

# **NSS RESOURCES INC.**

**NOTICE OF MEETING**

**AND**

**MANAGEMENT INFORMATION CIRCULAR**

**FOR THE ANNUAL GENERAL AND SPECIAL MEETING OF THE SHAREHOLDERS**

**To be held on Wednesday, December 16, 2015**

**NSS RESOURCES INC.**  
**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF**  
**SHAREHOLDERS**

**NOTICE IS HEREBY GIVEN THAT** an Annual General and Special Meeting (the "**Meeting**") of the shareholders of NSS Resources Inc. (the "**Corporation**") will be held at Suite 400, 570 Granville Street, Vancouver, British Columbia on Wednesday, December 16, 2015 at 11:00 a.m. (Vancouver time) for the following purposes:

1. to receive and consider the financial statements of the Corporation for the fiscal year ended June 30, 2015, together with the report of the auditors thereon;
2. to set the number of directors to be elected at three (3);
3. to elect the directors for the forthcoming year;
4. to appoint Crowe MacKay LLP, Chartered Accountants as auditors of the Corporation and to authorize the directors of the Corporation to fix the auditors' remuneration;
5. to approve the continuance of the Corporation's Stock Option Plan; and
6. to transact such further or other business as may properly come before the Meeting or any adjournment thereof.

The details of the matters proposed to be put before the Meeting are set forth in the management information circular accompanying this Notice, which is supplemental to and expressly made a part of this Notice. Shareholders of record as of the close of business on November 10, 2015 (the record date) will be entitled to vote at the Meeting and at any adjournment or adjournments thereof.

**DATED** at the City of Vancouver, in the Province of British Columbia, as of the 18<sup>th</sup> day of November, 2015.

By Order of the Board of Directors  
of **NSS RESOURCES INC.**

*"Jag Sandhu"*

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Jag Sandhu  
President

**SHAREHOLDERS WHO ARE UNABLE TO ATTEND THE MEETING ARE REQUESTED TO COMPLETE, AND DEPOSIT THE ENCLOSED FORM OF PROXY OR OTHER APPROPRIATE FORM OF PROXY WITH THE CORPORATION'S TRANSFER AGENT, COMPUTERSHARE INVESTOR SERVICES INC., IN THE MANNER PROVIDED FOR IN THE ACCOMPANYING CIRCULAR, SUCH THAT IT IS RECEIVED AT LEAST 48 HOURS (EXCLUDING SATURDAYS, SUNDAYS AND STATUTORY HOLIDAYS IN THE PROVINCE OF BRITISH COLUMBIA) PRIOR TO THE COMMENCEMENT OF THE MEETING OR ANY ADJOURNMENT THEREOF, IN DEFAULT OF WHICH IT MAY BE TREATED AS INVALID. IN ORDER TO BE REPRESENTED BY PROXY, SHAREHOLDERS MUST COMPLETE AND SUBMIT THE ENCLOSED FORM OF PROXY OR OTHER APPROPRIATE FORM OF PROXY.**

*If you are a non-registered shareholder of the Corporation 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.*

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# NSS RESOURCES INC.

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## MANAGEMENT INFORMATION CIRCULAR

### GENERAL PROXY INFORMATION

#### SOLICITATION OF PROXIES

This management information circular (the "Circular") is furnished in connection with the solicitation of proxies by or on behalf of management of NSS Resources Inc. (the "Corporation") for use at the Annual General and Special Meeting of shareholders of the Corporation (the "Meeting") to be held on Wednesday, December 16, 2015, at 11:00 a.m. (Vancouver time), or any adjournment thereof, at Suite 400 – 570 Granville Street, Vancouver, British Columbia, V6C 3P1 for the purposes set out in the accompanying notice of meeting (the "Notice of Meeting").

The solicitation of proxies will be made primarily by mail, but proxies may also be solicited personally, by telephone or other telecommunication by the directors, officers and certain employees of the Corporation at nominal cost. Banks, brokers, custodians, nominees and fiduciaries will be requested to forward the proxy soliciting materials to beneficial owners, and the Corporation will reimburse such persons for reasonable out-of-pocket expenses incurred by them in this connection. The expenses of soliciting proxies, including the cost of preparing, assembling and mailing this proxy material to shareholders, will be borne by the Corporation.

All information in this Circular is given as at November 10, 2015, unless otherwise indicated.

In this Circular, unless otherwise specified, all dollar amounts are expressed in Canadian dollars.

#### Q&A ON PROXY VOTING

**Q: What am I voting on?**

A: Shareholders are voting on: (i) setting the number of directors at three (3); (ii) the election of directors to the board of directors of the Corporation (the "**Board**") for the forthcoming year; (iii) the appointment of auditors for the Corporation for the forthcoming year and the authorization of the directors of the Corporation to fix their remuneration and the terms of their engagement; and (iv) approval of the continuance of the Corporation's existing stock option plan (the "**Stock Option Plan**").

**Q: Who is entitled to vote?**

A: Shareholders as of the close of business on November 10, 2015 (the "**Record Date**") are entitled to vote at the Meeting and at any adjournments thereof. Each common share (each a "**Share**" and collectively the "**Shares**") is entitled to one vote on those items of business identified in the Notice of Meeting.

**Q: How do I vote?**

A: There are several ways you can vote your Shares if you are a registered shareholder:

- (i) By attending the Meeting and voting;
- (ii) *By mail or fax*: complete, date and sign the enclosed form of proxy and return it to the Transfer Agent by fax within North America at 1-866-249-7775 (toll-free); or outside North America at 416-263-9524 (not toll-free), or by mail or by hand to the 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1;

- (iii) *By phone:* using a touch-tone phone to transmit voting choices to 1-866-732-8683. Registered shareholders must follow the instructions of the voice response system and refer to the enclosed form of proxy for the toll-free number, the Shareholder's account number and the proxy access number; or
- (iv) By using the internet through the website of the Corporation's transfer agent's website, [www.investorvote.com](http://www.investorvote.com); provided that you follow the instructions that appear on the screen and refer to the enclosed form of proxy for the holder's account number and the proxy access number.

In all cases please ensure that the Proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting or the adjournment thereof at which the Proxy is to be used.

If your Shares are held in the name of a nominee, please refer to the answer to the question "*What if my Shares are held through a brokerage account?*" to determine how you may vote your Shares.

**Q: What if I plan to attend the Meeting and vote in person?**

A: If you are a registered shareholder and plan to attend the Meeting on December 16, 2015 and wish to vote your Shares in person at the Meeting, do not complete or return the form of proxy. Your vote will be taken and counted at the Meeting. Please register with the Corporation's transfer agent, Computershare Investor Services Inc., upon arrival at the Meeting. If your Shares are held in the name of a nominee and you wish to attend the Meeting, refer to the answer to the question "*What if my shares are held through a brokerage account?*" for voting instructions.

**Q: Who is soliciting my proxy?**

A: **The enclosed form of proxy is being solicited by management of the Corporation** and the associated costs will be borne by the Corporation. The solicitation will be made primarily by mail but may also be made personally, by telephone or other telecommunication by the directors, officers and certain employees of the Corporation.

**Q: What happens if I sign the form of proxy enclosed with this Circular?**

A: Signing the enclosed form of proxy gives authority to Jag Sandhu, President of the Corporation, or failing him, Narinder Paul Grewal, Chief Financial Officer of the Corporation, or to another person you have appointed, to vote your Shares at the Meeting.

**Q: Can I appoint someone other than these representatives to vote my Shares?**

A: Yes. **Write the name of this person, who need not be a shareholder of the Corporation, in the blank space provided in the form of proxy and return the proxy to the Corporation's transfer agent.** It is important to ensure that any other person you appoint is attending the Meeting and is aware that he or she has been appointed to vote your Shares. Proxyholders should, upon arrival at the Meeting, present themselves to a representative of Computershare Investor Services Inc.

**Q: If I change my mind, can I take back my proxy once I have given it?**

A: Yes. A registered shareholder who executes and returns a proxy has the power to revoke it (to the extent that it has not been exercised) by depositing a written statement to that effect executed by the shareholder or his, her or its attorney duly authorized in writing or by electronic signature or by transmitting, by telephonic or electronic means, a revocation that is signed by electronic signature, or, if the shareholder is a corporation, by written instrument executed (under corporate seal if so required by the rules and laws governing the corporation) by a duly authorized signatory of such corporation:

- (i) with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof. If such written instrument is deposited with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof, such instrument will not be effective with respect to any matter on which a vote has already been cast pursuant to such proxy;
- (ii) with the Corporation's registrar and transfer agent, Computershare Investor Services Inc., by mail or by hand delivery at 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof; or
- (iii) in any other manner permitted by law.

A registered shareholder who has revoked a proxy may submit another form of proxy bearing a later date and duly depositing the same as described above in the answer to the question "*What do I do with my completed proxy?*"

A non-registered holder may revoke a voting instruction or a waiver of the right to receive the meeting materials or a waiver of the right to vote given to an intermediary at any time by written notice to the intermediary, except that an intermediary is not required to act on any such revocation that is not received by the intermediary well in advance of the Meeting.

**Q: How will my Shares be voted if I give my proxy?**

A: On the form of proxy, you can indicate how you want your proxyholder to vote your Shares, or you can let your proxyholder decide for you. If you have specified on the form of proxy how you want your Shares to be voted on a particular issue, then your proxyholder must vote your Shares accordingly. If you have not specified on the form of proxy how you want your Shares to be voted on a particular issue, then your proxyholder can vote your Shares as he or she sees fit. **IN THE ABSENCE OF SUCH DIRECTIONS, HOWEVER, YOUR SHARES WILL BE VOTED IN FAVOUR OF: (I) SETTING THE NUMBER OF DIRECTORS AT THREE (3); (II) THE ELECTION OF THE DIRECTORS NAMED IN THIS CIRCULAR; (III) THE APPOINTMENT OF AUDITORS; AND (IV) THE APPROVAL OF THE CONTINUANCE OF THE STOCK OPTION PLAN.**

**Q: What if amendments are made to these matters or if other matters are brought before the Meeting?**

A: **The persons named in the form of proxy will have discretionary authority 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.**

As of the date of this Circular, management of the Corporation knows of no such amendment, variation or other matter expected to come before the Meeting. If any other matters properly come before the Meeting, the persons named in the form of proxy will vote on them in accordance with their best judgment.

**Q: How many Shares are entitled to vote?**

A: As of the Record Date, there are 11,255,001 Shares issued and outstanding. Each shareholder has one vote for each Share held at the close of business on the Record Date.

**Q: How will the votes be counted?**

A: Unless otherwise required by law, each question brought before the Meeting is determined by a majority of votes cast on the question. In the case of equal votes, the Chairman of the Meeting is not entitled to a second or casting vote.

**Q: Who counts the votes?**

A: The Corporation's transfer agent, Computershare Investor Services Inc., counts and tabulates the proxies. This is done independently of the Corporation to preserve the confidentiality of individual shareholder votes. Proxies are referred to the Corporation only in cases where a shareholder clearly intends to communicate with management or when it is necessary to do so to meet the requirements of applicable law.

**Q: What if my Shares are held through a brokerage account?**

A: If you hold your Common Shares through a brokerage firm, bank or other intermediary, or in the name of a clearing agency, in most cases you are considered to be a "non-registered" shareholder. **Please refer to the section entitled "Important Information For Non-Registered Shareholders" below for additional information on how to vote your Common Shares.**

### **IMPORTANT INFORMATION FOR NON-REGISTERED SHAREHOLDERS**

The information set forth in this section is of significant importance to many shareholders as a substantial number of shareholders do not hold Shares in their own name. Only registered Shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. Most Shareholders are Non-Registered Shareholders because the Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Shares. Shares beneficially owned by a Non-Registered Shareholder are registered either: (i) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Shareholder deals with in respect of their Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as CDS) of which the Intermediary is a participant.

There are two kinds of Non-Registered Shareholders – those who object to their name being made known to the issuers of securities which they own (called "**OBOs**" for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called "**NOBOs**" for Non-Objecting Beneficial Owners). Subject to the provisions of National Instrument 54-101 – Communication with Beneficial Owners of Securities of Reporting Issuers ("**NI 54-101**"), issuers can request and obtain a list of their NOBOs from Intermediaries via their transfer agents and use the NOBO list for distribution of proxy-related materials directly to NOBOs.

The Corporation has decided to take advantage of those provisions of NI 54-101 that permit it to directly deliver proxy related materials to its NOBOs who have not waived the right to receive them. By choosing to send these materials to you directly, the Corporation (and not the intermediary holding Shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. As a result, NOBOs can expect to receive a voting instruction form ("**VIF**"), together with the Notice of Meeting, this Circular, and related documents from Computershare. These VIFs are to be completed and returned to Computershare in accordance with the instructions provided by Computershare either in the envelope provided by Computershare or by facsimile or by way of telephone or internet voting. In this regard, Computershare is required to follow the voting instructions properly received from NOBOs. Computershare will tabulate the results of the VIFs received from NOBOs. NOBOs should carefully follow the instructions of Computershare, including those regarding when and where to complete the VIFs that are to be returned to Computershare. Should a NOBO wish to vote at the Meeting in person, the NOBO must insert the name of the NOBO in the space provided on the VIF, and attend the Meeting and vote in person.

NOBOs that wish to change their vote must in sufficient time in advance of the Meeting contact Computershare to arrange to change their vote.

In accordance with the requirements of NI 54-101, we have distributed copies of the Meeting Materials to the clearing agencies and Intermediaries for onward distribution to OBOs. Intermediaries are required to forward the Meeting Materials to OBOs unless in the case of certain proxy-related materials the OBO has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to OBOs. With those Meeting Materials, Intermediaries or their service companies should provide OBOs with a "request for voting instruction form" which, when properly completed and signed by such OBO and returned to the Intermediary or its service company,

will constitute voting instructions which the Intermediary must follow. The purpose of this procedure is to permit OBOs to direct the voting of the Shares that they beneficially own. Should an OBO wish to vote at the Meeting in person, the OBO should follow the procedure in the request for voting instructions provided by the Corporation on behalf of the Intermediary and request a form of legal proxy which will grant the OBO the right to attend the Meeting and vote in person. OBOs should carefully follow the instructions of their Intermediary, including those regarding when and where the completed request for voting instructions is to be delivered. Management of the Corporation does not intend to pay for Intermediaries to forward to OBOs under NI 54-101 the Meeting Materials, and that in the case of an OBO, the OBO will not receive the Meeting Materials unless the OBO's Intermediary assumes the cost of delivery.

Only registered Shareholders have the right to revoke a proxy. OBOs who wish to change their vote must in sufficient time in advance of the Meeting arrange for their respective Intermediaries to change their vote and, if necessary, revoke their proxy in accordance with the revocation procedures set out above.

### **VOTING SHARES AND PRINCIPAL SHAREHOLDERS**

The authorized capital of the Corporation consists of an unlimited number of Shares without par value. As of the date of this Circular, 11,225,001 Shares were issued and outstanding. Each Share is entitled to one vote.

The outstanding Shares are listed for trading on the Canadian Securities Exchange (the "CSE") under the symbol "NSS".

To the knowledge of our directors and officers, the following persons or companies beneficially own, directly or indirectly, or exercise control or direction over 10% or more of our Shares on that date:

Name of Shareholder	Number of Shares Held <sup>(1)</sup>	Percentage of Outstanding Common Shares <sup>(2)</sup>
Klaus Eckhof	2,475,000	22.05%
Jag Sandhu	3,250,001 <sup>(3)</sup>	28.95%

Notes:

- (1) Based on information posted on SEDI as of the Record Date.
- (2) Based on 11,225,001 Shares issued and outstanding as of the Record Date.
- (3) Of the 3,250,001 Common Shares held by Mr. Sandhu, 2,000,000 Common Shares are registered in the name of JNS Capital Corp., a company controlled by Mr. Sandhu

As of the date hereof, the directors and executive officers of the Corporation, as a group, owned beneficially, directly or indirectly, or exercised control or direction over, approximately 5,725,001 Shares, representing approximately 51% of the outstanding Shares.

### **VOTES NECESSARY TO PASS RESOLUTIONS**

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein, except where stated to be a special resolution of the shareholders, in which case a two-thirds (2/3) majority of affirmative votes is required to be cast at the Meeting in order to pass a special resolution.

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

#### **A. FINANCIAL STATEMENTS**

The audited financial statements of the Corporation for the year ended June 30, 2015, together with the report of the auditors thereon, will be presented to the shareholders at the Meeting for their review and consideration.

## B. NUMBER OF DIRECTORS

The Articles of the Corporation provide that the Corporation shall have a minimum of three and a maximum of that number of directors as may be fixed or changed from time to time by majority approval from the shareholders. Accordingly, shareholders will be asked to set the number of directors at three (3).

## C. ELECTION OF DIRECTORS

Shareholders will be asked to elect three (3) directors at the Meeting. Each director elected will hold office until the next annual meeting or until his successor is appointed, unless his office is earlier vacated in accordance with the *Business Corporations Act* (British Columbia) (the "BCA") and the Articles of the Corporation.

All of the nominees are currently members of the Board and have been since the dates indicated below. Management does not contemplate that any of the nominees will be unable to serve as a director. However, if a nominee should be unable to so serve for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion. The persons named in the enclosed form of proxy intend to vote FOR the election of all of the nominees whose names are set forth below unless otherwise instructed to withhold from voting thereon on a properly executed and validly deposited proxy.

The following table sets forth certain information concerning management's nominees for election as directors, including the approximate number of Shares beneficially owned, directly or indirectly, by each of them, or over which they exercise control or direction.

Name of Proposed Nominee, Province and Country of Residence	Principal Occupation	Director Since	Current Position(s) with the Corporation	Number of Shares beneficially owned, directly or indirectly, or controlled or directed <sup>(1)</sup>
Jag Sandhu <sup>(2)</sup> British Columbia, Canada	President, JNS Capital Corp., a private consulting firm	March 28, 2012	Chief Executive Officer, President and Director	3,250,001 <sup>(3)</sup>
Klaus Eckhof British Columbia, Canada	Geologist	April 2, 2014	Director	2,475,000
Narinder Paul Grewal British Columbia, Canada	Accountant	Director Nominee	Chief Financial Officer	Nil

Notes:

- (1) The information as to Shares beneficially owned, not being within the knowledge of the Corporation, has been obtained from SEDI or furnished by the proposed directors individually. Does not include Shares issuable upon exercise of options or warrants.
- (2) Member of the audit and finance committee of the Board.
- (3) Of the 3,250,001 Common Shares held by Mr. Sandhu, 2,000,000 Common Shares are registered in the name of JNS Capital Corp., a company controlled by Mr. Sandhu.

### ***Jag Sandhu – Director, President, and Chief Executive Officer***

Mr. Sandhu is the President of JNS Capital Corp., a corporate development and advisory firm from January 7, 2007 to present. Mr. Sandhu is the former President of Nava Resources Inc., a junior mining exploration company trading on the OTCBB in the United States from July, 2005 to December 2013. Formerly, Mr. Sandhu was Manager of Investor Relations of Mediterranean Resources Inc., a junior mining exploration company trading on the Exchange and OTCBB in the United States from January, 2007 to June, 2008. Mr. Sandhu has over 14 years' experience with public companies trading on the Exchange and has extensive knowledge of corporate development and investor relations to public companies. Mr. Sandhu received his Economics degree from Simon Fraser University in 1991.

### ***Klaus Eckhof – Director***

Mr Eckhof has a degree in geology from the technical University in Munich, Germany and migrated 1988 to Australia, where he is involved in the mineral exploration industry (in Australia, Africa in particular Democratic Republic of

Congo (DRC), West Africa and South America). Several companies he founded or was involved with, discovered deposits and went successfully in production or were taken over. One of the most successful companies was Moto Goldmines where he discovered 20 million oz of gold within 4 years in northeastern DRC. As a partner of a consulting business in Perth, Corporate Resource Consultants (CRC) he was involved in capital raisings, public listings as well as managing public companies. From February 2012 to present he has been a director of Burey Gold Ltd. which operates in French Guinee and DRC, from January 2008 to present he has been a director of Carnaval Resources Ltd., from May 2006 to August 2014 he was a director of Panex Resources Corp., from November 2013 to February 2014 he was a Director and President of Alphamin Resources Inc.

***Narinder Paul Grewal, B.Com., CPA, CA – Director Nominee***

Mr. Grewal is currently a Partner with Heming, Wyborn & Grewal Chartered Accountants in Surrey, BC. Mr. Grewal received his Bachelor of Commerce from UNBC in 1998, received his CA designation in 1998 and has completed Parts I & II of the CICA In-Depth Tax Course. Mr. Grewal joined Heming, Wyborn & Grewal in 2005 and was promoted to Partner on January 1, 2009. At Heming, Wyborn & Grewal, Mr. Grewal focuses on Private Enterprises by providing taxation and business advisory services to owner-managed businesses in a variety of industries. As the Chief Financial Officer of the Company, Mr. Grewal is responsible for coordination of the financial operations of the Company in conjunction with the President and with outside accounting, tax and auditing firms.

**Orders, Penalties and Bankruptcies**

To the knowledge of the Corporation and other than as set forth below, none of the foregoing nominees for director of the Corporation:

- (a) is, at the date of this Circular, or has been, within ten years before the date of this Circular, a director, CEO or CFO of any company (including the Corporation) that:
  - (i) was subject of a cease trade or an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (an "**order**") and that was issued while the proposed director was acting in the capacity as director, CEO or CFO; or
  - (ii) was subject to an order that was issued after the proposed director ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity of director, CEO or CFO,
- (b) is, at the date of this Circular, or has been, within ten years before the date of this Circular, a director or executive officer of any company (including the Corporation), 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 ten 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, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

To the knowledge of the Corporation, no nominee for director of the Corporation has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Klaus Eckhof was a Director of De Beira Goldfields Inc., ("De Beira") a company quoted on the Over the Counter Bulletin Board (OTCBB). De Beira had distributed securities in British Columbia. De Beira was incorporated on May 28, 2004 under the laws of Nevada and, until at least May 26, 2006, its head office was located in British Columbia. De Beira has since moved its head office to Perth Australia. De Beira had not filed an independent technical report in support of its disclosure of mineral resources contrary to S.4.2(1)(J)(I) and S.5.3(1)(E) of National Instrument 43-101 Standards of Disclosures for Mineral Projects (NI 43-101). In its press releases De Beira acknowledged that the mineral resources were not to NI 43-101 standards. During 2006 the BC securities commission conducted a continuous disclosure review of De Beira Disclosure. The staff confirmed that De Beira had disclosed mineral resources and exploration targets that were contrary to the provisions of NI 43-101. On June 23, 2006 a cease trade order was issued by the BC Securities Commission. De Beira subsequently completed a NI 43-101 report but it did not reapply to the BC Securities Commission to lift the cease trade order.

#### **D. APPOINTMENT OF AUDITORS**

Shareholders will be requested to appoint Crowe MacKay LLP, Chartered Accountants, as auditors of the Corporation to hold office until the next annual meeting of shareholders and to authorize the directors of the Corporation to fix their remuneration and the terms of their engagement.

**To be approved, the resolution requires the affirmative vote of a majority of the votes cast on the resolution. Proxies received in favour of management will be voted in favour of the appointment of Crowe MacKay LLP, Chartered Accountants as auditors of the Corporation to hold office until the next annual meeting of shareholders and the authorization of the directors to fix the auditors' remuneration and the terms of their engagement, unless the shareholder has specified in a proxy that his, her or its Common Shares are to be withheld from voting in respect thereof.**

#### **E. RATIFICATION OF STOCK OPTION PLAN**

Shareholders of the Corporation will be asked to consider and, if deemed appropriate, to pass a resolution ratifying and approving the Stock Option Plan.

Additional information regarding the Stock Option Plan, including restrictions on grants of stock options, is set out below under the heading "*Securities Authorized for Issuance under the Equity Compensation Plan*".

The text of the resolution ratifying and approving the Stock Option Plan is as follows, subject to any amendments, variations or additions as may be approved at the Meeting:

#### **RESOLVED THAT:**

- (1) The Stock Option Plan as set forth in Schedule "A" to this Circular, is hereby ratified and approved.
- (2) Any officer or director of the Corporation is hereby authorized and directed, for and on behalf of the Corporation, to do all things and execute and deliver all such agreements, documents and instruments necessary or desirable in connection with the foregoing resolution.

**To be approved, the affirmative vote of a majority of the votes cast on the resolution is required. The Board recommends that shareholders vote FOR the ratification and approval of the Incentive Stock Option Plan. The persons named in the accompanying form of proxy intend to vote FOR the resolution, unless otherwise instructed on a properly executed and validly deposited proxy.**

#### **OTHER BUSINESS**

While management of the Corporation is not aware of any business other than that mentioned in the Notice of Meeting to be brought before the Meeting for action by the shareholders, it is intended that the proxies hereby solicited will be exercised upon any other matter or proposal that may properly come before the Meeting, or any adjournments thereof, in accordance with the discretion of the persons authorized to act thereunder.

## **EXECUTIVE COMPENSATION**

### **COMPENSATION DISCUSSION AND ANALYSIS**

The primary objectives of the Corporation's executive compensation program are to attract, motivate and retain executive officers who have the necessary skills, education, experience and personal qualities required to manage the Corporation's business for the benefit of its shareholders, and to align their success with that of the shareholders.

The Board has determined that until such time as the Corporation has started to generate revenues, no salaries will be paid to any of its executive officers, with the exception of management and administration fees currently being paid to the Corporation's CEO and fees paid to the Corporation's CFO for accounting services he provides to the Corporation. Once revenues are being generated, the Board will consider paying salaries to its other executive officers and adding a second component to its current compensation program of long-term incentive compensation in the form of options. The new element will consist of the payment of cash compensation, where appropriate.

### **STOCK-BASED COMPENSATION**

Under the terms of the Stock Option Plan, the Board or a committee of the Board may grant incentive stock options to the Corporation's directors, officers, employees and consultants to purchase Common Shares. The purpose of options is to provide a direct long-term incentive to improve shareholder value over time. The level of grant is determined by reference to standards of practice within the mineral exploration and the individual's level of responsibility within the Corporation.

The Corporation does not have a program or regular annual grant of options. When determining options to be allocated, a number of factors are considered, including the number of outstanding options held by an individual, the value of such options, and the total number of options available for granting.

Reference is also made to the heading "*Summary of Terms and Conditions of the Incentive Stock Option Plan*" below for further information.

### **SALARIES OR FEES**

Future base executive compensation, in the form of salaries or consulting fees, will provide a fixed level of compensation for discharging the specific duties and responsibilities of the executive. The Board recognizes that the size of the Corporation may prohibit executive compensation from matching those of larger companies in the mining industry. The Board also believes that long-term equity interests, in the form of options (described above), will compensate for lower base fees. This compensation strategy is similar to the strategies of many other companies within the Corporation's peer group.

When determining executive compensation, the Board will review the compensation policies of companies engaged in businesses similar to the Corporation's. Although the Corporation has not obtained any industry reports regarding compensation, at the appropriate time the Board will review publicly available information with respect to compensation paid to the executives of companies that are also engaged in the acquisition, exploration and development of mineral properties.

In setting the base compensation levels for individuals, consideration will be given to objective factors such as the level of responsibility, experience and expertise, as well as subjective factors such as leadership and contribution to corporate performance. Fees will be reviewed annually and adjustments may be made based upon corporate and personal performance, market conditions and the level of responsibility attributed to specific executives.

## COMPENSATION OF EXECUTIVE OFFICERS

### Summary Compensation Table for Named Executive Officers

The following table sets forth all compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, for the fiscal years ended June 30, 2015, 2014 and 2013, to the Corporation's Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"). Other than the incumbent CEO and CFO the Corporation had no Named Executive Officers during its most recently completed financial year.

Name and Principal Position	Fiscal Year Ended January 31	Salary (\$)	Share-based awards (\$)	Option-based awards (\$) <sup>(1)</sup>	Non-equity incentive plan compensation (\$)		Pension Value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans (\$)	Long-term incentive plans			
Jag Sandhu <i>President and CEO</i>	2015	Nil	Nil	Nil	Nil	Nil	Nil	39,618 <sup>(1)</sup>	39,618
	2014	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2013	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Narinder Paul Grewal <i>CFO</i>	2015	Nil	Nil	Nil	Nil	Nil	Nil	2,100 <sup>(2)</sup>	2,100
	2014	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2013	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) \$30,000 in consulting fees and \$9,618 in geological fees were paid to JNS Capital Corp (a corporation owned by Jag Sandhu)
- (2) \$2,100 in accounting fees were paid to Heming, Wyborn & Grewal (a partnership with a partner that is the CFO of the company).

### Incentive Plan Awards for Named Executive Officers

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

The following table sets forth information concerning all option-based and share-based awards for each Named Executive Officer that were granted before, and remain outstanding as of the most recently completed fiscal year ended June 30, 2015.

Name and Principal Position	Option-based Awards <sup>(1)</sup>				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options <sup>(2)</sup> (\$)	Number of Shares or units of Shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Jag Sandhu <i>President and CEO</i>	200,000	0.10	July 30, 2019	Nil		
Narinder Paul Grewal <i>CFO</i>	100,000	0.10	July 30, 2019	Nil		

Notes:

- (1) The option based awards relate to those stock options awarded pursuant to the Stock Option Plan.
- (2) The value of unexercised in the money options was calculated based on the difference between the closing price of Shares underlying the options as at June 30, 2015, the last closing price prior to the Corporation's year end which was \$0.

#### Incentive Plan Awards Value Vested or Earned During the Fiscal Year Ended June 30, 2015

The following table sets forth details of the value vested or earned for all incentive plan awards during the most recently completed fiscal year ended June 30, 2015 by each Named Executive Officer:

Name	Option-based awards-Value vested during the year (\$) <sup>(1)</sup>	Share-based awards-Value vested during the year (\$)	Non-equity incentive plan compensation-Value earned during the year (\$)
Jag Sandhu	NIL		
Narinder Paul Grewal	NIL		

Notes:

- (1) All of these options vested immediately on the date of grant, however, as all were granted with exercise prices equal to market price on the grant dates, no optionee would have realized any value if the options had been exercised on the vesting dates.

### **Pension Plan Benefits**

The Corporation does not have any pension plans that provide for payments of benefits at, following or in connection with retirement or provide for retirement or deferred compensation plans for the Named Executive Officers or directors.

### **Termination and Change of Control Benefits**

The Corporation has no plan or arrangement whereby any Named Executive Officer may be compensated in the event of that Named Executive Officer's resignation, retirement or other termination of employment, or in the event of a change of control of the Corporation or a change in Name Executive Officer's responsibilities following such a change of control.

## **COMPENSATION OF DIRECTORS**

### **Summary Compensation Table for Directors**

The following table sets forth information concerning the annual and long-term compensation in respect of the directors of the Corporation other than the Named Executive Officers, during the fiscal year ended June 30, 2015. For details of the compensation for the Named Executive Officers who are, or were previously, also directors of the Corporation, see disclosure in "*Summary Compensation Table for Named Executive Officers*".

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$) <sup>(1)</sup>	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Douglas MacQuarrie <sup>(2)</sup>	Nil		NIL			2,675 (3)	2,675
Klaus Eckhof	Nil		NIL			NIL	NIL

Notes:

- (1) The option values were estimated using the Black Scholes option pricing model.  
(2) Mr. MacQuarrie is not standing for re election at the Meeting.  
(3) \$2,675 in geological fees were paid to MIA Investments Ltd. (a company owned by the MacQuarrie Family Trust Douglas MacQuarrie trustee, who is a Director of the company).

### **Incentive Plan Awards for Directors**

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

The following table sets forth information concerning all option-based and share-based awards for each director, other than the Named Executive Officers, that were granted before, and remain outstanding as of the most recently completed fiscal year ended June 30, 2015.

Name and Principal Position	Option-based Awards <sup>(1)</sup>				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options <sup>(2)</sup> (\$)	Number of Shares or units of Shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Douglas MacQuarrie <sup>(3)</sup>	200,000	0.10	July 30, 2019	Nil		
Klaus Eckhof	200,000	0.10	July 30, 2019	Nil		

Notes:

- (1) The option based awards relate to those stock options awarded pursuant to the Stock Option Plan.
- (2) The value of unexercised in the money options was calculated based on the difference between the closing price of Shares underlying the options as at June 30, 2015, the last closing price prior to the Corporation's year end which was \$0.
- (3) Mr. MacQuarrie is not standing for re election at the Meeting.

### Incentive Plan Awards – Value Vested or Earned During the Fiscal Year Ended June 30, 2015

The following table sets forth details of the value vested or earned for all incentive plan awards during the most recently completed fiscal year ended June 30, 2015 by each director, other than the Named Executive Officers:

Name	Option-based awards-Value vested during the year (\$)	Share-based awards-Value vested during the year (\$)	Non-equity incentive plan compensation-Value earned during the (\$)
Douglas MacQuarrie <sup>(1)</sup>	NIL		
Klaus Eckhof	NIL		

Notes:

- (1) Mr. MacQuarrie is not standing for re election at the Meeting.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER THE EQUITY COMPENSATION PLAN

### EQUITY COMPENSATION PLAN INFORMATION

The following table sets forth aggregated information as at June 30, 2015 with respect to the Stock Option Plan, which is the only compensation plan under which equity securities of the Corporation are authorized for issuance to employees or non-employees such as directors and consultants. For further information regarding the Stock Option Plan, see the section immediately below entitled "*Summary of Terms and Conditions of the Stock Option Plan*".

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders	800,000	\$0.10	425,000
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
<b>Total</b>	<b>800,000</b>	<b>\$0.10</b>	<b>425,000</b>

## **Summary of Terms and Conditions of the Stock Option Plan**

Pursuant to the Stock Option Plan, the Board may from time to time, in its discretion, and in accordance with the CSE requirements, grant to directors, officers, and technical consultants to the Corporation, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares exercisable for a period of up to five years from the date the common shares are listed on the CSE. The number of common shares reserved for issuance to any individual director or officer will not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to all technical consultants will not exceed two percent (2%) of the issued and outstanding common shares. Options may be exercised 90 days following cessation of the optionee's position with the Corporation, provided that if the cessation of office, directorship, or technical consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option.

## **CORPORATE GOVERNANCE AND OTHER MATTERS**

### **BOARD OF DIRECTORS**

As of the date of this Circular, there are three directors of the Corporation: Jag Sandhu, Douglas MacQuarrie and Klaus Eckhof. Two of the three directors of the Corporation, are independent. Douglas MacQuarrie and Klaus Eckhof are considered to be independent directors since they are independent of management and free from any material relationship with the Corporation. The remaining directors are not considered to be "independent" as a result of their current or previous position as executive officers and officers. Douglas MacQuarrie will not be standing for re-election at the Meeting.

To facilitate the directors of the Corporation functioning independent of management, where appropriate, during regularly scheduled meetings, non-independent directors and members of management are excluded from certain discussions.

### **DIRECTORSHIPS**

The following directors of the Corporation are also directors of other reporting issuers (or the equivalent) as set forth below:

<b>Director</b>	<b>Other Reporting Issuers</b>
Jag Sandhu	--
Klaus Eckhof	Burey Gold Ltd. Carnaval Resources Ltd.

### **ORIENTATION AND CONTINUING EDUCATION**

The Board has not adopted a formal policy on the orientation and continuing education of new and current directors. When a new director is appointed, the Board delegates individual directors the responsibility for providing an orientation and education program for any new director. This may be delivered through informal meetings between the new directors and the Board and senior management, complemented by presentations on the main areas of the Corporation's business. When required the Board may arrange for topical seminars to be provided to members of the Board or committees of the Board. Such seminars may be provided by one or more members of the Board and management or by external professionals.

### **ETHICAL BUSINESS CONDUCT**

The directors encourage and promote a culture of ethical business conduct through communication and supervision as part of their overall stewardship responsibility.

In addition, some of the directors of the Corporation also serve as directors and officers of other companies, the Board must comply with the conflict of interest provisions of the *Business Corporations Act* (British Columbia), as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Each director is required to declare the nature and extent of his interest and is not entitled to vote at meetings which involve such conflict.

## **NOMINATION OF DIRECTORS**

The Board performs the functions of a nominating committee with respect to appointment of directors. The Board believes that this is a practical approach at this stage of the Corporation's development. While there are not specific criteria for board membership, the Corporation attempts to attract and maintain directors with business knowledge, which assists in guiding management of the Corporation.

## **COMPENSATION**

The Corporation does not have a compensation committee. The Board reviews, as needed, compensation to directors and to officers with respect to industry comparables and with regards to the particular circumstances of the Corporation.

## **BOARD COMMITTEES**

### **Audit Committee**

The Audit Committee is responsible for the Corporation's financial reporting process and the quality of its financial reporting. The Audit Committee is charged with the mandate of providing independent review and oversight of the Corporation's financial reporting process, the system of internal control and management of financial risks, and the audit process, including the selection, oversight and compensation of the Corporation's external auditors. The Audit Committee also assists the Board in fulfilling its responsibilities in reviewing the Corporation's process for monitoring compliance with laws and regulations and its own code of business conduct. In performing its duties, the Audit Committee maintains effective working relationships with the Board, management, and the external auditors and monitors the independence of those auditors. The Audit Committee is also responsible for reviewing the Corporation's financial strategies, its financing plans and its use of the equity and debt markets.

### **Audit Committee Charter**

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

### **Composition of the Audit and Finance Committee**

The Audit Committee is comprised of the following members of the Board:

<b>Name</b>	<b>Independent</b>	<b>Financial Literacy</b>
Jag Sandhu	No	Yes
Narinder Paul Grewal	No	Yes
Klaus Eckhoff	Yes	Yes

### **Relevant Education and Experience**

In addition to each member's general business experience, the following describes the education and experience of each Audit Committee member that is relevant to the performance of his responsibilities:

**Jag Sandhu** – Mr. Sandhu is the President of JNS Capital Corp., a corporate development and advisory firm from January 7, 2007 to present. Mr. Sandhu is the former President of Nava Resources Inc., a junior mining exploration

company trading on the OTCBB in the United States from July, 2005 to December 2013. Formerly, Mr. Sandhu was Manager of Investor Relations of Mediterranean Resources Inc., a junior mining exploration company trading on the Exchange and OTCBB in the United States from January, 2007 to June, 2008. Mr. Sandhu has over 14 years' experience with public companies trading on the Exchange and has extensive knowledge of corporate development and investor relations to public companies. Mr. Sandhu received his Economics degree from Simon Fraser University in 1991.

**Narinder Paul Grewal, B.Com., CPA, CA** – Mr. Grewal is currently a Partner with Heming, Wyborn & Grewal Chartered Accountants in Surrey, BC. Mr. Grewal received his Bachelor of Commerce from UNBC in 1998, received his CA designation in 1998 and has completed Parts I & II of the CICA In-Depth Tax Course. Mr. Grewal joined Heming, Wyborn & Grewal in 2005 and was promoted to Partner on January 1, 2009. At Heming, Wyborn & Grewal, Mr. Grewal focuses on Private Enterprises by providing taxation and business advisory services to owner-managed businesses in a variety of industries. As the Chief Financial Officer of the Company, Mr. Grewal is responsible for coordination of the financial operations of the Company in conjunction with the President and with outside accounting, tax and auditing firms.

**Klaus Eckhof** – Mr Eckhof has a degree in geology from the technical University in Munich, Germany and migrated 1988 to Australia, where he is involved in the mineral exploration industry (in Australia, Africa in particular Democratic Republic of Congo (DRC), West Africa and South America). Several companies he founded or was involved with, discovered deposits and went successfully in production or were taken over. One of the most successful companies was Moto Goldmines where he discovered 20 million oz of gold within 4 years in northeastern DRC. As a partner of a consulting business in Perth, Corporate Resource Consultants (CRC) he was involved in capital raisings, public listings as well as managing public companies. From February 2012 to present he has been a director of Burey Gold Ltd. which operates in French Guinee and DRC, from January 2008 to present he has been a director of Carnaval Resources Ltd., from May 2006 to August 2014 he was a director of Panex Resources Corp., from November 2013 to February 2014 he was a Director and President of Alphamin Resources Inc.

### **Reliance on Certain Exemptions**

The Corporation is relying on the exemption provided in section 6.1 of NI 52-110 as the Corporation is a "venture issuer" and is exempt from the requirements of Part 5 (*Reporting Obligations*) of NI 52-110.

### **Audit Committee Oversight**

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

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

The Audit Committee charter provides for the Audit Committee to establish the auditors' fees. Such fees have been based upon the complexity of the matters in question and the time incurred by the auditors. Management of the Corporation believes that the fees negotiated in the past with the auditors of the Corporation were reasonable in the circumstances and would be comparable to fees charged by other auditors providing similar services.

### **External Auditor Service Fees**

The following table sets forth the aggregate fees billed to the Corporation by Crowe MacKay LLP, Chartered Accountants, for services rendered in the fiscal years ended June 30, 2015 and 2014.

<b>Service</b>	<b>Fiscal Year Ended June 30, 2015 (\$)</b>	<b>Fiscal Year Ended June 30, 2014 (\$)</b>
Audit fees <sup>(1)</sup>	3,500	3,000
Audit-related fees	NIL	NIL

Service	Fiscal Year Ended June 30, 2015 (\$)	Fiscal Year Ended June 30, 2014 (\$)
Tax fees <sup>(2)</sup>	NIL	NIL
All other fees <sup>(3)</sup>	NIL	NIL

Notes:

- (1) Audit and review services included quarterly reviews, audits and consultation work.
- (2) Tax services included tax compliance, tax advice and tax planning.
- (3) Other fees included expenses reimbursed for services rendered to the Corporation and its services, other than the services described above.

### **Other Board Committees**

The Board has no committees other than the Audit Committee.

### **ASSESSMENTS**

The Board does not have any formal policies to evaluate the effectiveness of the Board, the Audit Committee, the Corporate Governance Committee and the individual directors. The Board may appoint a special committee of the directors to evaluate the Board, its committees and assess the contribution of its individual directors and to recommend any modifications to the functioning and governance of the Board and its committees. To date, the Board has not appointed any such special committees of directors to perform such analysis.

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

No individual who is or, at any time during the most recently completed financial year, was a director or executive officer of the Corporation, and no person who is a proposed nominee for election as a director of the Corporation, and no associate of any such director, executive officer or proposed nominee is, or at any time since the beginning of the last completed financial year, was indebted to the Corporation or any of its subsidiaries.

### **MANAGEMENT CONTRACTS**

To the best of the knowledge of the directors and officers of the Corporation, management functions of the Corporation are not, to any substantial degree, performed by a person other than the directors and senior officers of the Corporation.

### **INTERESTS OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON AND INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Management is not aware of any material interest, direct or indirect, of any "informed person" of the Corporation, insider of the Corporation, proposed director, or any associate or affiliate of any informed person or proposed director, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries. An "**informed person**" means: (i) a director or executive officer of the Corporation or of a subsidiary of the Corporation; (ii) any person or company who beneficially owns, directly or indirectly, voting securities of the Corporation or who exercises control or direction over voting securities of the Corporation carrying more than 10% of the voting rights attached to all outstanding voting securities of the Corporation; (iii) a director or officer of a company that is itself an informed person of the Corporation or of a subsidiary of the Corporation or (iv) any person who has been a director or officer of the Corporation at any time since the beginning the Corporation's last fiscal year.

### **ADDITIONAL INFORMATION**

Additional information relating to the Corporation may be obtained by accessing the Corporation's profile on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Corporation at Suite 206 - 595 Howe Street, Vancouver, British Columbia V6C 2T5 to request copies of the Corporation's financial statements and management's discussion and analysis, free of charge.

Financial information is provided in the Corporation's financial statements and management's discussion and analysis for its most recently completed financial year.

**APPROVAL**

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

**DATED** at Vancouver, British Columbia this 18<sup>th</sup> day of November, 2015.

By Order of the Board of Directors  
of **NSS RESOURCES INC.**

*"Jag Sandhu"*  
\_\_\_\_\_  
Jag Sandhu  
President

## Schedule "A"

### NSS RESOURCES INC.

#### Stock Incentive Plan

##### Section 1. Establishment and Purpose.

The name of the plan is the NSS Resources Inc. Stock Incentive Plan (the "Plan").

The purpose of the Plan is to provide key employees, officers, directors, consultants and agents of NSS Resources Inc. and its subsidiaries (the "Company") added incentive for high levels of performance and to reward unusual efforts which increase the earnings and long-term growth of the Company. The judgment, initiative and efforts of valued employees and other selected individuals upon whom the financial success and growth of the Company largely depend will be entitled to purchase proprietary interests in the Company.

##### Section 2. Stock Subject to the Plan.

The total number of shares of stock reserved and available for distribution under the Plan shall be a rolling 10% of common stock issued and outstanding of the Company. The number of shares reserved hereunder may consist in whole or in part of authorized and unissued shares or treasury shares.

Upon exercise of the option in accordance with the terms of this Plan and the Option Agreement (described in Section 5 below), the grantee shall receive such shares of stock of the Company set forth in the Notice of Option Grant delivered to the grantee. A grantee to whom shares have been issued upon proper exercise of an option granted hereunder shall be entitled all rights of a shareholder, including, without limitation, dividends, voting and liquidation rights.

##### Section 3. Administration of the Plan.

The Plan shall be administered by a Committee (the "Committee"). The decision of the Committee as to all questions of interpretation and application of the Plan shall be final, binding and conclusive on all persons. The Committee may, in its sole discretion, grant options for shares of the Company's stock to such eligible individuals as it deems appropriate and issue stock upon exercise of such options. The Committee shall have authority, subject to the express provisions of the Plan, to construe the Option Agreements and the Plan, to prescribe, amend and rescind rules and regulations relating to the Plan, to determine the terms and provisions of the Option Agreements, which may, but need not be identical, and to make all other determinations in the judgment of the Committee necessary or desirable for the administration of the Plan. The Committee may correct any defect or supply any omission or reconcile any inconsistency in the Plan or in any Option Agreement in the manner and to the extent it shall deem expedient to carry the Plan into effect and shall be the sole and final judge of such expediency. All decisions, interpretations and other actions of the Committee shall be final and binding. The Committee shall not be liable for any action or determination made in good faith. The functions of the Committee shall be exercised by the Board of Directors of the Company, if and to the extent that no Committee exists which has the authority to so administer the Plan.

##### Section 4. Eligibility.

Options may be granted to officers and employees of the Company, as well as agents and consultants to the Company, whether or not otherwise employees of the Company. In determining the eligibility of an individual to be granted an option under the Plan, as well as in determining the number of shares to be optioned to any individual, the Committee shall take into account the position and responsibilities of the individual being considered, the nature and value to the Company of his or her services and accomplishments, his or her present and potential contribution to the success of the Company, and such other factors as the Committee may deem relevant.

Section 5. Option Agreement.

Each option shall be governed by Notice of Option Grant and an option agreement (the “Option Agreement”) duly executed on behalf of the Company and by the grantee to whom such option is granted. The Option Agreement shall be subject to the terms and conditions of the Plan and may be subject to any other terms and conditions which are not inconsistent with the Plan and which the Committee deems appropriate for inclusion in the Option Agreement. The provisions of the various Option Agreements entered into under the Plan need not be identical.

Section 6. Option Price and Exercise of Option.

The exercise price shall be determined by the Committee in its sole and absolute discretion. Each option shall be exercisable at such time or times and during such period as shall be set forth in the Notice of Option Grant and/or Option Agreement. To the extent that an option is not exercised when it becomes initially exercisable, it shall be carried forward and shall be exercisable, on a cumulative basis, until the expiration of the exercise period.

Section 7. Term of Option; Exercisability.

(a) Term.

(i) Each option shall expire five (5) years from the date of the granting thereof, except as (y) otherwise provided pursuant to the provision of Section 7(b) hereof and (z) earlier termination as herein provided.

(ii) Except as otherwise provided in this Section 7, an option granted to any grantee who ceases to perform services for the Company shall terminate Thirty (30) days after the date such grantee ceases to perform services for the Company.

(iii) If the grantee ceases to perform services for the Company because of dismissal with or without cause or because the grantee is in breach of any agreement with the Company, such option shall terminate on the date the grantee is dismissed, ceases to perform services for the Company or when the agreement with the Company was breached.

(iv) If the grantee ceases to perform services for the Company because the grantee has become disabled (as determined in the sole discretion of Committee), such option shall terminate on the next immediate anniversary date of the option grant date following the date such grantee ceases to perform services for the Company, or on the date on which the option expires by its terms, whichever occurs first. For example, if the option was granted on January 1<sup>st</sup> and the grantee became disabled on July 1<sup>st</sup>, the option would terminate on the following January 1<sup>st</sup>.

(v) In the event of the death of a grantee, any option granted to such grantee shall terminate on the next immediate anniversary date of the option grant date after the date of death, or on the date on which the option expires by its specific terms, whichever occurs first.

(vi) If any terms of this Plan are inconsistent with any provisions in an employment agreement existing as of the date of this Plan’s adoption, the provisions in the employment agreement will control.

(b) Exercisability.

(i) Each Option Agreement shall specify the date when all or any installment of the option is first exercisable. The exercisability provisions contained in any Option Agreement shall be determined by the Committee in its sole discretion.

(ii) Except as otherwise provided below, an option granted to any grantee who ceases to perform services for the Company shall be exercisable only to the extent that such option has vested and is in effect on the date such grantee ceases to perform services for the Company.

(iii) An option granted to a grantee who ceases to perform services for the Company because he or she has become disabled (as defined above) may be exercised by the grantor or his or her legal representative, but only to the extent that such option has become exercisable on or prior to the termination date of the option (as determined in accordance with Section 7(a)(ii)).

(iv) In the event of the death of any grantee, the option granted to such grantee may be exercised by the estate of such grantee or by any person or persons who acquired the right to exercise such option by bequest or inheritance, but only to the extent that such option has become exercisable on or prior to the termination date of the option (as determined in accordance with Section 7(a)(ii)).

#### Section 8. Options and Shares Not Transferable.

The option, the right of any grantee to exercise any option and the shares issuable upon exercise of the option shall not be, directly or indirectly, disposed, assigned or transferred by such grantee other than by will or the laws of descent and distribution, or, in the case of a grant pursuant to a qualified statutory agreement, to a family trust of the subject employee, and any such option shall be exercisable during the lifetime of such grantee only by the grantee (unless disabled or by the person who acquired the right to exercise such option by bequest or inheritance). Any attempted disposition or other transfer of the option and/or shares of stock granted pursuant to the exercise of an option under the Plan, including without limitation, any gift, purported assignment, whether voluntary or by operation of law, pledge, hypothecation or other disposition, attachment, trustee process or similar process, whether legal or equitable, shall be null and void and without effect.

#### Section 9. Recapitalization, Reorganization and Change of Control.

If the outstanding shares of the common stock of the Company are increased or decreased, or are changed into or exchanged for a different number or kind of shares or securities or other forms of property (including cash) or rights, as a result of one or more reorganizations, recapitalizations, spin-offs, stock splits, reverse stock splits, stock dividends or the like, appropriate adjustments shall be made in the number and/or kind of shares or securities or other forms of property (including cash) or rights for which Options may thereafter be granted under the Plan and for which Options then outstanding under the Plan may thereafter be exercised. Any such Share adjustments shall be made without changing the aggregate exercise price applicable to the unexercised portions of outstanding Options. Any fractional shares resulting from such adjustment shall be eliminated by rounding to the nearest whole number. Appropriate amendments to the Option Agreements shall be executed by the Company and the grantees to the extent the Committee determines that such amendments are necessary or desirable to reflect such adjustments. If determined by the Committee to be appropriate, in the event of any share adjustment involving the substitution of securities of a corporation other than the Company, the Committee shall make arrangements for the assumption by such other corporation of any Options then or thereafter outstanding under the Plan, without any change in the total exercise price applicable to the unexercised portion of the Options but with an appropriate adjustment to the number of securities, kind of securities and exercise price for each of the securities subject to the Options. The determination by the Committee as to what adjustment, amendments or arrangements shall be made pursuant to this Section and the extent thereof, shall be final and conclusive.

In the event of the proposed dissolution or liquidation of the Company, or in the event of a Change of Control, or any other transaction in which the outstanding shares then subject to Options under the Plan are changed into or exchanged for property (including cash), rights and/or securities other than, or in addition to, shares of the Company, the holder of each Option then exercisable shall have the right to exercise such Option for the kind and amount of shares of stock and other securities, property, cash or any combination thereof receivable upon such dissolution, liquidation, Change of Control or similar corporate event, by a holder of the number of Shares for which such Option might have been exercised immediately prior to such dissolution, liquidation, sale, consolidation or merger or similar corporate event. Any agreement providing for a Change of Control shall provide, at the discretion of the Committee, that the purchaser(s) of the Company's assets or stock shall deliver to the grantee the same kind of consideration that is delivered to other stockholders of the Company as a result of such sale, conveyance or Change of Control. Alternatively, the Committee may cancel all outstanding options in exchange for consideration in cash or in kind which consideration in both cases shall be equal in value to the value the grantee would have received had the option been exercised (to the extent so exercisable) and no disposition of the shares acquired upon such exercise been made prior to such sale, conveyance or Change of Control, less the exercise price therefor. Upon receipt of such

consideration, the options shall terminate and be of no further force and effect. The value of the stock or other securities the grantee would have received if the option had been exercised shall be determined in good faith by the Committee.

A "Change of Control" shall be deemed to have occurred upon the consummation of (i) an acquisition of any voting securities of the Company by any entity or person, immediately after which such entity or person has beneficial ownership of fifty-one percent (51%) or more of the then outstanding shares or the combined voting power of the Company's then outstanding voting securities; (ii) the individuals who, as of the effective date of this Plan, are members of the Board (the "Incumbent Board"), cease for any reason to constitute at least two-thirds of the members of the Board; provided, however, that if the election, or nomination of any new director was approved by a vote of at least two-thirds of the Incumbent Board, such new director shall, for purposes of this Plan, be considered as a member of the Incumbent Board; (iii) a merger, consolidation or other business combination with or into another company; or (iv) the sale or other disposition of all or substantially all of the assets of the Company.

Section 10. No Special Employment Rights.

Nothing contained in the Plan, the Notice of Option Grant or the Option Agreement or in any option granted thereunder shall confer upon any grantee any right with respect to the continuation of his or her employment by the Company or interfere in any way with the right of the Company, subject to the terms of any separate employment agreement to the contrary, at any time to terminate such employment or to increase or decrease the compensation of the grantee from the rate in existence at the time of the grant of an option.

Section 11. Withholding.

The Company's obligation to deliver shares upon the exercise of an option granted under the Plan shall be subject to the satisfaction by the grantee, as determined in the sole discretion of the Company, of all applicable income and employment tax withholding requirements.

Section 12. Modification of Outstanding Options.

Subject to the limitations contained herein, the Committee may authorize the amendment of any outstanding option with the consent of the grantee when and subject to such conditions as are deemed to be in the best interests of the Company and in accordance with the purposes of the Plan.

Section 13. Termination and Amendment of the Plan.

The Committee may at any time terminate the Plan or make such modification or amendment thereof as it deems appropriate. Termination or any modification or amendment of the Plan shall not, without the consent of a grantee, affect his or her rights under an option granted to him or her prior to the date of such amendment.

Section 14. Notices.

Any communication or notice required or permitted to be given under the Plan shall be in writing and mailed by registered or certified mail or delivered to the Company, to its principal place of business, attention: Committee, and, if to the holder of an option, to the address appearing on the records of the Company.

## **Schedule "B"**

### **Audit Committee Charter**

The following Audit Committee Charter was adopted by the Audit Committee of the Board of Directors and the Board of Directors of NSS Resources Inc. (the "Company")

#### ***Mandate***

The primary function of the audit committee (the "Committee") is to assist the Company's 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; and
- 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 a minimum two directors as determined by the Board of Directors. If the Company ceases to be a "venture issuer" (as that term is defined in National Instrument 51-102), then all of the members of the Committee 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.

If the Company ceases to be a "venture issuer" (as that term is defined in National Instrument 51-102), then all members 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 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.

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 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*

- review and update this Audit Committee Charter annually; and
- 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*

- review annually, the performance of the external auditors who shall be ultimately accountable to the Company's Board of Directors and the Committee as representatives of the shareholders of the Company;
- 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;
- review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors;
- take, or recommend that the Company's full Board of Directors take appropriate action to oversee the independence of the external auditors, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- recommend to the Company's Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval;
- recommend to the Company's Board of Directors the compensation to be paid to the external auditors;
- 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;
- 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;
- review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements; and
- 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:
  - 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,
  - such services were not recognized by the Company at the time of the engagement to be non-audit services, and
  - 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*

- in consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external;
- consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting;

- consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management;
- 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;
- 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;
- review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements;
- review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented;
- review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters;
- review certification process;
- establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
- 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;
- engage independent counsel and other advisors as it determines necessary to carry out its duties; and
- to set and pay compensation for any independent counsel and other advisors employed by the Committee.