Company is available at [www.sedar.com](http://www.sedar.com) under the Company's profile. Shareholders may contact the Company at its head office by mail at Suite 810, 789 West Pender Street, Vancouver, BC V6C 1H2, to request copies of the Company's financial statements and related Management's Discussion and Analysis (the “**MD&A**”). Financial information is provided in the audited financial statements and MD&A for the Company for its year ended March 31, 2019.

## OTHER MATTERS

Management of Meguma knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting included at the beginning of this Circular. However, if any other matters that are not known to management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named in the proxy to vote on such matters in accordance with their best judgment.

## APPROVAL OF THE BOARD OF DIRECTORS

The Board has authorized and approved the content of this Circular has been approved and the delivery of it to each Shareholder of Meguma entitled to receive it and to the appropriate regulatory agencies.

Dated at Vancouver, British Columbia as of the 12<sup>th</sup> day of September, 2019.

## ON BEHALF OF THE BOARD

**MegumaGold Corp.**

/s/ “*Theo van der Linde*”  
Theo van der Linde  
President & Director

## Schedule “A”

### **AUDIT COMMITTEE CHARTER**

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#### **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 twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the CFO and the external auditors in separate sessions.

#### **RESPONSIBILITIES AND DUTIES**

To fulfill its responsibilities and duties, the Committee shall:

**1. 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.

**2. 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

### 3. **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.

### **RISK MANAGEMENT**

- 1. To review, at least annually, and more frequently if necessary, the Company's policies for risk assessment and risk management (the identification, monitoring, and mitigation of risks).
- 2. To inquire of management and the independent auditor about significant business, political, financial and control risks or exposure to such risk.

3. To request the external auditor's opinion of management's assessment of significant risks facing the Company and how effectively they are being managed or controlled.
4. To assess the effectiveness of the over-all process for identifying principal business risks and report thereon to the Board.

### **OTHER**

Review any related-party transactions.

The Audit Committee's mandate and charter can be described as follows:

1. Each member of the Audit Committee shall be a member of the Board of Directors, in good standing, and the majority of the members of the audit committee shall be independent in order to serve on this committee.
2. At least one of the members of the Audit Committee shall be financially literate.
3. Review the Audit Committee's charter annually, reassess the adequacy of this charter, and recommend any proposed changes to the Board of Directors. Consider changes that are necessary as a result of new laws or regulations.
4. The Audit Committee shall meet at least four times per year, and each time the Company proposes to issue a press release with its quarterly or annual earnings information. These meetings may be combined with regularly scheduled meetings, or more frequently as circumstances may require. The Audit Committee may ask members of management or others to attend the meetings and provide pertinent information as necessary.
5. Conduct executive sessions with the outside auditors, outside counsel, and anyone else as desired by the committee.
6. The Audit Committee shall be authorized to hire outside counsel or other consultants as necessary (this may take place any time during the year).
7. Appoint the independent auditors to be engaged by the Company, establish the audit fees of the independent auditors, pre-approve any non-audit services provided by the independent auditors, including tax services, before the services are rendered. Review and evaluate the performance of the independent auditors and review the full board of directors any proposed discharge of the independent auditors.
8. Review with management the policies and procedures with respect to officers' expense accounts and perquisites, including their use of corporate assets, and consider the results of any review of these areas by the independent auditor.
9. Consider, with management, the rationale for employing audit firms rather than the principal independent auditors.
10. Review with management and the independent auditors, all significant risks or exposures facing the Company; assess the steps the Management has taken or proposes to take to minimize such risks to the Company; and periodically review compliance with such steps.

11. Review with the independent auditor, the audit scope and plan of the independent auditors. Address the coordination of the audit efforts to assure the completeness of coverage, reduction of redundant efforts, and the effective use of audit resources.
12. Inquire regarding the "quality of earnings" of the Company from a subjective as well as an objective standpoint.
13. Review with the independent accountants: (a) the adequacy of the Company's internal controls including computerized information systems controls and security; and (b) any related significant findings and recommendations of the independent auditors together with management's responses thereto.
14. Review with management and the independent auditor the effect of any regulatory and accounting initiatives, as well as off-balance-sheet structures, if any.
15. Review with management and the independent auditors, the interim annual financial report before it is filed with the regulatory authorities.
16. Review with each public accounting firm that performs an audit: (a) all critical accounting policies and practices used by the Company; and (b) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management of the Company, the ramifications of each alternative and the treatment preferred by the Company.
17. Review all material written communications between the independent auditors and management, such as any management letter or schedule of unadjusted differences.
18. Review with management and the independent auditors: (a) the Company's annual financial statements and related footnotes; (b) the independent auditors' audit of the financial statements and their report thereon; (c) the independent auditor's judgments about the quality, not just the acceptability, of the Company's accounting principles as applied in its financial reporting; (d) any significant changes required in the independent auditors' audit plan; and (e) any serious difficulties or disputes with management encountered during the audit.
19. Periodically review the Company's code of conduct to ensure that it is adequate and up-to-date.
20. Review the procedures for the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters that may be submitted by any party internal or external to the organization. Review any complaints that might have been received, current status, and resolution if one has been reached.
21. Review procedures for the confidential, anonymous submission by employees of the organization of concerns regarding questionable accounting or auditing matters. Review any submissions that have been received, the current status, and resolution if one has been reached.
22. The Audit Committee will perform such other functions as assigned by law, the Company's charter or bylaws, or the board of directors.
23. The Audit Committee will evaluate the independent auditors.

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

The members of the audit committee are Theo van der Linde, Fred Tejada and Stephen Stine, a majority of which are independent, and at least one member of which is financially literate.

A member of the audit committee is independent if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the view of the Company's Board of Directors, reasonably interfere with the exercise of a member's independent judgement.

A member of the audit committee is considered financially literate if he or she 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.